



China to close three rare earth mines in Ganzhou

06 September 2011

Quotas to be installed in other mines, as government panics about over extraction

Three rare earth mines in Ganzhou, China, are to halt output, an article in the *China Daily* claimed on Monday.

The city has issued a notice telling three of its eight major rare-earth-producing counties to halt production by the end of the year, the daily reported, quoting the city's mining management bureau director Li Guoqing.

One of the three mines has already halted production, the paper states. It is unknown when production will resume on the three mines following the shutdown.

All mines in the area have been issued with a notice stating that a production quota will have to be set, to avoid over extraction in the area.

The Ganzhou area of Jiangxi province, south-west China, a significant proportion of China's medium and heavy rare earths from ionic clays. China produces over 95% of the world's rare earths.

The stranglehold the country has on the mineral – and the industry – has been met with criticism and led to companies looking to develop projects outside of China.

Great Western Mineral Group (GWMG) recently [signed an agreement](#) with China's Ganzhou Qiangong Rare Earth Group to jointly construct a rare earth separation plant in South Africa.