

PRESS CUTTINGS

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IDC to invest R3,2bn in platinum venture

The Industrial Development Corporation says it will invest R3,24bn in a new platinum venture in partnership with Pallinghurst Resources and the Bakgatla-Ba-Kgafela community

THE Industrial Development Corporation (IDC), a state investment agency, said on Thursday it would invest R3,24bn in a new platinum venture in partnership with Pallinghurst Resources and the Bakgatla-Ba-Kgafela community.

The venture around may create as many as 9,000 jobs, Pallinghurst said.

The IDC will hold a 16,2% stake in the venture immediately north of the Pilanesberg game reserve in the North West.

The project is forecast to produce 1,1-million oz of platinum group metals by 2016-2017.

The venture is also aiming for a stock listing within the next 12 months, said Arne Frandsen, Pallinghurst CEO.

"We will be listing the company on the JSE and an international exchange — either London or Hong Kong — within the next 12 months," he said.

The venture will construct an independent platinum processing facility that will be opened to third-parties, offering junior platinum miners alternatives to the Anglo American Platinum and Impala Platinum smelters.

The proposed plant will take material from other parties "to the benefit of the entire platinum group metals industry in South Africa," the parties said in a press release.

Pallinghurst will own 42% of the new platinum company, while the 350,000-strong Bakgatla community has paid R1bn for a 27% share. Other shareholders will have a 15% stake in the new company, which has a net asset value of R23bn.

The new platinum company includes the assets of JSE-listed Platmin, in which Pallinghurst is a significant shareholder.