

Class action against Sibanye-Stillwater dropped

A Brooklyn, New York, Federal Court dismissed with prejudice, a putative securities class action suit seeking damages from Sibanye-Stillwater for allegedly false and/or misleading statements by the Group and CEO Neal Froneman related to safety incidents in 2018.



Neal Froneman, CEO, Sibanye-Stillwater

The class action was brought on behalf of all persons or entities who purchased Sibanye-Stillwater American Depositary Receipts (ADRs) between 23 February 2017 and 31 October 2018, inclusive. The class action was filed shortly after a number of fatal incidents at Sibanye-Stillwater's SA gold operations in the first half of 2018. The plaintiffs alleged that, in light of the fatalities, statements that the defendants made regarding safety were false and misleading and violated the US federal securities laws.



Sibanye-Stillwater commits to safety after poor accident record

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In dismissing the class action, the court found that plaintiffs failed to allege any violation of the US securities laws, based on their failure to allege any materially false or misleading statements. The court also found that plaintiffs failed to establish that the defendants acted with fraudulent intent, or that their alleged losses were caused by the statements in question. In doing so, the court denied the plaintiffs' request to file a further amended complaint, finding that it would be futile, and directed the clerk of the court to enter judgement and close the case.

These court proceedings are thus concluded, subject to any further proceedings required in the trial court to finalise a judgement and any appeals that may be lodged.

“We are extremely pleased with the outcome of the class action. We take the safety of our employees very seriously and ensuring a safe and enabling work environment is a primary focus throughout the group. The judgement validates our decision to oppose this class action and to protect the interests of our stakeholders against spurious and opportunistic legal actions.”

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