

Worker investment success, platinum offtake agreement, market cap decimation

SOUTH AFRICA'S MINEWORKERS HAVE SHOWN that they can lift themselves up by their own dusty bootstraps. Read on page 68 of this edition of *Mining Weekly* of the all-too-low-profiled Mineworkers Investment Trust (MIT) – which was established by the National Union of Mineworkers (NUM) to improve the quality of life of members, former members, their families and communities in the mining, energy and construction industries – looking every bit the model of further education and training. Just as well that it has published a commemorative book on its 20 years of existence because far too much of the MIT's light is hidden under a bushel. Its main programme, the JB Marks Education Trust Fund, has produced more than 830 graduates in various fields and the organisation has vowed to up its game in the disbursement of bursaries beyond the 250-a-year mark. The organisation has grown out of R3-million that the NUM gave it in 1995. That seed capital was invested in the Mineworkers Investment Company (MIC) and a portion of the MIC's dividends accrue to the MIT, which, in turn, disburses the proceeds to its training centre, education trust fund and development agency. Well done, mineworkers. Keep up the excellent work.

Platinum refiner Heraeus Deutschland and Heraeus South Africa are chipping in R300-million to expand the capacity of producer Northam Platinum's Zondereinde metallurgical complex, where R750-million is being spent to build a 20 MW second furnace at the smelter in Limpopo province. Read on page 69 of this edition of *Mining Weekly* that the second furnace supports the expansion programme at Northam Platinum's Booyendal platinum mine as well as the increased upper group two mining at Zondereinde. The upshot is that it will lift the processing capacity of the JSE-listed mining company to more than one-million platinum-group metal (PGM) ounces a year. In return for Heraeus's contribution, Northam will renew its toll refining agreement with the German group for another 20 years and sell up to 40% of its production to the group at market prices.

The 2015 financial year has been one of cost pressures, worker unrest and price collapse, as can be read on page 18 of this edition of *Mining Weekly*, where PwC spells out how these adverse conditions have ripped R260-billion out of the mining capitalisation of 35 mining companies, all of them with primary JSE listings and all of them with market values of R200-million-plus. However, their combined market value has been decimated to R414-billion this year from R675-billion last year and cash flow has been the worst since the financial crisis in 2008.

A late news flash from analyst firm Liberum Mining proclaims the latest European Union (EU) emission rules as being good for platinum, even though first reports indicated the opposite may be true. What was first headlined as a loosening of emission limits proved far more hawkish on closer inspection, Liberum notes.



A handwritten signature in black ink that reads "Martin Gorman". The signature is written in a cursive style and is positioned below the portrait photograph.