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Mineral Exploration increases again this quarter

Today the Australian Bureau of Statistics published the September quarter 2020 mineral exploration figures showing another increase in mineral exploration from the previous quarter.

“Total mineral expenditure for the September quarter 2020 was 3% higher than September 2019, demonstrating the strength of Australia’s mineral exploration, and its strong growth despite COVID-19” said Warren Pearce, Chief Executive Officer of the Association of Mining and Exploration Companies (AMEC).

Mineral exploration expenditure grew 9% (up \$61.6m) in the September quarter 2020 compared to the previous quarter, to \$744.9m. Greenfield expenditure lifted 12% (up \$28.5m) to \$257.5m and brownfield expenditure rose 7% (up \$33.1m) to \$487.4m.

Meters drilled for greenfields exploration climbed 23% while brownfields rose 17%. The largest increase of minerals sought came from expenditure on silver, lead, zinc (up 55.9% to \$13.1m), nickel, cobalt (up 17.2% to \$48.9m), and gold (up 17% to \$356.1m), while diamonds increased (up 140% to \$1.2m). Iron ore also increased (up 12.5% to \$111m).

“The continued increase in greenfield mineral exploration expenditure this quarter comes off the back of significant capital raisings in the June quarter with \$1.34B raised across the exploration sector, supporting new exploration programs.

“The ability of Australian mineral exploration and mining companies to continue operating where possible, in adherence with COVID-19 restrictions, has driven interest in mineral exploration following a number of recent promising discoveries in multiple jurisdictions.”

Total expenditure rose in Western Australia by 17.2%, Northern Territory by 15.6%, Queensland by 9.3%, and Tasmania by 65%. However, those jurisdictions more affected by COVID-19 fell; New South Wales fell by 21.38%, Victoria by 12.85%, and South Australia by 10.71%.

“Western Australia’s minerals sector continues to lead the nation’s emergence from COVID-19 constraints. Total expenditure grew by \$70.9m to \$483.3m. For context, the previous year (September 2019) saw a \$44.6m growth quarter on quarter.”

“Today’s figures should give further confidence to investors that Australia’s mineral exploration companies continue to work hard to discover new mines.”

“The discovery and development of new mines will continue to provide jobs and ongoing economic and social benefits for Australians,” said Mr Pearce.

Note:

All figures used in this media release are Original, not seasonally adjusted. For further data go to:

<https://www.abs.gov.au/statistics/industry/mining/mineral-and-petroleum-exploration-australia/sep-2020#data-download>