26 March 2020

Rand Refinery listed as essential service and is operating on a reduced scale

The lockdown as announced by His Excellency President Cyril Ramaphosa on Monday this week came into effect at midnight. The lockdown and social distancing measures are key to arresting and reversing the spread of Covid-19.

Following the announcement on Monday, Hon. Gwede Mantashe, Minister of Mineral Resources and Energy addressed the nation to unpack President Ramaphosa’s directive and provided a framework through which the industry would implement the envisaged directives.

The Government’s overarching intention is to safeguard the lives of people, while ensuring that the limited economic activity which will be undertaken during this period is supported.

Mr Mantashe stipulated that in all undertakings, consideration will be given to the health, security as well as socioeconomic impact of COVID-19 on the industry. He acknowledged that government is mindful that for some mining operations and processing plants, a complete shutdown would not be feasible as a restart from scratch may be too costly or not recoverable. He further elaborated that production in gold, chrome, manganese and other sectors had to be scaled down.

Our obligation as the only LBMA (London Bullion Market Association) accredited refiner on the continent has been assessed leading to our operation being listed as an essential service. The focus here is to ensure that we do not place hardship on the African countries and their mines that send gold to Rand Refinery to be refined and moved to bullion banks in London.

Considering the health and safety of our employees and our obligations towards our African gold mining customers, Rand Refinery has decided to significantly scale down operations in line with the President’s and Minister’s guidance as follows:

- The smelter will be shut down for the 21 days effective 26 March 2020. Most of the smelter associates will be off-site during this time, however a small team will remain and be available for
care and maintenance during the lockdown period, to ensure all plant and equipment remain in a safe condition and able to start up after the lockdown.

• We will reduce the total number of associates on site to from approximately 500 to 100, excluding the security staff.

• There will be no contractors on site other than essential services of Security, Health and Hygiene for a limited Refinery operation.

• Many associates will work from home and have agreed upon key deliverables that need to be achieved during this period,

• A core team for medical emergencies and emergency preparedness will be on site.

We remain aware of the profound humanitarian fallout of the COVID-19 crisis and have deployed a full suite of measures over and above what is expected to mitigate risk of transmission and will continue to do so. The health and safety of our employees is of the highest priority.

Praveen Baijnath
Chief Executive