

Media release

Targeted mineral exploration support to keep project pipeline open

Statement from James Sorahan, Executive Director, MCA Victoria

The Victorian Government's targeted short-term measures to help ensure mineral exploration activity continues through the COVID-19 pandemic will keep the pipeline of new projects open.

Victoria's explorers and miners with exploration tenements are facing significant disruptions including to people movement and equipment access as a result of COVID-19.

Difficulties accessing ground have made it challenging for some explorers to meet their licence conditions through no fault of their own.

Exploration investment is also coming under pressure as capital markets become more risk-averse. For example, S&P Global Market Intelligence has warned global mining exploration spending may drop by 29 per cent this year – the lowest spending in this category for 15 years.

A temporary reduction in fees, charges and rents will free up funds for exploration drilling and reinvestment in mining operations.

The ability to work with the government on licence conditions means a fair go for explorers.

The announcement today builds on the excellent work of Geological Survey of Victoria and the government's successful TARGET grant program.

A revival in exploration is critical to Victoria's recovery. Exploration works must continue to secure future mines and jobs in exploration, mining and minerals processing in regional Victoria.

Given Victoria's significant mineral potential, exploration programs help attract private sector investment in regional areas which in turn builds the public good of geological information.

Investment in exploration will deliver economic returns for future generations and keep geologists, surveyors and others in work in Victoria through the recovery phase of the pandemic.

A growing and sustainable minerals industry is good for all Victorians by creating jobs and investment to support more diverse regional economies.