



CHAMBER OF MINES
of South Africa

MEDIA STATEMENT

CHAMBER OF MINES RESPONDS TO ATTEMPT TO CONSOLIDATE APPLICATIONS

Baxter: "The Mining Charter is a necessary and positive feature of the process of transforming the industry."

Johannesburg, 15 February 2016: The Chamber of Mines confirms that legal firm Malan Scholes Inc lodged an application to the Pretoria High Court on Friday 12 February 2016 to consolidate the Chamber's court application for declaratory orders relating to aspects of interpretation regarding the Mining Charter. The Scholes application seeks to declare the charter unconstitutional and void.

The Chamber does not believe that the two applications can be consolidated in that the right to relief in the respective applications does not depend upon determination of substantially the same questions of law or of fact. The Scholes application seeks an order *inter alia* that the conduct of the Minister of Mineral Resources in developing the Mining Charter was *ultra vires*, unconstitutional and invalid. The Chamber's application does not do that. Instead it seeks declaratory orders in regard to the correct interpretation of aspects of the Charter, primarily relating to whether the Charter contains an obligation that the holder of a mining right continuously restore the level of ownership by historically disadvantaged persons to 26% if after grant or conversion of the relevant mining right such level were to fall below 26%.

Chamber CEO Roger Baxter said: "The Chamber considers itself a partner in the Charter. The Chamber has been party to its development and implementation over the past 12 years and intends to continue in playing this role. We see it as a necessary and positive feature of the process of transforming the industry."

He notes that the Chamber believes that the delay that would be caused by a consolidation of the applications would be prejudicial to the Chamber and would not be in the public interest. The mining industry urgently needs certainty on



what the correct interpretation of the Charter is, which is why the Minister and the Chamber had agreed that the declaratory orders which are set forth in the Chamber's application should be sought.

The Chamber represents 90% of South Africa's mining industry by value.

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