

Appeal court rules against minister's Sishen challenge

THE Supreme Court of Appeal (SCA) this week ruled that the Sishen Iron Ore Company (Sioc) is the exclusive holder of a converted mining right for iron ore on Sishen Mine properties.

It dismissed an appeal by the Minister for Mineral Resources Susan Shabangu and Imperial Crown Trading (ICT) against a ruling by the Johannesburg High Court in 2011.

The high court found that Sioc became the exclusive rights holder on May 5 2008, and it set aside ICT's prospecting right in relation to 21,4% of the Sishen mine.

The dispute about the 21,4% mining right was a result of disagreement between Anglo American subsidiary Kumba Iron Ore and ArcelorMittal SA (Amsa).

"As a matter of law, at midnight on 30 April 2009, after Amsa failed to convert its undivided share of the old order mining right in respect of iron ore on the ... properties, Sioc became the sole holder of the mining right in respect of those properties ... ," the SCA said on Thursday.

As a result of the dispute, Sioc and ICT brought criminal charges against each other, alleging various crimes. A complaint was also laid against National Prosecuting Authority prosecutions head Glynis Breytenbach by ICT, which claimed she was favouring the Sioc's Kumba mine lawyers in their case against the ICT.

The SCA said that Sioc's operation was well-established. So, it could not understand why the department had granted the ICT prospecting rights. The criminal case still has to be finalised.

The department spokesperson Zingaphi Jakuja said the department noted the judgment and would study it with legal counsel, but would not comment further. —

Sapa