

Sibanye-Stillwater buys historic copper mine in Tasmania

By [Lindsey Schutters](#)

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Sibanye-Stillwater announced today that it has acquired the Mt Lyell copper mine in Tasmania, Australia, for \$10 million. The mine, which also produces gold as a by-product, is one of the oldest and largest copper mines in Australia. It started operations in 1894 but was shut down in 2014 due to safety and environmental issues.



It obtained the option to buy the mine from Vedanta, an Indian mining conglomerate, through its recent acquisition of New Century Resources (NCR), an Australian zinc producer. The option was due to expire on 5 November 2023, but Sibanye-Stillwater decided to exercise it ahead of time.

The company said that it is conducting a feasibility study to evaluate the possibility of restarting the mine, which has an estimated resource of 1.5 million tonnes of copper and 0.4 million ounces of gold. CEO Neal Froneman said that copper is an essential component of the clean energy transition, and that Mt Lyell could provide a low-cost source of copper for the company's portfolio, which also includes lithium and nickel.



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"We identified copper as an essential metal necessary to enable the clean energy transition. Mt Lyell potentially provides a low-cost exposure to copper, adding primary production of copper to our current lithium and nickel exposure. We look forward to working with all the local stakeholders including the Tasmanian Government as we consider the potential advancement of this opportunity."

In the statement, Sibanye-Stillwater also disclosed that it has provided loan funding and guarantees to NCR to facilitate the completion of the transaction, and that it has restructured its internal financing arrangements related to NCR.

The company said that these actions comply with the relevant laws and regulations, and that they do not affect its solvency and liquidity. The board of directors has approved these actions after considering all reasonable financial circumstances of the company.

ABOUT LINDSEY SCHUTTERS

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