

Investing for success

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It's been a tough year for the minerals industry here and abroad but there is light at the end of the tunnel, writes National Minerals Manager Ilana Miller.

As the New Zealand branch of the AusIMM gathered to celebrate its 50th anniversary, delegates certainly had something to cheer about.

Analysts at the well-respected Lion Selection Group in Melbourne have ticked their "Resource Clock" over to 6pm, and have called the start of the boom in natural resources.

New Zealand is also seeing its share of the upswing and the market has improved markedly with gold, iron ore and even coal prices rising in the first half of 2016. Gold production is currently at its highest since 1993 reflecting a 25% increase in the global price, while iron ore prices have increased by 40%.

We are also seeing a recovery in exploration with a 50% increase in spending on 2014. Australian gold mining majors Newcrest and Evolution Mining have started drilling campaigns in Hauraki and in Northland, and Oceana Gold has had encouraging results from their drilling campaigns in Otago's Coronation mine.

The New Zealand Government continues to support the minerals sector through gathering high-quality data and making this freely available.

The Government has funded aeromagnetic surveys in Northland, on the West Coast, and more recently, set aside \$6.4 million for more minerals data work, including aeromagnetic surveys in Nelson/Marlborough, Otago and Southland.

The [new data on Nelson/Marlborough is now available free-of-charge \[http://mbie17.cwp.govt.nz/maps-geoscience/exploration-database/\]](http://mbie17.cwp.govt.nz/maps-geoscience/exploration-database/), and we will be releasing more data as it is processed.

New Zealand remains relatively under-explored and has real potential for further mineral discoveries. To encourage exploration we need to de-risk investment – and proving prospectivity is the key.

As part of the Government's Data Programme we've already flown 80,000km in the Nelson and Marlborough region. When the current aeromagnetic programme at the top and bottom of the South Island finishes in 2018, more than 30% of NZ will be covered with modern high-quality aeromagnetic data.

The Minister for Energy and Resources also recently announced a 4,600sqkm survey extension in the Murchison area, and once complete we will have a seamless dataset linking Nelson and Marlborough with the 2013 Government funded survey of the West Coast.

The Murchison area has much potential and the aeromagnetic data will reveal more about its prospectivity.

Also, further investment in geochemical surveying this summer, in Southland, Otago, Nelson and Murchison, will give us a picture of the elements in the soil.

The geochemical and corresponding aeromagnetic surveys combine to build a comprehensive picture of mineral prospectivity.

The minerals industry plays a major role in New Zealand's economy, contributing more than \$1 billion to GDP, providing well-paid jobs, producing vital inputs for industry, and adding significantly to our exports.

Continuing to invest for success will ensure a bright future for the industry and New Zealand.

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