



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

**SPEAKING NOTES BY THE HONOURABLE
MINISTER OF MINERAL RESOURCES AND ENERGY**

MR GWEDE MANTASHE (MP)

Investing in Exploration Fund Seminar

Westin, 06 February 2024

15h00

Programme Director,

Deputy Minister of Mineral Resources and Energy, ***Dr Nobuhle Nkabane***

Leadership of Organised Business, and Members of the
Investment Community

Captains of Industries

Distinguished Guests

Members of the Media

Since the ***dawn of democracy*** in South Africa, 30 years ago, the
South African ***mining industry has undergone significant***

transformation, catalysed by the promulgation of the **Mineral and Petroleum Resources Development Act (MPRDA)**.

After nearly **150 years of mining** in South Africa during which black participation was limited to mineworkers, the promulgation of the MPRDA and the **introduction of the Mining Charter** presented a major shift in the **ownership patterns of minerals in South Africa**.

As President Cyril Ramaphosa quantified yesterday, when the Mining Charter was first introduced in 2004, black participation in ownership patterns in the South African mining industry stood at a mere 2%. It is heartening that 20 years later, **black ownership stands at approximately 39%**.

Companies such as **Seriti, Exxaro, Thungela, and Kalagadi Manganese** serve as good examples of the shift in black ownership, which we must invest resources and efforts to upsurge if we are to meaningfully realise the **Freedom Charter's** objective of a South Africa where **“the people share in the country's wealth”**.

In 2022, we published South Africa's **exploration strategy** for the mining industry and its **implementation plan** to attract mineral exploration investment, reignite mineral development, accelerate new mineral discoveries and encourage optimal utilisation of the South African mineral resources.

With the ***decline of gold mining***, which mining in South Africa has been associated with over the years, the strategy identifies ***exploration as an enabler of a sunrise mining industry*** through the ***development of new mines***, hence it puts a lot of emphasis on accelerated exploration projects.

As part of our concerted efforts aimed at ***accelerating exploration projects***, we pursued a partnership with the Industrial Development Corporation of South Africa to establish the ***exploration fund for junior miners*** that we announced at the previous Mining Indaba.

As stated yesterday, having passed all the regulatory hurdles and approvals for the establishment of this fund, we are ready to launch it today through the signing of the ***Memorandum of Agreement***.

Through this fund, we seek to financially assist qualifying enterprises in the mining industry to conduct prospecting work, increase the junior miners' access to mine ore bodies, and promote economic inclusion that will support equitable economic growth.

Equally important, is the ***support to artisanal and small-scale miners*** by the Department through the ***artisanal and small-scale miners' fund***. The Department has since published an invitation to qualifying small-scale miners to apply for the fund.

Based on allocated budget, we intend on providing financial support to at least **13 small-scale miners**.

All these initiatives form part of **government's efforts to redress the injustices** of the past and accelerate the participation of previously disadvantaged people in the mainstream economy.

Fact of the matter is that, over the past three decades, the implementation of the **MPRDA has had a profound impact** on the South African mining sector. Whereas this regulatory framework has faced its share of challenges and criticisms, its overarching goal of transforming the mining industry into a more inclusive and socially responsible sector remains a guiding principle.

As South Africa looks ahead to the future, the legacy of the MPRDA will continue to shape the country's approach to mineral resources governance, equitable access, and economic development.

We look forward to the success of this initiation **whose value addition** to South Africa's economic growth can only be **realised with the emergence of new mines**.

I thank you.