

# Shaftsinking group cements another empowerment deal

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One of South Africa's most experienced mining contractors and shaft-sinking companies, Shaft Sinkers, has sold its cementitious-support product manufacturing company, Concrete Lining Products (CLP), to a newly-established black economic empowerment (BEE) mining firm.

The contracting group finalised the R7-million sale of CLP to Zambezi Mining Services at the end of last month, although the transaction is effective from January 1 this year.

The deal was largely funded by the Industrial Development Corporation.

Zambezi, a 100% black-owned firm, is chaired by Zambian geologist and mining entrepreneur **Dr Pius Kasolo**, who, with mining engineers **Lindani Mthwa** and **Rodney Nombewu** own the majority of shares in the company.

Shaft Sinkers MD **Peet Nel** says that the deal is indicative of the contracting group's ongoing commitment to achiev-

ing the objectives of the Mining Charter and scorecard. Last year, Mmakau Mining, another 100% black-owned firm, acquired a 25%-plus stake in Shaft Sinkers, which is 51% owned by Amco Investments, of the UK.

Amco executive chairperson **Stuart Gordon** says that the group is investigating a number of other opportunities in the mining industry that would involve significant BEE participation.

"It would be premature to announce any further details on these possible deals," Gordon maintains.

He adds that, to ensure a smooth transitional period at CLP, the group has seconded certain members of its senior management to the company.

Financial director **Herman Fourie** says that, in the spirit of black empowerment, the group will assist Zambezi to maintain the high standards to which CLP's product range – which consists of ready-mix concrete and shotcrete, slope-pack supports, orepass linings, steel rock anchors, steel fibres and grouts – have been developed and

manufactured in the past.

The cementitious-support product manufacturing company has been working according to ISO 9001:2000, ISO 14001 and OHSAS 18001 listings, and aims to maintain and upgrade its quality-assurance credentials.

"We want the company to remain one of the premium brands for cementitious products and, as such, we will render them with the technical expertise that we have acquired in developing CLP's product range. We will also continue to support the company by buying products from it. In addition to supplying the company with key management personnel, the group will continue to provide certain financial systems, training and internal control systems," Fourie says.

According to Kasolo, Zambezi plans to grow CLP's product range, as well as its production turnover, which is currently at about four-million bags of cementitious ready-mix materials a year.

The company, which has two pro-

duction facilities in operation, in Carletonville, in Gauteng, and in the Klerksdorp area, in the North West Province, also intends to reopen its mothballed manufacturing plant in Welkom, in the Free State, at a later stage.

It will also consider entering the booming Rustenburg/Bushveld Complex eastern limb markets in the North West Province.

Kasolo adds that CLP, which has a longstanding relationship with gold-mining giant AngloGold, aims to increase its sales volumes to other large mining companies in this sector.

In addition, it is investigating the possibility of extending its reach to other sectors; the platinum-mining industry in particular.

Mthwa further adds that Zambezi is eyeing the civil engineering sector with interest, as large new construction projects that could require large volumes of cementitious products for geological support, such as the Gautrain, could provide a substantial boost to its business.

The sale of the company has not resulted in any of CLP's workers being retrenched, and Mthwa is confident that more job opportunities could soon be created as Zambezi starts implementing its plan to grow the company's R45-million-a-year turnover.

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