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Japan, Platinum Group to Explore in South Africa (Update1)

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By Jae Hur and Yasumasa Song

Oct. 9 (Bloomberg) -- **Japan Oil, Gas and Metals National Corp.**, a government agency, and Canada's Platinum Group Metals Ltd. will jointly explore for platinum, copper and nickel in the Bushveld region in South Africa.

JOGMEC, as the agency is known, will invest about \$3.2 million over about four years to obtain a right to 37 percent of the possible output from the exploration area, the agency said in a statement today on its [Web site](#). Japan is the world's top consumer of platinum after China, according to researcher and refiner Johnson Matthey Plc.

The exploration venture is the third by the agency in Africa as global demand is forecast to rise for platinum, used in fuel-cells and in catalytic converters to remove pollutants from vehicle exhaust. Japan's Prime Minister **Yukio Hatoyama** has pledged to cut the nation's greenhouse gas emissions by 25 percent by 2020 from 1990 levels on the proviso that all other major emitters agree to a new climate-protection treaty.

"Platinum is one of the important rare metals to achieve the target," JOGMEC said. The joint venture is to explore the Waterberg area in the Bushveld geological complex, it said.

Platinum for immediate delivery has gained 43 percent this year and reached a record \$2,301.50 an ounce in March last year. The metal traded at \$1,335.50 at 3:07 p.m. Tokyo time.

The exploration venture will be JOGMEC's second with the Canadian company in South Africa. The agency said in March that it would explore with Platinum Group for the same resources in the War Springs area, investing \$10 million for five years for a 35 percent right on production.

JOGMEC said Oct. 7 that it had signed a contract with Australia's **Discovery Metals Ltd.** to explore for platinum and nickel in Botswana.

To contact the reporters on this story: **Jae Hur** in Tokyo at jhur1@bloomberg.net; **Yasumasa Song** in Tokyo at ysong9@bloomberg.net

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