

### **DETROIT TOOL METAL PRODUCTS \$2 MILLION FUNDING APPROVED**

Detroit Tool Metal Products (DTMP) has announced that the U.S. Senate Appropriations Committee has approved \$2 million in funding to develop an improved manufacturing process for the use of advanced titanium metal in military vehicles.

The funding is part of a \$214 million appropriation package ushered through the Senate Appropriations Committee by Missouri Senator Kit Bond to be used in important defense projects.

With the funds, DTMP will work with the department of energy to design and develop state-of-the-art processes and equipment to make tactical vehicles lighter, stronger, safer and more reliable by incorporating titanium into their structures. [Details](#) [Details](#)

### **BROWN, AIRBUS BOOST OHIO SUPPLIERS**

The global aviation giant Airbus already spends millions of dollars with Ohio-based suppliers such as RTI International Metals' plant in Niles, and the company hopes to grow its supplier base in the state with a newly launched initiative.

Allan McArtor, Airbus North America chairman, joined U.S. Sen. Sherrod Brown on a conference call this week to announce a partnership between Airbus and Ohio suppliers to grow Ohio's aerospace industry. Airbus and its partners in the state's aerospace and technology communities will co-host a set of procurement conferences — one to be held Dec. 7 in Cleveland and the other in early 2010 in southern Ohio — which Brown said will help more Ohio companies to be considered for contracts. [Details](#)

### **LAI SIGNS A MULTI YEAR, MULTI MILLION DOLLAR AGREEMENT**

LAI International, a supplier of precision components and subassemblies for original equipment manufacturers, has signed a multi-year, multi-million dollar agreement to manufacture structural components for the F-35 Joint Strike Fighter.

LAI will produce structural components on vertical fins on the advanced attack aircraft for Kongsberg Defence Systems. "LAI solved Kongsberg's requirements for dimensional accuracy and processing speed, cutting the 10-inch thick titanium forgings," Thomas Sterner, major accounts manager, said. "Our multiple machines and 24/7 capacity makes LAI an ideal partner as F-35 production increases."



LAI will also manufacture 21 different precision-machined titanium and aluminum structural panels that fit on the airframe of three variants of the F-35 Joint Strike Fighter Jet — a Conventional Take-Off and Landing aircraft for the U.S. Air Force, a Carrier Variant for the U.S. Navy; and a Short Take-Off and Vertical Landing aircraft for the U.S. Marine Corps and the Royal Navy. [Details](#)

### **SPONGE PROSPECTS SLIP AS ATI DELAYS UTAH PLANT**

The outlook for bringing on new titanium sponge capacity continues to slip as Allegheny Technologies Inc. (ATI) indicated this week it pushed back its earlier target for bringing its Rowley, Utah, plant on-stream.

"We now expect to begin production at our premium-grade titanium sponge facility before the end of 2009" L. Patrick Hassey, chairman, president and chief executive officer of the Pittsburgh-based specialty metals producer, said during ATI's third-quarter results [Details](#)

### **STATE AID FOR OBORONPROM AND VSMPO-AVISMA**

The Prime Minister of Russia has announced that the government will provide around USD 170 million in aid for state-controlled defense industry corporation Oboronprom and titanium producer Vsm-po-Avisma. Vladimir Putin said Oboronprom would receive RUB 2 billion and RUB Vsm-po-Avisma 3 billion. Russian Industry Minister Viktor Khristenko said that the government's aid would help both enterprises increase output by 50% by 2012. [Details](#)

## **CELEBRATIONS TAKE PLACE AT OTTAWA TITANIUMS PLANT**

It's a great day in and for Ottawa," proclaimed Congresswoman Debbie Halvorson last weekend as she spoke to state and local business leaders inside the International Titanium Powder plant now under construction on the Ottawa's East Side.

ITP officials celebrated the final phase of construction on its new production facility with highly-produced special ceremonies and animated video tours of the plant for local dignitaries.

Halvorson was one of several speakers who congratulated ITP officials on the plant's progress during the ceremonies, calling the facility an economic boon for both Ottawa and North Central Illinois. "When the plant starts production next year, it will put Ottawa on the map for the whole world to see," she predicted.

ITP Vice-President Robert J. Daniels said the event marked a significant milestone for the company, which was formed in 1997 to develop and commercialize a revolutionary modern process to produce high purity metal and alloy powders with specific emphasis on titanium.

The local plant will utilize the newly-patented Armstrong Process technology to lower the production costs of powders suitable for non-melt direct consolidation of titanium. The process will not only result in low-cost manufacturing of titanium products, but it has also been engineered to reduce the environmental impact of titanium production. [Details](#)

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## **MASSIVE OVEREXPLOITATION OF TITANIUM RESERVES IN BINH DINH**

Too many titanium mining projects have been licensed in the central province of Binh Dinh, leading to overexploitation of the resource, a provincial official said.

Nguyen Kim Phuong, director of Binh Dinh Province Department of Industry and Trade, said about 30 titanium mining projects have been approved by both provincial and central governments so far. The combined output has reached 620,000 tons per year, which is much higher than last year's figure of 230,000 tons and the target of 230,000 tons for this year, Phuong said. He called for tightened control over the licensing of titanium projects in the central province. According to a previous plan for the development of titanium projects in Binh Dinh, the annual titanium output was expected to reach only 100,000 tons by 2025, not including 45,000 tons of slag. Titanium is used to produce strong lightweight alloys for the aerospace industry, sophisticated electronic devices and nuclear plants. Binh Dinh has estimated titanium reserves of more than 10 million tons in protected forest areas along the coastal districts of Phu My and Phu Cat, and Quy Nhon Town. [Details](#)

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## **CHINESE PARTNERSHIP SOURS FOR CANADIAN MINER**

While more and more Canadian resource companies are forging successful Chinese partnerships, one junior miner now says it is the biggest mistake it ever made.

The chief executive of tiny Tiomin Resources Inc. has taken a nasty shot at state-controlled giant Jinchuan Group Ltd., claiming Jinchuan tried to manipulate Tiomin over the past few years.

"I believe they've acted in massive bad faith and simply strung us along," Robert Jackson said in an interview.

The allegation comes just after Jinchuan abruptly cancelled an agreement to take control of Tiomin's Kwale titanium project in Kenya.

Toronto-based Tiomin first got involved with Jinchuan in 2005, when the Chinese company visited Kwale and eventually signed an off-take agreement to buy output from the project.

In 2006, Jinchuan took a direct interest in Tiomin by making a \$7.4-million equity financing and offering up a debt facility to fund part of the construction of Kwale.

When the project faced delays due to local opposition and political challenges a year later, Jinchuan agreed to put in another \$10.9-million. Mr. Jackson said the two sides also made a handshake agreement where Jinchuan agreed to eventually buy the project.

That is not what happened. Over the next couple of years, Mr. Jackson said that Jinchuan dithered and refused to commit to the oft-delayed project, while Tiomin threatened to just shut it down. They finally struck a deal in 2008 in which Jinchuan agreed to buy 70% of Kwale in exchange for a US\$25-million investment in the project. But more delays followed, and Jinchuan said it would not complete the transaction until the Kenyan government offered up a "comfort letter" that would state its support for the project.

This week, that comfort letter finally arrived. And just two days before the transaction was supposed to close, Jinchuan pulled the plug on the whole thing. [Details](#)

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