



Press Release

TRANSNET AND MINERALS COUNCIL MEET TO STRENGTHEN COOPERATION

24 August 2021

The leadership of Transnet SOC Ltd ('Transnet') and the Minerals Council SA met for a full day detailed workshop yesterday, as part of ongoing engagements to ensure operational improvements on the network. Transnet was led by Group CEO Portia Derby and her EXCO, and the Minerals Council was led by Nolitha Fakude, President, Themba Mkhwanazi, Vice President, Minerals Council CEO Roger Baxter and several CEOs from the iron ore, chrome, coal and manganese sectors.

They were joined by the Minister of Public Enterprises, Mr Pravin Gordhan.

The discussions were frank and open, with a specific focus on challenges and solutions, with the aim of ensuring Transnet is able to stabilise operations, recover to planned target levels in 2021 and to enable the mining sector to take advantage of the current commodity upswing. This would have the benefit of greater revenue generation for both Transnet and its mining customers, and their respective contribution to the growth and competitiveness of the South African economy.

The Minerals Council represents all of Transnet's largest customers in the mining sector and most of the smaller mining companies.

Transnet's focus on greater collaboration between its operating divisions, specifically Transnet Freight Rail (TFR) and Port Terminals (TPT), aims to improve efficiencies across the value chain, for the benefit of customers.

Transnet and the Minerals Council have agreed to collaborate on a number of key areas, in order to ensure operational improvements across the freight system, to get back to target performance levels in the short term and then to position for growth in the future. These include:

- The establishment of smaller working teams focused on the different commodity groups by corridor, to address corridor-specific issues.
- Better engagement on annual maintenance shutdowns, to ensure improved planning, and to leverage support from the mining sector where Transnet experiences constraints.

- Collectively working to ensure faster recovery from derailments.
- Jointly addressing the issue of syndicated organised crime (including copper theft and illegal mining), and seeking support and intervention from Government.
- The need to collaborate more closely on security issues, for the implementation of technologies to reduce theft and vandalism of infrastructure. The details of this will be discussed further and finalised with the industry.

Minerals Council President, Ms Nolitha Fakude said: "We are firmly of the view that the mining sector and Transnet are joined at the hip. It is crucial for us to collaborate and realise real synergies that grow export volumes, promote greater investment and growth in mining, and which grows Transnet's revenue streams and sustainability. The workshop was a meaningful step in concretising cooperation and taking South Africa forward".

"We have a shared interest in ensuring that we collaborate to better deliver on our respective mandates, and move the South African economy forward," Transnet Group CE Ms Portia Derby said.

Ends

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