



## Higher minerals discovery rate critical to ensuring Australia can compete for overseas resource investment dollars

Monday 26 November, 2012

A key professional body says it is critical for Australia's ability to retain its appeal as an investment destination for minerals exploration that it be competitive in the global exploration industry.

The only basis on which such competitiveness could be assured in the future, the Australian Institute of Geoscientists (AIG) says, is to encourage the development of new exploration concepts, promote exploration activity and increase overall the chances of discovery.

The AIG says that fundamental to this approach must be the provision of high quality pre-competitive geoscientific data.

The Institute today welcomed the announcement last week by Federal Minister for Resources, Energy and Tourism, the Hon Martin Ferguson, of \$26 million per annum to Geoscience Australia for its pre-competitive data program.

The extra funding would help maintain and lift the opportunities for Australian mineral discovery and consequential injection of overseas resource investment dollars.

Pre-competitive data acquisition involves the gathering of geological and geophysical data, and the analysis of that data to define the geology of basins and regions to identify areas with higher likelihood for prospective mineral resources.

"AIG, which has a membership of around 3,000 geoscientists, many in resource exploration, is pleased that Geoscience Australia's approach under the new funding initiative will include collaborative work with state and territory geological surveys," Institute President, Ms Kaylene Camuti, said today.

"This collaboration will include a systematic drilling program to test new geological models to identify indicators of mineral resource potential," Ms Camuti said.

"New data and new ideas are essential drivers of exploration activity and we must be able to generate and test new concepts if we are to increase the conversion rate between exploration and commercial mining," she said.

"Critically, exploration is not only the essential pre-requisite to mining but one of the most important value-adding processes in the resources industry, directly contributing to Australia's export earning potential."

Ms Camuti said that after a tumultuous year or two for cash strapped junior explorers in the wake of the GFC environments, Federal backing was essential if this sector were to achieve less expensive or more targeted, cost and time efficient means of



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locating minerals at shallow or deeper depth – an outcome that would successfully attract investment.

“Improved data can only help optimise exploration survey, sampling and drilling budgets and operations by further and continuously finessing target areas to a greater level of geological certainty,” Ms Camuti said.

“As well as substantial contributions to Australia’s export earnings, GDP and employment, a healthy resources sector feeding off exploration successes can vastly enhance regional economies and lifestyles.”

“This includes greater community contributions, new and often much needed basic infrastructure and of course, fresh job creation that would not occur if local mining did not eventuate.”

Ms Camuti said the AIG viewed with concern new data showing that Australia’s nonferrous mineral exploration sector was far less competitive on a global scale than it was in the 1990s.

This was evidenced by the decline in Australia’s share of global nonferrous mineral exploration investment from around 20% in the 1990s to 12% today.

“That is why the AIG supports Geoscience Australia’s plan under these new financial arrangements to focus on the hidden potential of minerals ‘under cover’ – areas of Australia that have not been extensively explored or where an existing mineral bearing province extends underneath a layer of other material,” she said.

“This work should generate substantial new greenfields areas for future exploration.”

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