

MEDIA STATEMENT

MINERALS COUNCIL FILES APPLICATION FOR REVIEW OF MINING CHARTER 2018

Johannesburg, 27 March 2019: The Minerals Council South Africa advises that it filed an application for the judicial review and setting aside of certain clauses of the 2018 Mining Charter published by the Minister of Mineral Resources on 27 September 2018.

A decision to pursue this action was very reluctantly taken by the Minerals Council Board. The Minerals Council has engaged in ongoing attempts to reach a compromise with the Minister on certain provisions that are problematic for the industry, and which would be detrimental to its sustainability. The Minerals Council has delayed bringing the application in the hope that those discussions would be successful but, given the peremptory 180-day time bar imposed by section 7(1) of the Promotion of Administrative Justice Act (PAJA), the Minerals Council was obliged to launch the review proceedings on 26 March 2019, despite the fact that the discussions are ongoing and may yet bear fruit.

Minerals Council CEO, Roger Baxter, notes that: “The Minerals Council and its members remain fully committed to transformation of the mining sector in South Africa, with the aim of achieving job creation, economic growth, competitiveness and social upliftment and development. A transformed, growing and competitive mining sector would be a significant catalyst for South Africa’s social and economic development and critical for the realisation of the ambitions of the National Development Plan.

“But these goals will only be realised through a minerals policy framework that conforms to the rule of law and principles of legality; and by administrative action which is lawful, reasonable and procedurally fair and consistent in all respects with provisions of the country’s legislation. The rule of law, regulatory certainty and the fair and even-handed administration of laws are of the utmost importance in sustaining the mining industry, and indeed the economy as a whole.

“This application is fully aligned with the Minerals Council’s previously stated view that most aspects of the Charter represent a reasonable and workable framework, but that the



provision that the charter does not fully recognise the continuing consequences of previous empowerment transactions, particularly in respect of mining right renewals and transfers of these rights, remains untenable. Not only does this provision in particular have a severely dampening effect on the attractiveness of mining in the eyes of investors, but it is also, in our view, a breach of the declaratory order on the matter issued by the North Gauteng High Court in April.

“The Minister has been kept fully apprised of the Minerals Council’s intentions. The Minerals Council continues to seek a solution to the current impasse that respects the outcome of the High Court judgment on continuing consequences, and provides a level playing field for companies in this regard.”

For further information, please contact:

Tebello Chabana, Senior Executive: Public Affairs and Transformation

Tel: +27 (0)11 498 7100 or Mobile: +27 (0)82 920 9229

Email: tchabana@mineralscouncil.org.za

Charmane Russell

Tel: +27 (0)11 880 3924 or Mobile: +27 (0)82 372 5816

Email: charmane@rasc.co.za

Website: www.mineralscouncil.org.za