



Harmony Gold – Masimong Gold Mine

MINERAL RESOURCES DEVELOPMENT BILL

RESPONSE OF THE MINERALS COUNCIL SOUTH AFRICA

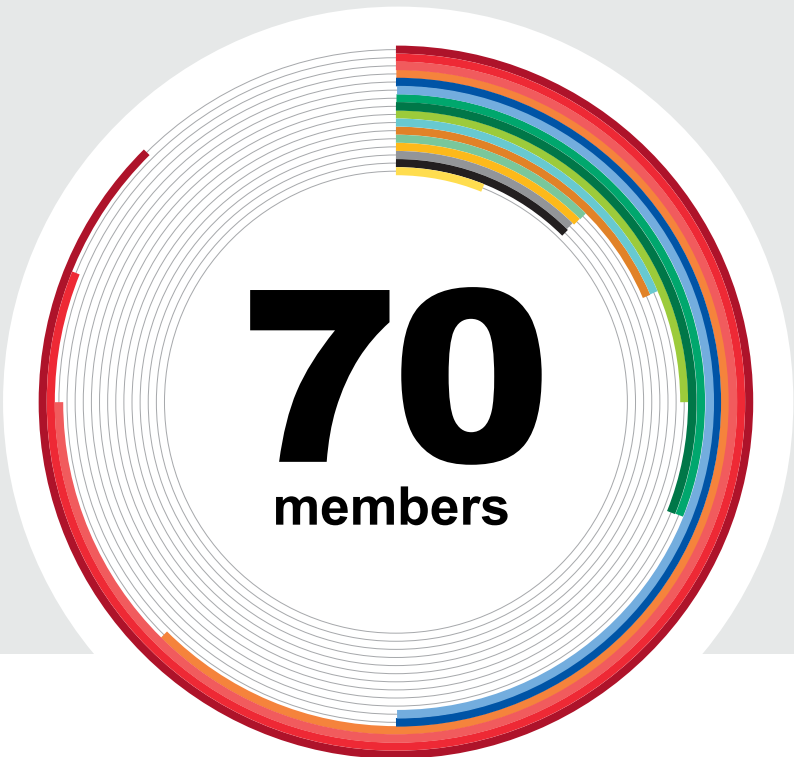
18 August 2025



Championing South Africa’s mining industry for investment, growth and sustainability for the benefit of all stakeholders

OVERVIEW

The Minerals Council South Africa’s 70 members represent 90% of South African mineral production by value.



The mining sector in 2024



473,484
People employed



R442.7 billion
contributed to GDP



R43.6 billion
Contributed company taxes and royalties to South Africa



Employee earnings

R195.3 billion
(+2.7%)



OUR MISSION

To lead in enabling the South African mining sector to shift from potential to performance through investment, growth, transformation and development in a socially and environmentally responsible manner: we put South Africa first.



OUR VISION

To ensure mining matters for South Africa. To reposition the mining sector as South Africa’s foremost industrial sector. The Minerals Council seeks to create, in partnership with key stakeholders, a conducive policy, legislative and operating environment that facilitates growth and investment to grow the mining industry.



OUR PURPOSE

The Minerals Council is a mining industry employers’ organisation that supports and promotes the South African mining industry. We serve our members and promote their interests through strategic support and advisory input.

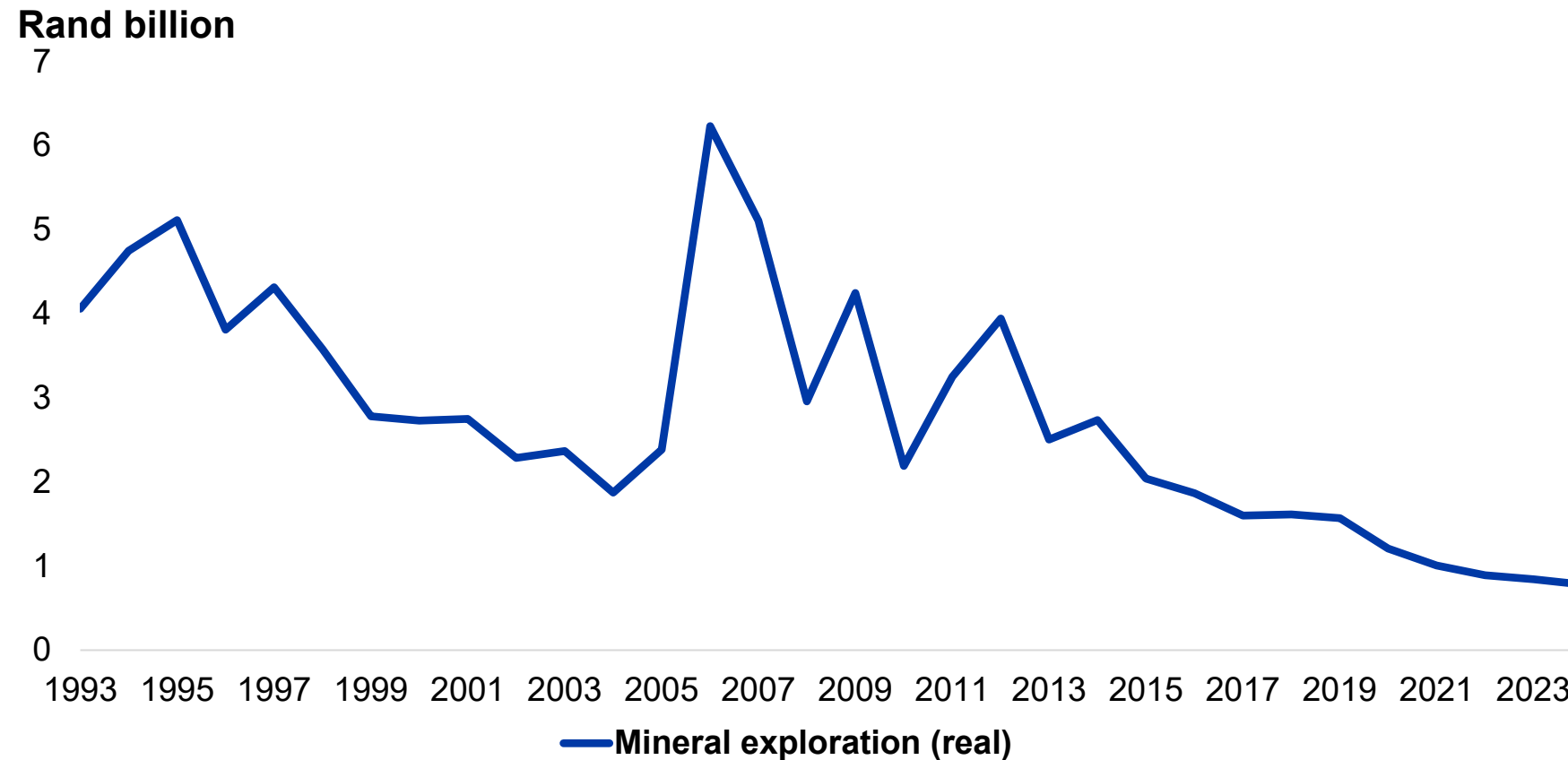
We promote voluntary consultation, collaboration, learning and support between members. We take care never to encroach on the autonomy of members or to breach confidentiality and competition regulations.

The Minerals Council acts as the principal advocate for mining in South Africa in engagements with government, communicating major policies endorsed by its members.

Investment. Growth. Jobs. Transformation.

- The Bill in its current form does **not encourage investment and growth** that can create jobs and drive further transformation
- **Key principles** for an investor friendly and growth orientated legislation:
 - Certainty and predictability
 - ✓ Drafting - limit interpretation
 - ✓ Administration – alignment at national and regional DMPR; across government departments
 - ✓ Efficiency – adherence to timelines for approval
 - ✓ Ministerial discretion – regulations in addition to legislation
 - Legislation must build on the successes we have achieved to date
 - Support a quality process on complex issues for mining to realise its potential within the window of opportunity
- South Africa needs a **mining legislative framework that promotes global competitiveness** to attract investment and growth in order to create jobs,
- A revised bill that provides legislative and regulatory **clarity** with streamlined processes will lead to investor confidence that **promotes** industry investment and growth, **leading** to exploration and mine development that creates jobs, increased tax revenue and **long-term contribution to the economy**.
- The Minerals Council is **committed to transformation and sustainable development**, which can be achieved within a stable policy framework conducive to investment, growth and a thriving mining industry.

SA exploration expenditure on a steep decline



- Exploration is the lifeblood of future mining activity
- In SA, expenditure on mineral exploration was only R781 million in 2024, down from a peak of R6.2 billion in 2006
- Fraser Institute Survey 2024:
 - Increased participation from RSA
 - Ranked 68/82 jurisdictions
 - Bottoming out, more effort required
 - Legislative and infrastructure constraints

Sources: Stats SA, Minerals Council

DRAFT MINERAL RESOURCES DEVELOPMENT BILL 2025

Overview | Draft Mineral Resources Development Bill

- The Bill was gazetted on 20 May 2025. Erratum issued in June.
- Extensive engagements were held with Minerals Council's members and external experts to reach an informed consensus response to the Bill.
- The Minerals Council Board unanimously approved the submission.
- The Minerals Council lodged its submission in line with the 13 August 2025 deadline for public comment on the Bill.

Perspective | the Bill does not encourage investment and growth

- Requires consistency with the defined terms used.
- Further regulations to be present for scrutiny.
- Require transitional provisions
- Publish Socio-Economic Impact Assessment (SEIA) or Regulatory Impact Assessment (RIA).

Key areas of focus

- Transformation | **empowerment**
- Beneficiation | **incentives**
- Tailings | **historical residues and stockpiles**
- Corporate activity | **Section 11 transfers of rights**
- Mine closure | **environmental obligations**

Key areas

- *New applications procedure remains uncertain:* proposed designated application system should work in practice so that it can effectively deal with the applications.
- *Introduction of artisanal mining permit regime* encouraging more entrants into mining: require fit for purpose environmental compliance and health and safety management regime.
- *Criminalisation of illegal mining welcomed:* Proposals require some refinements to ensure effective penalty regime.

CONCLUDING REMARKS

Industry champion | **advocate for legislation to a growth path**

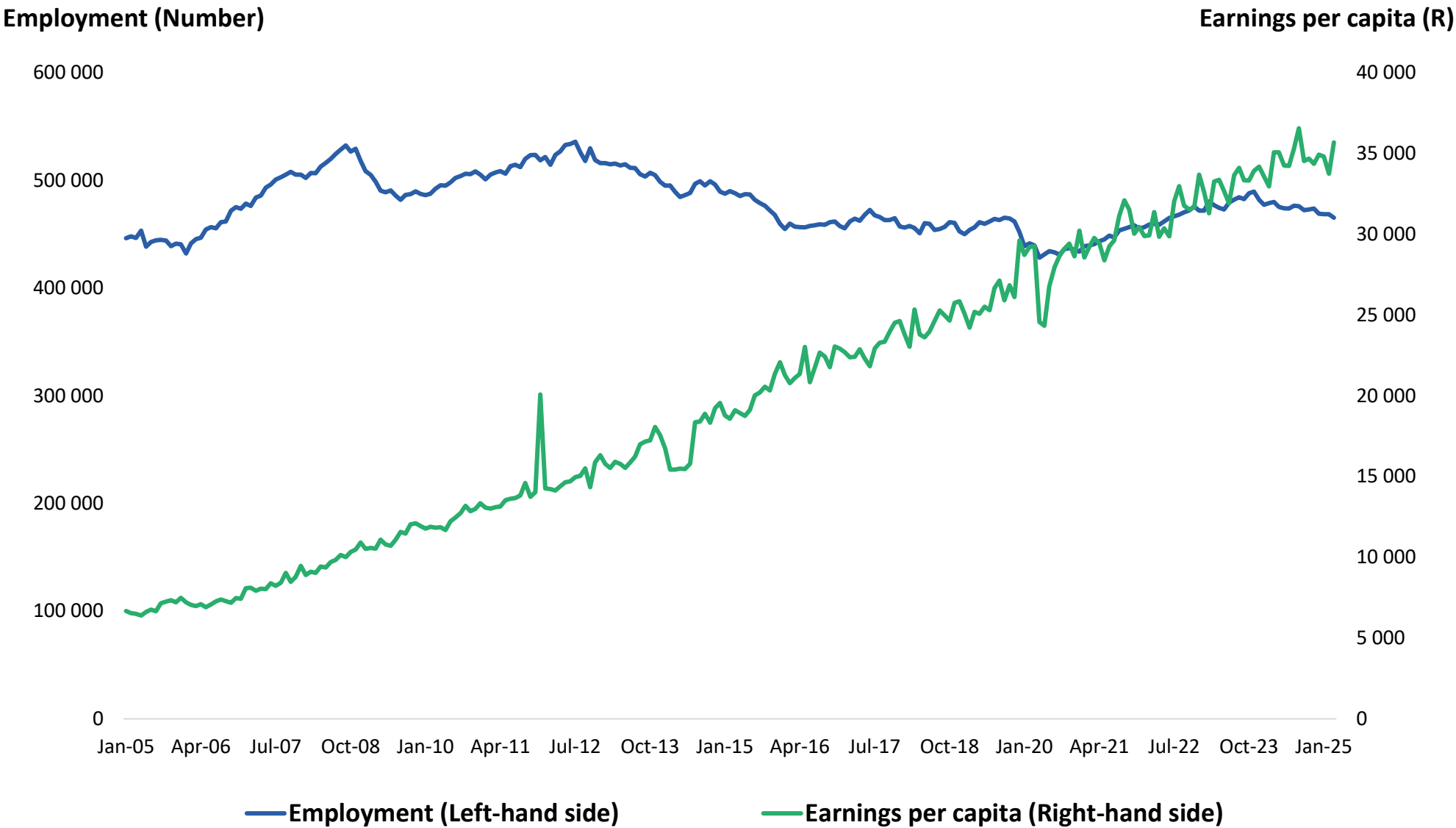
- The global market for mining capital is competitive: South Africa is not attractive enough for large investment in exploration (and mine developments) despite our geological endowment.
- The Minerals Council advocates for changes to the Bill that will encourage investment and grow the mining industry, which will stimulate the rest of the economy
- The Minerals Council will engage extensively with the DMPR to **ensure the best legislative outcome** for the mining industry, the country and all our stakeholders.
- The Minerals Council will not negotiate the Bill in public to give the engagements with DMPR the best possible chance of success.
- Timelines - review of submissions, engagements, redrafting of Bill, and Parliamentary submission.

Our belief | #MiningMatters

Mining's impact on the South African economy			
	Period	Value/number	Contribution (%)
Nominal GDP	2024	R442.7bn	6.0
Mineral exports	2024	Around R800bn	45
Corporate taxes	2023/24	R42.6bn	14
Formal employment	Q1 2025	465,304	4.4
Employee earnings	Q1 2025	R48.7bn	5.0

Sources: Stats SA, SARS, National Treasury, Minerals Council

Quality jobs | employment earnings of mine workers



- Mineworker per capita earnings have increased consistently
- Significant multiplier effects socially and economically



Gold Fields – South Deep

Thank you

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