

South Africa, Lesotho Mines Set for Shutdown



RAPAPORT... Petra Diamonds, Gem Diamonds, Firestone Diamonds and Lucapa Diamond Company are suspending operations at their mines in South Africa and Lesotho due to government measures to curb the spread of the coronavirus.

South Africa has introduced a three-week nationwide lockdown starting this Thursday, prohibiting non-essential business activities. As a result, Petra will place its Cullinan, Finsch and Koffiefontein mines on care and maintenance for the duration of that period, it said Tuesday.

“Petra supports the government of South Africa’s decisive measures to combat this unprecedented threat,” the miner added. “The health, safety and well-being of all Petra people remain our top priority, and the company is committed to protecting the ongoing viability of its operations and the livelihoods of its employees, contractors and stakeholder beneficiaries.”

Firestone has taken the same action at its Liphobong mine in Lesotho, noting that staff would have been vulnerable because of the distance from expert medical care, high altitude, and the fact that people at the site work in close proximity to each other. In addition, Lesotho, which is landlocked by South Africa, is dependent on its neighbor for essential mining supplies, the company explained Wednesday.

Gem Diamonds is also pausing activities at its Letšeng mine in Lesotho for three

weeks. The company will continue to hold flexible sales of diamonds during the period, according to a statement Thursday.

Meanwhile, Lucapa said Wednesday it was suspending activities at its Mothae mine in Lesotho. Mining and processing can restart relatively quickly should there be a decision to reopen the mine soon, the company pointed out.

All four companies will continue to carry out essential maintenance at the sites, such as ensuring security.

De Beers was not available for comment on the status of its Venetia mine in South Africa. Anglo American, its parent company, is reviewing the lockdown rules and exemptions, the group reported Tuesday.

“We recognize the critical role that our operations play in our host operating countries, including in terms of jobs and our local communities,” said Anglo American, which also extracts platinum, coal and iron in South Africa. “We are, therefore, also working together with the government of South Africa to ensure the continuity of our business where appropriate in order to minimize any unintended consequences of the announced lockdown.”

Image: Petra Diamonds’ Finsch mine in South Africa. (Petra Diamonds)

Update, March 26, 2020: This article has been updated with details about Gem Diamonds.