

**OWNERSHIP
& CONTROL**

Western world gold industry: Ownership and control 1993

By Andreas Tegen

The tables on the following pages are excerpts from Raw Materials Data, the database on ownership and production in the world's mineral industries. Raw Materials Data is compiled by the Raw Materials Group and is the only database of its kind covering more than 7 000 mining, refining and exploration companies active in more than 30 minerals. Readers of Raw Materials Report will regularly get exclusive excerpts from Raw Materials Data.

In the following tables, two concepts are of basic importance, *ownership* and *control*. Ownership refers to holding of shares in a company and is easy to define and to measure. In principle the ownership figures are to be found in the share register. The concept of control is much more difficult to define and even more difficult to measure accurately. The following definition is used:

To be in control is to have a possibility to act decisively on strategically important issues rather than to have day-to-day influence over a company. Such issues include the broad policies of a company, decisions on large investments, buying or selling of subsidiaries and authority to appoint or dismiss top management.

Control can be exercised by many means of which ownership is the most common and important one. Other ways of exercising control are for example through administrative and technical management, interlocking directorates, long term contracts, market knowledge, proprietary technology, financing and vertical integration. The importance of these different ways of exercising control varies considerably from one branch of industry to another and from time to time within the same branch. Ownership plays a basic role in the whole market economic system and is of absolutely crucial importance in determining who is in control over a specific company and its mineral production. Consequently

in the empirical studies of the Raw Materials Group ownership and management have been used as the two criteria of control. A large amount of empirical data has been derived mainly from corporate sources such as annual reports and used for calculations of control by Raw Materials Data.

The – sometimes complex – ownership patterns, forming hierarchies from producers to controlling companies, have been quantified. On the basis of a model developed by the Raw Materials Group, all producers of copper have been classified as independent or controlled by one or more parent companies. If a producer is considered fully controlled, *all* of its production is attributed to the controlling company. If a producer is partially controlled, only a *part* of its production is attributed to the controlling company. Most often, the controlled part is equal to the equity share of capital. But the controlled share is in some cases considered to be larger than the ownership share, as production theoretically controlled by small shareholders through dispersed ownership is always distributed to the large owners. Thus, all production of a specific producer is allocated to controlling companies at the top of the ownership hierarchies. The operating mining companies' production have been systematically attributed to the controlling company or companies.

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LAC



PLACER DOME INC.



Table 1

Corporate control in gold mining in 1993

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod. t	Controlled share t	share of Western world %
1. Anglo American Corp of SA		South Africa	–	421.17e	22.4
100%	Free State Consolidated Gold	South Africa	116.45	116.45	6.2
100%	Vaal Reefs Exploration & Mining	South Africa	76.11	76.11	4.1
100%	Western Deep Levels Ltd	South Africa	43.41	43.41	2.3
62%	Driefontein Consolidated Ltd	South Africa	58.70	36.34	1.9
100%	Randfontein Estates Gold Mining	South Africa	32.10	32.10	1.7
100%	Elandsrand Gold Mining Co Ltd	South Africa	18.43	18.43	1.0
100%	Western Areas Gold Mining Co	South Africa	15.63	15.63	0.8
44%	Kloof Gold Mine	South Africa	30.62	13.36	0.7
100%	East Rand Gold and Uranium Co	South Africa	12.39	12.39	0.7
77%	Buffelsfontein Gold Mining Co	South Africa	14.51	11.19	0.6
70%	Jerritt Canyon Gold Mine	USA	11.20	7.84	0.4
76%	Mineracao Morro Velho SA	Brazil	7.80	5.90	0.3
44%	Libanon Gold Mining Co Ltd	South Africa	9.84	4.29	0.2
100%	HJ Joel Gold Mining Co Ltd	South Africa	4.18	4.18	0.2
44%	Leeudoom Gold Mine	South Africa	8.73	3.81	0.2
45%	Deelkraal Gold Mining Co Ltd	South Africa	8.27	3.75	0.2
20%	Winkelhaak Mines Ltd	South Africa	11.22	2.22	0.1
44%	Saint Helena Gold Mines Ltd	South Africa	4.77	2.08	0.1
45%	Doomfontein Gold Mining Co Ltd	South Africa	4.53	2.05	0.1
100%	Hudson Bay Mining & Smelting	Canada	2.00e	2.00e	0.1
100%	Navachab Gold Mine	Namibia	1.79	1.79	0.1
38%	Crixas Gold Mine	Brazil	3.90	1.48	0.1
100%	Rustenburg Platinum Mines Ltd	South Africa	1.30e	1.30e	0.1
100%	Lindum Reefs Gold Mining Co Ltd	South Africa	1.09n	1.09n	0.1
75%	Consolidated Murchinson Ltd	South Africa	1.30e	0.98e	0.1
44%	Trout Lake Copper Mine	Canada	1.07	0.47	0.0
42%	Palabora Mining Co Ltd	South Africa	0.65e	0.28e	0.0
100%	Lebowa Platinum Mines	South Africa	0.15e	0.15e	0.0
61%	Otjihase Mine	Namibia	0.15e	0.09e	0.0
2. Placer Dome Inc		Canada	–	68.66e	3.7
100%	Misima Gold Mine	PNG	10.45	10.45	0.6
100%	Campbell Red Lake Mines Ltd	Canada	9.34	9.34	0.5
25%	Porgera Gold Mine	PNG	35.97	8.99	0.5
100%	Kidston Gold Mines Ltd	Australia	6.96	6.96	0.4
100%	Dome Gold Mine	Canada	5.75	5.75	0.3
100%	Detour Lake Gold Mine	Canada	4.41	4.41	0.2
50%	La Coipa Gold Mine	Chile	8.03	4.02	0.2
100%	Golden Sunlight Mines Inc	USA	3.78	3.78	0.2
60%	Granny Smith Gold Mine	Australia	5.31	3.19	0.2

Table 1 continued...

Corporate control in gold mining in 1993.

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod. t	Controlled share t	share of Western world %
100%	Bald Mountain Gold Mine	USA	2.81	2.81	0.1
100%	Kiena Gold Mines Ltd	Canada	2.45	2.45	0.1
100%	Sigma Gold Mines	Canada	2.37	2.37	0.1
100%	Alligator Ridge Gold Mine	USA	1.30e	1.30e	0.1
60%	Cortez Gold Mine	USA	2.08	1.25	0.1
100%	Yankee Gold Mine	USA	0.75e	0.75e	0.0
100%	Equity Silver Mines Ltd	Canada	0.50	0.50	0.0
17%	Goldstrike (Tenneco) Gold Mine	USA	0.99	0.17	0.0
100%	Casino Gold Mine	USA	0.10	0.10	0.0
3.Homestake Mining Co		USA	-	58.27	3.1
100%	Homestake Gold Mine	USA	13.92	13.92	0.7
100%	McLaughlin Gold Mine	USA	9.49	9.49	0.5
50%	Super Pit	Australia	15.93	7.97	0.4
50%	Williams Gold Mine	Canada	15.31	7.66	0.4
50%	David Bell Gold Mine	Canada	6.69	3.35	0.2
25%	Round Mountain Gold Mine	USA	11.65	2.91	0.2
100%	Nickel Plate Gold Mine	Canada	2.30	2.30	0.1
100%	El Hueso Mine	Chile	2.23	2.23	0.1
50%	Mount Charlotte Gold Mine	Australia	4.41	2.21	0.1
40%	Snip Gold Mine	Canada	4.65	1.86	0.1
100%	Santa Fe (Nevada) Gold Mine	USA	1.68	1.68	0.1
33%	Marigold Gold Mine	USA	2.81	0.94	0.0
50%	Quarter Claim	Canada	1.38	0.69	0.0
33%	Pinson Mining Co	USA	1.58	0.52	0.0
44%	Dee Gold Mining Co	USA	0.80	0.35	0.0
50%	Mount Percy Gold Mine	Australia	0.34	0.17	0.0
4.Gencor Ltd		South Africa	-	55.46e	3.0
100%	Beatrix Mines Ltd	South Africa	13.23	13.23	0.7
100%	Kinross Mines Ltd	South Africa	12.66	12.66	0.7
55%	Winkelhaak Mines Ltd	South Africa	11.22	6.12	0.3
100%	Unisel Gold Mines Ltd	South Africa	4.50	4.50	0.2
100%	Sao Bento Mineracao SA	Brazil	3.40	3.40	0.2
23%	Buffelsfontein Gold Mining Co	South Africa	14.51	3.32	0.2
100%	Leslie Gold Mines Ltd	South Africa	2.69	2.69	0.1
56%	Saint Helena Gold Mines Ltd	South Africa	4.77	2.69	0.1
100%	Grootvlei Pty Mines Ltd	South Africa	2.54	2.54	0.1
100%	Impala Platinum Ltd	South Africa	2.00e	2.00e	0.1
100%	Barberton Mines Ltd	South Africa	1.16	1.16	0.1
100%	Bracken Mines Ltd	South Africa	0.49	0.49	0.0

Small but profitable – open cast gold mining just south of the Arctic circle in Björkdal, Sweden.

Table 1 continued...

Corporate control in gold mining in 1993.

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod. t	Controlled share t	Share of Western world %
27%	Western Platinum Ltd	South Africa	1.50e	0.41e	0.0
100%	Oryx Gold Holdings Ltd	South Africa	0.24	0.24	0.0
5.RTZ Corporation PLC		UK	–	54.42e	2.9
100%	Bingham Canyon Copper Mine	USA	16.10	16.10	0.9
100%	Kelian Gold Mine	Indonesia	14.40	14.40	0.8
100%	Peak Gold Mine	Australia	4.54	4.54	0.2
100%	Ridgeway Gold Mine	USA	4.26	4.26	0.2
100%	Barney's Canyon Gold Mine	USA	3.33	3.33	0.2
51%	Morro do Ouro (Brasilia) Gold	Brazil	5.43	2.77	0.1
100%	Flambeau Copper Mine	USA	2.70	2.70	0.1
100%	Rio Tinto Zimbabwe Ltd	Zimbabwe	2.60	2.60	0.1
51%	Denton–Rawhide Gold Mine	USA	3.23	1.65	0.1
40%	Cortez Gold Mine	USA	2.08	0.83	0.0
31%	Escondida Copper Mine	Chile	2.28	0.70	0.0
58%	Palabora Mining Co Ltd	South Africa	0.65e	0.37e	0.0
58%	Greens Creek Silver Gold Mine	USA	0.29	0.17	0.0
6.Newmont Mining Corp		USA	–	53.01	2.8
100%	Carlin Trend Gold Mines	USA	51.83	51.83	2.8
39%	Carachugo Gold Mine	Peru	2.53	0.98	0.1
49%	Black Cloud Mine (Leadville)	USA	0.41	0.20	0.0



Table 1 continued...

Corporate control in gold mining in 1993.

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod. t	Controlled share t	Share of Western world %
7. American Barrick Resources Corp		Canada	–	50.89	2.7
100%	Goldstrike (Barrick) Gold Mine	USA	44.78	44.78	2.4
100%	Mercur Gold Mine	USA	3.57	3.57	0.2
100%	Holt McDermott Gold Mine	Canada	1.99	1.99	0.1
33%	Pinson Mining Co	USA	1.58	0.52	0.0
8. Barlow Rand Ltd		South Africa	–	45.68	2.4
100%	Harmony Gold Mining Co Ltd	South Africa	21.62	21.62	1.2
100%	East Rand Pty Mines Ltd	South Africa	7.85	7.85	0.4
100%	Blyvooruitzicht Gold Mining Co Ltd	South Africa	7.12	7.12	0.4
100%	Durban Roodepoort Deep Ltd	South Africa	4.92	4.92	0.3
100%	Rand Mines Milling & Mining Co Ltd	South Africa	4.16	4.16	0.2
9. Anglovaal Ltd		South Africa	–	41.90e	2.2
100%	Hartebeestfontein Gold Mining	South Africa	31.65	31.65	1.7
100%	Lorraine Gold Mines Ltd	South Africa	6.45	6.45	0.3
100%	Eastern Transvaal Cons. Mine	South Africa	3.48	3.48	0.2
25%	Consolidated Murchinson Ltd	South Africa	1.30e	0.32e	0.0
10. Rembrandt Group Ltd		South Africa	–	39.02e	2.1
26%	Driefontein Consolidated Ltd	South Africa	58.70	15.02	0.8
39%	Kloof Gold Mine	South Africa	30.62	11.99	0.6
39%	Libanon Gold Mining Co Ltd	South Africa	9.84	3.85	0.2
39%	Leeudoorn Gold Mine	South Africa	8.73	3.42	0.2
37%	Deelkraal Gold Mining Co Ltd	South Africa	8.27	3.04	0.2
37%	Doomfontein Gold Mining Co Ltd	South Africa	4.53	1.66	0.1
27%	Otjihase Mine	Namibia	0.15e	0.04e	0.0
11. Normandy Poseidon Ltd		Australia	–	35.36e	1.9
50%	Super Pit	Australia	15.93	7.97	0.4
100%	Mount Leyshon Gold Mine	Australia	7.00e	7.00e	0.4
71%	Granites Gold Mine	Australia	6.10e	4.34e	0.2
100%	Big Bell Gold Mine	Australia	3.60e	3.60e	0.2
100%	White Devil (Tennant Creek) Gold Mine	Australia	2.70e	2.70e	0.1
100%	Kalgoorlie Tailings Retreatme	Australia	2.40e	2.40e	0.1
50%	Mount Charlotte Gold Mine	Australia	4.41	2.21	0.1
100%	Jubilee Gold Mine	Australia	2.10e	2.10e	0.1
67%	Martha Hill (Waihi) Mine	New Zealand	2.38	1.60	0.1
100%	Golden Crown Gold Mine	Australia	0.80e	0.80e	0.0
17%	Marymia Hill Gold Mine	Australia	2.50e	0.43e	0.0

Table 1 continued...

Corporate control in gold mining in 1993.

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod. t	Controlled share t	Share of Western world %
50%	Mount Percy Gold Mine	Australia	0.34	0.17	0.0
45%	Scuddles (Golden Grove) Zinc Mine	Australia	0.10e	0.05e	0.0
12. Lac Minerals Ltd		Canada	-	34.58	1.8
100%	Bullfrog Gold Mine	USA	11.03	11.03	0.6
100%	Cia Minera El Indio	Chile	6.23	6.23	0.3
100%	Bousquet No 2 Gold Mine	Canada	5.04	5.04	0.3
50%	Doyon Gold Mine	Canada	7.77	3.89	0.2
100%	Golden Patricia Gold Mine	Canada	2.32	2.32	0.1
100%	Macassa Gold Mine	Canada	2.21	2.21	0.1
100%	Bousquet No 1 Gold Mine	Canada	1.64	1.64	0.1
100%	Colosseum Gold Mine	USA	0.84	0.84	0.0
100%	Lake Shore Mines Ltd	Canada	0.53	0.53	0.0
100%	Cia Minera El Toqui	Chile	0.51	0.51	0.0
100%	Richmond Hill Gold Mine	USA	0.33	0.33	0.0
13. Echo Bay Mines Ltd		Canada	-	27.19	1.4
100%	McCoy/Cove Gold Mine	USA	12.30	12.30	0.7
100%	Lupin Gold Mine	Canada	6.77	6.77	0.4
50%	Round Mountain Gold Mine	USA	11.65	5.83	0.3
100%	Kettle River Gold Mine	USA	2.28	2.28	0.1
14. Santa Fe Pacific Corporation		USA	-	26.45e	1.4
100%	Twin Creeks Gold Mine	USA	15.00e	15.00e	0.8
100%	Mesquite Gold Mine	USA	6.50e	6.50e	0.3
100%	Lone Tree Mine	USA	4.95	4.95	0.3
15. Western Mining Corp Holdings Ltd		Australia	-	25.87	1.4
100%	Saint Ives Gold Mines	Australia	8.39	8.39	0.4
100%	Mount Magnet Gold Operations	Australia	5.43	5.43	0.3
100%	Leinster Gold Operations	Australia	3.76	3.76	0.2
100%	Central Norseman Gold Corp Ltd	Australia	2.31	2.31	0.1
49%	Hedges Gold Mine	Australia	4.27	2.08	0.1
100%	Lancefield Gold Mine	Australia	1.92	1.92	0.1
100%	Olympic Dam Copper/Gold Mine	Australia	0.85	0.85	0.0
100%	Mara Rosa Gold Mine	Brazil	0.84	0.84	0.0
100%	Hog Ranch Gold Mine	USA	0.29	0.29	0.0
16. Freeport McMoran Inc		USA	-	24.47	1.3
100%	PT Freeport Indonesia Co	Indonesia	24.47	24.47	1.3

Table 1 continued...

Corporate control in gold mining in 1993.

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod. t	Controlled share t	Share of Western world %
17. Newcrest Mining Ltd		Australia	–	23.88	1.3
100%	Telfer Gold Mine	Australia	11.71	11.71	0.6
100%	New Celebration Gold Mine	Australia	5.18	5.18	0.3
20%	Boddington Gold Mine	Australia	11.56	2.31	0.1
100%	Ora Banda Gold Mine	Australia	2.29	2.29	0.1
100%	Tuckabianna Gold Mine	Australia	1.81	1.81	0.1
100%	Parkes Gold Mine	Australia	0.40	0.40	0.0
100%	Browns Creek Gold Mine	Australia	0.15	0.15	0.0
18. MIM Holdings Ltd		Australia	–	19.77	1.1
25%	Porgera Gold Mine	PNG	35.97	8.99	0.5
100%	Tick Hill Gold Mine	Australia	5.45	5.45	0.3
100%	Crofoot / Lewis Gold Mines	USA	2.69	2.69	0.1
30%	Snip Gold Mine	Canada	4.65	1.40	0.1
100%	Ravenswood Gold Mine	Australia	0.78	0.78	0.0
29%	Trout Lake Copper Mine	Canada	1.07	0.31	0.0
26%	Highland Valley Copper Mines	Canada	0.40	0.10	0.0
38%	Buckhorn Gold Mine	USA	0.12	0.05	0.0
19. South African Mutual Life Assurance		South Africa	–	18.14e	1.0
13%	Driefontein Consolidated Ltd	South Africa	58.70	7.35	0.4
17%	Kloof Gold Mine	South Africa	30.62	5.28	0.3
17%	Libanon Gold Mining Co Ltd	South Africa	9.84	1.70	0.1
17%	Leeudoorn Gold Mine	South Africa	8.73	1.50	0.1
18%	Deelkraal Gold Mining Co Ltd	South Africa	8.27	1.49	0.1
18%	Doomfontein Gold Mining Co Ltd	South Africa	4.53	0.81	0.0
12%	Otjihase Mine	Namibia	0.15e	0.02e	0.0
20. Lonrho PLC		UK	–	17.20e	0.9
45%	Ashanti Goldfields Corp (Ghana)	Ghana	23.96n	10.78n	0.6
100%	Independence Mining (Pvt) Ltd	Zimbabwe	3.50e	3.50e	0.2
100%	Corsyn Consolidated Mines Ltd	Zimbabwe	1.50e	1.50e	0.1
73%	Western Platinum Ltd	South Africa	1.50e	1.09e	0.1
100%	Duiker Exploration Ltd	South Africa	0.32n	0.32n	0.0
10 largest: controlled share of gold mining, Western world			–	888.48	47.3
20 largest: controlled share of gold mining, Western world			–	1 141.40	60.2
Total, Western world			1878.50	–	100.0
Total, World			2280.00	–	–

Notes: e estimate, n non calendar year.