

# SIOC EXCLUSIVE MINER AT SISHEN



**Despicable Me** het as inspirasie gedien vir Hoërskool Kathu se graad 9 vlot wat op Woensdag 27 Maart 2013 tydens dié skool se jaarlikse vlotoptog as die beste vlot aangewys is. Foto: Hettie du Plessis

The Supreme Court of Appeal ruled on Thursday 28 March 2013 that the Sishen Iron Ore Company (SIOC) is the exclusive holder of a converted mining right for iron ore on Sishen Mine properties. Justice Raymond Zondo dismissed an appeal by the Minister of Mineral Resources and Imperial Crown Trading (ICT) against a ruling by the High Court in Johannesburg in 2011. The high court found that SIOC became the exclusive rights holder on May 05, 2008, and it set aside ICT's prospecting right in relation to 21.4 percent of the Sishen Mine. The dispute about the 21.4 percent mining right arose out of disagreement between Anglo American subsidiary Kumba Iron Ore and Arcelor Mittal SA (AMSA). In 2001, as part of Iscor's unbundling, it was agreed that a 21.4 percent stake in mineral rights at the Sishen mine would vest in the company which is now AMSA. At the time, it was agreed that Sishen would supply AMSA with iron ore at up to 6.25 million tons a year, at cost plus three percent. When AMSA failed to convert its old order mining right in 2009, Kumba said it would sell its iron ore to the steel giant at market prices. An undivided prospecting right was granted to ICT in relation to 21.4 percent stake in Sishen Mine. Kumba, which owns 74 percent of the SIOC, also applied to the department for the lapsed AMSA rights. In their March 28 ruling, five SCA judges

Brian Southwood, Fritz Brand, Carole Lewis, Azhar Cachalia and acting SCA Judge Kevin Swain found that the SIOC had held an undivided 78.6 percent share in the right to iron ore on the Northern Cape property and that when it converted its old order mining right on May 5, 2008, it became the holder of the sole and exclusive mining right. The SCA found that its mining authorisation clearly related to all the properties. "It could not be otherwise," the court held, and ruled that there were therefore no rights to transfer. There was no share of the "old order mining right" or the mining right which the Minister could allocate to any other party. The conversion granted by the Minister in 2008 "stands until amended or set aside. 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 held. As a result of the dispute, the SIOC and ICT brought criminal charges against each other, alleging various crimes. A complaint was also laid against National Prosecuting Authority prosecutions head Glynnis 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 operation

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