



OLDMUTUAL

INDUSTRY INTELLIGENCE THE MINING REPORT Q3 2022

PREPARED BY OLD MUTUAL CORPORATE
FOR THE MINEWORKERS PROVIDENT FUND



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BUILDING A JUST TRANSITION

There is deep concern across the mining industry around South Africa's just transition to renewable energy. Yet despite the complexities, we see reason for optimism.

The biggest talking point right now is about the just transition. Everyone is discussing decarbonisation, and Old Mutual has stated its intention to limit its investment in coal. The challenge is not limited to mining: the energy sector contributes approximately 47% to South Africa's CO₂ emissions, due to its high use of coal as a power source. It's a complex issue and at its heart is how to move people into jobs in the renewable sector after the coal-fired power stations are switched off.

Many stakeholders are worried as, historically, South Africa has had some excellent plans and policies, but they have failed in implementation. The timing is bad, too. We're having these conversations in the middle of what feels like never-ending loadshedding. South Africa can't generate enough electricity from our coal-fired power stations, so how do we close them down and move to renewables? A just transition is not only about jobs, it's also about ensuring that we keep the lights on.

The recent amendments to Regulation 28 of the Pension Funds Act may provide an answer – the changes enable more investment by South African pension funds in private markets and infrastructure.

Regulation 28's new rules also allow for a 45% offshore allocation. While many market-linked balanced funds have stated that their optimal point would be around 35%, taking into account the currency volatility risk, the smoothing instruments of Old Mutual's Absolute Growth Portfolios (AGP) mean that we can afford to invest higher than that.

Old Mutual is also a significant investor in local infrastructure. By the end of 2020, our African Infrastructure Investment Managers (AIIM) had invested

USD50.7 million into socioeconomic and enterprise development projects, enabling 1.1 GW of operational renewable energy capacity, which has led to over a million houses being powered by renewable energy.

So when it comes to a just transition, Old Mutual's clients need not worry. We have extensive experience in infrastructure investment, including renewables. We know that the money is there and that the need for infrastructure development is there. Where things often fall apart is in the middle – in connecting the money to the infrastructure need.

Old Mutual has the expertise to connect the two. This is not a new space for us. We are one of the largest private sector investors in infrastructure on the continent, and we've been doing it for more than 20 years. We know how to set up funds, how to monitor them and how to create investable projects, which deliver good returns over time. Most importantly, we know how to do it responsibly.

And speaking of our ESG goals ... Old Mutual has implemented our pioneering Bula Tsela (Sesotho for 'Open the Way') B-BBEE empowerment deal, which will result in an estimated 4% increase in Old Mutual's Black shareholding. This brings the total Black shareholding to over 30%. It's a major milestone, making Old Mutual the first South African insurer to offer shares directly to the Black South African public, and to include lower income earners (via our retail scheme).

In addition, this will take the Black shareholding in Old Mutual Investment Group and Futuregrowth to more than 50%. These two asset-management boutiques oversee a significant portion of the AGP portfolio.

We are proud of the contribution Bula Tsela is making to the economic transformation of South Africa.

Prabashini & Malusi



PRABASHINI MOODLEY

Managing Director: Old Mutual Corporate



MALUSI NDLOVU

Director of Large Enterprises: Old Mutual Corporate

INDUSTRY OVERVIEW





GLOBAL INDUSTRY NEWS

Gold Prices Set to Rebound in the Next Year Following Federal Reserve Pivot

According to FS Investments, the gold price is set to rebound in a year, when the US Federal Reserve pivots to an easier monetary policy. However, gold prices may see a slight drop initially due to the US Central Bank continuing to shrink its balance sheet.

Global Coal Producers Set to Reap Major Profits as Demand Grows and Prices Surge

Following Russia's invasion of Ukraine, demand for coal is increasing resulting in price rises, just as its supplies have become significantly limited because of a lack of investment. As demand expands, large global coal-mining companies are set to achieve significant boosts to their profits.

Head of Anglo American Warns of Expected Global Copper Shortage

Anglo American plc's CEO Duncan Wanblad has predicted that there will be a severe copper shortage globally – a metal which is crucial to the green-energy transition. This is because it is becoming increasingly challenging to build new mines to expand copper production.

Extreme Weather Conditions Hinder Global Production of Iron Ore, Copper and Other Minerals

Extreme weather conditions such as heavy rainfall and droughts caused by the global climate crisis are hindering the supply of iron ore, copper and other widely used minerals. As a result of limited supplies, several global mining companies are being significantly impacted.

ICMM Records Marginal Decreases in Global Mining Fatalities for 2021

The International Council on Mining and Metals (ICMM) has reported that 43 fatalities were

recorded by its global member companies in 2021. This is a slight decrease compared to the 44 fatalities recorded in 2020.

Countries Call for a Moratorium on Ocean Mining due to Environmental Concerns

The global electric-vehicle boom is driving demand for a variety of metals including cobalt and nickel, which are frequently sourced from seabed mining. However, various countries are now calling to temporarily prohibit ocean mining because of its unknown environmental consequences.





Africa CEO Roger Baxter said that the country is not accessing the full benefits of minerals exports. This is attributed to the deterioration of Transnet's rail performance.

Progress Being Made Towards Mandela Mining Precinct Objectives

The Mandela Mining Precinct (MMP), a public-private partnership between the Department of Science and Innovation (DSI) and the Minerals Council of South Africa, was in the news regarding its progress towards achieving key objectives and those of its research and development (R&D) collaborators.

SA INDUSTRY NEWS

Experts Outline Lack of Listed Junior Mining Companies in SA

Experts in the fields of law, mining and financial services have outlined reasons why there are so few listed junior mining and exploration companies in South Africa. They included detailing the challenges companies face to access capital and raise money, with few true initial public offerings being made.

SA Mining Production and Mineral Sales

Fall Year-on-Year

According to data from Statistics South Africa (Stats SA), mining production in South Africa had decreased by 8% year-on-year in June 2022, with the largest negative contributors being gold, platinum group metals (PGMs) and coal. In addition, mineral sales at current prices decreased by 6.1% year-on-year in June 2022.

Lost Exports Cost SA Miners Billions Due to Rail Constraints

At the South African Heavy Haul Association (SAHHA) 2022 conference in August 2022, Minerals Council South

SA Achieves Zero Fall-of-Ground Fatalities in Gold and Platinum Mines

Since the start of 2022, South Africa has achieved a record six months with zero mining fatalities caused by fall-of-ground (FoG) in gold and platinum mines. This record is attributed to leadership initiatives and the implementation of strategies, best practices and the Mineral Council-led FoG Action Plan.

Mining Giants Warn of Slowing Growth as Global Demand Declines

With the war in Ukraine, Europe's energy crisis and global monetary tightening, BHP Group and Rio Tinto Group have warned of expected turbulence for commodity producers, as demand for commodities such as copper and iron decrease and costs rise.

SA COMPANY NEWS

SIU Conducts a Search and Seizure at Alexander Bay Diamonds

On 10 August 2022, the Johannesburg Magistrate's Court granted a warrant for the SIU and Hawks to conduct a search and seizure at Alexander Bay Diamonds and related companies. The raid took place on 11 August 2022, with the aim of gathering information and evidence to assist with an ongoing investigation into the affairs of Alexkor, the state-owned diamond-mining company.

Mine Plan Being Finalised following Discovery at Botswana Diamonds' SA Project

Following the initial evaluation and prospective diamond mine being announced in April 2022, Botswana Diamonds reported that it had discovered two new blows at its Thorny River diamond project and that the mine plan is being finalised.

Akobo Minerals Appoints SA Company IW Mining to Operate Ethiopian Mine

Scandinavia-based gold exploration and boutique mining company Akobo Minerals has reached an agreement with South African company IW Mining to operate the underground mine at Segele, Ethiopia.





Chrometco Suspended from JSE Listing and Enters Business Rescue

In June and July 2022, the South African chrome and platinum-group-metal (PGM) producer Chrometco faced two challenges regarding its business operations. They were the suspension of its listing after the company failed to comply with JSE-listing requirements, as well as entering business rescue in June 2022.

Sibanye-Stillwater Announces Plans to Raise Interest in Finnish Battery Metals Investment

Sibanye-Stillwater has followed up on its strategy to make a big move into electric battery metals announcing plans to raise its interest in Finland-based Keliber Oy's lithium-hydroxide project.

Sibanye-Stillwater Signs Wage Agreement to Restart Operations at its Gold Mines

After signing a three-year wage agreement with trade unions, Sibanye-Stillwater is set to restart operations at its gold mines in South Africa. The wage deal was effective from 1 July 2022 and the restart will be phased in over three months to ensure the safe resumption of its gold-mining operations.

SA COMPANY FINANCIAL RESULTS

Exxaro Resources Limited

According to Exxaro Resources Limited's Reviewed Interim Financial Results for the six months ended 30 June 2022, the company reported strong financial results with group revenue increasing by 48% from R15.1 billion in the first half of 2021 to R22.3 billion in the first half of 2022.

Eastern Platinum Limited

According to Eastern Platinum Limited's Results for Q2 2022, the company is on the right path to continue its revenue growth and profitability improvements from its Retreatment Project and capacity increases from its PGM circuits. Revenue increased by 2.5% for the period from \$20 million in Q2 2021 to \$20.5 million in 2022.

AngloGold Ashanti Limited

According to AngloGold Ashanti Limited's 2022 Interim Results Short Form Announcement for the six months ended 30 June 2022, the company reported a solid performance for the first half of 2022. Production was 3% higher year-on-year, the company reported an increase in total cash costs limited to 6% and it experienced a strong improvement in cash flow.

Royal Bafokeng Platinum Limited

According to Royal Bafokeng Platinum Limited's Interim Results for the six months ended 30 June 2022, the first half of 2022 was characterised by uncertainty and geopolitical tensions amid the

Russia-Ukraine war. As a result, revenue for the period decreased by 14.7% from about R9.6 billion in 2021 to R8.2 billion in 2022.

Kumba Iron Ore Limited

According to Kumba Iron Ore Limited's Interim Results for the period ended 30 June 2022, the company delivered a solid financial performance in the first half of 2022, achieving an earnings before interest, tax, depreciation and amortisation (EBITDA) of R23.1 billion despite operational and market headwinds.

Anglo American Platinum Limited

According to Anglo American Platinum Limited's 2022 Interim Results Short Form Announcement, the company reported a strong financial performance in the first half of 2022, with revenue of R86 billion, earnings before interest, tax, depreciation and amortisation (EBITDA) of R43 billion and an EBITDA mining margin of 59% achieved during the period.





MERGERS, ACQUISITIONS & PARTNERSHIPS

Amplats Announces the Completion of the Sale of Bokoni Platinum

In August 2022, Anglo American Platinum (Amplats) announced that with its joint venture partner, Atlatsa Resources Corporation, it has completed all the conditions related to the sale of its joint 100% interest in Bokoni Platinum Mines.

RPM Extends Purchase Agreement with RBR

In August 2022, Rustenburg Platinum Mines (RPM), a wholly-owned subsidiary of Anglo American

Platinum (Amplats), agreed to extend its Disposal of Concentrate Agreement (Doca) with Royal Bafokeng Resources (RBR) – a wholly-owned subsidiary of Royal Bafokeng Platinum (RBPlat) – to 10 February 2023 issue.

Raubex/Bauba Joint Finalisation Announcement Released

On 5 August 2022, Raubex Group Limited announced the joint finalisation of its buyout offer for the remaining Bauba Resources Limited shares. This means that Raubex beneficially owns or controls 61.68% of Bauba's issued share capital, making it a majority shareholder.

MC Mining Enters Agreement with Overlooked to Open an Export Channel

Towards the end of July 2022, coal explorer, developer and miner MC Mining announced that it had entered into a coal sales and marketing agreement with coal miner Overlooked. This will serve as an avenue to open an export channel for its API4 grade of coal.

Implats to Acquire Additional RBPlats Shares

Impala Platinum Holdings (Implats) announced that, since previous announcements, the company has acquired further Royal Bafokeng

Platinum (RBPlat) shares. Implats concluded an agreement to acquire a further 300 000 RBPlat shares, which constitutes 0.10% of RBPlat's shares currently in issue.

Implats Advises on Delay in RBP Merger Approval

In July 2022, JSE-listed platinum-group-metal miner Impala Platinum Holdings (Implats) advised its shareholders of the delay regarding its acquisition of Royal Bafokeng Platinum (RBPlat). The company stated that approval from the Competition Tribunal is currently outstanding.



INNOVATION & TECHNOLOGY TRENDS

Vale Tests 100% Electric 72-Tonne Truck at Brazilian and Indonesian Mining Operations

Global mining company Vale has become the first major mining company to test 100% electric 72-tonne trucks, manufactured by the XCMG Mining Machinery Co. Ltd, at the miner's Brazilian and Indonesian operations. This represents another step in the electrification of the company's assets.

Zijin Mining Group's Local Subsidiaries Invest in 5G Smart SA Platinum Mine

The South African subsidiaries of the global mining company, Zijin Mining Group, namely South Africa Zijin Platinum and Nkwe Platinum, have partnered with MTN and Huawei for the construction of a fifth-generation wireless technology-enabled (5G) platinum mine in South Africa.

New Adsorbent for Removal of Chromium and Arsenic from Mine-Polluted Water Discovered

Researchers at the Oak Ridge National Laboratory have discovered an adsorbent material capable of removing chromium and arsenic from water polluted by mining operations. This could form part of targeted approaches needed to separate these metals from harmless mineral salts that are critical to ecosystems.

John Deere Introduces Redesigned ADT to SA Mining Market

John Deere's South African branch recently launched its redesigned 460 series articulated dump truck (ADT) to the local market. Aimed at the mining industry, the truck has a range of performance and reliability-focused improvements and modifications.

Komatsu and Codelco Trial New Tunnel Excavation Method at Chilean Mine

Codelco with Komatsu Cummins Chile have announced that they are to test a new Mining Tunnel Boring Machine (TBM). The new excavation method was developed by Komatsu and is designed to cater for significantly increased demand for deeper mining operations.

Vodacom Drives the 'Next Normal' in Mining via its Mobile Private Network Offering

Vodacom has indicated that it is driving the 'next normal' in mining. By introducing reliable connectivity through its Mobile Private Network (MPN), it will ensure digitalisation and automation technology can benefit mining operations. This technology is already being trialled in several South African mining operations.



PLATINUM-GROUP-METAL (PGM) TRENDS

Sibanye-Stillwater and Heraeus Precious Metals to Develop PGM Electrolyser Catalysts

Sibanye-Stillwater and Heraeus Precious Metals are to develop novel electrolyser catalysts that contain platinum group metals (PGMs). The resulting electrocatalysts will be high activity with enough stability for proton exchange membranes, which are used in green hydrogen production.

Sibanye-Stillwater Revises US PGM Operations due to Economic and Market Conditions

The United States business arm of Sibanye-Stillwater announced a strategic revision of operations due to palladium market conditions and macro-environment challenges. The company also experienced a flood at its Montana-based operation.

Jubilee Metals Records Higher PGM Output Following Inyoni Expansion

Jubilee Metals has announced a significant increase in its production of platinum group metals (PGM) in the first half of the company's 2023 financial year. This follows the expansion of the South African Inyoni facility located in the Bushveld Complex.

Platinum and Palladium Price Forecasts Lowered Due to Global Economic Slowdown

According to a Reuters poll of 27 global industry analysts and traders, the pricing for both palladium and platinum will be significantly lower than expected due to a global economic slowdown, resulting in reduced demand for these metals.

Eastplats Set to Reopen Crocodile River Mine in Q3 or Q4 2022

The JSE- and TSX-listed midtier platinum-group-metal (PGM) mining company, Eastplats, plans to restart operations at its North West Province Crocodile River Mine (CRM) in Q3 or Q4 2022. This follows the completion of a new long-term plan and mine redesign study conducted by the company.

Southern Palladium Finalises Physical Survey of Bengwenyama Platinum Group Project

The JSE- and ASX-listed mining company, Southern Palladium, indicated that it had completed the physical survey of the Bengwenyama project. This forms part of the company's plans to embark on extensive exploration operations in the future.



SUSTAINABILITY TRENDS

Thungela to Plant A Million Trees and Invest in Solar Power to Reduce Carbon Footprint

Thungela has said that it will plant a million trees to purify water and implement solar power to help its efforts to reach net zero. The company also plans to restore the Kromdraaispruit and Wilge River and the former Kleinkopje mine, as part of its sustainability efforts.

Seriti Resources Purchases R892-million Stake in Windlab Africa to Reduce Carbon Emissions

The Black-owned coal-mining company, Seriti Resources, acquired a majority R892-million stake in the wind and solar assets of Windlab Africa. This forms part of Seriti's efforts to become a diversified energy business, as well as reduce its own mining-related carbon emissions through the newly established Seriti Green subsidiary.

Noticeable Improvements in the Treatment and Reusage of Water by SA and African Mines

According to WSP Earth and Environment in Africa, there has been a noticeable increase in the treatment and reusage of water by both South African and African mines. This is attributed to growing global green initiatives, as well as pressure from local governments.

Anglo American's Renewable Energy Ecosystem Crucial for Green Hydrogen Production

Anglo American has announced the creation of a renewable energy ecosystem to produce green hydrogen, as well as reduce its Scope 2 emissions. This includes the planned construction of on-site solar plants, as well as off-site regional wind farms.

Tronox Holdings Enters Agreement with SOLA Group for Mine and Smelter Solar Power

NYSE-listed company Tronox Holdings has agreed to a long-term power purchase agreement with local independent power producer SOLA Group. As part of this agreement, SOLA Group will provide Tronox's mineral sands mines and smelters in South Africa with 200 MW of solar power.

Anglo American Enters Deal to Accelerate Rollout of Zero Emissions Haulage Solution

Anglo American has announced that it is in negotiations with the specialist engineering company, First Mode Holding, to form a combined business to accelerate the rollout, development and commercialisation of the miner's nuGen hydrogen-powered Zero Emissions Haulage Solution (ZEHS).



SOCIOPOLITICAL FACTORS

Minerals Council Suggests Mining SLPs Frustrated by Political Factors

On the 10th anniversary of the Marikana Massacre, Minerals Council South Africa stated that the good intent of mines' social and labour plans (SLPs) is often frustrated or overtaken by prevailing socioeconomic conditions and party politics. The council said that these issues need to be addressed to ensure a massacre never happens again.

Portfolio Committee Urges DMRE to Implement Policies for Sealing Unused Mines

The Portfolio Committee on Mineral Resources and Energy has called on the

Department of Minerals Resources and Energy (DMRE) to implement a policy to close and seal off unused mines. This follows an incident where a group of women were gang-raped by alleged illegal miners at a disused mine in Krugersdorp.

Anglo American Launches a Start-Up Incubator in Rural Communities

Anglo American has recently launched an incubator programme through its enterprise development arm, Zimele. The programme is aimed at transforming 500 start-up businesses in rural communities into successful companies and will focus predominantly on youth- and women-owned enterprises.

Exxaro Resources Launches a Partnership with YES to Support Youth Employment

Exxaro Resources has recently established a partnership with Youth Employment Service (YES) South Africa. Through the partnership, the company will implement programmes across its coal-mine operations in Limpopo and Mpumalanga to help create employment pathways for young South Africans.

Sibanye-Stillwater Continues to Make Reparations for the 2012 Marikana Massacre

Since acquiring the operations of platinum-producing company Lonmin, Sibanye-Stillwater continues to contribute to reparations for community members affected by the Marikana Massacre. It has established the Marikana Renewal Programme through which the majority of reparations are made.

Abandoned Mines Pose a Toxic Risk to Neighbouring Communities

Human Rights Watch has indicated that the South African government has failed to clean up and secure hundreds of abandoned coal mines, which now pose a safety risk to nearby communities. The abandoned mines can pollute rivers and land by leaching acidic water.



LEGISLATION

Calls to Regulate and Formalise Illegal Artisanal Mining

In August 2022, there were calls to properly regulate and formalise illegal artisanal gold mining in South Africa due to a recent spike in incidents, which have highlighted the scale of illegal activity, conflict and criminality. The incidents include 300 illegal miners – zama zamas – shooting at police and security officers, as well as reports of turf wars between rival gangs.

Ministers Detail Several Interventions to Curb Illegal Mining

In August 2022, Mineral Resources and Energy Minister Gwede Mantashe and Police Minister Bheki Cele briefed the National Council of Provinces (NCOP), detailing several interventions made by the government to curb illegal mining activities.

Outstanding Marikana Litigation Matters to be Completed by August 2022

According to the Department of Justice and Constitutional Development Solicitor General, Fhedzisani Pandelani, the remaining 24 out of 48 Marikana litigation matters currently underway were anticipated to be completed by the end of August 2022. This update comes a decade after the strike at Lonmin Platinum in Marikana, where 34 mineworkers were killed by police fire and a further 10 died in the prelude to the shooting.




Proposed Limpopo Coal Mine Faces Court Challenge from Earthlife Africa

The environmental group, Earthlife Africa, is challenging a proposed mine development in Lephalale, Limpopo. This court challenge comes after the failure of stakeholders to follow proper environmental authorisation procedures, lack of climate consideration, and dismissal of the affected communities' concerns.

Draft Mine Health and Safety Amendment Bill Open for Comment

The draft Mine Health and Safety Amendment Bill 2022 (gazetted on 14 June 2022) was made open for public comment in July 2022. Written comments and representations on the proposed changes were to be submitted to the Department of Mineral Resources and Energy by 29 July 2022.

Royal Bafokeng Platinum Wins Court Case against Africa Wide Mineral

In June 2022, it was announced that Royal Bafokeng Platinum (RBPlat) won a court case against Africa Wide Mineral Prospecting and Exploration Proprietary Limited, a subsidiary of Wesizwe Platinum. The case was centered around the acquisition of Maseve Mine in 2018, for which the company maintains it had not given its consent. 

GLOBAL INDUSTRY **NEWS**



16 August 2022

Gold Prices Set to Rebound in the Next Year Following Federal Reserve Pivot

According to FS Investments, the gold price is set to rebound in a year when the US Federal Reserve pivots to easier monetary policy. However, gold prices may see a slight drop initially due to the US Central Bank continuing to shrink its balance sheet.

Spot gold prices recently dropped by approximately 14%, trading at \$1 775.59 an ounce from a near all-time high of \$2070.44 an ounce in March 2022. This high, driven by the initial shock of the outbreak of war in Ukraine, has been undone by the dollar's record ascent and the Federal Reserve's decision to raise rates in order to curb inflation.

Simultaneously, the US Central Bank has been reducing its balance sheet, which grew following efforts to

combat the economic fallout from the COVID-19 pandemic. And in June and July, the Federal Reserve delivered considerable hikes totalling 150 basis points, as well as sparking concerns of a recession.

Although there has been an initial drop in spot gold prices, it is not far below its recent peak, which bodes well for the next cycle of easing. According to FS Investments Chief Market Strategist Troy Gayeski, bullion's resilience over the past year indicates that if there is another drop it will predominantly be driven by this balance sheet reduction.

Gayeski also said that once the Federal Reserve begins to ease in the next 12 to 18 months, the FS Chiron Capital Allocation Fund's exposure to bullion may rise.

READ MORE



15 August 2022

Global Coal Producers Set to Reap Major Profits as Demand Grows and Prices Surge

Following Russia's invasion of Ukraine, the global energy market is seeing increasing demand for coal, just as supplies have become significantly limited due to a lack of investment, resulting in price increases. As demand expands

and prices surge to all-time highs, large global coal-mining companies, such as Glencore plc and Coal India Limited, continue to achieve significant boosts to profits and operations.

In recent years, there have been significant attempts to shift to cleaner fuels to slow global warming and an associated lack of investment in coal mining.

In addition, because of the invasion of Ukraine Europe has begun to wean itself off Russian coal by importing more seaborne coal, leaving less for other nations.

The limited supply of coal and its greater demand is resulting in larger profits for global coal-mining giants. For example, Glencore plc reported that core earnings from its coal unit surged by almost 900% to \$8.9 billion in the first half of its financial year. These earnings allowed the company to increase returns to shareholders by approximately \$4.5 billion in 2022.

The world's top coal producer, Coal India Limited, reported that its profit nearly tripled, reaching record highs. Chinese companies, which produce more than half the world's coal, also saw their earnings more than double to a combined \$80 billion in the first half of 2022.



READ MORE 



5 August 2022

Head of Anglo American Warns of Expected Global Copper Shortage

Anglo American plc's CEO Duncan Wanblad has predicted that the world is set to experience a severe shortage of copper, a metal which is crucial to the green-energy transition. This is because it is becoming increasingly challenging to build new mines to expand copper production.

Some of the biggest mining companies are currently looking to expand their copper production. For example, the Rio Tinto Group is wanting to develop a large copper mine in the United States, while also attempting to buy out Turquoise Hill Resources to increase its exposure to a large mine in Mongolia. BHP Group has also investigated new copper projects in the Democratic Republic of Congo.

Despite these efforts, it is becoming increasingly difficult to expand copper production globally. According to Wanblad, the major challenge facing the industry is opposition to starting new mines.

An example is the company's new Quellaveco project in Peru, which has taken about three decades to get started.

Wanblad also highlighted that despite the large copper resources that exist around the world, the length of time it takes to build new mines is highly under-appreciated by the market.

In terms of Anglo American's future strategy, Wanblad said that the company is closely monitoring the Copperbelt that runs through Central Africa as a prospective area for new copper mines. This area had been previously avoided due to high political risk.

READ MORE



1 August 2022

Extreme Weather Conditions Hinder Global Production of Iron Ore, Copper and Other Minerals

Extreme weather conditions such as heavy rainfall and droughts caused by climate change are hindering the production of iron ore, copper and other widely used minerals. The profit margins of several major mining companies are being significantly impacted by the lower production.

In early 2022, the mining industry faced a variety of unusual weather-related incidents which affected operations. It is uncommon for operations to be impacted in an industry that has experience operating in extreme conditions globally.

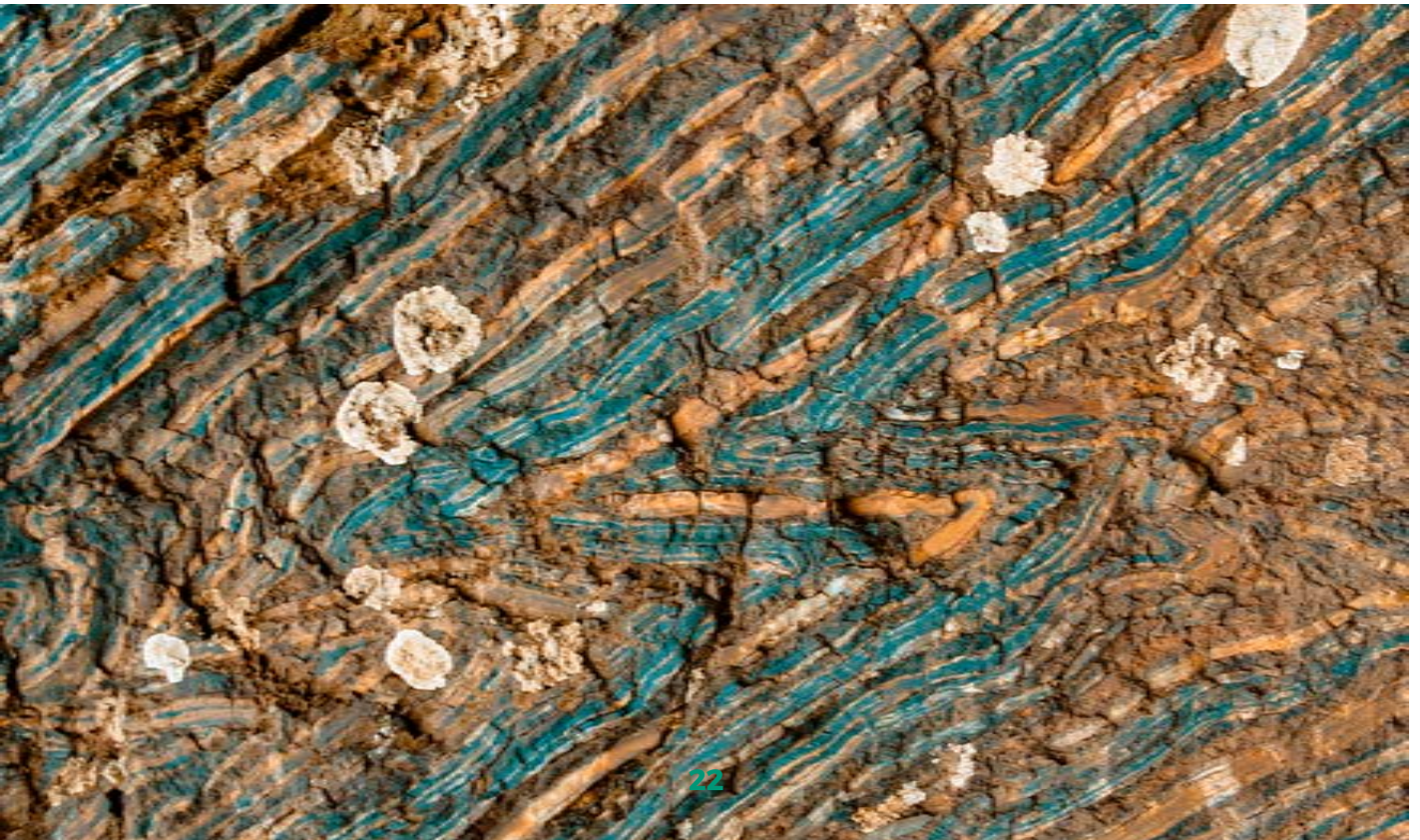
Lundin Mining's Chapada mine in Brazil cut its 2022 copper production forecast following heavy rains, which dented production at the

mine. In addition, Anglo American enforced dividend cuts following heavy rains, which affected iron ore and coal production at its mines in Brazil, Australia and South Africa.

Some global mining companies are also experiencing output disruptions due to drought. And Chilean copper-mining company Antofagasta plc expects its copper production to decline this year, as the country faces an ongoing water crisis due to historic drought affecting its mining operations.

The extreme weather conditions are also creating a variety of safety concerns. For example, Trevali Mining's zinc mine experienced unexpected heavy rains in April 2022, which killed eight miners trapped underground.

READ MORE



29 July 2022**ICMM Records Marginal Decreases in Global Mining Fatalities for 2021**

The International Council on Mining and Metals (ICMM), an organisation dedicated to ensuring safe, fair and sustainable mining and metals, has reported that 43 fatalities were recorded by its global member companies in 2021. This is a slight decrease compared to the 44 fatalities that were recorded in 2020.

The ICMM reported that South African member companies accounted for 51% of the 43 fatalities recorded in 2021 with 27 fatalities. This was followed by the United States which had four fatalities and the Democratic Republic of Congo with three in 2021.

In terms of fatality frequency rates, Côte d'Ivoire achieved the highest ranking with 0.163 per 6.13-million hours worked followed by Bolivia with 0.123 incidents per 8.13-million hours worked and South Africa ranked fifth with a rate of approximately 0.060.

Of the fatalities recorded in 2021, 12 were related to mobile equipment and transportation, while eight were caused by fall-of-ground (FoG) incidents. The ICMM also reported that vehicle-related hazards are still prevalent across the industry, as they are not dependent on geography or the commodity being produced.

In terms of injuries, the ICMM reported that there was a 5% increase in the total number recorded in 2021 (7355), an increase from 6997 in 2020. Despite the increase, there was a reduction in the overall injury rate from 2.94 in 2020 to 2.90 in 2021, as a result of less working hours.

[READ MORE](#)


18 July 2022**Countries Call for a Moratorium on Ocean Mining due to Environmental Concerns**

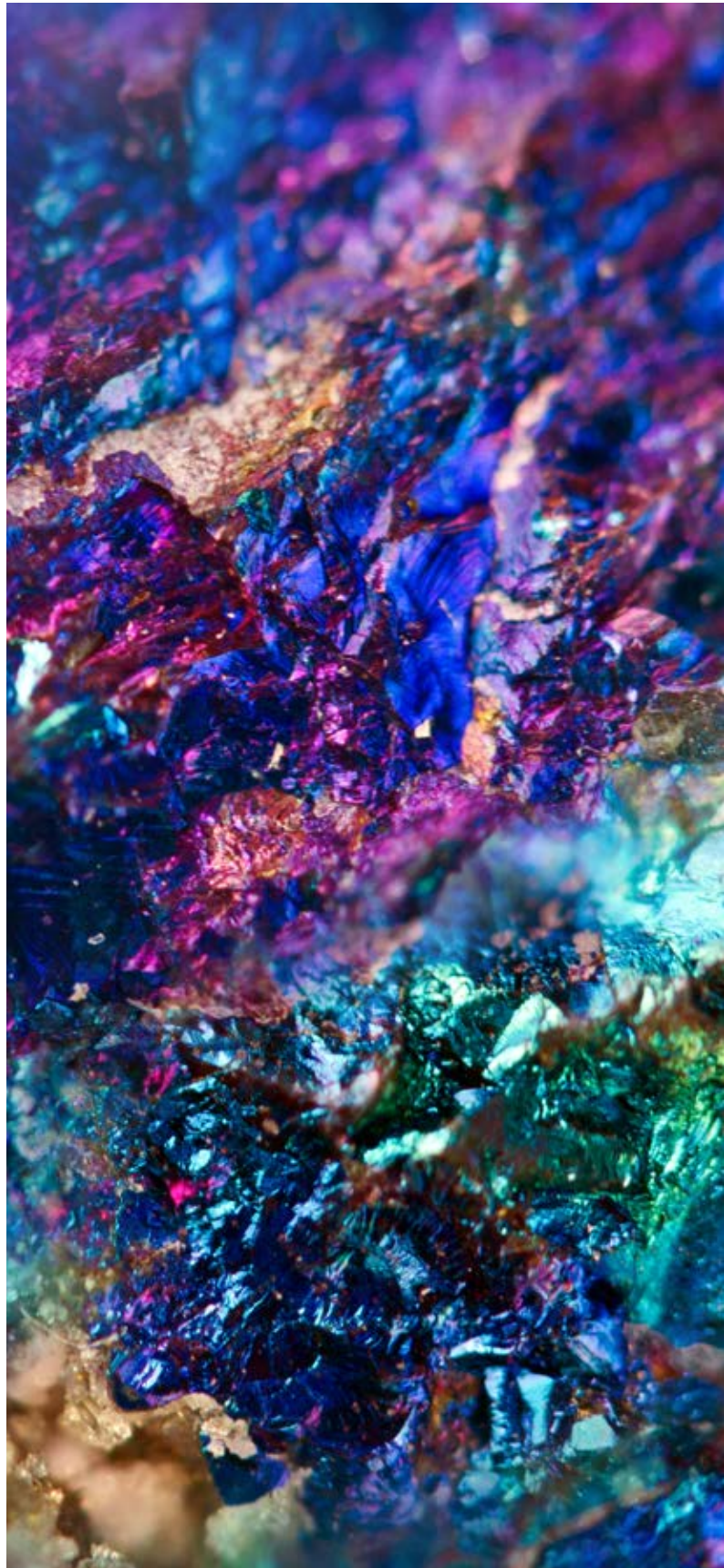
The global electric-vehicle boom is driving demand for a variety of metals including cobalt and nickel, which are frequently sourced via seabed mining. However, various countries are now calling for the temporary prohibition of ocean mining because of the unknown environmental consequences, which play an undetermined role in the global climate.

Various countries, including Chile, Fiji and Palau, have called for the moratorium until there is a better understanding.

Recently, President of France Emmanuel Macron reiterated these concerns at the United Nations Ocean Conference in June 2022, where he called for a legal framework to be established that prohibits new activities in the ocean-mining industry.

Costa Rica's ambassador, Gina Guillén Grillo, said that the country also has many concerns regarding starting an ocean-mining phase too soon, and before sufficient information on deep-sea and seabed ecosystems is obtained. This global push for a moratorium is a turning point in negotiations over ocean mining.

In response, some mining contractors have argued that deep-sea mining will have less of an environmental impact compared to terrestrial mining. They have also argued that this form of mining is necessary to provide the metals needed for a transition to a fossil fuel-free future. 

**READ MORE**

SA INDUSTRY **NEWS**



12 August 2022

Experts Outline Lack of Listed Junior Mining Companies in SA

Experts in the fields of law, mining, and financial services have outlined reasons why there are so few listed junior mining and exploration companies in South Africa. This included detailing the challenges these companies face to access capital and raise money, with few true initial public offerings being made.

It was highlighted that in 1980 the JSE held about half of the world's mining capitalisation, but currently only lists 40 mining companies. The number of listed companies in the public market has also declined from 760 to 330 in the past 30 years, and at least 32 more companies are expected to delist from the JSE this year.

This is largely due to the fact that the local public market is not a level playing field for competing financial

intermediaries, as individual investors and other non-institutionalised entities are often crowded out by large institutions. Moreover, there is unfair discrimination in favour of collective investment schemes or unit trusts compared to how private portfolios are taxed. As such, the public is being excluded from the public market, leading to neither supporting the development of mining anymore.

South Africa's exchange control regulations have also resulted in fewer international junior miners entering South Africa over the last few decades. The mining licence backlog and unreliable energy supply are also discouraging investors. It was further noted that investors should be incentivised rather than compelled to invest in the mining sector in South Africa.

READ MORE



11 August 2022

SA Mining Production and Mineral Sales Fall Year-on-Year

According to data from Statistics South Africa (Stats SA), mining production in the country had decreased by 8% year-on-year in June 2022, with the largest negative contributors being gold, platinum-group metals (PGMs) and coal. In addition, mineral sales at current prices decreased by 6.1% year-on-year in June 2022.

In terms of production, gold decreased by 28.6% contributing -4.7 percentage points, while PGM production decreased by 9.8% contributing -2.4 percentage points and coal production decreased by 6% contributing -1.6 percentage points.

Seasonally adjusted mining production also decreased by 1.4% in June 2022 compared to May 2022 – the largest negative contributors were diamonds (-19.1%), manganese ore (-12.9%), gold (-11.7%) and coal (-5.7%).

In terms of mineral sales, the biggest negative contributors were: PGMs, which decreased by 30.8% contributing -12.8 percentage points; gold decreased by 54.4%,



contributing -7.9 percentage points; and iron ore decreased by 22.5% contributing -3.4 percentage points. Interestingly, coal was a significant positive contributor, with sales increasing by 71.1%, contributing 11 percentage points.

Seasonally adjusted mineral sales at current prices decreased by 15.9% in June 2022 compared to May 2022.

READ MORE





3 August 2022

Lost Exports Cost SA Miners Billions Due to Rail Constraints

At the South African Heavy Haul Association (SAHHA) 2022 conference in August 2022, Minerals Council South Africa CEO Roger Baxter reported that the country is not accessing the full benefits of minerals exports. This is attributed to the deterioration of Transnet's rail performance.

According to Baxter, there has been a significant opportunity cost to South Africa due to rail constraints. For example, at 2021 current prices, the coal industry lost R16 billion in export earnings when delivered tonnages are measured against targets. Moreover, for iron ore which is a premium product that South Africa should capitalise on, the industry lost R17 billion at 2021 prices.

Baxter noted that manganese exports had increased, owing to higher mining production and the

availability of several harbour outlet operations. However, committed rail targets to get the commodity to port were still not being met. And for chrome ore, the opportunity cost of actual versus target was R3 billion in 2021.

These rail constraints are resulting in various exports being diverted to Maputo, thereby benefitting Mozambique at the expense of the South African mining industry.

It was noted that the Transnet team is aware of these impacts and is working to slow the rate of decline of the railway, however, a lot more work still needs to be done.

Transnet, government and the mining sector need to collaborate on resolving the problems, which could drastically change the situation.

[READ MORE](#)



27 July 2022

Progress Being Made Towards MMP Objectives

In July 2022, the Mandela Mining Precinct (MMP), a public-private partnership between the Department of Science and Innovation (DSI) and the Minerals Council of South Africa, was in the news to explain its progress towards achieving key objectives, as well as those of its research and development (R&D) collaborators.

The progress includes refining and implementing MMP policies and procedures, with a special focus on contracting, collaboration and asset-management. MMP audits have also been completed, which showed improved operational practices.

Progress was also noted in terms of strengthened relationships with various entities, including its R&D collaborators, as well

as considerable progress in terms of knowledge products for industry uptake.

The MMP has also signed an agreement with five unions, representing approximately 450 000 mineworkers to ensure that all direct stakeholders can participate at strategic and policy level in R&D planning in a modernised mining industry.

However, some elements that still need to be worked on include: strong ownership and commitment to deadlines and budget to ensure that funding continues to be received from government for projects; R&D excellence and leadership; the dissemination and publication of R&D outcomes; and defining roles in knowledge products.

READ MORE





21 July 2022

SA Achieves Zero Fall-of-Ground Fatalities in Gold and Platinum Mines

Building on the record performance for the first three months of 2022, South Africa has achieved a record six months with zero mining fatalities caused by fall-of-ground (FoG) in gold and platinum mines since the start of 2022. This is attributed to leadership initiatives, as well as the implementation of strategies, leading practices and the Mineral Council-led FoG Action Plan to mitigate incidents.

According to Mineral Council South Africa Head of Safety Dr Sizwe Phakathi, gold and platinum mines have not had a FoG-fatality-free first six months of the year in the history of South African mining. Moreover, the entire industry was FoG-fatality-free in Q2 2022.

This represents a significant improvement compared to 2021. By the end of June 2021, there were 11 FoG fatalities recorded and in the past three years FoG

fatalities accounted for at least 20 deaths each year.

Following this record achievement, Dr Phakathi stated that the Minerals Council South Africa commends all stakeholders, including mining companies, unions, employees, mine professional associations, the Department of Mineral Resources and Energy, suppliers, research institutions, the Mine Health and Safety Council and the Mining Qualifications Authority – all have worked towards ensuring that mine employees can return from work unharmed.

READ MORE



19 July 2022**Mining Giants Warn of Slowing Growth as Global Demand Declines**

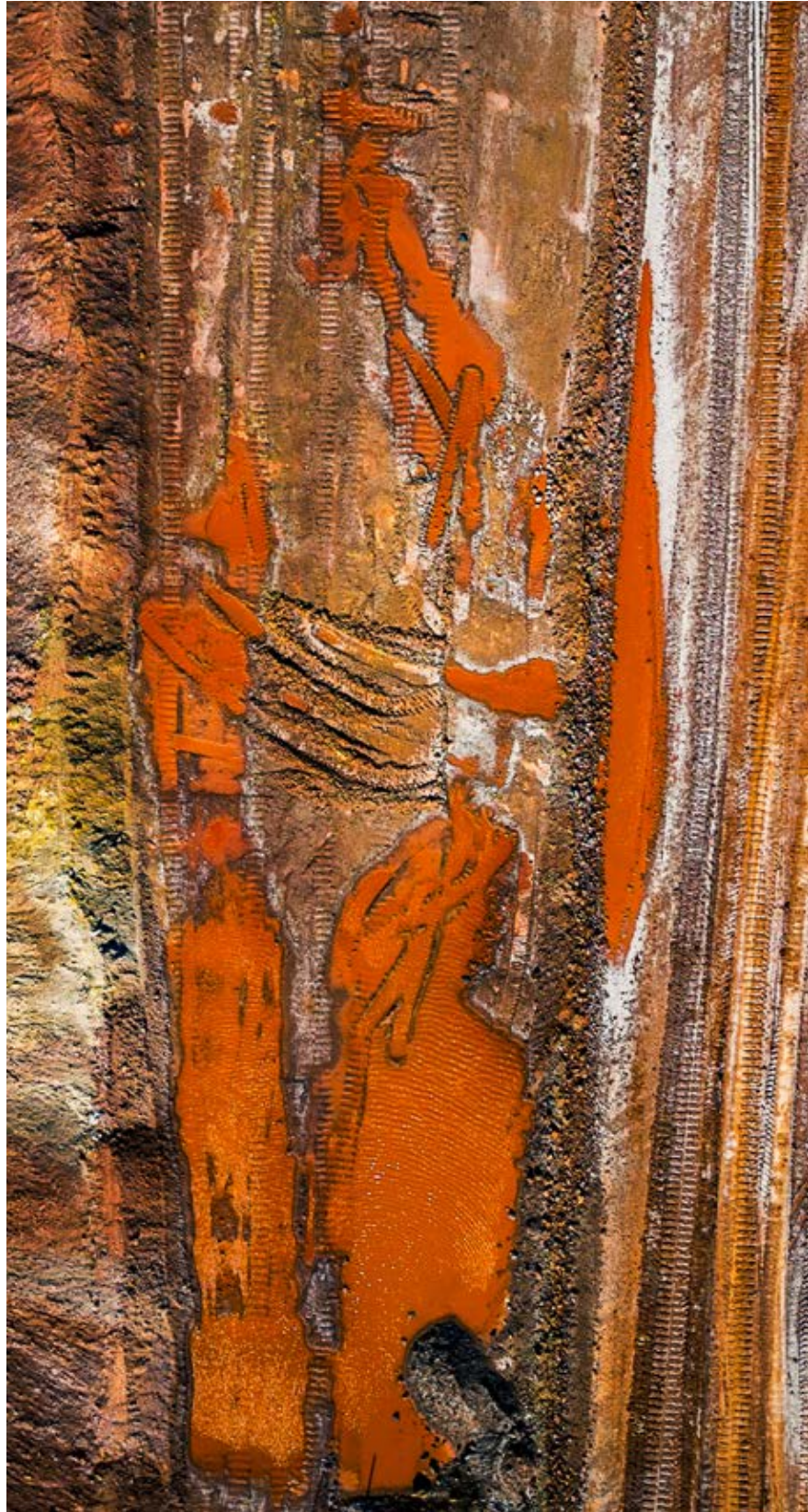
With the war in the Ukraine, Europe's energy crisis and global monetary tightening, BHP Group and Rio Tinto Group have warned of expected turbulence for commodity producers, as demand for commodities such as copper and iron decrease and costs rise.

According to Gavin Wendt, a senior resource analyst at MineLife Pty, the two giant miners are preparing the market for the possibility of a significant slowdown in demand from China. The tougher conditions are coming at a time when commodity prices are easing, putting pressure on margins.

As a result of wavering demand, commodity prices have slumped in recent months and recessions have been forecast across multiple developed economies.

For example, iron ore, the biggest earner for both BHP Group and Rio Tinto Group, plunged below \$100 a ton during the week of 11 July 2022. This came as China faced struggles relating to its property market, including a wave of homebuyer boycotts on mortgage payments.

According to BHP CEO Mike Henry, in addition to China's slowing demand miners are facing rising costs, which are expected to continue through the 2023 financial year, along with labour market tightness and supply-chain constraints. Overall, these challenges are expected to result in turbulence for commodity producers. 

**READ MORE** 

The background features a complex, glowing blue wireframe sphere. The sphere is composed of numerous thin, overlapping lines that create a sense of depth and movement. The lines are more densely packed in some areas, creating a mesh-like appearance. The overall color is a vibrant cyan or light blue, set against a dark, almost black background.

SA COMPANY **NEWS**



12 August 2022

Special Investigating Unit (SIU) Conducts a Search and Seizure at Alexander Bay Diamonds

On 10 August 2022, the Johannesburg Magistrate's Court granted a warrant for the SIU and Hawks to conduct a search and seizure at Alexander Bay Diamonds and related companies. The raid then took place on 11 August 2022, with the aim of gathering information and evidence for an ongoing investigation into the affairs of Alexkor, the state-owned diamond-mining company.

Alexander Bay Diamonds was allegedly appointed to improve diamond sales for Alexkor, however, the circumstances and procurement process that followed and which led to the appointment of Alexander Bay Diamonds, are subject to the SIU investigation. After receiving a tip-off, the SIU was authorised by President Cyril Ramaphosa to investigate allegations of corruption and maladministration at Alexkor, regarding the marketing, valuation, sale, and beneficiation of diamonds.

Alexander Bay Diamonds refused to disclose the identity and details surrounding the sale of diamonds to Alexkor. Its CEO, Lemogang Pitsoe, cited that nondisclosure agreements had been signed with buyers. The company also failed to disclose to the State Capture Commission details of the sale of diamonds.

As such, the SIU deemed it necessary to approach the Johannesburg Magistrate's Court for a search warrant to seize documents and computers to assist with the ongoing investigation, as normal processes to request information were likely to be met with the same attitude. The raid was considered crucial for the SIU to complete its investigation into the affairs of Alexkor.

READ MORE 

4 August 2022

Mine Plan Being Finalised following Discovery at Botswana Diamonds' SA Project

Following its initial evaluation and announcing a prospective diamond mine in April 2022, Botswana Diamonds has discovered two new blows at its Thorny River diamond project, and said that the mine plan is being finalised.

Twelve reverse circulation holes were completed during the company's latest drilling campaign to expand mineable kimberlite for the purpose of planning. Fifty-two metres of kimberlite were found at the site, and the largest intersection was 22 metres.

Following the analysis of raw data from the campaign, the company also discovered new sub-surface blows, which will be added to its inventory.

Botswana Diamonds Chairperson John Teeling said exploration had been completed and the company will now move towards mine development. It has a good understanding of how the mine will look, given that the recent drilling identified the entry point for the mine.

Teeling also stated that the final steps towards development are to refine the mine model, as well as apply for a mining permit, which is already in the process of being prepared.



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1 August 2022

Akobo Minerals Appoints SA Company, IW Mining, to Operate Ethiopian Mine

Scandinavia-based gold exploration and boutique mining company Akobo Minerals, has reached an agreement with a South African company, IW Mining, to operate the underground mine at Segele in Ethiopia.

According to Akobo Minerals, IW Mining is a highly experienced contractor with years of underground-mining experience in the South African arena. The agreement with IW Mining secures Akobo Minerals access to personnel and competence for the mining of the Segele gold ore.

Akobo Minerals has undertaken considerable planning and preparation with IW Mining prior to signing the agreement.

This has meant that various aspects are on track – the sourcing of mining equipment has already begun, the first shipments are set to be dispatched and IW Mining has put in place a plan to mobilise an experienced mining team from South Africa which will travel to Segele within weeks.

In line with Akobo Minerals' environmental, social and governance (ESG) guidelines, IW Mining will also recruit and train Ethiopian personnel to work at the Segele mine.

Mining is expected to start in October 2022, with the initial gold extraction to begin in Q1 2023. Full production is expected to be reached by the end of Q2 2023.

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19 July 2022

Chrometco Suspended from JSE Listing and Enters Business Rescue

The South African chrome and platinum-group-metal (PGM) producer Chrometco has faced two challenges regarding its business operations in 2022. In June, the company entered business rescue and in July the JSE suspended its listing after it failed to comply with requirements.

Chrometco was required to publish its Provisional Report for the year ended 28 February 2022 within the prescribed period, as stipulated in the JSE-listing requirements.

However, it was unable to do so, following the resignation of its external auditor, Moore Cape Town.

Prior to its resignation, Moore Cape Town warned that this would negatively impact the release of

Chrometco's Reviewed Provisional Results and Annual Financial Statements for the year ended 28 February 2022.

Due to its failure to comply, the listing of Chrometco's securities have been suspended with immediate effect, meaning that investors would be unable to sell their shares.

Furthermore, Chrometco and its flagship Black Chrome Mine (BCM) were placed into business rescue, since it was unlikely that BCM would be able to pay all of its debts.

Sail, the holding company that owns 90% of Chrometco, was also placed into business rescue in 2021 in order to keep its creditors at bay.

READ MORE



1 July 2022**Sibanye-Stillwater Announces Plans to Raise Interest in Finnish Battery Metals Investment**

Sibanye-Stillwater has followed up on its strategy to make a big move into electric battery metals, announcing plans to raise its interest in Finland-based Keliber Oy's lithium-hydroxide project.

Keliber Oy is a battery-metals and chemicals company, and its project in Finland is preparing to start production of battery-grade lithium hydroxide from its own ore.

Initially, Sibanye-Stillwater invested 30.2% into Keliber in 2021, and it has now announced plans to expand its interests in the company by increasing its shareholding to 80%.

Subject to approval by minority shareholders in the Finnish company, as well as the South African Reserve Bank, Sibanye-Stillwater has tabled a total consideration of €196 million (R3.3 billion). However, this will depend on the extent to which minorities accept the voluntary offer made by Sibanye-Stillwater and the extent to which they participate. This brings the total cost of the transaction for Sibanye to €446 million, excluding transfer taxes. The company anticipates that all aspects of the transaction will be completed by 13 February 2023.

According to CEO of Sibanye-Stillwater Neal Froneman, battery metals and platinum group metals (PGMs) will provide a significant

green portfolio for Sibanye-Stillwater amid global pressure to move away from fossil fuels, thereby giving momentum for battery technology and related metals. In addition, Finland will provide Sibanye-Stillwater with an opportunity for an attractive, low-risk mining jurisdiction.

READ MORE

13 June 2022

Sibanye-Stillwater Signs Wage Agreement to Restart Operations at its Gold Mines

After signing a three-year wage agreement with trade unions, Sibanye-Stillwater is set to restart operations at its gold mines in South Africa. The wage deal was effective from 1 July 2022 and the restart will be phased in over three months to ensure the safe resumption of gold mining operations.

Signing the agreement follows after members of the National Union of Mineworkers (NUM) and the Association of Mineworkers and Construction Union (AMCU), who make up the majority of workers at Sibanye-Stillwater's gold mines, have been on strike since 9 March 2022.

The three-month standoff ended after the company and unions

signed the wage deal, brokered by the Commission for Conciliation, Mediation and Arbitration (CCMA).

The wage-deal agreement will see general employees receive an increase of R1 000 a month in the first year of the agreement, R900 in the second year and R750 in the third year. Furthermore, artisans and other skilled workers will receive a 5% increase in the first year, with increases in subsequent years linked to inflation.

According to Sibanye-Stillwater CEO Neal Froneman, the company looks forward to restarting its South African gold operations and is pleased to have achieved an agreement that is in line with inflation and which will contribute significantly to the sustainability of its gold operations. **MR**

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SA COMPANY **FINANCIAL RESULTS**



18 August 2022

Exxaro Resources Limited

According to Exxaro Resources Limited's Reviewed Interim Financial Results for the six months ended 30 June 2022, the company reported strong financial results with group revenue increasing by 48% from R15.1 billion in the first half of 2021 to R22.3 billion in the first half of 2022. This was mainly thanks to the exceptional performance of its coal business, which was driven by higher sales prices and sales volumes, despite facing logistical challenges.

By business unit, coal's revenue increased from R14.5 billion in the first half of 2021 to R21.7 billion in the first half of 2022, while its energy business contributed 3% less than in the previous period, contributing R523 million in 2022 compared to R539 million in 2021.

The remaining business units, Ferrous and Other saw increases in revenue

with Ferrous increasing from R74 million to R108 million, while Other increased from R6 million to R7 million for the same period.

Net operating profit increased by a substantial 77% from R5.2 billion to R9.2 billion during the period under review, and earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 147% to R10.6 billion.

Attributable earnings per share also saw an increase of 4%, up from 3.290 cents to 3.409 cents, while headline earnings per share increased by 26%, from 2.722 cents to 3.426 cents.

In terms of its dividend declaration, Exxaro Resources has declared an interim dividend of 1.593 cents per share, which is payable on 3 October 2022.

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15 August 2022

Eastern Platinum Limited

According to Eastern Platinum Limited's results for Q2 2022, the company is on the right path to continue its revenue growth and profitability improvements from its Retreatment Project and capacity increases from its PGM circuits.

Revenue increased by 2.5% for the period from \$20 million in Q2 2021 to \$20.5 million in 2022.

Operating income also increased from \$0.7 million to \$0.9 million, while mine operating income increased by \$0.9 million (25.2%) to \$4.2 million for the same period.

This subsequently resulted in an improved gross margin of 20.3% in Q2 2022 from 16.6% in Q2 2021.

The company had positive working capital (current assets less current liabilities) of \$16.1 million as at 30 June 2022, compared to \$14.6 million as at 31 December 2021. It also reported short-term cash resources of \$6.4 million, consisting of cash, cash equivalents and short-term investments compared to \$6.1 million as at 31 December 2021.

Furthermore, net income attributable to equity shareholders was \$1.2 million or \$0.01 earnings per share in Q2 2022, representing a decrease from \$4.1 million or \$0.03 earnings per share in Q2 2021. The Q2 2022 net income was largely attributable to income tax recoveries during the period, while in Q2 2021 the company received legal-settlement income of \$3.3 million to settle and dismiss certain outstanding lawsuits.

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5 August 2022

AngloGold Ashanti Limited

According to AngloGold Ashanti Limited's 2022 Interim Results Short Form Announcement for the six months ended 30 June 2022, the company reported a solid performance for the first half of 2022. Production was 3% higher year-on-year, there was an increase in total cash costs limited to 6%, plus strong improvement in cash flow.

It also declared an interim dividend of 29 US cents per share or \$121 million, and stated that it remains on track to achieve its full-year guidance.

However, adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) for the first half of 2022 was \$864 million compared to \$876 million for the first half of 2021. Headline earnings for the first half of 2022 were \$300 million (or 71 US cents per share), compared to \$363 million (or 87 US cents per share) in the first half of 2021.

Production for the first six months of 2022 was 1.233 Moz with Q2 output up by 10%. This growth was underpinned by higher grades and tonnes processed, which led to marked improvements from the Australian and Latin American operations, thereby offsetting the lower production from Kibali and Geita. Obuasi continued its ramp-up through the period and is on track to achieve its annual production guidance of 240 000 oz to 260 000 oz for 2022.

[READ MORE](#)





2 August 2022

Royal Bafokeng Platinum Limited

According to Royal Bafokeng Platinum Limited's Interim Results for the six months ended 30 June 2022, the first half of 2022 was characterised by uncertainty and geopolitical tensions due to the Russia-Ukraine war. As a result, revenue for the period decreased by 14.7% from about R9.6 billion in 2021 to R8.2 billion in 2022.

Earnings before interest, tax, depreciation and amortisation (EBITDA) decreased by 38.1% from R5.5 billion in the first half of 2021 to R3.4 billion in the first half of 2022.

However, total reef tonnes hoisted saw an increase of 8.1% to 2333 kt, while tonnes milled increased by 6.7% to 2304 kt and 4E metals in concentrate increased by 4.5% to 225.5 koz.

Notwithstanding these reported increases, overall production was not in line with the company's operational expectations.

It reported that performance was hampered by an increase in the number of Section 54 stoppages, Eskom electricity-supply interruptions, and constraints in achieving steady state-production volumes at the Styldrift mine.

In terms of health and safety, the company continued to focus on putting its employees first with proactive safety initiatives. The result is its historic safety milestone of three million fatality-free shifts and a 31% improvement in the serious-injury frequency rate.

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26 July 2022

Kumba Iron Ore Limited

According to Kumba Iron Ore Limited's Interim Results for the period ended 30 June 2022, the company delivered a solid financial performance in the first half of 2022, achieving an earnings before interest, tax, depreciation and amortisation (EBITDA) of R23.1 billion despite operational and market headwinds.

Its EBITDA margin of 54% continues to be driven by its Tswelelopele strategy, which is aimed at unlocking its full potential and delivering value for all stakeholders.

The company also reported a return on capital employed (ROCE) of 98%, demonstrating that it is in a strong position to continue to enhance returns and ensure that all its stakeholders benefit from the continued success of Kumba.

Total sales volumes increased by 1% from 19.5 Mt in the first half of 2021 to 19.7 Mt in the first half of 2022, while shipping revenue increased by R1.1 billion due to higher code of federal regulations (CFR) volumes, a weaker local currency, and higher freight rates.



In terms of revenue, the company reported a 32% decline in revenue from R63.6 billion in the first half of 2021 to R43.0 billion in the first half of 2022. This decrease was mainly a result of lower realised prices, which were partially offset by a weaker rand/US\$ exchange rate.

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25 July 2022


Anglo American Platinum Limited

According to Anglo American Platinum Limited's 2022 Interim Results Short Form Announcement, the first half of 2022 saw the company largely mitigating the operational headwinds of the COVID-19 pandemic, the effects of global supply-chain disruptions, electricity interruptions and social and geopolitical complexities, by delivering another strong financial performance.

Despite this tough operating environment, the company reported a revenue of R86 billion, earnings before interest, tax, depreciation and amortisation (EBITDA) of R43 billion and an EBITDA mining margin of 59% during the period.

Although it represents a 20% decline in revenue and a 32%

decline in EBITDA, this was mainly as a result of lower sales volumes. These were predominantly due to the previous period's increase in refined production because of higher-than-normal work-in-progress inventory following the Anglo Converter Plant (ACP) Phase A rebuild.

Total PGM production was down 4% but the majority of own-mine assets performed better in comparison to the previous period. The Mototolo and Unki mines both delivered 21% increases due to the successful implementation of concentrator debottlenecking projects. Amandelbult maintained production despite mined-out areas leading to infrastructure closures at Tumela at the end of 2021. 

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MERGERS,
ACQUISITIONS &
PARTNERSHIPS



12 August 2022

Amplats Announces the Completion of the Sale of Bokoni Platinum

In August 2022, Anglo American Platinum (Amplats) announced that with its joint venture partner, Atlatsa Resources Corporation, it had completed all the conditions related to the sale of its joint 100% interest in Bokoni Platinum Mines.

The transaction was made to a wholly-owned subsidiary of African Rainbow Minerals for a total cash consideration of R3.5 billion, payable at closing.

Ultimately, this sale agreement will include employees and local communities in the new ownership structure alongside African Rainbow Minerals. It is expected to be effective on 1 September 2022, when African Rainbow Minerals will take over ownership, control and management of Bokoni Platinum Mines.

According to Amplats CEO Natascha Viljoen, the company is pleased to have concluded the disposal of Bokoni Platinum Mines to African Rainbow Minerals.

Viljoen further stated that in conjunction with Atlatsa Resources Corporation, Anglo American Platinum wanted to ensure the sustainability of the mine by selling it to an operator with the technical and operational capability and access to funding to successfully restart and operate the mine. Viljoen also said that the restart by African Rainbow Minerals is expected to benefit employees, host communities and broader stakeholders, as well as the regional economy, while further allowing employees and communities to participate in a new ownership structure.

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11 August 2022

RPM Extends Purchase Agreement with RBR

In August 2022, Rustenburg Platinum Mines (RPM), a wholly-owned subsidiary of Anglo American Platinum (Amplats), agreed to extend its Disposal of Concentrate Agreement (Doca) with Royal Bafokeng Resources (RBR), a wholly-owned subsidiary of Royal Bafokeng Platinum (RBPlat), to 10 February 2023.

This agreement comes as RBPlat is currently the subject of a mandatory offer by Impala Platinum and makes provision for either 17% or 50% of Amplats' bought concentrate.

The agreement between RPM and RBR was initially entered into on 4 July 2018, replacing a previous long-standing Doca, where RPM agreed to purchase all of the platinum-group-metal

concentrate produced by RBR. The termination date of this Doca in respect of either 17% or 50% of the concentrate is 11 August 2024, on condition that RPM gives notice of such termination on or before 10 August 2022.

Failure to provide the notice would result in the Doca extending for continuous rolling periods of five years, unless it has been terminated in accordance with the terms stipulated.

Going forward, RBR has agreed that RPM may deliver a termination notice at any time on or before 10 February 2023, on the basis that if a termination notice is given on or before that date, the termination date of the Doca will remain 11 August 2024.

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5 August 2022

Raubex/Bauba Joint Finalisation Announcement Released

On 5 August 2022, Raubex Group Limited announced the joint finalisation of its buyout offer for the remaining Bauba Resources Limited shares. This means that Raubex beneficially owns or controls 61.68% of Bauba's issued share capital, making it a majority shareholder.

In June 2022, Raubex announced plans to make a general offer to acquire all the remaining shares that it does not already own, for a cash consideration of 42 cents per share. This also included the delisting of the shares from the JSE, if the delisting resolution is approved by eligible shareholders.

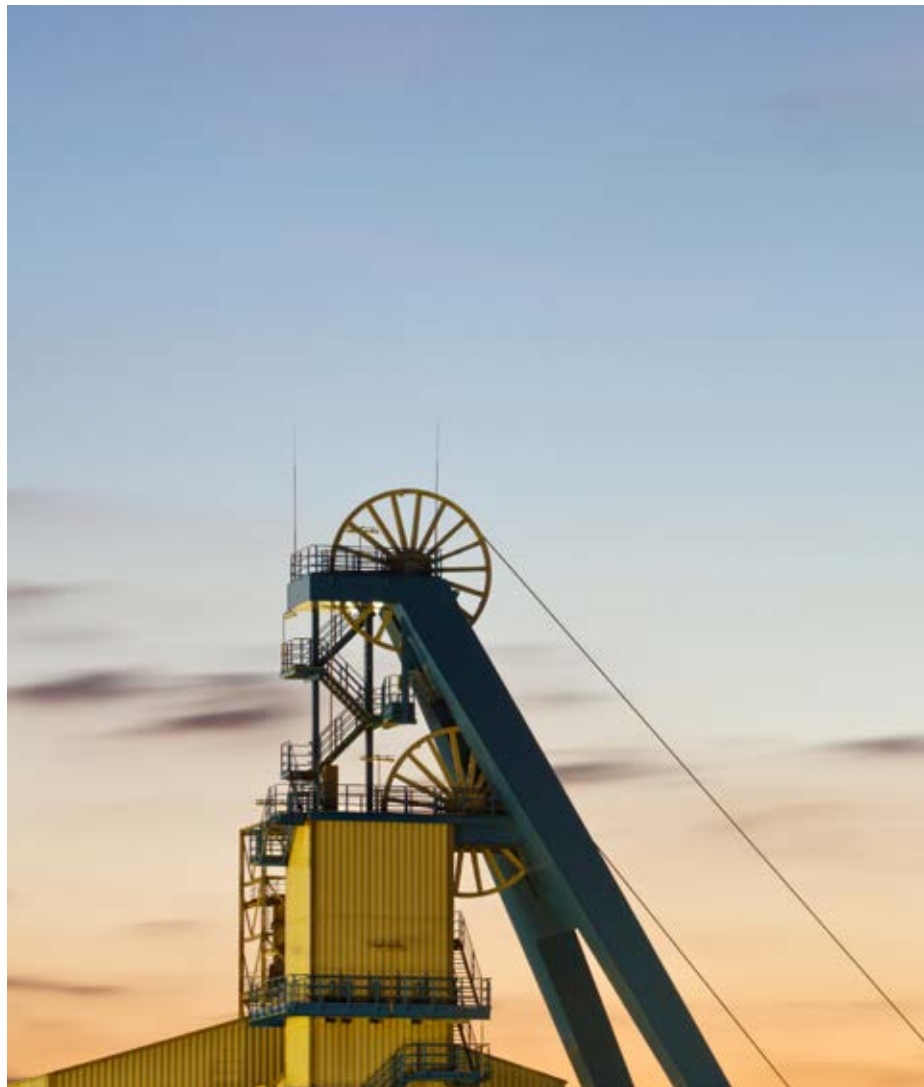
The transaction comes as the Bauba Board of Directors resolved that the group can no longer justify the costs and associated administrative burden of a JSE-listing, relative to the benefit of an ongoing listing. This includes the doubtful prospect of a junior counter raising public capital in the sector in which Bauba operates.

As such, without the assistance of a major investor such as Raubex to support ongoing funding requirements, the board concluded that there would be no finance available to the group in the public market and it would be better placed to secure funding support for its operations in an unlisted environment.

With the announcement, Raubex also detailed the important dates and times for shareholders for the offer and delisting.

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28 July 2022

MC Mining Enters Agreement with Overlooked to Open an Export Channel

Towards the end of July 2022, coal explorer, developer and miner MC Mining, announced that it has entered into a coal sales and marketing agreement with coal miner Overlooked, which will serve as a route to an export channel for its API4 grade of coal.



The agreement, expiring on 31 December 2022, is aimed at facilitating the export of coal produced at MC Mining's Uitkomst colliery to ensure it benefits from prevailing international coal prices.

In order to better exploit growing international coal demand and high prices, MC Mining started a review of its marketing arrangements for Uitkomst. This includes the production of various grades of higher-quality, low-ash pulverised injection coal, as well as higher-yielding API4 thermal coal.

However, Uitkomst does not have access to export allocation at any of the South African coal ports and produces limited quantities of thermal coal on a monthly basis.

Working in collaboration with with an exporter, which already has access to these markets and additional volumes of API4 coal, led to the agreement with Overlooked.

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25 July 2022

Implats to Acquire Additional RBPlat Shares

At the end of July 2022, Impala Platinum Holdings (Implats) reported that since its previous announcements, the company has acquired further Royal Bafokeng Platinum (RBPlat) shares.

Implats concluded an agreement to acquire a further 300 000 RBPlat shares, which constitutes approximately 0.10% of RBPlat's shares currently in issue.

This acquisition was effective from around 25 July 2022 and follows a string of acquisitions and offers to acquire RBPlat shares by the company.

Previous Implats offers to RBPlat shareholders took place in January, February, March and April of 2022, which all formed

part of Implats' attempts at seeking a controlling stake in RBPlat as part of its continued takeover battle of the company.

According to Implats, once the aforementioned trades are implemented, it will hold approximately 37.93% of RBPlat's shares in issue.

Implats has confirmed that these acquisitions have already been disclosed to the Takeover Regulation Panel (TRP), as required under Chapter 5 of the Companies Regulations, 2011 (Takeover Regulations).

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15 July 2022

Implats Advises on Delay in RBPlat Merger Approval


In July 2022, JSE-listed platinum-group-metal miner Impala Platinum Holdings (Implats) advised its shareholders of the delay regarding its acquisition of Royal Bafokeng Platinum (RBPlat). The company stated that approval from the Competition Tribunal is currently outstanding.

Implats explained that the merger hearing date had been set for 2 August 2022, owing to the tribunal considering an intervention application brought by another company to participate in the merger proceedings. However, the tribunal's order has since been challenged in the Competition Appeal Court.

As such, Implats has extended the date set for fulfilment or waiver of the conditions precedent


to 26 September 2022, and envisions that the results of its offer will be announced on 19 September 2022.

Furthermore, the company has stated that the Public Investment Corporation (PIC), which owns 9.9% of RBPlat, must decide what to do with its RBPlat stake. Implats explained that the PIC had become central to ending an eight-month takeover battle that is hindering itself and Northam Platinum from making future plans.

Implats CEO Nico Muller stated that the PIC has had enough time to weigh Implats' R150 apiece offer and that the PIC's indecision is 'stoking investor uncertainty while the companies are being delayed from making strategic decisions'. 

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INNOVATION & TECHNOLOGY **TRENDS**



18 August 2022

Vale Tests 100% Electric 72-Tonne Truck at Brazilian and Indonesian Mining Operations

Global mining company Vale has become the first major mining company to test 100% electric 72-tonne trucks, manufactured by the XCMG Mining Machinery Co. Ltd at the miner's Brazilian and Indonesian operations. It was reported that this represents another step in the electrification of the company's assets.

The XDR80TE model includes batteries capable of storing 525 kWh of power, which enables the trucks to operate up to 36 cycles along an established route without needing to stop and recharge.

The battery allows possible regeneration of energy during descents, reducing the use of mechanical brakes plus maintenance and vibration, as well

as providing enhanced operational comfort to drivers. These trucks also include temperature control technology, adapting to high temperatures, humidity and rain, as well as harsh weather conditions.

The first trucks tested at Agua Limpa in Minas Gerais, Indonesia, do not emit CO₂, replacing diesel with electricity from renewable sources. They also reduce noise, thereby minimising impact on nearby communities.

The trucks form part of Vale's PowerShift programme, which promotes innovative solutions for the electrification of its assets. This also includes the operation of battery-powered locomotives in São Luís and testing electrical equipment in underground mines in Canada. There are 40 currently in operation.

READ MORE



18 August 2022

Zijin Mining Group's Local Subsidiaries Invest in 5G Smart SA Platinum Mine

The South African subsidiaries of global mining company Zijin Mining Group, namely South Africa Zijin Platinum and Nkwe Platinum, have partnered with MTN and Huawei for the construction of a fifth-generation wireless technology-enabled (5G) platinum mine in South Africa.

Zijin Mining Group is one of several multinational companies to have invested in the project, which is currently preparing for construction. The mine will have reserves of over 550 tonnes of platinum and 350 tonnes of palladium.

The incorporation of 5G technology in the mine allows for

sub-millisecond latency, as well as significantly greater bandwidth than has typically been available. This enables the remote control of mining machinery, such as drones, as well as the implementation of Internet of Things (IoT) sensors throughout the facility to allow asset monitoring and autonomous haulage.

The implementation of 5G technology optimises processes and efficiency through directing work, like preventative and predictive maintenance, to where it is needed. The technology enables an increase of up to 25% in ore production and energy savings of up to 20%.

According to Managing Director and CEO of Nkwe Platinum Fan Zhiyu, the company set out to build the new Ziji Garatau platinum mine, located in the eastern limb of the Bushveld Complex, using advanced technology. Zhiyu added the mine is one of Zijin Mining Group's major projects and is its first smart mine.

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14 August 2022

New Adsorbent for Removal of Chromium and Arsenic from Mine Polluted Water Discovered

Researchers at the Oak Ridge National Laboratory announced the discovery of an adsorbent material capable of removing chromium and arsenic from water polluted by mining operations. This could form part of targeted approaches needed to separate these metals from harmless mineral salts critical to ecosystems.

Both chromium and arsenic are byproducts of a range of mining process that are toxic and can result in a variety of adverse health outcomes. The metals form chromate and arsenate oxoanions or salts, which are non-degradable, highly mobile and can have long-reaching impacts.

According to a paper published by scientists at the Oak Ridge National Laboratory, the newly discovered adsorbent is rare in that

it can capture both chromium and arsenic in a balanced 2-to-1 ration. This is due to a synergy between chromium and arsenic, whereby the more chromium the material captures, the more arsenic is subsequently removed.

This discovery builds on a previous approach in which the adsorbent was shown to decrease chromate concentrations by 100 times within one minute, reducing concentrations of chromium below limits set out by the US Environmental Protection Agency.

The researchers then modified the original structure to reduce captured chromium-6 into the less toxic chromium-3, which leverages the efficient capture of hexavalent chromium to introduce a new architecture that also binds with arsenic, trapping toxins permanently.

READ MORE



28 July 2022

John Deere Introduces Redesigned ADT to SA Mining Market

Heavy equipment manufacturer, John Deere's South African branch has announced the launch of its redesigned 460 series articulated dump truck (ADT) to the local market. Aimed at the mining industry, the truck has a range of performance and reliability-focused improvements and modifications.

The 460E-II series includes a wider dump body, improved electrical and hydraulic systems and new drive modes designed to assist in completing tasks in different conditions.

The reworked dump body has a lowered and levelled rail height to improve material retention and loading, as well as a bin-rail feature and angled top that reduces material spillage while moving.

In terms of payload, the new design has a volume of 25.2 m³,

a top speed of 55 km/h, as well as an eight-forward speed and four reverse-speed gearbox, which is managed through three different drive modes.

The normal drive mode reduces fuel consumption by 7% compared to the existing truck. The eco driving mode also improves fuel consumption by 12% compared to the existing design, through the management of engine-power delivery and the enhancement of the transmission response for different conditions.

The new version's redesigned electrical and hydraulic systems can improve uptime through a 10% reduction in terms of electric and hydraulic routings, which reduces leak points and improves reliability. This truck can also be serviced and maintained at ground level.

READ MORE ● ● ●





11 July 2022

Komatsu and Codelco Trial New Tunnel Excavation Method at Chilean Mine

Chilean state-owned mining company Codelco and Komatsu Cummins Chile have announced the testing of a new mining tunnel boring machine (TBM). The new tunnel excavation method was developed by Komatsu and is designed to cater for the significantly increased demand for deeper mining operations.

The TBM includes technology designed to adapt to small curves, reversing and passing intersections in hard rock tunnels – previous TBMs can only excavate in straight tunnels.

This new technology is also capable of undertaking a series of processes, including excavating rock via disc cutters to improve tunnel strength and stability and discarding chipped rock backwards through belt conveyers. During this process, the excavated tunnel wall can also be fortified.

The new machine is also capable of running on electricity, which removes the need for blasting, and undertakes a range of tunnel excavation processes without assistance from other vehicles.

According to Komatsu, the new technology improves the flexibility of the machine compared to previous versions and allows for excavation to be customised to the unique design of individual mines.

The company added that its introduction will help to revolutionise operations and forms part of its efforts to develop underground hard-rock mining under the slogan ‘No Blasting. No Batch. No Diesel’.

READ MORE ● ● ●


11 July 2022**Vodacom Drives the 'Next Normal' in Mining via its Mobile Private Network Offering**

Vodacom has indicated that it is driving the 'next normal' in mining by introducing reliable connectivity through its Mobile Private Network (MPN) to ensure digitalisation and automation technology can benefit mining operations. The technology is already being trialled in several South African mining operations.


MPN consists of a dedicated network enabling interconnection of people and technology using either 4G or 5G technologies. It is suitable for mines in remote areas, which often lack access to connectivity and have slower, less reliable means of communication.

According to Managing Executive of Vodacom's MPUI (Mining, Production, Utilities and Industrial) Division Thando Sibindi, MPN allows for enhanced energy management, worker safety, logistics, asset tracking and predictive maintenance, which improves productivity and profitability.

MPN also offers cutting-edge security and storage – information obtained from key mine points is stored in the cloud and distributed globally. Through its IoT.nxt subsidiary, Vodacom provides gadgets capable of communicating with any piece of mining equipment, thereby lowering fuel consumption and helping to ensure zero harm.

The company also indicated that its MPN has already had success globally and is being trialled at a major zinc mine in the Northern Cape, as well as a large platinum operation in Limpopo. 

**READ MORE** 



PLATINUM GROUP METAL **TRENDS**



18 August 2022

**Sibanye-Stillwater and Heraeus
Precious Metals to Develop PGM
Electrolyser Catalysts**

Sibanye-Stillwater and Heraeus Precious Metals are developing novel electrolyser catalysts that contain platinum group metals (PGMs). The electrocatalysts will be high activity with enough stability for proton exchange membranes (PEMs), which are used in green hydrogen production.

The development of these PGM-powered electrocatalysts comes as Sibanye-Stillwater seeks to invest in market development and technologies that enhance demand for its products. These include platinum, iridium and ruthenium, which are mined by the company.

According to Sibanye-Stillwater CEO Neil Froneman, the objective is to ensure that the metals produced by the company, including PGMs, contribute to unlocking the future

green economy, which includes hydrogen.

Platinum and iridium are currently critical components of electrocatalysts required for green hydrogen generation through PEM electrolysis, although iridium's scarcity could be a potential constraint on the future adoption of PEM electrolyzers.

Therefore, both Sibanye-Stillwater and Heraeus believe that reducing iridium loadings in these electrolyzers will enhance cost-effectiveness to increase adoption, and therefore demand for PGMs such as platinum.

As a result, the development of technologies that reduce iridium requirements, or even replace it with other metals, such as ruthenium, offer potential in terms of increasing demand for PGM-containing electrolyzers.

READ MORE



12 August 2022

Sibanye-Stillwater Revises US PGM Operations due to Economic and Market Conditions

The United States business arm of JSE- and NYSE-listed mining company Sibanye-Stillwater, announced a strategic revision of operations due to challenging palladium market conditions and macro-environment challenges.

The strategic revision comes as the platinum-group-metal (PGM) mining company expects the palladium market to transition into a surplus in the middle of the current decade. This is likely to lead to price weaknesses in subsequent years, and therefore it would not make commercial sense to spend significant capital on the Stillwater East 'Blitz' project.

According to Sibanye-Stillwater CEO Neil Froneman, given

the company's view of the palladium and macroeconomic market, it will reconsider the best way to extract value.

The company also cited extreme weather events as contributing to the revision. An example is the one-in-200-year flood at Stillwater in the Montana region of the US, damaging critical infrastructure and suspending operations for seven weeks. This resulted in an estimated production loss of 60000 oz of two element PGMs for 2022.

Other challenges include labour and skills shortages, as well as reliance on contractors to fill the gap.

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10 August 2022

Jubilee Metals Records Higher PGM Output and Lowered Costs Following Inyoni Expansion

Diversified metals miner and processor Jubilee Metals, has announced a significant increase in its production of PGMs in the first half of the company's 2023 financial year. This comes following the expansion of the South African Inyoni facility, located in the Bushveld Complex.

Jubilee Metals reported an increase in production to reach 21 140 oz for the six months ended 30 June. This increase follows the 45% expansion of the Inyoni facility, which has achieved full design capacity since its launch in March 2022 and has a nameplate production capacity of 44000 oz of PGMs.

This expansion results from a R1.2 billion investment programme implemented by the company over the past 12 months, as part of its efforts to diversify and expand its PGMs, as well as its copper and cobalt operational footprint.

The expanded Inyoni facility has also delivered increased unit earnings per PGMs ounce of 12% during

the period. This was despite the company's realised basket price declining by 3% over the period.

The company reported a 34% reduction in PGM unit costs at the expanded Inyoni operations, when compared to the previous smaller operations.

According to Jubilee Metals CEO Leon Coetzer, 2023 will offer major growth potential for the company. This includes full exposure of the enlarged South African PGM operations, as well as the commissioning of new copper and cobalt refining operations.

READ MORE



3 August 2022

Platinum and Palladium Price Forecasts Lowered Due to Global Economic Slowdown

According to a Reuters poll of 27 global industry analysts and traders, prices for both palladium and platinum will be significantly lower than expected due to a global economic slowdown, which will result in reduced demand for the metals.

Platinum prices had fallen from a nine-month high of \$1 179.81/oz in March 2022 to approximately \$900 at the beginning of August. At the same time, palladium prices fell from a record high of \$3 440.76/oz to approximately \$2 100 over the same period.

The median forecasts were for platinum to average \$900/oz and \$914/oz in Q3 and Q4 2022 respectively and \$1 013 in 2023. This represents a decrease from the 2023 prediction three months prior of \$1 170/oz.

Median forecasts for palladium were for the metal to average \$1 950/oz and \$1 975/oz in Q3 and Q4 2022 respectively and \$2 060 in 2023, a decrease from the 2023 prediction in May of \$2 250.

Although prices had risen in early 2022 due to the threat of sanctions on Russian supply, it has continued to flow. However, high levels of inflation, as well as rising interest rates and COVID-19 lockdowns in China have resulted in a move towards a global recession.

According to analysts, lower demand from the automotive and jewellery sectors is affecting demand for platinum. In addition, an oversupply of platinum is expected in 2022, which will decline in 2023, while palladium will experience a slight surplus or deficit.

[READ MORE](#)





8 July 2022

Eastplats to Reopen Crocodile River Mine in Q3 or Q4 2022

The JSE- and TSX-listed midtier platinum-group-metal (PGM) mining company Eastplats plans to restart operations at its Crocodile River Mine (CRM) in the North West Province in Q3 or Q4 2022. This follows the completion of a new long-term plan and mine redesign study conducted by the company.

CRM was put under care and maintenance in August 2013, as a result of economic conditions and problems with its mining method. This included the mechanised mining and board and pillar on top levels, which is problematic with CRM's orebody and structures.

As part of its strategy to restart CRM, Eastplats plans to use a hybrid mining method employing 1 400 personnel and steadily increasing underground production over a period of three years to reach a peak production rate of 1.02 million tonnes annually.

The method was suggested by mining advisory firm Ukwazi, after prior methods failed due to inefficient stoping methods and infrastructure. This includes mechanised on-reef development and conventional breast stoping, with hydropower set to replace pneumatic power underground to improve drill power, reduce heat and noise and extend penetration on levels 6 to 12.

It was also indicated CRM has reserves of 1.7 million ounces at a proven grade of 4.75 g/t and probable grades of 3.48 g/t. Once approved by the board, mining will commence at the Zandfontein resource at a rate of 40 000 t monthly to be doubled after two years.

READ MORE



17 June 2022

Southern Palladium Finalises Physical Survey of Bengwenyama Platinum Group Project


JSE- and ASX-listed mining company Southern Palladium indicated that it had completed the physical survey of the Bengwenyama project. This forms part of its plans to embark on extensive exploration operations in the future.

According to Southern Palladium MD Johan Odendaal, the project is located approximately 300 kilometres east of Johannesburg in the middle of the mining hub. Odendaal also added that this project is one of the last remaining platinum-group-metal (PGM) projects to be developed in this outcrop.

He said that the project included two reefs, namely the Marinsky reef and the Ugie 2 reef. However, the company's focus would be on the latter.

The data gained from the physical survey confirmed the geological structures on the farm. Drilling would start in early July 2022 with 63 boreholes planned for Phase 1 of the programme, on the order of 25 000 metres in the shallow areas.

Odendaal also said that the company's intention is to upgrade and increase confidence levels in these resources to assist Southern Palladium in moving forward once feasibility studies are conducted.

He mentioned that this project shows there is a place for junior miners, like Southern Palladium, in the PGM sector, with Bengwenyama being a sizeable project that can be developed into a top-tier operation. 



READ MORE 

SUSTAINABILITY **TRENDS**



16 August 2022

Thungela to Plant a Million Trees and Invest in Solar Power to Reduce Carbon Footprint

JSE- and LSE-listed coal mining and exporting company Thungela has indicated that it will plant a million trees to purify water, as well as implement solar power in its efforts to reach net zero. The company also plans to restore the Kromdraaispruit and Wilge River and the former Kleinkopje mine as part of its sustainability efforts.

Thungela reported that it is currently trialling water-management technologies that involve phytoremediation, as well as taking further environmental-protection steps for its environmental, social and governance (ESG) commitments.

As part of these efforts, 20 000 trees have already been planted

to lock up the sulphates and heavy minerals in water contaminated by the mine, so that cleaner water can be discharged.

The company said that a 4 MW solar photovoltaic plant is currently being built at its Zibulo mine, while its replacement Elders mine is to be solar-powered as well.

It was reported that the Department of Water and Sanitation (DWS) has approved the company's remediation plan for the restoration of the river system that was polluted by a spill into the Kromdraaispruit and Wilge River. At the same time, the company's former Kleinkopje mine is being held up as an example of how mine land can be returned to sustainable use.

READ MORE



15 August 2022

Seriti Resources Purchases R892-million Stake in Windlab Africa to Reduce Carbon Emissions

Black-owned coal mining company Seriti Resources acquired a majority R892-million stake in the wind and solar assets of Windlab Africa. This forms part of Seriti's efforts to become a diversified energy business, as well as reduce its own mining-related carbon emissions through the newly established Seriti Green subsidiary.

Windlab Africa, the owner of Windlab South Africa, currently manages a 3.5-GW portfolio of renewable-energy projects at varying stages of development. This includes a 450-MW pipeline in Mpumalanga, where several of Seriti's mines are located.

Currently, Seriti utilises 750 GWh of electricity for its mining operations. The acquisition of Windlab came after signing an agreement with Eskom and

Exxaro regarding the company's commitment to incorporate wind and solar energy into its facilities from 2023 onwards.

According to Windlab's Peter Venn, on completion of the transaction Seriti Green intends to build 1 GW of capacity across the country as quickly as possible. Work on a 450-MW Mpumalanga wind farm is also set to begin in the first half of 2023, of which 150 MW will be contracted by Seriti Coal operations.

Seriti Resources CEO Mike Teke reports that the acquisition of the 51% controlling interest in Windlab Africa to be completed in early 2023, is a strategic addition to the group's assets, which currently include the New Vaal, New Denmark, Kriel, Khutala, Klipspruit and Middelburg Mine Services operations.

READ MORE





5 August 2022

Noticeable Improvements in the Treatment and Reusage of Water by SA and African Mines

According to WSP Earth and Environment in Africa, there has been a noticeable increase in the treatment and reuse of water by both South African and African mines. This is attributed to growing green initiatives globally, as well as pressure from local governments.

Water Treatment Lead at WSP Earth and Environment in Africa Peter Wille reports that this shift is due to commitment to the global green-mining transition, as well as the principles developed by the International Council on Mining and Metals.

According to Wille, these efforts have become crucial as water stewardship – defined by the United Nations Industrial Development Organisation as the socially equitable, environmentally sustainable and economically beneficial use of water – has become a pressing challenge for the mining industry.

Typically, mines have mixed all water streams after which end-of-pipe treatment is applied with the water

either being reused or released into the environment. However, segregation at the source can reduce treatment costs and increase reuse potential. Identifying the best point for treatment using water-pinch principles can also help in reducing water-treatment liability.

Regarding long-term water management, WSP Earth and Environment in Africa supports coal-mining clients to develop water-management strategies for existing and decommissioned facilities. This includes treatment solutions such as reverse osmosis, phytoremediation and sulphate and heavy-metal removal.

READ MORE



3 August 2022**Anglo American's Renewable Energy Ecosystem Crucial for its Green Hydrogen Production**

Anglo American announced the creation of a renewable energy ecosystem to enable the production of green hydrogen, as well as reduce its Scope 2 emissions. This includes the planned construction of on-site solar plants, as well as off-site regional wind farms.

According to Anglo American CEO, Duncan Wanblad, this ecosystem is an example of leveraging the company's capabilities and convening power to improve local electricity grid resilience and drive decarbonisation.

He said that the ecosystem will consist of on-site solar plants and off-site regional wind farms that will reduce its Scope 2 emissions.

It will also provide a foundation for green energy production to power

the miner's haul trucks and other mine infrastructure and machinery, as well as support the energy requirements of the entire country.

However, Wanblad also reported that the company's ambitious target of reaching carbon neutrality for its operations by 2040 and a 50% reduction in Scope 3 emissions will be difficult to achieve alone, and said that it may be possible for the company to reach an 80% reduction in Scope 3 emissions if other sectors, such as the steel sector, were following a similar sustainability pathway.

Wanblad added that Future Smart Mining has helped Anglo American to overcome various challenges that include increasing energy requirements and reducing its overall environmental footprint.

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19 July 2022

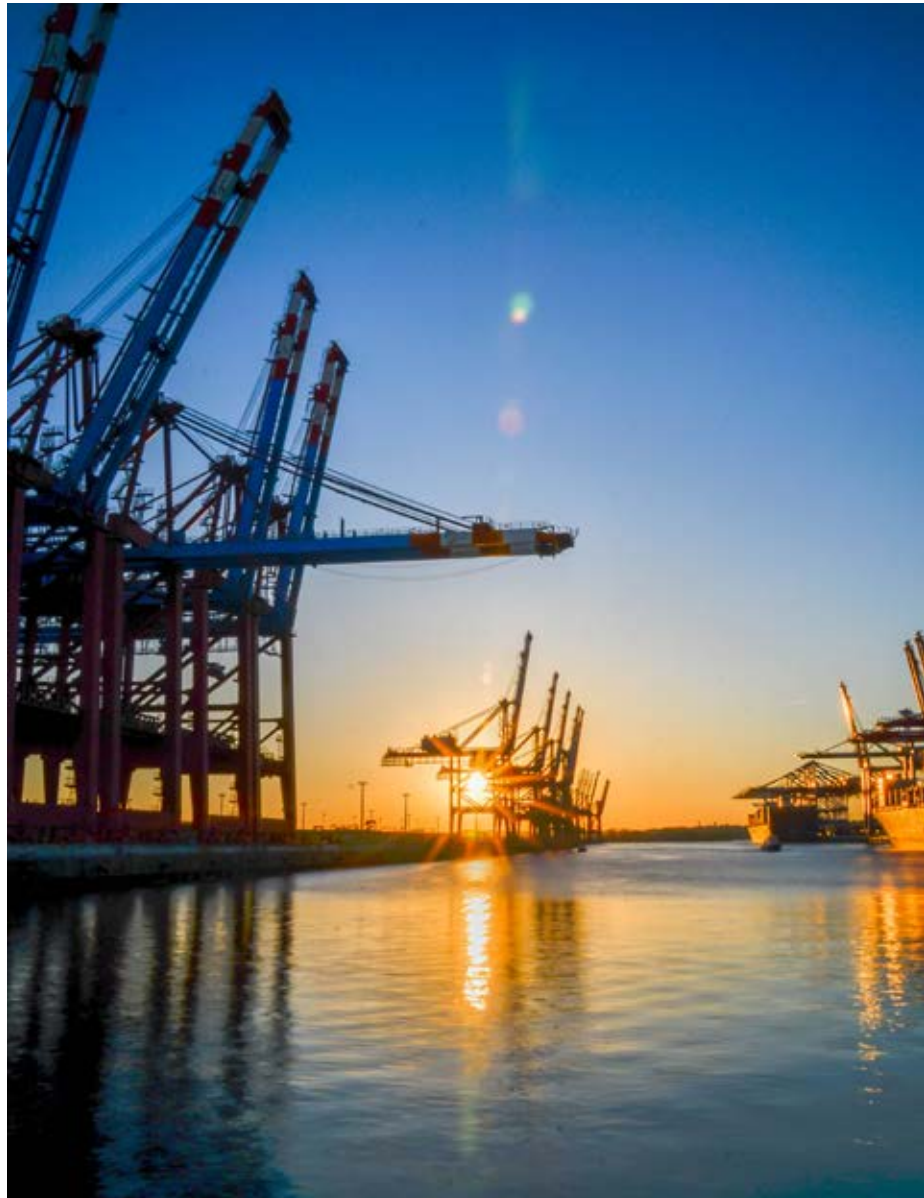
Tronox Holdings Enters Agreement with SOLA Group for Mine and Smelter Solar Power

NYSE-listed Tronox Holdings has agreed to a long-term power purchase agreement with local independent power producer SOLA Group. As part of this agreement, SOLA Group will provide Tronox's mineral sands mines and smelters in South Africa with 200 MW of solar power.

This renewable energy project will deliver approximately 540 GWh to five of Tronox's mining operations, and is expected to be implemented by Q4 2023.

The energy will be provided to Tronox via wheeling agreements that allow Eskom to be paid for the maintenance and upkeep of the technology required to transport it. The agreements allow projects in advanced stages of development to contract with private energy consumers, thereby shortening permitting, procurement and construction timelines.

The agreement also takes advantage of the South African government's recent relaxation of power-production licencing



requirements, which exempt projects up to 100 MW from requiring a generation licence.

According to Tronox Holdings Senior Vice President: External Affairs and Chief Sustainability Officer Melissa Zona, the project with SOLA will reduce the company's global carbon emissions by 13% compared to its 2019 baseline. The project has the full support of the company's board of directors and senior management.

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30 June 2022

Anglo American Enters Deal to Accelerate Rollout of Zero Emissions Haulage Solution


Anglo American has announced that it is in negotiations with specialist engineering company First Mode Holding to form a combined business to accelerate the rollout, development and commercialisation of the miner's nuGen hydrogen-powered Zero Emissions Haulage Solution (ZEHS).

Non-binding terms have been agreed for the company's establishment and will include a capital investment in the business by Anglo American to prioritise the ZEHS development.

The nuGen ZEHS includes the world's largest 2-MW hydrogen-powered mine truck capable of carrying a 290 t payload and generating more power than its diesel predecessor.

The companies developed a ZEHS ecosystem for the generation and storage of hydrogen at the Mogalakwena mine. This includes a 3.5-MW electrolyser with two compressors and hydrogen storage tanks with 800kg capacity at 500 bars of pressure.

The agreement with First Mode is aimed at enabling the decarbonisation of Anglo American's global fleet of 400 operational ultra-class mine haul trucks. This includes supporting infrastructure such as refuelling, recharging and facilitation of hydrogen products.

The new combined business will also allow third parties to co-invest in the business to accelerate their decarbonisation and take advantage of clean ZEHS technology within their own operations. 

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SOCIOPOLITICAL **FACTORS**



16 August 2022

Minerals Council Suggests Mining SLPs Frustrated by Socioeconomic and Political Factors

On the 10th anniversary of the Marikana Massacre, the Minerals Council South Africa stated that the good intent of mines' social and labour plans (SLPs) is often frustrated, or overtaken, by prevailing socioeconomic conditions and party politics. The council said that these issues need to be addressed to ensure the events that led to the massacre never happen again.

It also said that mining companies can largely control the implementation of their SLPs – designed to ensure a positive impact for communities and labour – but that factors can hamper progress.

As an example, the council highlighted the negative impact

of the 'procurement mafia' – a group of politically connected or criminal elements who demand a fee as a percentage of an SLP project's value under the guise of empowerment. In response, the council stated that it is working closely with the security cluster to deal with gangs who extort mines for contracts and benefits.

The council believes that mining companies should be allowed to pool and share their SLP investments to create meaningful impact. However, it explained that they are not seeing any progress in terms of achieving this kind of collaboration, despite years of discussion with the Department of Mineral Resources and Energy (DMRE).

READ MORE





14 August 2022

Portfolio Committee Urges the DMRE to Implement Policies for Sealing Unused Mines

The Portfolio Committee on Mineral Resources and Energy has called on the Department of Minerals Resources and Energy (DMRE) to implement a policy to close and seal off unused mines. This follows an incident where a group of women were gang-raped by alleged illegal miners at a disused old mine in Krugersdorp.

It was alleged that eight women were attacked by a gang of illegal miners – known as zama zamas – while the group were filming a music video at an abandoned mine dump in West Village. Since the attack, more than 130 illegal miners have been arrested and charged with being in the country illegally.

In response to the incident, Chairperson of the Portfolio Committee Sahlulele Luzipo has stated that the DMRE needs to implement the principle of 'use it or lose it' over and above the programme of closing disused and ownerless mines. Luzipo also said that mines that are left dormant halfway, end up as a breeding ground for illegal-mining activities.

The committee indicated that the incident has exposed the failures of the DMRE in executing the closure of old mines, as well as highlighting the high levels of illegal mining in the country.

Luzipo suggested a partnership between major role players, including the DMRE, the Department of Police, and the Department of Home Affairs, to fast track the programme of sealing off disused and ownerless mine shafts.

READ MORE



3 August 2022

Anglo American Launches a Start-Up Incubator Programme in Rural Communities

Anglo American South Africa has recently launched an incubator programme through its enterprise development arm, Zimele. The programme is aimed at transforming 500 start-up businesses in rural communities into sustainable and successful companies, focused on youth- and women-owned businesses.

The programme will be offered in three phases in North West, Limpopo and the Northern Cape, with 25 entrepreneurs taking part in each phase over a period of seven months. The company will provide aspiring entrepreneurs with structured training, mentorship and a variety of tools to refine their business models, identify and engage target markets plus test their products and services.

According to Zimele's head, Larisha Naidoo, the programme was designed to assist local entrepreneurs in taking their business from zero revenue to commercially viable entities. It believes that in doing so, it can improve the broader economic wellbeing of the communities surrounding its mining and processing operations in South Africa.

Furthermore, the company will use training companies, such as TechnoServe and Summit, as well as assistants from Absa bank to help fulfil the objectives of the programme. Through similar initiatives, Zimele has assisted businesses in creating revenue growth of approximately 29%, while forging new market linkages and creating jobs.

READ MORE



26 July 2022**Exxaro Resources Launches a Partnership with YES to Support Youth Employment**

Diversified mining and renewable energy solutions company Exxaro Resources has recently established a partnership with Youth Employment Service (YES) South Africa. Through the partnership, it will implement programmes across its coal-mine operations in Limpopo and Mpumalanga to help create employment pathways for young South Africans.

Launched in 2018 by President Cyril Ramaphosa, YES is a non-profit organisation which aims to transform companies, communities and local youth by connecting them to economic opportunities. Since its launch, the organisation has created over 72000 jobs and over R4 billion in youth salaries throughout the country.

Exxaro Resources believes that the partnership will assist with both job creation and skills development, and will thus address various challenges in local employment, attract procurement opportunities and sustain community development. The company has also announced the launch of two community programmes, namely the SME.Tax initiative and the LulaRides initiative through the partnership.

The SME.Tax initiative will provide 50 young South African accountants with skills and practical work experience to aid them in reaching and sustaining employment. At the same time, the LulaRides initiative will focus on training 200 young South African scooter drivers over a period of 12 months to earn income through work on various online delivery platforms.

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15 July 2022

Sibanye-Stillwater Continues to Make Reparations for the 2012 Marikana Massacre

Since acquiring the operations of platinum-producing company Lonmin in 2019, Sibanye-Stillwater continues to contribute to reparations for community members affected by the Marikana Massacre in 2012. Through engagement with Marikana stakeholders, the company has established the Marikana Renewal Programme, whereby the majority of the reparations are made.

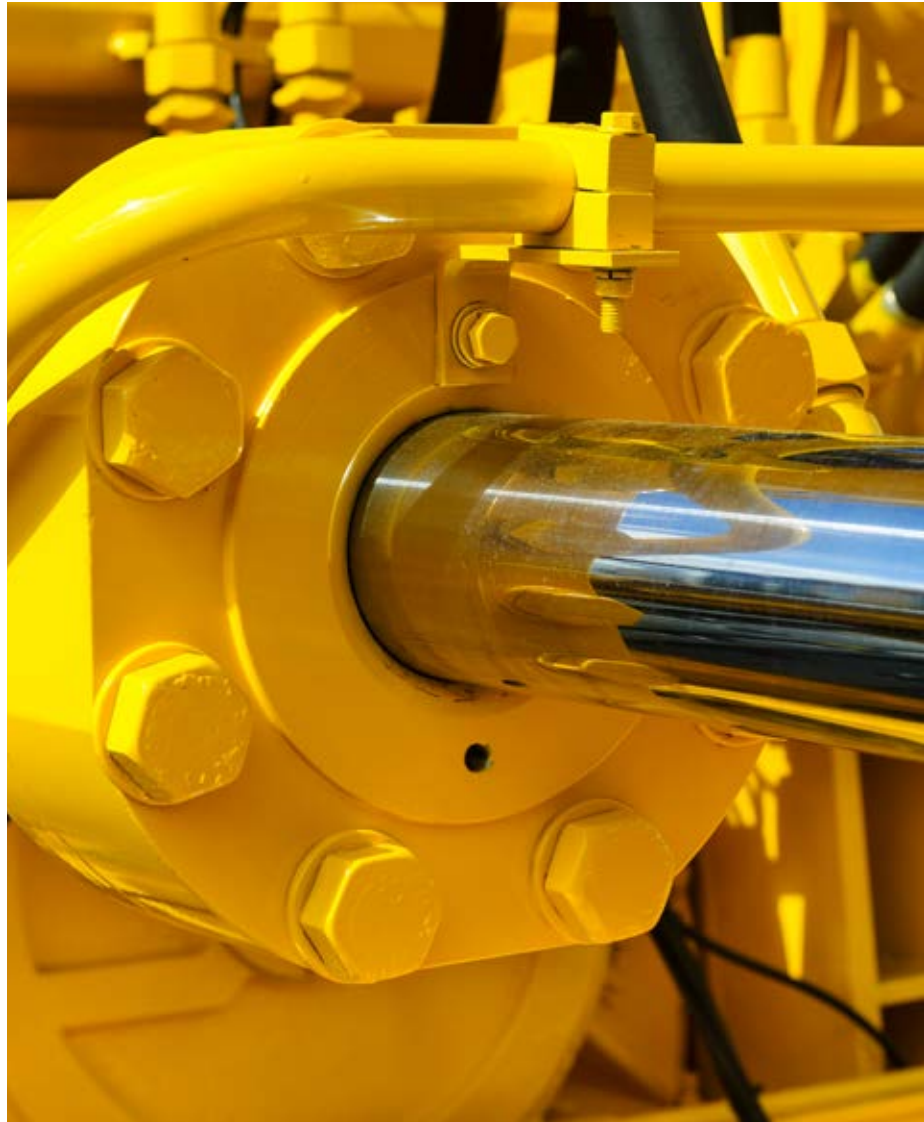
The community members being offered reparations are those who were affected by the violent wage-related protests between August and September 2012. The protests claimed the lives of 40 miners, two police officers and two Lonmin security guards.

Through the programme, Sibanye-Stillwater, in partnership with ReimagineSA, has announced the construction of a memorial park between the two koppies where the majority of the deaths occurred. The park is being designed as an amphitheatre with walkways, indigenous landscaping and a remembrance monument, and will be built in 2023.

The company also continues to offer legal support to the widows and families of those killed, who have yet to receive compensation from the state.

Sibanye-Stillwater's commitments also include building houses for the bereaved, supporting the 1608 Memorial Trust and piloting a Marikana Economic Renewal Programme.

READ MORE





5 July 2022

Abandoned Mines Pose a Toxic Risk to Neighbouring Communities

Human Rights Watch has indicated that the South African government has failed to clean up and secure hundreds of abandoned coal mines, which now pose a safety risk to nearby communities. The abandoned mines threaten to pollute rivers and land by leaching acidic water.

There are over 400 empty coal mines across the country with the wider mining industry in South Africa having left a total of more than 6000 abandoned mines. Human Rights Watch has attributed this situation to the Department of Minerals Resources and Energy's (DMRE) weak enforcement and improper assessment of future clean-up costs.

As an example, earlier this year Thungela Resources Ltd reported

a toxic spill at a mine which was last operational over 50 years ago. The company attributed the spill to vandalism and was subsequently ordered to repair the resulting environmental damage.

Human Rights Watch points out that the legal requirement to clean up mines, introduced in 2002, has rarely been upheld. Moreover, the cost of rehabilitating coal mines in the country can be significantly higher than the amount set aside by miners for this purpose.

Human Rights Watch has therefore urged government to ensure that mines are rehabilitated to the level required by law, and that the costs of these clean-ups are borne by the mining companies involved. 

READ MORE 

LEGISLATION



17 August 2022

Calls to Regulate and Formalise Illegal Artisanal Mining

In August 2022, there were calls to properly regulate and formalise illegal artisanal gold mining in South Africa due to the recent spike in incidents that have pointed to the scale of illegal activity, conflict and criminality.

The incidents include: 300 illegal miners – zama zamas – shooting at police and security officers; turf wars between rival gangs; 150 illegal miners entering Sibanye-Stillwater’s mothballed Cooke shaft in an attempt to gain control; and the recent robbery and gang rape of a film crew at a mine dump close to West Village.

The spike is seen as a threat to community, industrial and state security and puts the spotlight on the systemic reasons why artisanal gold mining has become such a threat.

This includes the state’s decades-long failure to end an unregulated and illegal artisanal gold-mining industry and the failure to formalise it through appropriate policies and legislative provisions.

None of the foundational policies formalise this trade, including the 1994 Reconstruction and Development Programme, the 1998 Minerals Policy, the 2002 Mineral and Petroleum Resources Development Act and the 2005 Precious Metals Act.

Although measures have been put in place to try to address the issue in recent years, the solutions have been insufficient. Therefore, there are calls for the government to properly engage with the mining industry and civil society in the formalisation process, as well as to revise regulations.

READ MORE 

12 August 2022

Ministers Detail Several Interventions to Curb Illegal Mining

In August 2022, Mineral Resources and Energy Minister Gwede Mantashe and Police Minister Bheki Cele briefed the National Council of Provinces (NCOP), detailing several interventions made by the government to curb illegal-mining activities.

In light of recent incidents caused by illegal miners, Mantashe has said that illegal mining is an outright criminal activity and that a dedicated team is required to deal with it.

This has resulted in a task team being assigned to deal with illegal miners – zama zamas – involved in a number of incidents recently.

According to Mantashe, the department is working with Mintek, South Africa's national mineral research organisation, to close open holes that illegal miners are exploiting. This includes an allocation of R140 million a year, which has facilitated the closure of approximately 40 shafts a year.

There are also interventions by the Directorate for Priority Crime Investigation (DPCI) Hawks. These include illicit mining offences such as illegal import/export of precious metals, diamonds and chrome. The DPCI is also investigating robbery and theft cases of precious metals and diamonds at refineries.

It has also conducted disruptive operations at identified hotspots,

such as illegal gold-processing plants, smelt houses, identified refineries and second-hand-goods dealerships. Some 4674 suspected zama zamas have already been arrested.

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10 August 2022

Outstanding Marikana Litigation Matters Set to be Completed by August 2022

According to Department of Justice and Constitutional Development Solicitor General Fhedzisani Pandelani, the remaining 24 out of 48 Marikana litigation matters currently underway were anticipated to be completed by the end of August 2022. This update comes a decade after the strike at Lonmin Platinum in Marikana, where 34 mineworkers were killed by police fire and a further 10 died in the prelude to the shooting.

According to Pandelani, government's resolve, undertaken in 2021, had been to deal with all the remaining matters pertaining to litigation. Since the previous update last year, it has been engaging with its counterparts, the attorneys representing the injured and those with claims of malicious prosecution against the state,

The undertaking included a court sanctioned case-management system, with the Deputy Judge President for the High Court in Pretoria presiding over the issues along with all the claimants' representatives.

In terms of the outstanding matters, these are not related to loss of support owing to the death of any other person who has prepared a claim against the state, and dealt with by August 2021. In the main, these matters related to personal injuries, where people had to be sent for medical examination or actuarial calculation.

All were set down by the Pretoria High Court and the directive was that all of them should either be settled or, alternatively, be served before court before the end of August 2022.

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2 August 2022 Proposed Limpopo Coal Mine Faces Court Challenge from Earthlife Africa

The environmental group Earthlife Africa is challenging in court a proposed coal-mine development in Lephalale, Limpopo. This comes following stakeholders' failure to follow proper environmental authorisation procedures, their lack of climate consideration and dismissal of the affected communities' concerns.

The group made this application for a judicial review after the Department of Mineral Resources and Energy (DMRE) granted the environmental authorisation.

Some of the concerns raised by Earthlife Africa include the threat to the region's air quality, climate impacts and the 'dismal consultation with the affected

communities'. The founding affidavits show that Earthlife Africa had previously lodged an internal appeal to the Minister of the Department of Forestry, Fisheries and Environmental Affairs (DFFE) for granting the environmental authorisation, and that the Minister's refusal to appeal necessitated the court review.

Other reasons include a lack of consideration for future greenhouse-gas emissions, existing sufficient supply of coal for Medupi and Matimba power stations, as well as the lack of a nearby water source for the mine. The proposed mine also falls within a designated air-pollution hotspot, and having a coal mine or power station there would be hazardous.

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25 July 2022

Draft Mine Health and Safety Amendment Bill 2022 Open for Comment

The draft Mine Health and Safety Amendment Bill 2022, gazetted on 14 June 2022, was made open for public comment in July 2022. Written representations and comments on the proposed changes were to be submitted to the Department of Mineral Resources and Energy (DMRE) by 29 July 2022.

According to Webber Wentzel, the proposed amendments place greater obligations on employers, which they claim are welcomed in some respects. However, other changes are problematic and may be open to legal challenge.

Some of the amendments include a change to the definition of an employee – narrowing it – which, according to Webber Wentzel, could create more questions than certainty.

A significant change is the proposed amendment to the definition of a mining area, where it does not confirm the scope of application of a mining area. The bill also proposes an addition to Section 6 that states that every employer must ensure that sufficient quantities of personal protective equipment (PPE) are provided for employees and that the PPE is suitable and effective.

Other amendments include: a requirement to appoint a CEO to

ensure that the company is in line with the bill; and the introduction of an additional Section 7(6) that demonstrates substantive compliance, rather than formative/tick-box compliances.

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20 June 2022

RBPlat Wins Court Case against Africa Wide Mineral

In June 2022, it was announced that Royal Bafokeng Platinum (RBPlat) won a court case against Africa Wide Mineral Prospecting and Exploration Proprietary Limited, a subsidiary of Wesizwe Platinum. The case was centered around the acquisition of Maseve Mine in 2018 for approximately R840 million – Africa Wide Mineral Prospecting maintains it had not given its consent for asset sales.

RBPlat informed its shareholders that Africa Wide Mineral, which held 17.1% of the shares in Maseve prior to the implementation of the share transaction, had instituted legal proceedings against Platinum Group Metals (PGM), RBPlat and Maseve.

Africa Wide Mineral Prospecting sought to have the Maseve transaction declared unlawful and invalid.

Following the court case, the South Gauteng High Court found that Africa Wide Mineral Prospecting had failed to prove its case. It was therefore dismissed with costs. However, the company had until 6 July 2022 to appeal the finding. 

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