

## **Online auctions becoming single biggest platform for trading mining assets**

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Strategies within the local mining sector have shifted drastically over recent years. With continued challenges within mines houses, many companies have been forced to move their focus away from growth and expansion to that of efficiency and cost control.

During years of high production, the majority of mining houses purchased new assets to meet demand and continue growth plans. However, the recent slowdown in China and the commodity price slump has caused many of these expensive assets to now sit idle and underutilised. With the focus on income generation and cost management, many of these assets are being put on the market for mines to recover funds and drive productivity.

Not surprisingly the online space has become a prime destination for such assets, with online auctions becoming the preferred means for many mining houses. Evidence of this is an upcoming auction later this month where stock from 7 major listed mining houses will be taken to market. Comments Warren Schewitz, CEO of leading online mining auctioneering company Clear Asset, "We are thrilled to have the support and validation of such an extensive list of major sellers coming together for one event. These are companies that are serious about both cost control and efficiency and require a greater focus on freeing up redundant or underutilised assets in the most streamlined way possible, for the highest possible price. Our dedicated focus on the mining and construction industry has allowed us to provide specialised solutions that are clearly being accepted and supported by the market."

The rapid growth in the online mining auctioneering industry in South Africa can be seen by Clear Asset's continued increase in stock going to auction each month. In just under three years, the company has already sold in excess of half a billion rand of redundant mining and construction equipment from the majority of South African mining houses. The secret to their success has not only been timing, but being able to deliver a transparent, simple and effective means of selling second-hand equipment, using sophisticated in-house technology coupled with on the

ground execution. "The fact that someone sitting in Australia can go online, buy mining equipment from South Africa and then send it on to the likes of the UAE or into Africa without ever leaving their desk is a huge draw card for many in the industry," adds Schewitz.

Later this month a wide selected of assets from mining titans such as Anglo American, Anglo Gold Ashanti, Exarro, Goldfields, Lonmin and Northern Platinum will go to auction. Assets include 2 CAT 16H graders, CAT 777D water tankers, a low hour well-maintained Vermeer trencher, a Liebherr mobile crane, P&H 2300 rope shovels, Demag H 285 shovels, redundant locos and hoppers as well as Mercedes Benz, Nissan & Toyota LDVs.

The next auction, which is now open for bidding, closes on September 29<sup>th</sup>. Visit [www.clearasset.co.za](http://www.clearasset.co.za) for more information.