

The year that was: Five mining trends that dominated 2017

As the year draws to a close, we look at five trends that dominated the mining industry in 2017.



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1. Gold leads renewed interest in exploration

New data released by [S&P Global Market Intelligence](#) confirms that the mining exploration sector has rebounded in 2017, recovering from a protracted period of stagnancy since 2012. The annual global budget has risen to \$7.95bn, a 14% year-on-year increase. Improving market conditions and higher commodities prices in 2016 have led to increased investment, particularly in junior miners. Analysts believe that this recovery has been largely led by a planned increase in gold exploration.

2. Battery metals surge

This August prices for cobalt [surged by over 14%](#), driven by high demand from the lithium-ion battery sector. Cobalt is a key ingredient of these batteries, which are currently being scaled up for use in electric vehicles. With many countries now introducing bans on petroleum-fuelled cars, the spotlight has turned to the electric car industry. This sudden increase in demand for battery metals, as well as other factors, has led to soaring cobalt prices which are expected to continue rising in 2018.

3. Zimbabwe prospects look up

This year has been an eventful one for Zimbabwe with the departure of the Mugabe regime and Emmerson Mnangagwa's new cabinet laying out [policy reforms for the mining sector](#). Unfortunately for diamond and platinum producers in the country, the current 51% indigenisation ownership framework for foreign companies will still apply and they may have to face relinquishing control of their Zimbabwean mines to locals. However, this policy will only apply to these two minerals, making the rest of the extractive sector a far more attractive option for foreign investment.

4. Digitisation forging the way for safety and efficiency

Recently, digitisation has become a focus area for innovation in the African mining industry, as it has the potential to massively reduce mining fatalities and improve health and safety in the industry. Other benefits include increased efficiency, allowing companies to optimise scheduling and material flow, track and improve mining performance through data analysis and develop targeted operational strategies.

5. Mining Charter controversy continues

South Africa's parliament have pushed back the date to pass [changes to key mineral resource laws](#) to 2018, despite initially aiming for a December 2017 target. The controversial Mining Charter, which grants new rights to majority black-owned mining companies, was sent back to lawmakers by President Jacob Zuma in 2015 due to concerns over whether it was constitutional and whether it would infringe on global trade obligations. Clarity over what the Mining Charter will mean for the South African mining industry in 2018 is expected to lead to greater investor certainty.

Source: [Mining Indaba](#)

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