

## Vedanta is set to expand footprint in Africa



Vedanta is set to expand its footprint in Africa. It has a long-standing presence in Africa and has invested more than US\$4 billion in its African operations since 2004. Currently, the company mines copper in Zambia, produces zinc and lead concentrate at Black Mountain Mining (BMM) in South Africa, and zinc metal at Skorpion Zinc in Namibia.

Recently, Vedanta kick-started its Gamsberg Zinc Project at BMM with a capital investment of US\$400 million. Gamsberg, which is in the Northern Cape, holds one of the world's largest undeveloped zinc sulphide deposits, with approximately 160Mt of defined ore resources.

"The true scale of business opportunities in Africa has not yet been explored, particularly in South Africa's rich natural resources sector," Anil Agarwal, Chairman of Vedanta Resources said. "I am certain that this visit with Prime Minister Narendra Modi heralds an even more prosperous future for India and the African continent."

For a natural resources company like

Vedanta, South Africa offers a unique opportunity with its wealth of diverse natural resources. "We are committed to expanding our operations here and will continue to invest in our greenfield project at Gamsberg," added Agarwal. "We already have a significant presence in South Africa and are well placed to help realise the vision of our Prime Minister of shared growth between India and South Africa in the future."

Agarwal announced that the group will be signing two memorandum of understanding (MoUs) with South African companies when he visits South Africa as part of the delegation accompanying Modi, on 8 July.

These MoUs are for the development and supply of equipment and the transfer of technology, with the aim of improving safety and productivity at the mechanised underground mines of Vedanta's subsidiary, Hindustan Zinc Limited (HZL).

Some 125 South Africans work on various HZL sites across India and Vedanta has awarded projects worth almost US\$300

million to at least seven companies based in South Africa to date.

Vedanta believes that its Gamsberg project together with its investment in technology and innovation with local partners will contribute significantly to improving the livelihoods of local communities in both India and South Africa.

While most mining operations in South Africa have been declining over the past few years, BMM continues to be an efficient producer of zinc, lead, copper and silver. It has been a stable employer in the region for the past 30 years and, with the development of Gamsberg, has the potential to remain so for at least the next two decades. BMM is the largest private employer in the Bushmanland and Namaqua region, providing employment for 1,300 people.

"The Gamsberg Project represents a significant opportunity to grow the local economy and create jobs while remaining committed to a long-term plan to rehabilitate a region rich in biodiversity," says Naidoo. Gamsberg is located in the ecologically sensitive Succulent Karoo Biome, which represents one of the world's 35 biodiversity hot spots, according to Conservation International.

Vedanta is committed to ensuring that it leaves a positive legacy when its operations reach the natural end of their economic lives. As such, the company has committed to all closure processes reflecting best practice in terms of sustainability and environmental rehabilitation.

## Bauxite Resources looks for new investment opportunities in mining

Bauxite Resources Ltd publishes its June 2016 Quarterly Activities and Cashflow Report. The report confirms that the proposed 5 cent per share return of capital payment was completed on 21 June 2016.

Exploration activities continued but at a minimal levels on the HD Mining (HDJV) tenements. The joint venture with HD Mining is working and HD Mining will be funding all exploration activities and it has now also paid its outstanding JV contribution commitments. An annual budget has been agreed for BRL to recommence exploration activities which will be funded completely by HD Mining. BRL would continue working on further capital management initiatives and new investment opportunities both within and outside the mining sector.

The Board of BRL is undertaking reviews of new projects for future investments. The Company's current cash consumption rate has been reduced considerably and the company expects to maintain these cost levels in the near term. The board will continue reviewing surplus assets and rationalise so that reasonable market prices can be achieved.

