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## **Richards Bay to cap new coal volumes - Miningmx**

*Saturday, 04 Jul, 2009*

Miningmx reported that South Africa's Richards Bay Coal Terminal is proposing restrictions on the quotas it awards to coal exporters from the so-called Phase 5 expansion project.

Miningmx said that new allocations for the expanded terminal will be capped at about 3.6 million tones. It said that phase 5 exporters, which include Anglo American Plc and BHP Billiton Ltd believe their investments in the expansion should entitle them to nearer 11.9 million tones.

It said that allocations are likely to be constrained by a lack of rail capacity to deliver coal to the terminal, which is expanding to 91 million tonnes a year from 76 million tones.

Transnet Freight Rail, which operates the rail line to the terminal, is only increasing capacity to 75 million tons a year by 2013 from 70 million tons now, Miningmx said. Exxaro Resources Ltd. is likely to be hardest hit by the restrictions, having invested in new production in anticipation of being able to export it.

(Sourced from Bloomberg.net)

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