

# EXPLORING FOR THE FUTURE

The Queensland Exploration  
Scorecard and the QEC

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**QUPEX LUNCH ADDRESS | 8 FEB 2021**

*QEC Deputy Chair, Stephen Kelemen*

# ABOUT QEC

Exploration arm & non-profit initiative of the QRC, est 2010

Focus on investment attraction to Qld resource industry and promotion of exploration

QEC Leadership Team oversee the work of the Secretariat to ensure objectives are met

# The QEC supports explorers on their pathway to production

**queensland exploration council** **STRATEGIC PLAN 2021-22**

**OUR VISION**  
THE QUEENSLAND EXPLORATION COUNCIL (QEC) SUPPORTS EXPLORERS ON THEIR PATHWAY TO PRODUCTION

**RELATIONSHIP WITH THE QUEENSLAND RESOURCES COUNCIL**  
The Queensland Exploration Council (QEC) is an initiative of the peak industry body for the resources sector in Queensland - the Queensland Resources Council (QRC).  
Established in 2010, the QEC is a not-for-profit, non-government organisation which is focused on investment attraction, development and promotion of the Queensland exploration industry.

**KEY CUSTOMERS AND STAKEHOLDERS:**

- CUSTOMERS:**
  - Member companies
  - Queensland government and local/central government
  - With a focus on small companies
  - Partners in various programs and initiatives
  - Industry and research bodies
- STAKEHOLDERS:**
  - Queensland Government
  - QEC Corporate Partners (explorers)
  - Queensland universities and research
  - Investors and stakeholders
  - Other resource industry related organisations and trade bodies

**STRATEGIC OBJECTIVES**  
Queensland recognised as an attractive destination for resource exploration and exploration investment.  
Exploration activity and operations to be recognised and valued as drivers of economic growth, both locally and at state level and supportive of the communities where exploration is undertaken.  
Positive accessibility awareness and support for the exploration industry.  
QEC effectively structured and well managed.

**PERFORMANCE INDICATORS**  
Increased levels of membership and corporate partnership  
Member satisfaction  
SURE traffic analysis  
Frequency of and attendance at events  
Frequency and positive messaging of information updates  
Awareness of, and support for the QEC

**ENABLING STRATEGIES**

<b>INFORM</b> Provide information and links to promote the sector and support decision making	<b>FACILITATE</b> Bring together project programs and investors	<b>MONITOR</b> Track the health of the Queensland exploration sector through the Exploration Dashboard	<b>CONNECT</b> Create interesting and informative events for members to learn and build their networks	<b>INCENTIVISE</b> Provide benefits to build membership	<b>LEVERAGE</b> Build reciprocal partnerships with like and related organisations
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**KEY SERVICES AND INITIATIVES:**

- SERVICES:**
  - Provide a dedicated support team to Queensland's small to medium sized exploration and resource companies
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- INITIATIVES:**
  - Member QEC's Queensland Exploration and Resource Industry Working Group (QEC QRIWG)
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**GOVERNANCE**

**QEC Leadership Team**  
QEC is led by a special team of exploration experts who share knowledge and volunteer their time to the QEC:  
• Chair • Deputy Chair (Mining) • Deputy Chair (Petroleum)

**QEC Secretariat**  
The day-to-day running of QEC is managed by the Marketing and Events Manager and QEC Resource Policy Director.

**QEC Management Committee**  
QEC is governed by an external Management Committee to oversee the progress and working groups of the QEC, to ensure key objectives are met.

**QEC Working Groups**

- **Board Working Group** - Develop the annual QEC Exploration Resource publication, highlighting exploration achievements and areas of improvement.
- **ESG Working Group** - A new working group developed to offer independent advice to members while providing credible ESG deliverables focused on leading small and medium explorers.



# QUEENSLAND EXPLORATION COUNCIL LEADERSHIP TEAM



**Kim Wainwright**  
Chair



**Stephen Kelemen**  
Deputy Chair, Oil & Gas



**Darren Walker**  
Deputy Chair, Minerals

# OUR MEMBERS

97 member companies across all commodities including producers, small-mid explorers, professional services and consultants.

O&G members include:



# WHAT WE DO



**INFORM**

**FACILITATE**

**MONITOR**

**CONNECT**

**INCENTIVISE**

**LEVERAGE**

Provide info & links to promote exploration

Bring together project proponents & investors

Track industry health via Exploration Scorecard

Events for members and industry

Benefits for members

Partner with related organisations



# KEY INITIATIVES – QUREX WEBSITE



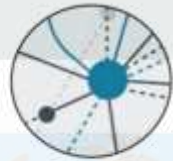
LEARN



EXPLORE



INVEST



CONNECT

## COVID-19 Impacts to your business

Stay informed via the QUREX Gateway, where a number of useful resources will be shared from Queensland's leading service companies

FIND OUT MORE

## QUEENSLAND RESOURCES & EXPLORATION GATEWAY

One-stop-shop for all things exploration & investment in Qld

Discover a world of quality contributed content as you learn, explore, invest and connect via **The Gateway Library**

# KEY INITIATIVES – EVENTS FOR INDUSTRY & INVESTORS



- Quarterly Investment Showcase
- Quarterly QE-Connect Luncheon
- Annual Technical Forum
- Annual Breakfast & Scorecard Launch
- Bi-annual Member Briefings



# QEC KEY INITIATIVES – QLD EXPLORATION SCORECARD



## RESOURCING THE FUTURE

11<sup>th</sup> annual publication, tracks sentiment across 16 exploration policy categories and key indicators, driven by:

- Queensland's resource prospectivity and endowment;
- the price of key commodities;
- explorer and investor confidence; and
- policy and regulatory stability.



# SCORECARD STRUCTURE

## LEAD INDICATORS – FACTORS THAT DRIVE EXPLORATION ACTIVITY AND PERFORMANCE

Resource prospectivity (section 2)

Commodity prices (section 3)

Political stability

Government geoscience (section 4.1)

Regulatory and policy stability (section 4.2)

Operating and investment sentiment (sections 4.3 & 4.4)

Access to factors of production

Tenure performance

## LAG INDICATORS – MEASURING ACTUAL SUCCESS

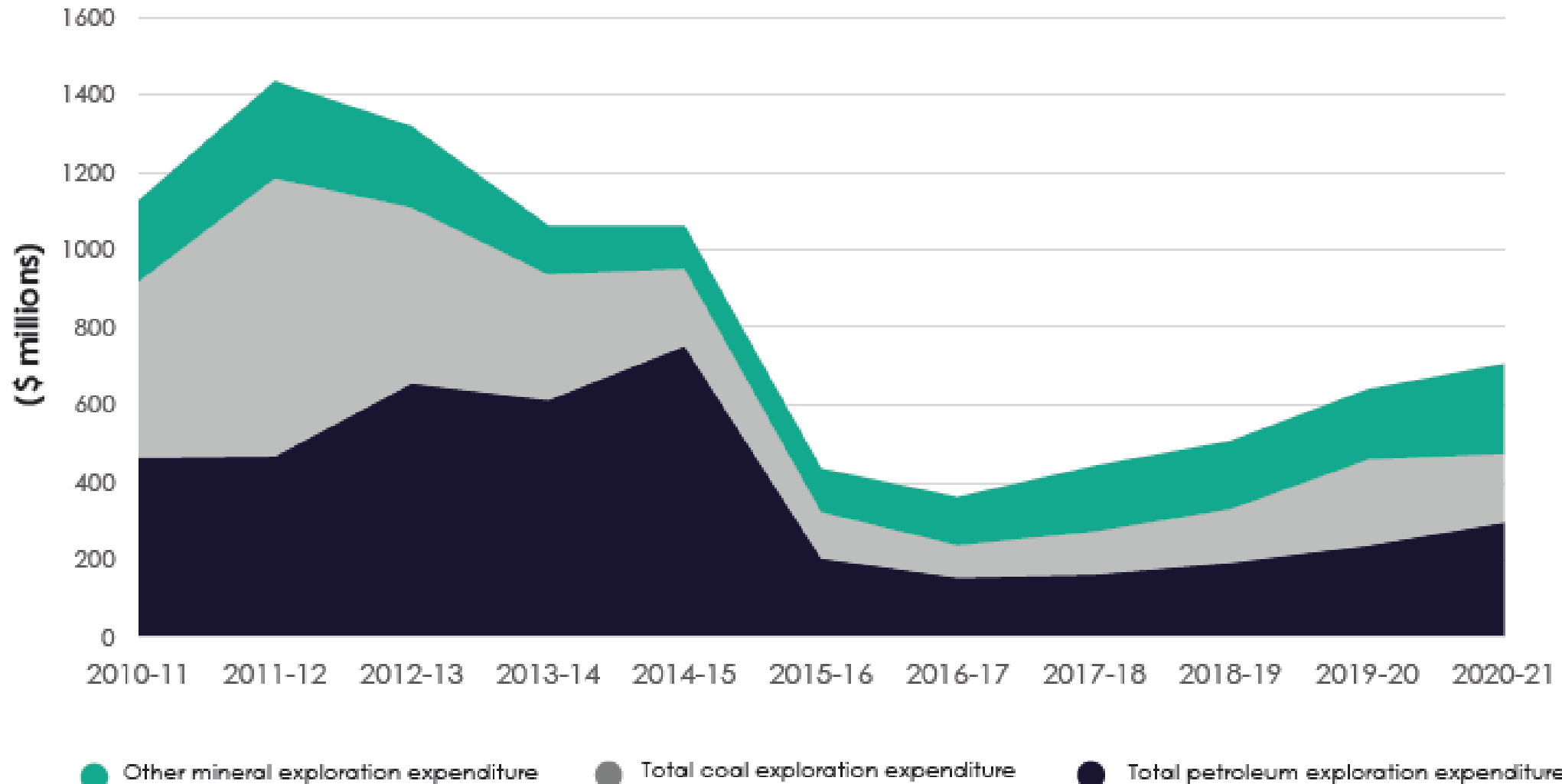
Exploration success

Exploration dollars spent (section 6)

Market capitalisation movements (section 7)

Source: QRC

# EXPLORATION EXPENDITURE IN QUEENSLAND 2010-21

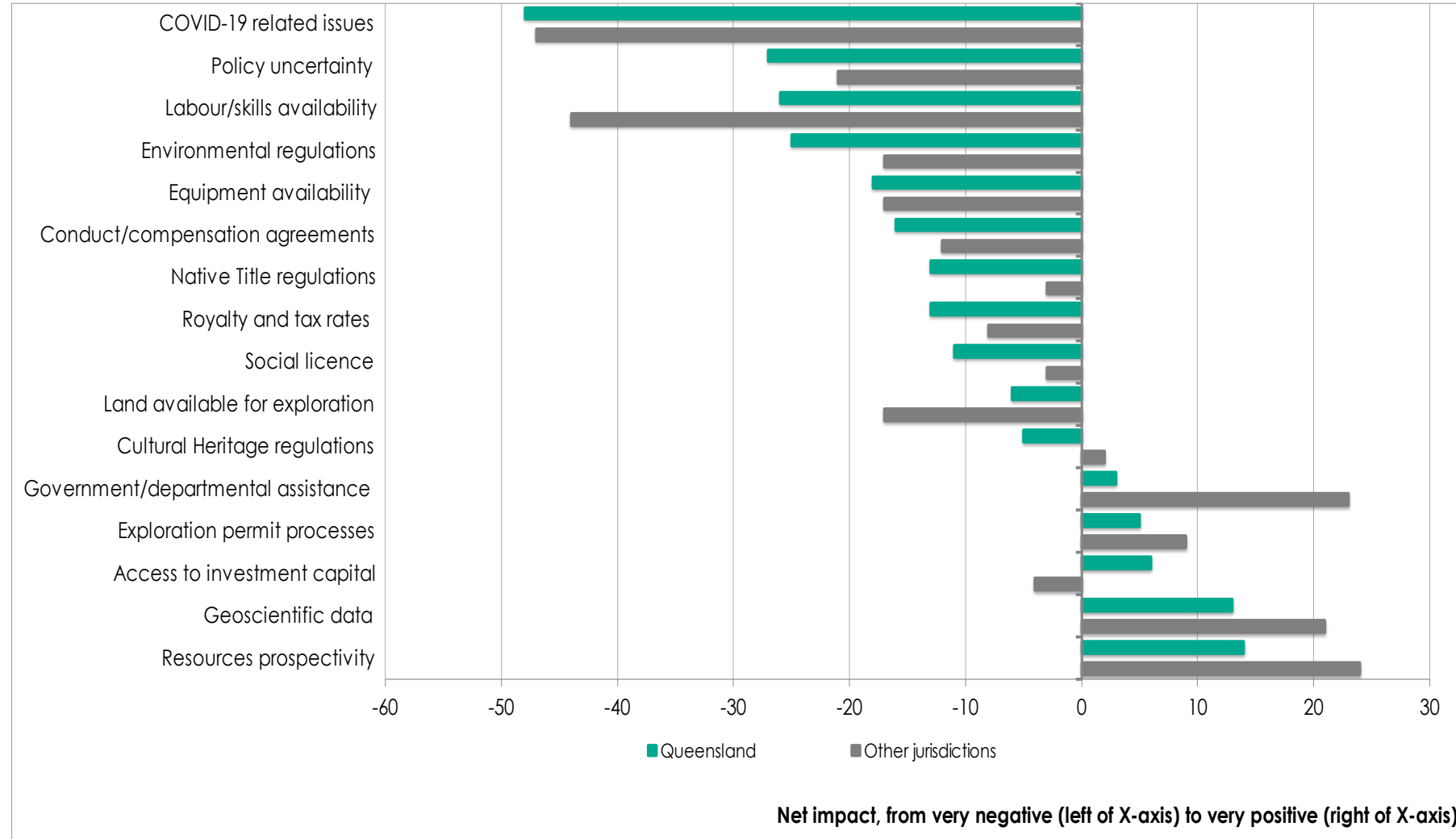


Source: ABS Mineral and Petroleum Exploration, Australia.

Note: The material reduction in petroleum exploration expenditure in 2015-16 was driven by the 2015 oil price crash

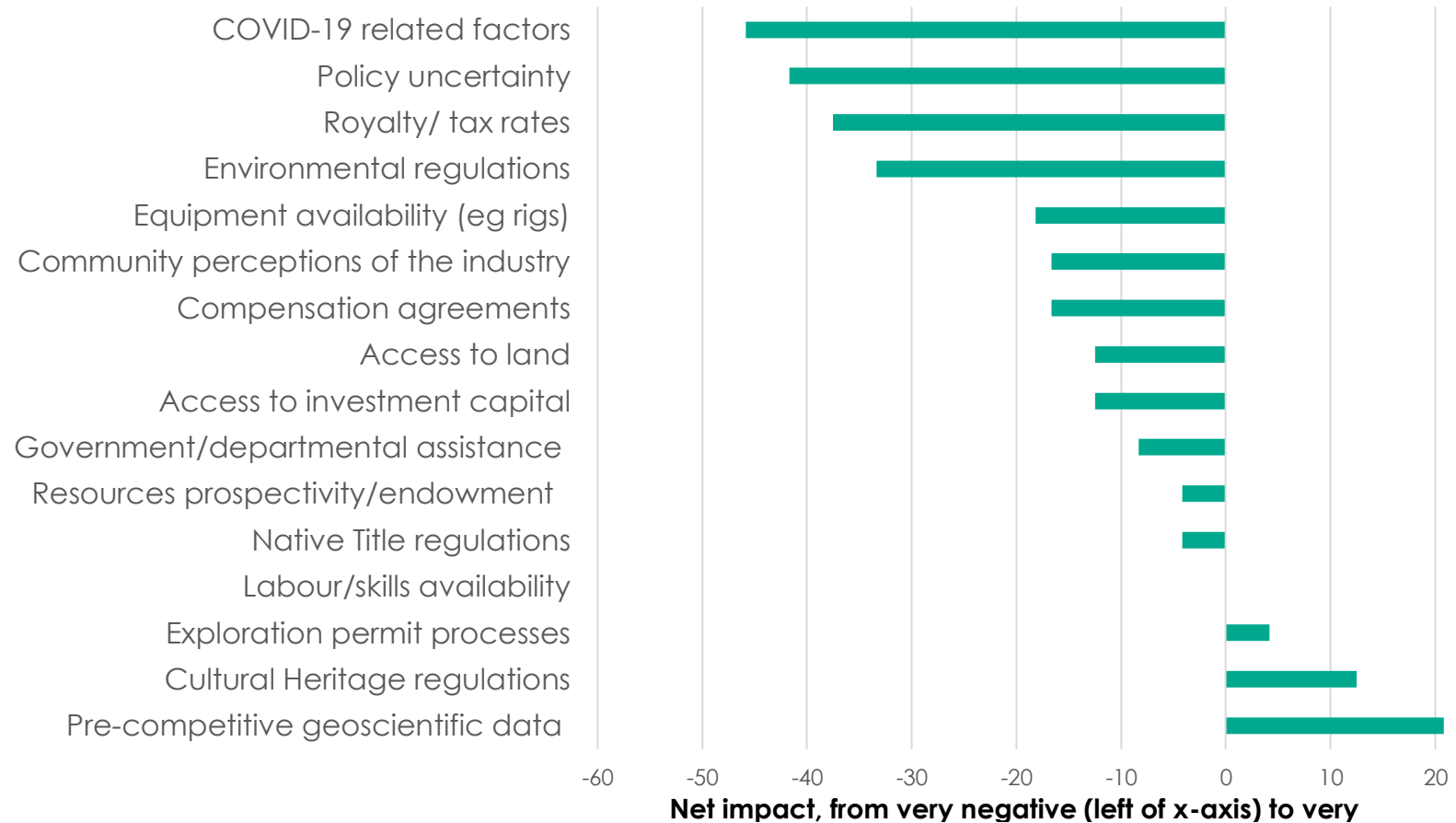
# 2020-21 EXPLORER SENTIMENT RANKINGS

- COVID-19 related factors had the most negative impact on companies operations in 2020-21
- Resources prospectivity was the highest scoring category in 2020-21
- Access towards investment capital received its most positive rating in the Scorecard's 11-year history



# 2020-21 PETROLEUM SENTIMENT RANKINGS

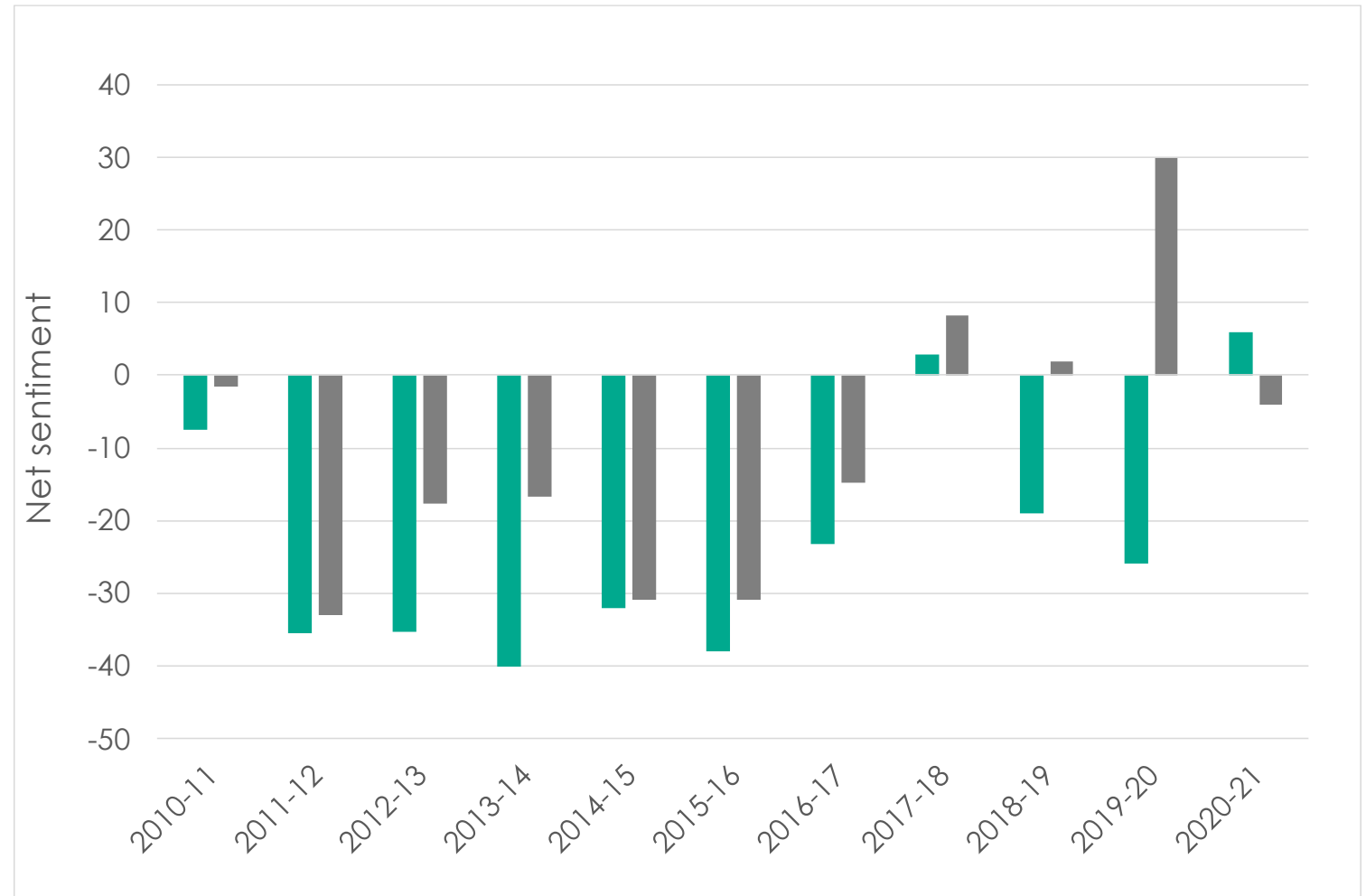
- **Prospectivity & Endowment** – Driven by Petroleum scoring mildly negative, while coal was just above neutral & minerals strongly positive.
- **Pre-competitive geoscience data** – Both minerals and petroleum explorers remained strongly positive.
- **Government/departmental assistance** – Negative sentiment driven by petroleum responses.
- **Policy Uncertainty** – Negative sentiment felt strongly by minerals and petroleum respondents





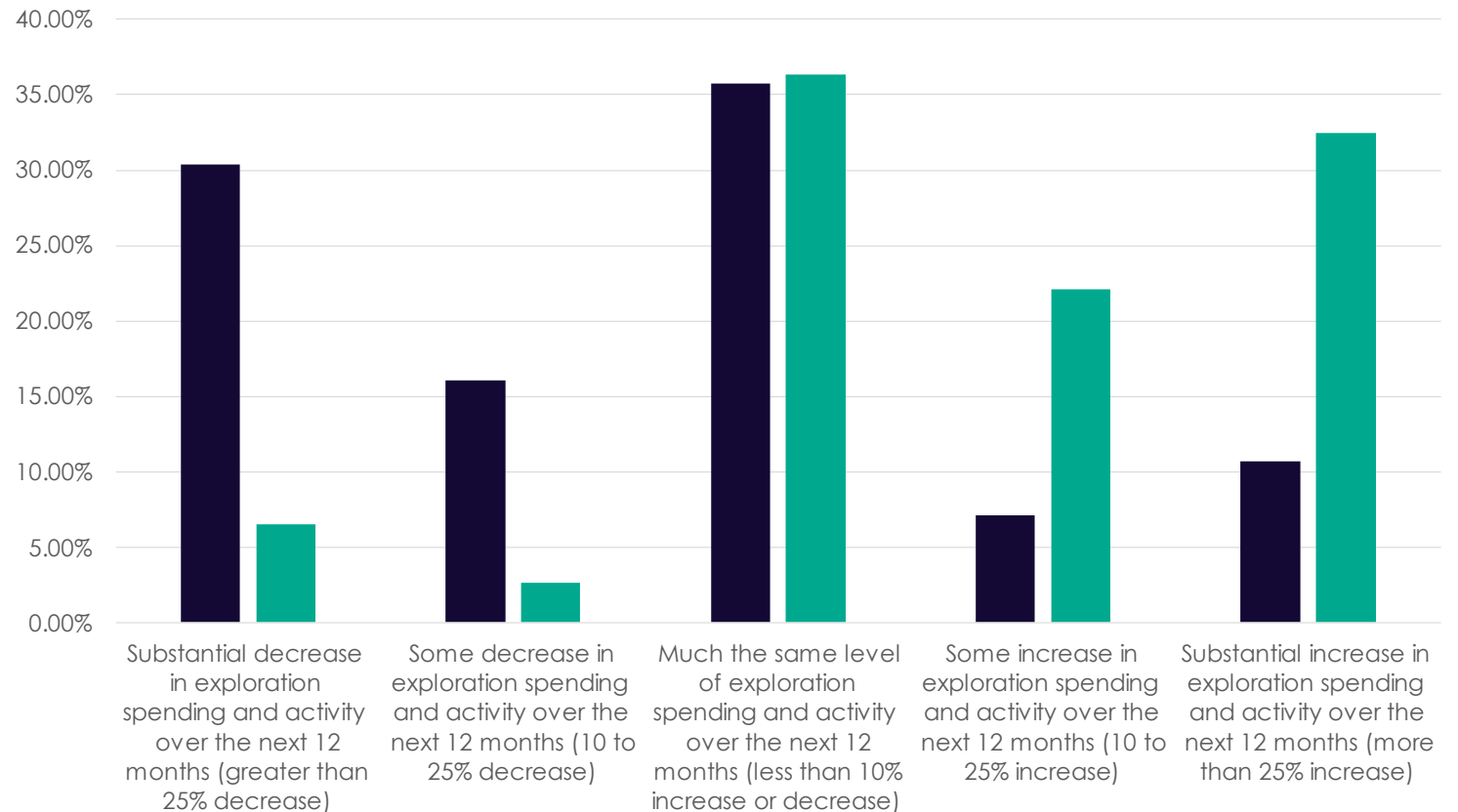
# CONFIDENCE UP ON ACCESS TO INVESTMENT CAPITAL

- Sentiment towards investment capital is better than its ever been in the Scorecard's 11-year history!
- Majority of explorers are confident they will be able to raise capital for their operations going forward.
- There is new confidence in the future of Queensland's critical minerals industry.
- Historically low interest rates and high commodity prices are driving investment into stock markets.



# 12 MONTH OUTLOOK FOR EXPLORATION EXPENDITURE, 2020-21

- More than a third expect to see an increase in exploration expenditure by more than 25%
- 36% expect to remain the same or increase expenditure
- Very positive outlook for 2022



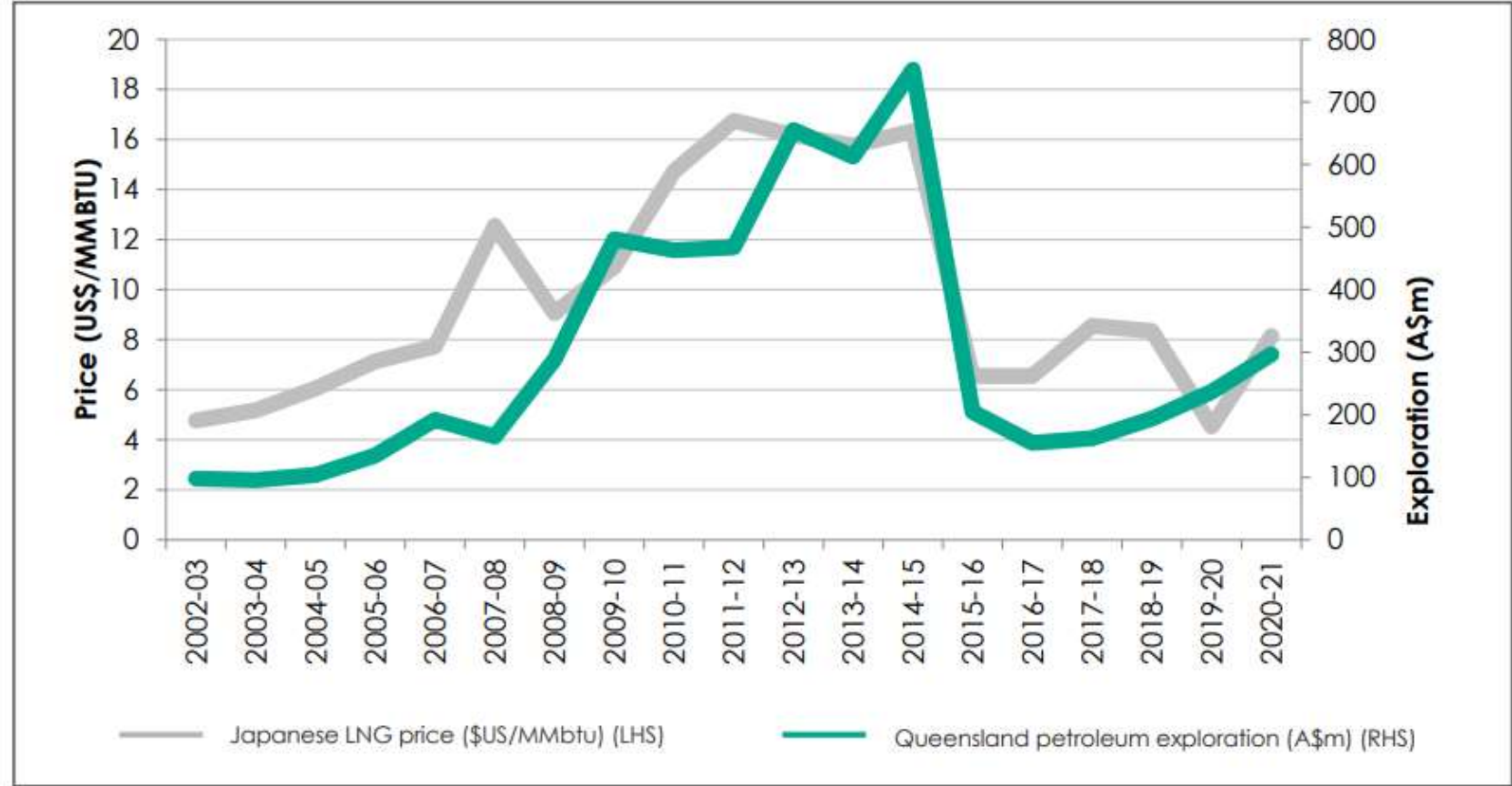
2020 Scorecard



2021 Scorecard

# GLOBAL AVERAGE BENCHMARK LNG PRICES AND QUEENSLAND PETROLEUM EXPLORATION SPEND, 2002-03 TO 2020-21

- Petroleum exploration expenditure increased for fourth consecutive year, by 25% in 2020-21
- Qld petroleum exploration activity critical to domestic gas market supply
- 2020-21 Scorecard's benchmark spot LNG price for Japan delivery increased by 80% - welcome recovery from 20-year lows in 2019-20.



Source: METI; JOGMEC; ABS 8412.0

Note: Petroleum exploration expenditure includes appraisal activities, but excludes developmental and production activities.

# JOIN US



## MEMBERSHIP TIERS AVAILABLE:

- **FULL MEMBERSHIP \$1603 + GST**  
(including producer, explorer, contractor, legal, financial, brokering and communications)
- **INDIVIDUAL MEMBERSHIP \$222 + GST**  
(self-employed individual not representing any organisation in their dealings with QEC, not in partnership with others or employing others)

For more information about joining visit  
[www.queenslandexploration.com.au](http://www.queenslandexploration.com.au)  
and download the **membership proposal**