

Opening comments by Mzila Mthenjane, CEO of the Minerals Council South Africa, at the Junior and Emerging Miners Desk webinar to launch the report *The extent, nature and economic impact of the junior and emerging mining sector in South Africa in 2025*.

We are at a critical time and there are two perspectives I wanted to share as an illustration of the criticality of this time in which we find ourselves.

The first is the global energy transition and the demand for what we are calling energy metals, with which Africa and South Africa are well endowed. Overarching this are geopolitics. The best characterisation of this is that at times it feels like there are too many kids in the playground with insufficient toys if you look at the scramble for natural resources, both mineral and energy resources. This setting is a significant backdrop for the mining sector and particularly for exploration.

The second perspective is one from the view point of Africa, which is a strategic region, a country perspective and how mining fits into that from an African perspective. There's a pressing need on our continent and our country for infrastructure development, economic growth, investment and social prosperity. Africa, and South Africa in particular, has sizeable resources of untapped minerals. This endowment can provide both the regional and global needs and demands that I have outlined.

Herein is the importance of exploration which will be critical to ensuring confidence in the mineral supply chains for both current and long-term needs. But to be able to achieve this, there are essential components that we need to attract, support and sustain exploration. There must be a coordinated policy environment. The Minerals Council advocates that this happen within the Department of Mineral and Petroleum Resources and, equally importantly, across government departments. It is through pragmatic and coordinated policy that South Africa will attract responsible and vigorous investment in, and the development of, our mineral resources. My hypothesis is that currently we don't have an exploration DNA as a country. As a country - - and this is where this research report comes in - it is important to be informed of the latest

developments and to create a holistic ecosystem for the exploration boom that will be required to meet future mineral demands.

We need a systemic change that will not only happen merely from regulatory changes or a sequence of events, but rather a multiplicity of changes which need to happen simultaneously.

The topics included in the research report and will be discussed in this webinar are relevant and the outcomes of this webinar should certainly be those that are directed at action rather than more talk.

Thank you.