

MEDIA STATEMENT

PRESENTATION: ENABLING THE RENAISSANCE OF THE SOUTH AFRICAN MINING SECTOR

Johannesburg, 6 March 2019. Minerals Council South Africa CEO, Roger Baxter presented at the annual PDAC convention in Toronto, Canada on 5 March. Mr Baxter's presentation, titled: *Enabling the Renaissance of the South African mining sector*, outlined the important contribution made by the mining sector, the vast potential that still exists and the steps needed to enable South African mining to realise its full potential.

Mr Baxter said: "The economic and transformational potential of mining is vast. Even in the absence of a greenfields exploration boom in South Africa, mining investment could almost double in the next four years if the country was to return to the top quartile of the most attractive mining investment destinations. Given the industry's commitment to real transformation, this would also materially advance the entire country's transformation agenda."

Mr Baxter commented on the most recent Fraser Institute perceptions survey: "The significant improvement from being close to the bottom decile of the Policy Perception Index (PPI) league table at 81st out of 91 jurisdictions, to about two-thirds of the way down at 56th position out of 83 can, we believe, be attributed to the early impacts of the shift of political leadership of the country and of the industry in 2018 of President Cyril Ramaphosa and Mineral Resources Minister Gwede Mantashe."

Mr Baxter outlined the Minerals Council's view on steps needed to restore the South African mining sector to the top quartile of the most competitive mining jurisdictions, including:

- Developing a social pact for competitiveness, growth and transformation between key stakeholders.
- Re-establishing trust with global mining and investment community.
- Significant crackdown on corruption and unethical leadership.
- Significantly improving licensing systems and turnaround times
- Creating a stable, predictable and competitive policy, regulatory and operating environment that encourages long term investment in mining.
- Resolving Infrastructure constraints and uncompetitive costs.
- Developing a strategy to encourage exploration boom.
- Developing national strategies for each commodity.

The full presentation may be accessed at <https://bit.ly/2VDCABR>

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