

Membership of the QEC comprises a who's who of the resources sector with members drawn from areas including finance, events and marketing, research and government. The QEC has four specialist groups in the areas of events and investment attraction, education and research (academic), education and research (finance), and Vision 2020 Scorecard.

www.queenslandexploration.com.au



2020 Exploration Vision

The Queensland Resources Council vision is to see Queensland acknowledged as a minerals and energy exploration leader by 2020 with Brisbane confirmed as its 'heart'.

Achievement is not only a win for exploration. Almost every sector of the economy benefits as the state prospers from new activity. Jobs are created and there is an increased flow of wealth shared throughout the community.

With exploration and resource production at its core, an expanding economy commands a surge in knowledge-based industries.

A vibrant mineral and energy exploration industry needs constant nourishment, supplied by new investment, services and support. Our shared vision is maximised by fostering investment in Queensland exploration using expertise and services sourced from Queensland.

Government support through dedicated policies and programs is vital in achieving this vision.

What is the Queensland Exploration Council?

The Queensland Resources Council convened the Queensland Exploration Council (QEC) in December 2010 to drive the 2020 Exploration Vision. The QEC brings together senior representatives from established and emerging resource companies, governments, the finance and broking community and academic leaders.

Under the chairmanship of former Queensland Deputy Coordinator-General Geoff Dickie, the QEC is putting Queensland on the front foot in the global contest for new resource sector investment.

Key initiatives of the QEC include:

- publication of the annual Exploration Scorecard, which will track progress towards the 2020 Exploration Vision
- regular investor forums to profile junior resource companies to potential investors
- a range of exploration focussed events to highlight the importance of exploration and exploration opportunities in Queensland

The significance of exploration

Minerals and energy resources are the most important sources of export income for Australia, and in Queensland the backbone of the state's economy.

The resources sector continues to play a fundamental role in shaping the future of Australia by contributing to economic growth and security, creating high-paying jobs, and supporting research and development, regional infrastructure, new services and investment.

Exploration is:

- the 'R&D' of resource production, ensuring that new discoveries replace mature operations
- a 'stimulus' industry. Additional expenditure in this sector impacts across most of the economy
- ranked number 1 across all Queensland industries in terms of its ability to add value to the economy
- typified by its potential for high return on investment (with accompanying high risk)
- critical to sustain resource extraction industries fundamental to the health of the Queensland economy.

For every commercial resource development, around 1000 greenfield exploration prospects must first be investigated. This work is mainly undertaken by so-called 'junior' explorers, entrepreneurs and exploration professionals, who are among the resources sector's most valuable 'research scientists'.

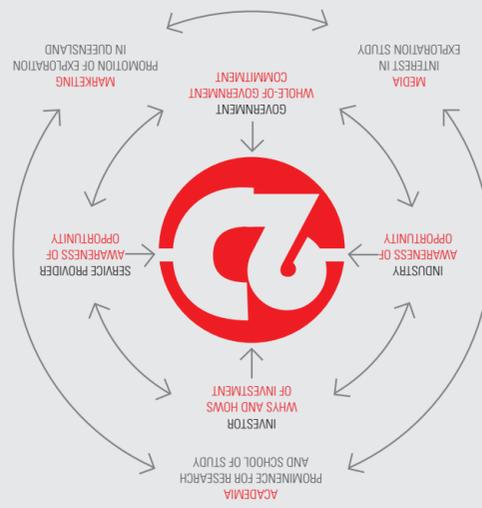
Their work is high-risk with an accumulation of failures, but those who succeed generate remarkable wealth for their investors and, of course, for the state.

Exploration comes with a big price tag, but it is the key to the big resource operations of the future. Yet junior explorers in Queensland often struggle to access capital and gain recognition, unlike larger producers seeking to extend the life of proven resources.

What is different in Queensland?

Queensland's historical position as a preferred destination for exploration has been slipping and there is simply not enough new investment to ensure economic prosperity from resource production will continue into the future.

It is remarkable that more than 70 percent of Queensland's exploration expenditure is targeted at proving up known



It is also essential there be a stable, world-class regulatory framework to signal Queensland's attractiveness for exploration. Government should be kept which prohibit or restrict exploration should be kept Progress will require:

- a supportive, self-sustaining environment made up of explorers, investors, intermediaries, professional service providers, mining service providers; government and other stakeholders
 - enhanced geoscientific capability and strategy through sustained and enhanced state and federal funding
 - access to land for exploration through a world-class regulatory framework
 - fiscal and other incentives from the federal and state governments for exploration
 - adequate skills and training for people associated with all aspects of the industry
 - industry champions promoting exploration
 - positive media coverage of exploration stories
 - local head offices for new exploration projects
 - locally-sourced service providers
 - established networks between industry, technical and professional services providers, the investment community, media and academia.
- Growth in one aspect of these areas will stimulate progress of the others and as such, they all need to be supported concurrently.
- For example, a growing investment in exploration will attract more explorers to the state, which will boost the local service providers. This means more commercial transactions and the need for more lawyers, accountants etc, which will provide enough 'good stories' for the media to be actively involved.
- In addition, increased geoscientific data gathering will need to be serviced by larger numbers of skilled and trained individuals. Similarly, state governments and academia will contribute towards the skills and training needs of a growing industry and development of research excellence critical for the industry's sustainability.

reserves (brownfield), rather than the discovery of new commercial resources (greenfield). Greenfield exploration is a critical component of a sustainable resources sector in Queensland.

The future envisaged in QEC's Exploration Vision 2020 sees a sector supported by a steady growth in exploration, locally-sourced technical and professional services and widespread community support.

Queensland should be the destination of choice recognised globally for exploration, resource production and the range of advanced technical and professional services required to support it. Strong government support is essential to achieve this vision.

Why invest in Queensland?

Queensland is a highly prospective resources province, endowed with abundant and diverse mineral reserves and with growing potential for oil, gas and renewable resources.

Queensland is:

- the world's largest seaborne coal exporter
- rich in coal, copper, lead, silver, zinc, bauxite, phosphate rock, magnesite and silica sand
- recognised globally as hosting one of the world's most highly mineralised areas (North West Minerals Province)
- established as a highly productive energy province thanks to the ongoing development of the Bowen and Surat Basins and the enormous potential of the untapped Galilee Basin
- a major investment destination for coal-seam gas developments leading to the creation of the world's first export LNG industry sourced from coal
- home to significant prospects in geosequestration, geothermal energy, shale oil, gas-to-liquids (GTL) and coal-to-liquids (CTL) projects.

Strong fundamentals for local exploration already exist, including:

- high-quality geoscience data
- sound infrastructure support for resource production
- an industry sector regarded by the public as a significant contributor to economic development
- a rich tradition of exploration success.

How would success look in 2020?

In 2020, Queensland is the province of choice for global exploration companies where exploration is:

- an industry deeply integrated into regional economies
- a global powerhouse of technical expertise; R&D that underpins a vibrant resources industry
- the basis of a self-sustaining industry 'ecosystem'; the professional, financial, legal and technology infrastructure to complement the state's rich mineral endowment
- the core source of economic prosperity and wealth creation for Queensland, for generations to come

AND where the exploration industry has:

- growing investment flows and higher capital raising
- increased corporate transactions and advisory work
- more Brisbane head offices of resources companies
- a big and growing regional presence in Queensland's resource communities
- higher gross state product and resulting wealth creation
- growth and leading industry expertise
- flourishing new support industries accompanied by new knowledge industries.

The ultimate success of QEC's Vision will be measured by the discovery of more and new resources by 2020.

How do we get there?

All stakeholders – industry, government, the financial and investment communities, professional services, media and academia – need to commit to Vision 2020 and actively contribute in a consistent, coordinated and timely manner.

In return, QEC will continue its leadership role, collaborating with the stakeholders to oversee realisation of the Vision.

The fundamentals are irresistible. Queensland's mineral and energy reserves are largely untapped, there is continuing long-term growth in global demand for resources.

The pathway is not a single action or even an identified series of steps.