



Exclusive

South African coal miners to seek compensation for occupational lung diseases

Fawad Mir

1,443 words

7 May 2018

SNL Financial Extra

SNLFE

English

Copyright 2018. SNL Financial LC

TOP NEWS

South African coal miners to seek compensation for occupational lung diseases

Hot on the heels of an out-of-court settlement between the South African gold mining sector and workers who contracted lung diseases over the course of their duties, coal miners in the country are set to seek compensation as well, Mining Weekly reported. The companies including Sasol Ltd. and Exxaro Resources Ltd. were the target of litigation to secure compensation for coal mine workers, according to Richard Spoor Attorneys.

Glencore, Qatar scrap US\$9.1B deal to sell Rosneft stake to CEFC

Glencore PLC and the Qatar Investment Authority are dropping plans to sell a US\$9.1 billion stake in Russia's state-owned PJSC Rosneft Oil Co. to CEFC China Energy Co. Ltd. While Glencore did not give a reason for the deal's termination, the Financial Times reported that the deal has been on hold since February, when CEFC China Energy head Ye Jianming was detained in China for questioning regarding a potentially corrupt oil rights deal.

Death toll climbs to 7 at Sibanye's Masakhane mine after seismic activity

Sibanye Gold Ltd. said the last three workers recovered from the Masakhane mine died of injuries, bringing the total number of fatalities to seven. Thirteen miners were trapped at the mine, part of the company's Driefontein gold operations in South Africa, following a seismic event May 3. The company recovered all the trapped workers.

DIVERSIFIED

* Barclays swapped its ratings on mining giants BHP Billiton Group and Rio Tinto, upgrading BHP to "overweight" from "equal weight" amid expectations that the company will recover some of its underperformance against Rio Tinto over the next 12 months. The upgrade for BHP and the downgrade to "equal weight" for Rio Tinto follow BHP's 40% underperformance versus Rio Tinto over the last five years, Barclays said.

* Anglo American PLC is letting go of its minority interest in Nautilus Minerals Inc., a deep sea mining firm developing the Solwara 1 gold-copper deposit, which forms part of the Solwara concessions off the coast of Papua New Guinea.

BASE METALS

* MMG Ltd.'s Dugald River zinc operation in Queensland, Australia, achieved commercial production May 1.

* According to Codelco's newly revised structural investment plan, Capex spending for the Chuquicamata underground and El Teniente expansion projects increased 62% from original estimates. The amount went from US\$3.5 billion to US\$5.5 billion for the Chuquicamata project, while funds required for El Teniente's Nuevo Nivel Mina grew from US\$3 billion to US\$5 billion, daily Pulso reported.

* Element ASA entered into a letter of intent with Auplata SA to jointly acquire OSEAD Maroc Mining SA, a 37% owner of lead-zinc-silver-focused Moroccan miner Compagnie Minière de Toussit SA, for €82.9 million.

Meanwhile, Element secured a four-year commitment for an interest free convertible note facility of 500 million Norwegian kroner from Alpha Blue Ocean Inc. The facility is renewable for an additional 500 million kroner.

* Jervois Mining Ltd. agreed to sell its 1.5% gross revenue royalty at the Flemington cobalt project and its 1.7% gross revenue royalty on the Nyngan scandium project, both in New South Wales, Australia, to Cobalt 27 Capital Corp. for US\$4.5 million.

* Ausmon Resources Ltd. signed a definitive agreement to acquire New Base Metals Pty. Ltd., which holds three cobalt-prospective projects with 100% interests in seven licence applications in New South Wales and Queensland.

* Meteoric Resources NL signed a binding agreement to acquire the Lorrain cobalt project in Ontario. Meanwhile, the company has decided not to exercise its option to purchase the Gillies cobalt project.

PRECIOUS METALS

* Newcrest Mining Ltd. said it expects the Cadia gold-copper mine in New South Wales, Australia, to return to full production rates by year end. The company started depositing tailings into the Cadia Hill open pit after completing the construction and commissioning for the pipeline infrastructure.

* Gold Road Resources Ltd. completed the acquisition of a 50% interest in the South Yamarna gold project in Western Australia from Sumitomo Metal Mining Co. Ltd.'s Sumitomo Metal Mining Oceania Pty. Ltd. The company now owns 100% of the Yamarna project, consisting of the previously North Yamarna and South Yamarna joint venture.

* Richard Albarran, Brent Kijurina and Cameron Shaw of Hall Chadwick Chartered Accountants were appointed as joint and several voluntary administrators of Cleveland Mining Co. Ltd. on May 4.

* A new fund will be soon launched by the World Gold Council with a cut-price management fee to compete against other funds with lower charges, Reuters reported, citing a source familiar with the matter.

* Alliance Resources Ltd.'s and Tyranna Resources Ltd.'s Wilcherry joint venture plans to delineate a maiden resource estimate on the gold project in the first half of the year.

BULK COMMODITIES

* Kommersant and RBC Daily reported that United Co. Rusal PLC reduced aluminum exports by 70% in comparison with March indicators, according to Russian Railways. The company has not yet managed to find new markets after U.S. sanctions.

* RBC Daily reported that the plan of the En+ Group PLC to lift the U.S. sanctions against Rusal may require additional actions. Lawyers point out that in addition to the 68.5% stake in En+ owned by Oleg Deripaska personally, 11% belong to his relatives.

* Metro Mining Ltd.'s first shipload from its Bauxite Hills mine in Queensland, Australia, departed for Shandong, China, with about 62,000 tonnes of ore for the Xinfu Group. The company has a four-year binding off-take agreement to supply Xinfu with 1 million tonnes in the first year followed by 2 million tonnes per annum for the next three years.

* Gulf Manganese Corp. Ltd. unit PT Gulf Mangan Grup signed a five-year deal with national power provider PT PLN (Persero) Wilayah NTT for the supply of 20 MVA power to its Kupang smelting hub facility site in Indonesia.

* Bryah Resources Ltd. secured a one-year option to acquire the mining lease covering the historical Horseshoe South manganese mine, plus an additional 154 square kilometers of manganese exploration rights, in Western Australia.

* Russian steelmaker PJSC Novolipetsk Steel, or NLMK, said it may be forced to close its U.S. division due to the impact of the import tariffs on its business, Reuters reported. The company applied for an exemption from the tariffs, with a decision expected in June. The tariffs threaten over 9,000 jobs at NLMK USA's Pennsylvania and Indiana mills, according to NLMK USA CEO Robert Miller.

* OAO Metalloinvest reported first-quarter iron ore output of 9.9 million tonnes, down 2% over the previous quarter and 1.8% over the year-ago period. Pellet production increased 2.7% over the December 2017 quarter to 6.7 million tonnes due to maintenance work in the last quarter of 2017 and a change in the product mix.

* Two miners are dead and three more remain trapped nearly a kilometer underground after an earthquake hit Jastrzębska Spółka Węglowa SA's Borynia-Zofiówka-Jastrzebie coal mine in Poland, Reuters reported.

* A pre-feasibility study for Agrimin Ltd.'s MacKay sulfate of potash project in Western Australia estimated a posttax net present value, discounted at 8%, of US\$453 million, an internal rate of return of 20% and a 4.2-year payback period.

SPECIALTY

* PJSC Alrosa's supervisory board recommended a dividend of 5.24 Russian rubles per share for 2017, compared to a dividend of 8.93 rubles per share in 2016.

* Alrosa could acquire state-owned diamond polisher Smolensk Kristall, Reuters reported. The merged entity could be a stronger competitor to De Beers SA, according to the report.

* 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.

INDUSTRY NEWS

* Deal makers are in demand among both investment banks and corporate advisories as continuing mining sector confidence is set to spur more mergers and acquisitions activity in Australia, recruiters say.

* 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 Daily Dose has an editorial deadline of 7 a.m. London time. Some external links may require a subscription. Links are current as of publication time, and we are not responsible if those links are unavailable later.

Document SNLFE00020180508ee57000b5