

047/2021

## **SERITI ASSUMES MANAGEMENT OF SAEC RENAMES ENTITY: SERITI POWER**

**Johannesburg, 1 June 2021:** Following the fulfilment on 15 May 2021 of all conditions precedent in respect of Seriti's acquisition of South32 SA Coal Holdings Proprietary Limited (SAEC), Seriti is pleased to advise that the transaction has now closed and that it has assumed management of these operations from 1 June 2021.

SAEC has been renamed Seriti Power, and comprises the Khutala, Klipspruit, and Middelburg Mines Services (MMS) North and South mines, which provide coal to the Kendal and Duhva power stations, as well as export coal via the Richards Bay Coal Terminal. Seriti holds a 90% interest in Seriti Power, while an Employee Trust and Community Trust each hold a 5% interest.

Seriti CEO Mike Teke said: "This is an important milestone for Seriti and for the more than 8,000 employees that we welcome into the Seriti family. We are confident of continuing to supply sustainable, reliable and cost-effective coal to Eskom, as we play our role in 'keeping the lights on' in South Africa."

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### **NOTE TO EDITORS:**

#### **About Seriti:**

Seriti Resources Holdings is a broad-based, 91% black-owned and controlled coal mining company.

Seriti's subsidiary, Seriti Coal operates three large-scale, opencast and underground thermal coal mines – the New Vaal, New Denmark and Kriel collieries, which respectively

supply Eskom's Lethabo, Tutuka and Kriel power stations. The New Largo mine is currently under development, to meet the needs of the adjacent Kusile power station.

On 1 June 2021, Seriti acquired the operations of SA Coal Holdings Proprietary Limited (SAEC) from South32, bringing into the fold four additional mines - the Khutala, Klipspruit, and Middelburg Mines Services (MMS) North and South mines, which provide coal to the Kendal and Duhva power stations, as well as export coal via the Richards Bay Coal Terminal.

Seriti is co-owned by four anchor shareholders – Masimong Group Holdings (Masimong), Community Investment Holdings (CIH), Zungu Investments (Zico) and Thebe Investment Corporation (Thebe). It is Seriti's philosophy that 10% of the equity in its mining operations be ring-fenced equally for the benefit of employees and communities through established unencumbered employee and community trusts.

As a responsible South African coal miner, Seriti has a proven track record in the acquisition, operation and development of large-scale opencast and underground coal mines. Guided by experienced board and management teams, Seriti maintains a principle focus on its long-term commitment to the domestic market and, in particular, the reliable and cost-effective provision of coal to Eskom.