

MEDIA STATEMENT

CHAMBER OF MINES VOICES CONCERN REGARDING ALLEGATIONS OF STATE CAPTURE

Johannesburg, 17 March 2016: The Chamber of Mines has raised its voice of concern regarding the widespread allegations of state capture. In particular, the latest revelations of potential Gupta family involvement in the selection of Cabinet Ministers in South Africa, in processes contrary to the country's Constitution, are of serious concern to the South African mining industry.

The Chamber notes that allegations of links of the Minister of the Department of Mineral Resources to the Gupta family, and allegations that some of his special advisors are linked to the boards of the Gupta family companies, is making the mining sector ask questions about this matter.

Most concerning to the Chamber are reports that mining companies are being placed under undue pressure via inappropriate section 93 notices for alleged failure to meet the ownership requirements of the Charter when the subject matter is presently before the court for a ruling, or section 54 mine safety stoppage notices, given the damage these can do to the industry and investor confidence.

Should the country and industry be concerned about these issues? The Chamber believes so.

The South African mining sector is in crisis. The industry requires policy stability and certainty and fair and transparent implementation of the laws from a licensing perspective. Allegation of corruption and undue political influence in licensing decisions are not in the interests of the industry or the country.

Given that the mining sector still remains a key window on the South African economy through which the global investor community views the country and its investment rating status, these are concerning allegations.



The Chamber will continue to engage all relevant parties, including the Minister of Mineral Resources, so that we can address matters negatively affecting the mining sector and the negative perceptions affecting investment in our country.

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