



Exclusive

South African coal miners to seek compensation for occupational lung diseases

Adrienne Valdez

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TOP NEWS

South African coal miners to seek compensation for occupational lung diseases

South African coal miners are next to seek compensation for occupational lung diseases after a group of gold mining companies reached an out-of-court settlement over the issue, Mining Weekly wrote, citing the Southern African Catholic Bishops Conference, or SACBC, Justice and Peace Commission and Richard Spoor Attorneys. SACBC Justice and Peace Commission chairperson Bishop Gabuza said the group is working with Richard Spoor Attorneys to demand compensation from coal companies on behalf of former miners who got deadly lung diseases from working in coal mines. According to the law firm, coal miners are pursuing legal action against companies including Sasol and Exxaro Resources Ltd.

Yancoal's Hunter Valley JV with Glencore Coal goes live

Yancoal Australia Ltd. confirmed it completed the establishment of a joint venture over the Hunter Valley coal operations in New South Wales with Glencore PLC's Glencore Coal Pty. Ltd. unit. Yancoal holds a 51% stake in the asset, and the Glencore subsidiary owns the remaining 49% interest.

Rio Tinto gives Turquoise Hill increased role in Oyu Tolgoi copper mine ops

Rio Tinto will give its 51%-owned unit Turquoise Hill Resources Ltd. more control over operations of the Oyu Tolgoi copper mine in Mongolia to address concerns the subsidiary's 11.49%-owner SailingStone Capital Partners LLC raised in February.

DIVERSIFIED

* Vedanta Resources PLC expects a noncash impairment reversal of US\$850 million to US\$950 million on its books for the year ended March 31, reflecting a similar reversal of about US\$661 million for its Vedanta Ltd. unit. The unit previously recorded the impairment for its oil and gas business, which has turned around mainly due to the progress of the company's key growth projects.

* Vedanta Ltd.'s net profit in the fourth quarter of its fiscal 2018 rose 34% year over year to 56.75 billion Indian rupees, while EBITDA was up 9% to 79.29 billion rupees.

* BP PLC tapped Morgan Stanley as it weighs the acquisition of some of BHP Billiton Group's energy assets, Bloomberg News reported, citing sources. BHP is set to consider bids for energy assets that it values at US\$10 billion during the third quarter.

* Saudi Arabian Mining Co. booked a net profit of 754 million riyals in the first quarter, up 121% year over year, attributed to higher volumes and sales prices, partially offset by increased raw material prices. Sales revenues increased 32% to 3.56 billion riyals on the back of higher realized prices of aluminum, fertilizers, alumina and gold. Primary aluminum production increased 2% to 233,000 tonnes, while alumina output was up 5% at 389,000 tonnes on a yearly basis.

BASE METALS

* Sandfire Resources NL will increase its exploration spending and could fund a A\$1 billion to A\$2 billion development project over the next four years with its improved balance sheet, supported by the DeGrussa

copper-gold mine and the nearby Monty copper project in Western Australia, The Australian Financial Review reported.

* Workers at the La Oroya smelter in Peru are in talks with companies interested in forming a venture to restart the operations formerly held by Doe Run Peru SRL, Reuters reported. The creditors holding the smelter and the Cobriza copper mine allowed the workers' union to look for an investor to help them acquire the smelter and the mine for US\$90 million.

* Minfocus Exploration Corp. will refuse GreenBank Capital Inc.'s request for a shareholder meeting as the request does not constitute a valid shareholder requisition under Canadian laws.

* New World Cobalt Ltd. agreed to acquire the Grapevine cobalt-nickel-copper project in Arizona, which covers 800 acres over 40 mineral claims, from Grapevine Resources LLC.

PRECIOUS METALS

* South African mine workers who contracted fatal lung diseases silicosis and tuberculosis from working in mines reached an out-of-court settlement. Harmony Gold Mining Co. Ltd., Anglo American PLC, African Rainbow Minerals Ltd., Sibanye Gold, AngloGold Ashanti Ltd. and Gold Fields Ltd. agreed to a collective settlement amount of about 5 billion South African rand.

* Thirteen miners were trapped underground at the Masakhane mine within Sibanye Gold Ltd.'s Driefontein gold operations in South Africa following seismic activity. Of the 13 trapped miners, Sibanye freed 10, but four died of their injuries while the others remain in the hospital. Operations at the Masakhane shaft are suspended.

* Bligh Resources Ltd.'s total contained gold ounces at its Bundarra project in Western Australia rose by 150,000 ounces to 580,000 ounces. The project's JORC 2012-compliant resource increased 16.5% to 8.2 million tonnes, with a 16% improvement in grade to 2.2 g/t of gold.

* Nex Metals Explorations Ltd. received applications for forfeiture on the Yundamindera gold tenements in Western Australia, filed by MCA Nominees Pty. Ltd., which holds tenements immediately to the north. Nex said there is no basis for the claim and will defend the matter.

* Polymetal International PLC completed the sale of its 50% interest in the Dolinnoye gold property, part of its Varvara operations in Kazakhstan, to JSC AK Altynalmas for US\$33.5 million. Polymetal also terminated the deferred conditional cash payment related to its 2014 acquisition of the Kyzyl gold project in Kazakhstan, capped at US\$500 million, in exchange for US\$10 million in Polymetal shares to rights holder Sky Tower.

* A preliminary economic assessment for Harte Gold Corp.'s Sugar Zone gold project in Ontario estimated a posttax net present value, discounted at 5%, of C\$244 million and an internal rate of return of 42%. The study pegged preproduction CapEx for the underground operation at C\$58 million and sustaining CapEx at C\$223 million for a total of C\$281 million over the 12-year mine life.

* Harte Gold Corp. secured a US\$70 million debt financing package to fully fund the construction of the Sugar Zone gold project in Ontario after signing committed agreements with Sprott Private Resource Lending (Collector) LP for a US\$50 million senior secured debt facility and with Appian Natural Resources Fund for a US\$20 million subordinated loan.

* Tahoe Resources Inc. resolved the labor strike at its La Arena gold mine in Peru and addressed the concerns raised by the community of La Arena.

BULK COMMODITIES

* Glencore became the first foreign company to carry out a trade for Chinese iron ore futures on the first day the Dalian Commodity Exchange opened the contract to overseas investors, Reuters reported, citing the exchange.

* European insurance firm Allianz pledged to stop selling insurance policies to coal companies and to phase all coal risks out of its business by 2040 in a bid to help curb the use of the fossil fuel, the Financial Times wrote.

* United Co. Rusal PLC's global depositary shares are expected to be delisted from Euronext in Paris on May 7.

* Vedanta expects to close its acquisition of Electrosteel Steels Ltd. in the next couple of weeks, The Economic Times of India reported. Parent company Vedanta Resources called for a shareholders' meeting on May 18 to seek approval for the acquisition.

* MYTILINEOS Holdings S.A. booked net profit after taxes and minority interest of €41.1 million, or 28.8 cents per share, in the first quarter, up 10.3% from €37.3 million, or 26.1 cents per share, a year earlier.

* The abolishment of U.S.-imposed sanctions on companies linked to Russian magnate Oleg Deripaska may take over a year to complete, if he fulfills all the conditions set by Washington. Vedomosti reported, citing an interview with former U.S. Treasury officials interviewed by the Financial Times.

* Century Aluminum Co. swung to a first-quarter net loss of about US\$300,000, from net income of US\$35.8 million, or 37 cents per share, a year earlier. Net sales increased to US\$454.5 million from US\$433.8 million.

* Kudumane Manganese Resources was forced to delay deliveries of some of its manganese ore shipments due to heavy rains in Brazil's Northern Cape region, Metal Bulletin reported. The shipments are expected to be affected until August.

* Indonesian miner PT Kapuas Prima Coal expects to achieve a sales target of 1.1 trillion Indonesian rupiah this year after sales tripled in the first quarter, helped by the rising price of zinc, Kontan reported.

* The domestic coal market is improving, and recent growth in international demand for coal is creating an opportunity for the U.S. to become an essential piece of seaborne markets instead of just being a swing supplier, Consol Energy Inc. CEO Jimmy Brock said on an earnings call.

* Mexican steel manufacturer Grupo Simec SAB de CV agreed to acquire two steel production facilities in Brazil and steel wire-drawn equipment from ArcelorMittal subsidiary ArcelorMittal Brasil SA.

SPECIALTY

* Western Australia Lithium, a 50/50 joint venture between Kidman Resources Ltd. and Sociedad Quimica y Minera de Chile SA, secured an exclusive 24-month option with Western Australian government group LandCorp to lease a site for a lithium refinery. An investment decision for the plant, which is rated for an initial nameplate capacity of approximately 37,000 tonnes of lithium carbonate, is expected either later this year or in early 2019.

* At least 14 people were killed after a jade mine slag heap collapsed May 4 in northern Myanmar, when workers were scavenging through mining debris for discarded jade, Reuters wrote, citing rescue officials.

* E3 Metals Corp. estimated a National Instrument 43-101 inferred mineral resource of 3.9 million tonnes of lithium carbonate equivalent at the Exshaw West resource area of its Alberta property. The total combined inferred resource estimate increased to 6.7 million tonnes of LCE hosted in the Clearwater, Rocky and Exshaw permit areas.

* PJSC Arosa sold 101 special-size diamonds weighing over 10.8 carats at an auction in Vladivostok, Russia, for US\$14.8 million in revenues, Mining Weekly reported.

* Saint Jean Carbon Inc. signed a definitive agreement with Great Lakes Graphite Inc. to acquire the historical mining property known as the Lochaber graphite claims in Quebec.

INDUSTRY NEWS

* A senior Chinese government official told Reuters that Beijing is looking to open more of its futures contracts to foreign investors after launching its "internationalized" iron ore contract as the country moves to increase its influence of major commodity imports' pricing.

* The Ontario government agreed with a number of First Nations to share nearly half of the revenues it collects through mining taxes in some areas of the province that include many of its major mines. The agreements are with 32 First Nations represented by Grand Council Treaty #3, Wabun Tribal Council and Mushkegowuk Council.

* South African President Cyril Ramaphosa said new rules governing black ownership of the country's mining sector will be completed "very soon," without giving a specific timeline, Bloomberg News reported.

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