

QUESTION ON NOTICE

No. 724

asked on Thursday, 25 May 2023

MR M HEALY ASKED THE MINISTER FOR RESOURCES (HON S STEWART)

QUESTION:

Will the Minister provide an update on the amount of exploration activity for minerals?

ANSWER:

With the World Mining Congress being held in Brisbane between 26 and 29 June 2023, the Palaszczuk Government is eager to show the world that Queensland is the place to be when it comes to exploring minerals, especially critical minerals.

It is a priority for the Queensland Government to capitalise on the significant increase in demand for critical minerals.

It is well known that Queensland and, in particular, the North West Minerals Province has an abundance of critical minerals such as copper, cobalt and vanadium that the world is demanding as it decarbonises.

This government is committed to incentivise and drive exploration, and discover and develop those deposits to grab the opportunities and jobs that will be created for the people of Queensland.

I am pleased to be able to share some information on the strong growth in the exploration sector in Queensland which will generate mines of the future, especially in critical minerals.

The number of mineral exploration tenures and the associated exploration expenditure have shown a significant increase in the mineral exploration sector since 2020 when COVID restrictions impacted the sector.

For example, on 1 June this year, there were 2502 exploration permits for minerals lodged with the Department of Resources that are either granted or in application.

These permits cover an area of almost 330,000 square kilometres or nearly 18 per cent of the total area of Queensland.

This is an 80 per cent increase in area from the COVID period low in November 2020 where 1758 exploration permits covered around 180,000 square kilometres of Queensland.

This increase in area is additionally supported by the Australian Bureau of Statistics data on mineral exploration expenditure in Queensland that reached over \$386 million in the 12 months to December 2022—up almost 44 per cent from the 2021 year, and up over 96 per cent from the 2020 year.

In the areas to be explored, the money being spent on mineral exploration activity has almost doubled from the end of 2020 to the start of 2023.

In fact, the Australian Bureau of Statistics data shows that mineral exploration expenditure in Queensland is currently at an all-time high and is at a level greater than exploration expenditure for coal or oil and gas combined.

Australian Bureau of Statistics data also shows that, within the total mineral exploration expenditure for 2022, expenditure on copper is the main contributor with around \$168 million, up nearly 45 per cent year-on-year from 2021.

These levels of activity demonstrate that the prospectivity of Queensland is highly regarded for investment and that explorers believe that deposits of critical minerals remain to be discovered.

The exploration permit holders include well known multinationals such as Rio Tinto, Anglo American, Glencore, Fortescue Metals and AngloGold Ashanti.

The presence of these companies demonstrates the future opportunities for discoveries are high for Queensland with many of the multi-nationals looking in areas previously considered too high risk for exploration, or they have developed new techniques or geological models to enhance discovery of the critical mineral deposits in our state.

To assist them, the Queensland Government is backing the explorers in making these discoveries through exploration funding grants. This allows explorers to take on financially risky projects that could lead to Queensland's next big critical minerals discovery.

As I announced in March this year, the Queensland Government Collaborative Exploration Initiative made \$5 million in funding available to be split between 25 different companies for 25 different projects to find critical mineral deposits.

This funding package is the seventh round under the initiative that has supported innovative exploration concepts and is part of the \$22.6 million the Queensland Government has committed over five years as a part of the Queensland Resources Industry Development Plan announced in 2022.

As you can see, the mineral exploration sector in Queensland is very much alive and healthy.

There have been significant increases in areas being explored and money being spent on trying to find the deposits of the future, especially the critical minerals that are required to help shift to a decarbonised economy.

The Queensland Government is actively investing in the exploration sector to incentivise discovery opportunities, improve scientific understanding and supply the valuable geoscience data needed by industry to help locate and define deposits for future production.