



Mpumalanga Investment Projects 2009

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Manufacture of Stainless Steel Mini Cascade Rings

PURPOSE

The purpose of this project is to manufacture pall rings and cascade mini-rings. These rings are used in refinery plants during maintenance shutdown. The project will initially produce mini cascade no 2, 2, 5, with 304 stainless steel. The project has secured a contract to supply stainless steel pall rings to SASOL, and the project will use SASOL as a base to access other markets.

OBJECTIVE

The objective of this project is to fabricate and supply pall rings to SASOL and then develop market access into refineries in the local and export market and imports replacement. The products are also applicable in the power generation industry.

BACKGROUND

This is a start-up manufacturing business established through a partnership between the Mpumalanga Stainless Steel Initiative (MIS) and an entrepreneur in the steel industry. The company was established as a job creation initiative supported by the Mpumalanga Provincial Government. The target markets include:

Petrochemical industry (SASOL, ENGEN, BP, SHELL and CALTEX)
Export markets (refineries in Angola, Nigeria and Equatorial Guinea)
Mining industry
Power generation facilities

Quick Facts

Project Status	Developing tooling, supply of raw material available and off-take contract obtained.
Project Value	US \$1 million
Ownership Approach	Technical/equity partner required to partner with local partner
Market Potential	Total markets of US\$45 million in South Africa
Project Requirement	Looking for technology or technical partner to produce the products





Manufacture of Fuel Dyes

PURPOSE

An opportunity has been identified to manufacture fuel dyes in South Africa.

OBJECTIVE

There is an opportunity for a global manufacturer in forming a joint venture with a South African partner to expand the global production capacity of fuel dyes and also gain preferential access to the SA market as well as easier access to African markets

PROJECT

Fuel dyes are a specific sub-section of the dyes industry, and can be considered as Specialty Chemicals. Fuel dyes are a sub-set of synthetic organic dyestuffs. These are products used internationally as fuel additives to enable consumers to differentiate and identify different grades of fuel. There are currently no manufacturers of fuel dyes on the African continent and all supplies are being imported. The feedstock necessary for the manufacturing of fuel dyes are available from SASOL in Mpumalanga province.

QUICK FACTS

Industry:	Petro-chemical industry: Fuel Additives
Project Status	Scoping study completed
Ownership Approach	Foreign ownership/JV
Minimum Project Value	US\$4 million
Market Potential	Singapore, Japan, Brazil, Saudi Arabia. (300 tons p.a.)
Project Requirement	Foreign Direct Equity investor with a possible JV partnership





Gold Mining

PURPOSE

Gold production at the Burnstone Mine, located in the world's most prolific goldfield, the Witwatersrand Basin in South Africa.

The area contains a gold resource in excess of 8 million ounces of which 10,9 million are in the measured and indicated category.

The updated Feasibility Study (Optimized Feasibility Study), completed June 2007, for an initial Operation Area 1 and a small portion of Area 2 at Burnstone Mine indicates an annual average of 254,000 ounces of gold for 19 years at a cash cost of US\$ 283/oz. Substantial additional resources are available for later phases of development.

QUICK FACTS

Industry:	Mining: Gold
Project Status	Optimised feasibility study completed June 2007
Ownership Approach	Equity partners
Minimum Project Value	Capital investment US\$224 million. Net after tax cash flow generated US\$ 1 billion
Market Potential	As good as the gold price
Project Requirement	Foreign Direct Equity investor's





Manufacture Water Treatment Chemicals

PURPOSE

An opportunity has been identified to manufacture water treatment chemicals in South Africa.

OBJECTIVE

The objective is to use the effluent from the SASOL fuel-out-of-coal process to produce water treatment chemicals.

PROJECT

The feedstock is a blend of sodium softener, as well as cation and anion exchanger regeneration effluents. Two 10t/d chlorine chloromat units will be required to produce Hydrochloric Acid, Caustic Soda, Sodium Hypochlorite .

QUICK FACTS

Industry:	Chemicals
Project Status	Scoping study completed
Ownership Approach	Foreign ownership/JV with local partner
Minimum Project Value	US \$ 20 million
Market Potential	Local market US \$ 5 million
Project Requirement	Foreign equity investor with a possible JV partnership with local manufacturers





Energy and Densification Systems-Discard Coal

PURPOSE

To use waste coal for the generation of energy

OBJECTIVE

To re-work selected waste coal dumps to recover usable coal and thereby increase the life of the SA coal market and reduce environmental challenges.

PROJECT

Waste coal can be processed into steam fuel, briquettes, blocks and biomass pellets. Densification/milling and blending of both discard coal and biomass should be practiced and sold as local or export steam power station feedstock.

QUICK FACTS

Industry:	Energy/Biomass
Project Status	Scoping study completed
Ownership Approach	Foreign ownership/JV with local partner
Minimum Project Value	US \$ 3 million
Market Potential	Local electricity and energy sector, industries and mines in Europe.
Project Requirement	Foreign equity investor with a possible JV partnership with local partners





Polypropylene Beneficiation

PURPOSE

To manufacture final plastic products

OBJECTIVE

To use the supply of polypropylene in SA to manufacture final plastic products

PROJECT

SA enjoys a supply of polypropylene in excess of local demand at competitive prices . Local production is 350 000 tons per year to be increased to 700 000 in 2009. The SA industrial policy prioritises the plastic sector and SA has a vibrant polypropylene beneficiation sector offering opportunities for collaboration and partnership. Opportunities include automotive components, packaging, building and construction material.

QUICK FACTS

Industry:	Plastics - Polypropylene
Project Status	Scoping study completed
Ownership Approach	Foreign ownership/JV with local partner
Minimum Project Value	To be determined
Market Potential	Southern African market and US and Europe through a number of Trade Agreements
Project Requirement	JV technology partnership





Coal Mining

PURPOSE

To mine coal in the Highveld Region of Mpumalanga Province.

OBJECTIVE

To mine coal exclusively for the international market.

PROJECT

Sumo Colliery SA (Pty) Ltd. was established in December 1995 as a wholly owned subsidiary of Vakbel in Turkey, having an issued share capital base of \$ 2million and full resources of Vakifbank, with assets of more than \$10 million, for development and guarantee purposes.

QUICK FACTS

Industry:	Mining -coal
Project Status	Mine is fully operational and seeks partners for future operations.
Ownership Approach	Joint venture partner
Minimum Project Value	\$ 10 million
Market Potential	Large export market potential
Project Requirement	Joint venture with funding partnership





Granite Beneficiation

BACKGROUND

The project involves the crushing of granite stone for further beneficiation. The equipment to be used are conveyor belts, chutes, screens, crushers, trucks, excavators, front-end, loaders, water tanks, cables, power boxes, forklifts.

The granite can be exported or used domestically in the manufacturing of: Table tops, tombstones, cutlery, building materials, indoor and outdoor building decorations.

Investment Method : JV Partner

Value of Investment : US\$ 4 million

