

# 'Sweetheart deal' miners ICT given the right to appeal

PRETORIA – A court yesterday granted the mining ministry and politically connected Imperial Crown Trading (ICT) the leave to appeal in a mineral rights case against Kumba Iron Ore and ArcelorMittal South Africa.

The decision could drag out a complicated case for partial rights at one of the world's largest iron ore mines. Critics have said they were given to ICT – a company with business links to President Jacob Zuma's son – in a sweetheart deal.

Police are investigating possible fraud. Judge Raymond Zondo ruled in December that ICT could not keep mineral prospecting rights it was awarded by the ministry. Yesterday, he allowed for the right to appeal his decision. Disputes

over mineral rights have raised investor concerns after some had been awarded to people linked to high-ranking officials.

ICT was previously awarded the right to prospect for minerals at the Sishen mine operated by Kumba, a unit of Anglo American, in an area over which ArcelorMittal South Africa previously held a mining right.

ArcelorMittal South Africa allowed the right to lapse in 2009, putting in jeopardy a lucrative multi-billion rand supply deal it had with Kumba. The supply dispute between Kumba and ArcelorMittal is being fought out in a separate arbitration process, which will proceed once the court case with ICT has been finalised.