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TRANSNET TAKES OVER INLAND TERMINAL

Transnet SOC Ltd has taken over operations at an inland terminal for the loading and handling of manganese at Lohatlha in the Northern Cape.

The terminal which is situated about 100 kilometres from South Africa's manganese belt in the Hotazel area is specially designed to service emerging mines.

The move to operate an inland terminal will position Transnet to strategically reconfigure one of the critical logistics channels by allowing emerging miners to pile and load manganese onto rail instead of using road.

Transnet took control of the terminal as of the beginning of July 2018, five years after it was operated by a private operator, SAFreight Logistics (Saflog).

Saflog's contract to operate the Lohatlha terminal came to an end in May 2018.

The manganese terminal will be operated by one of Transnet's operating divisions, Transnet Port Terminal (TPT) with the commodity transported through Transnet Freight Rail (TFR) networks to the ports.

The Lohatlha terminal is the biggest inland terminal out of the three operated by TPT. The terminal handles about 1.8 million tons of manganese per annum which could reach up to 2 million tons at full capacity.

TPT also operates two other inland terminals, the Pendoring multi-purpose terminal in Brits, west of Pretoria, Gauteng and the Newcon terminal in Newcastle, KwaZulu-Natal.

Commenting on this new development Gert De Beer, Chief Business Development Officer at Transnet, said: "Transnet is continuing to positioning itself as a lead solutions provider, where customers can benefit from a one-stop and reduced cost solutions in a quick and efficient way. Operating cargo aggregation and consolidation for effective rail transfer, not only in coastal ports but also in inland terminals, demonstrates Transnet's ability to apply its core competencies innovatively as we continue to connect the region. "

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Lohatlha terminal will service emerging miners who are also part of the Manganese Export Capacity Allocation (MECA 2) contract, recently signed by a number of large manganese companies such as South32 and Tshipi 'e ntle among others.

The MECA 2 project is intended to service the manganese mining industry for seven and half year at a take-or-pay contract agreement. This will provide security for exported manganese volumes to Transnet and security of export rail and port logistics to customers.

As part of the MECA 2, Transnet, in an arrangement with major manganese producers, has made available 15% of the manganese rail capacity to new entrant emerging miners such Sebilo Resources, PMG, and Mmogo among others.

“Over the past five years, Transnet has witnessed a healthy volume growth among emerging mining companies. The 15% capacity has been made available to support entry-level miners and cut out unnecessary headaches on how their commodity will reach export markets,” added De Beer.

The change is also part of Transnet's manganese expansion programme which will see the increase of the commodity's export capacity through the upgrade of the rail network between the Hotazel area and Coega in the Eastern Cape and the provision of the new bulk terminal at the Port of Ngqura.

South Africa accounts for close to 75% of global manganese reserves. The project aims to retain the country's position as the leading exporter of high-grade manganese ore.

Issued on behalf of Transnet SOC Ltd

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