

Anglo sells SA coal business to Seriti

As part of its strategy to divest its non-core assets, Anglo American has sold its Eskom-tied domestic thermal coal operations in South Africa for R2.3bn to black-owned Seriti Resources.

The buyer is majority owned by historically disadvantaged South Africans and led by a management team with extensive experience of operating and developing large coal mines in South Africa.



Mike Teke, CEO: Seriti Resources.

"Seriti is excited about the transaction which represents a significant step-forward in our vision to become a black-controlled, broad based South African mining champion, and a coal player of significant size and scale. It allows the company to achieve its strategic objective of preserving and operating strategic energy assets for the benefit of South Africa and its people.

"Our structure brings together an experienced team capable of operating and developing large scale thermal coal assets and provides a unique mining opportunity for black women. The team looks forward to managing and growing the operations going forward, with a focus on ensuring their ongoing sustainability, given their strategic importance," says Mike Teke, Seriti chief executive.

The deal includes the New Vaal, New Denmark and Kriel collieries, as well as four closed collieries, and will result in Seriti becoming the second largest provider of thermal coal to Eskom, supplying almost a quarter of Eskom's current annual coal

requirements.

"This transaction forms part of our ongoing commitment to reshape and upgrade our global asset portfolio, recognising appropriate value and further demonstrating Anglo American's longstanding support for the development and sustainability of South Africa's mining industry," Mark Cutifani, chief executive of Anglo American, says.

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