

## **Collaborative solutions for mining in South Africa**

*KPMG partners with the Joburg Indaba to facilitate the development of a shared vision for change*

*(Johannesburg 27 August 2014) A successful mining industry in South Africa is in the interest of all stakeholders – whether directly and indirectly linked to it – i.e. mining companies, government, investors, communities, labour (including unions) and the broader South African economy.*

Yet, the industry finds itself at a difficult juncture, with a future that has perhaps never before been so uncertain. Charting a new path for the sector will not simply happen on its own. It requires a collaborative effort amongst all stakeholders, bound together by a common purpose.

There are several multi-stakeholder efforts currently underway, many of which are intended to promote action through dialogue. Yet, a key factor impeding progress in these discussions is the lack of a shared understanding amongst different stakeholders and a common fact base and language upon which to build trust. In an effort to foster collaboration, KPMG seeks to work with stakeholders to help them move from dialogue to action.

Says **Carel Smit**, KPMG Director for Energy & Natural Resources “There is no denying that a prosperous mining industry is in the best interest of everyone. Though what is currently lacking, is clarity and consistency in policies as well as the detailed plans and actions needed to bring the sector into a new, prosperous equilibrium.

Smit adds, “In the current economic climate pots of cash are smaller and rates of investment are lower. Where junior mining companies labour to raise cash and look at opportunities that offer greater security and a good rate of return for their investment, larger mining companies are spinning off their collection of assets to focus on core business/

“As a result, there is a great need to change perceptions of South Africa, from a ‘seller’s market’ to a ‘buyer’s market’. Nonetheless, to attract valuable investors and achieve a buyer’s market in South Africa, there needs to be a strong understanding of what investors want,” says Smit.

To kick off discussions about how to satisfy sector investment, Smit will chair a panel of CEOs at the Joburg Indaba at Inanda Club on Thursday, 9 October 2014. Speakers will include:

**Srinivasan Venkatakrishnan (Venkat)**, CEO, AngloGold Ashanti: Using Innovation to Lift Productivity in Deep Mines,

**Neal Froneman**, CEO, Sibanye Gold: Giving Shareholders what they want!

**Steve Phiri**, CEO, Royal Bafokeng Platinum: How do we attract Investors into SA platinum?

**Mike Schmidt**, CEO, African Rainbow Minerals: Value Creation through

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