

# Mining Mergers and Acquisitions in South Africa: Navigating Regulation and Transformation

## Introduction

The global energy transition is a macro driver that is reshaping corporate strategy when it comes to the demand for critical minerals.<sup>1</sup> In the context of corporate takeovers and acquisitions, South Africa has a unique regulatory framework that seeks to ensure a fair standard within the interplay of markets while also ensuring it integrates transformation with the inclusion of Historically Disadvantaged Firms or Individuals. For the mining sector the key frameworks that protect economic intercourse while fostering economic inclusion are the *Minerals and Petroleum Resources Development Act* 28 of 2002, the *Broad-Based Black Economic Empowerment Act* 53 of 2003, and the *Competition Act* 89 of 1998. These frameworks function in an interlocking manner, which entails that large transactions often carry complexity. Some recent merger and acquisition (M&A) transactions, including those involving Exxaro Resources Limited, Harmony Gold Mining Company Limited, and Pan African Resources, will be discussed in this article and assessed against the frameworks outlined above.

## A Brief Overview of the M&A Transactions

### Exxaro Resources Manganese Acquisition

On 13 May 2025, Exxaro Resources Limited announced that it concluded agreements with Ntsimbintle Holdings and OM Holdings, to acquire their manganese assets portfolio.<sup>2</sup> The transaction was said to have been valued at R 11.67 Billion.<sup>3</sup> A new

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<sup>1</sup> African Energy Chamber 'Africa's critical minerals – cobalt, lithium, copper and PGMs – are central to the global energy transition, powering clean technologies and EVs.' <https://energychamber.org/africas-critical-minerals-and-the-future-of-the-global-energy-transition/#:~:text=The%20energy%20transition%20is%20driving,at%20the%20forefront%20of%20production.>

<sup>2</sup> Exxaro 'Exxaro cements position as manganese player through conclusion of acquisition of select manganese assets from Ntsimbintle Holdings and OMH'. <https://www.exxaro.com/media-and-insights/press-releases/exxaro-cements-position-as-manganese-player-through-conclusion-of-acquisition-of-select-manganese-assets-from-ntsimbintle-holdings-and-omh/>

<sup>3</sup> Exxaro 'Exxaro's Landmark Manganese Assets Transaction Named BEE Deal of the Year at 2025 Deal Makers Awards'. <https://www.exxaro.com/media-and-insights/press->

subsidiary called ManganExx – wholly owned by Exxaro – was established and used in the execution of the acquisition.<sup>4</sup> After the suspensive conditions of the agreements were satisfied, a cash consideration of R 10.6 Billion was transferred to the sellers by Exxaro on 27 February 2026, which positioned it globally as a significant manganese producer.<sup>5</sup> This transaction was subsequently featured at the 2025 DealMakers Annual Awards as the BEE Deal of the Year.<sup>6</sup>

### Harmony Gold MAC Copper Acquisition

On 24 October 2025 Harmony Gold Mining Company Limited concluded its acquisition of MAC Copper Limited, an owner of a copper mine in New South Wales, Australia. The cost consideration of the transaction amounted to US \$1.01 Billion.<sup>7</sup> The funding for the deal was a US \$1.75 Billion bridge facility, of which only 70% was utilised and the rest sourced from existing cash reserves.<sup>8</sup>

### Pan African Resources Australian Consolidation Strategy

Pan African Resources's Australian expansion comprises two transactions. The first transaction took place in December 2024, in the acquisition of Tennant Consolidated Mining Group (TCMG), which was mainly transacted through a share issue of Pan

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[releases/exxaro-s-landmark-manganese-assets-transaction-named-bee-deal-of-the-year-at-2025-deal-makers-awards/](#)

<sup>4</sup> Competition Tribunal 'ManganExx (Pty) Ltd, ultimately controlled by Exxaro Resources Limited and Ntsimbintle Mining (Pty) Ltd, Ntsimbintle Marketing and Trading Private Limited and Mokala Manganese (Pty) Ltd'. <https://www.comptrib.co.za/info-library/press-room/Merger-Alert:-Outcome-of-mergers-decided-by-the-Tribunal-1-December-2025#:~:text=The%20Tribunal%20has%20approved%20the,situated%20in%20the%20North%20Cape>.

<sup>5</sup> Mining Weekly 'Exxaro completes R10.6bn manganese asset acquisition'. <https://www.miningweekly.com/article/exxaro-completes-r106bn-manganese-asset-acquisition-2026-03-02#:~:text=Diversified%20natural%20resources%20company%20Exxaro,steelmaking%20and%20emerging%20battery%20technologies>.

<sup>6</sup> Exxaro 'Exxaro's Landmark Manganese Assets Transaction Named BEE Deal of the Year at 2025 Deal Makers Awards'. <https://www.exxaro.com/media-and-insights/press-releases/exxaro-s-landmark-manganese-assets-transaction-named-bee-deal-of-the-year-at-2025-deal-makers-awards/>

<sup>7</sup> Mining Indaba 'Harmony Gold secures US\$1.01 billion move into copper'. <https://miningindaba.com/articles/harmony-gold-secures-us101-billion-move-into>

<sup>8</sup> Harmony 'Company announcements'. <https://www.harmony.co.za/media/announcements/2025/harmony-completes-mac-copper-acquisition-24oct2025/>

African Resources for US\$54.2 million.<sup>9</sup> The second transaction, which was announced on 9 March 2026, involved the acquisition of Emmerson Resources Limited, for about A\$311 million. This transaction consolidated Pan African's 75% interest in the Tennant Creek joint venture into 100% ownership.<sup>10</sup> Completion of this transaction is anticipated in mid-2026, subject to shareholder approval at a scheme meeting expected in mid-to-late June 2026.<sup>11</sup>

## Overview of the Regulatory Frameworks

### Competition Act 89 of 1998:

The Competition Act is responsible for governing mergers and acquisitions, setting out a tiered notification regime. Large mergers – where target's asset is valued at R 190 M or the combined value of the asset is R 6.6 Bn<sup>12</sup> – are mainly subjected to regulatory scrutiny and require approval by the Competition Tribunal after being referred by the Competition Commission.<sup>13</sup> Imperative to merger control is Section 12A(1)(b) which requires the Competition Tribunal to consider not only whether a merger substantially prevents or lessens competition, but also its effect on a range of public interest factors. These factors entail a merger's impact on employment, the ability of small businesses and firms controlled by historically disadvantaged persons to become competitive, and the effect on a particular industrial sector.<sup>14</sup> In the Exxaro/Ntsimbintle matter, the Competition Tribunal determined that the transaction constituted a large merger and approved it on 1 December 2025, subject to conditions on the exchange of information aimed at protecting competition in the manganese market.

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<sup>9</sup> Mining Technology 'Pan African completes Australian TCMG acquisition for \$54.2m'. [https://www.mining-technology.com/news/pan-african-australian-tcmg-acquisition/#:~:text=The%20acquisition%20positions%20Pan%20African,acquisition%20cost%20to%20\\$54.2m.](https://www.mining-technology.com/news/pan-african-australian-tcmg-acquisition/#:~:text=The%20acquisition%20positions%20Pan%20African,acquisition%20cost%20to%20$54.2m.)

<sup>10</sup> Mining Technology 'Pan African completes Australian TCMG acquisition for \$54.2m'. [https://www.mining-technology.com/news/pan-african-australian-tcmg-acquisition/#:~:text=The%20acquisition%20positions%20Pan%20African,acquisition%20cost%20to%20\\$54.2m.](https://www.mining-technology.com/news/pan-african-australian-tcmg-acquisition/#:~:text=The%20acquisition%20positions%20Pan%20African,acquisition%20cost%20to%20$54.2m.)

<sup>11</sup> Financial Times 'Pan African Resources Plc - Pan African to acquire Emmerson Resources'. [https://markets.ft.com/data/announce/detail?dockkey=600-202603090300PR\\_NEWS\\_PRUKD\\_SCL\\_0019-1](https://markets.ft.com/data/announce/detail?dockkey=600-202603090300PR_NEWS_PRUKD_SCL_0019-1)

<sup>12</sup> Competition Commission. "Merger Thresholds". <https://www.compcom.co.za/merger-thresholds/>

<sup>13</sup> Competition Act 89/1998: Sections 11-13.

<sup>14</sup> Competition Act 89/1998: Section 12A(1)(b).

*The Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA):*

Section 3 of MRPDA establishes that the State is the custodian of mineral resources and that companies merely hold the rights over these resources. This position is of significance when it comes to M&A transactions. Section 11(1) stipulates that the Minister of Resources and Energy ought to grant written consent before effecting the transfer or encumbering of mineral rights (prospecting rights; mining rights; or any interest). In essence, this necessitates a dual-approval process for domestic mining companies involved in M&A transactions. How this looks in practice is that, on one hand the Competition Tribunal has to clear the merger after assessment, and on the other hand, Ministerial consent will have to be granted for the transfer of mining rights. Each process runs on its own timelines and is subject to its particular conditions. The Exxaro/Ntsimbintle transaction clearly demonstrates this point. Although the Competition Tribunal approved the transaction on 1 December 2025, the Mokala mine component remains subject to the fulfilment of outstanding suspensive conditions, with a long-stop date of 27 February 2027.<sup>15</sup> In addition, Social and Labour Plan (SLP) commitments, which are required under Section 23(1)(e) of the MRPDA, are attached to the mining right and are fully assumed by any acquiring entity.<sup>16</sup>

*The Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act 46 of 2013 and Broad-Based Socio-Economic Empowerment Charter for Mining, 2018 (Mining Charter 2018):*

The B-BBEE Act as a legislative framework is designed to ensure the economic empowerment of black people by creating access to opportunities that would enable them to meaningfully participate in the economy. The objective of this Act is to increase the number of management, control, and ownership of productive assets by black

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<sup>15</sup> Competition Tribunal 'ManganExx (Pty) Ltd, ultimately controlled by Exxaro Resources Limited and Ntsimbintle Mining (Pty) Ltd, Ntsimbintle Marketing and Trading Private Limited and Mokala Manganese (Pty) Ltd'. <https://www.comptrib.co.za/info-library/press-room/Merger-Alert:-Outcome-of-mergers-decided-by-the-Tribunal-1-December-2025#:~:text=The%20Tribunal%20has%20approved%20the,situated%20in%20the%20North%20Cape>.

<sup>16</sup> *Mineral and Petroleum Resources Development Act 28/2002: Section 23(1)(e).*

people.<sup>17</sup> According to the Act black people comprise people who fell under the categorisation of African, Coloured, and Indians who are citizens of South Africa by birth or descent, or became citizens by naturalisation before 27 April 1994.<sup>18</sup> The B-BBEE Act empowers the Minister of Trade, Industry and Competition to issue codes of good practice,<sup>19</sup> which organs of state and state entities will utilise to determine the criteria for qualifying for licences, concessions, and other authorisations including mining rights.<sup>20</sup> The 2018 Mining Charter is an apt example of a sector-specific code issued as an instrument to effect transformation. Issued in terms of section 12, the Mining Charter prescribes a minimum 30% Historically Disadvantaged South Africans ownership threshold for mining right holders.<sup>21</sup> The Exxaro/Ntsimbintle transaction was deliberately structured to uphold and strengthen these obligations. It combined two large BEE-certified companies in a transaction that the adjudication panel at the 2025 DealMakers Annual Awards recognised for its transformational impact, complexity of execution, innovative structure, and its contribution to advancing meaningful B-BBEE.<sup>22</sup>

## **Stakeholder Implications of M&A Activity in the Mining Sector**

Broad-based black economic empowerment as stipulated by the B-BBEE Act encapsulates the economic empowerment of the youth. The Mining Charter, on the other hand, enacts this through requirements on employment equity, skills development, and enterprise and supplier development. M&A activity can present new opportunities of growth for young professionals and entrepreneurs through the creation of expanded talent pipelines in capital-rich entities, procurement opportunities available to qualifying youth-owned businesses, as well as the range of funded learnerships and workplace-based training programmes accessible to young mining professionals.

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<sup>17</sup> *Broad-Based Black Economic Empowerment Act 53/2003: Section 2.*

<sup>18</sup> *Broad-Based Black Economic Empowerment Act 53/2003: Section 1.*

<sup>19</sup> *Broad-Based Black Economic Empowerment Act 53/2003: Section 9.*

<sup>20</sup> *Broad-Based Black Economic Empowerment Act 53/2003: Section 10.*

<sup>21</sup> Broad-Based Socio-Economic Empowerment Charter for Mining, 2018: Item 4.

<sup>22</sup> Exxaro 'Exxaro's Landmark Manganese Assets Transaction Named BEE Deal of the Year at 2025 Deal Makers Awards'. <https://www.exxaro.com/media-and-insights/press-releases/exxaro-s-landmark-manganese-assets-transaction-named-bee-deal-of-the-year-at-2025-deal-makers-awards/>

