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Exploring synergies: Partnering to navigate the riskiest part of mining

Mining Indaba event hears that while exploration risk is inescapable, sharing the exposure among the right partners can bring more projects on stream for Africa's critical-minerals boom.

Cape Town – 5 November 2026. Exploration can never be fully de-risked, but it can be shared. Africa's race to supply the world's critical minerals will depend on partnerships that spread the risk among juniors, major miners, investors and government, on fresh capital from private equity and venture capital, and on sustained investment in geoscience data, according to industry leaders at a recent webinar on rethinking exploration partnerships.

Right partner, right risk

"Exploration can never be completely de-risked," said Laura Nicholson, industry director for Mining Indaba 2027. "It's unreasonable to expect one stakeholder to take on that risk – it must be shared. Partners must identify who is best equipped to share different types of risk."

As the critical-minerals boom intensifies, she said, the right partnerships would be vital to maintaining a pipeline of new projects that bring prosperity to the continent.

Marcus Birch, Executive: Sustainability & Business Support at Orion Minerals, concurred. The junior miner has taken its Prieska Copper Zinc mine from exploration to the development stage, with production due next year.

"We had three major lessons from Prieska," said Birch. "Prove the technical risk up front. Do bankable compliance and feasibility work early. But ultimately, build a stack of partners who are each well matched to a particular stage of the risks."

Africa's mineral potential is not in dispute, with the continent estimated to hold around $29.5 trillion in mineral value, roughly one-fifth of the world's mineral wealth.

Yet converting discoveries into viable mines is complex and capital-intensive. With many major mining houses having exited exploration, junior companies often battle to secure the capital to advance promising projects.

Predictability through knowledge

Nicholson suggested that mining role-players should accept risk as part of the landscape and work to understand it better.

“Mining works over long time frames,” said Nicholson. “So the key to success is knowledge – speeding up the process of finding accurate data. To do that, role-players must collaborate. We cannot work in silos.”

Grant Mitchell, head of the junior and emerging miners desk at the Minerals Council South Africa, was optimistic about the rollout of the mining cadastre and the Exploration Implementation Plan, and hopeful that the emerging Minerals Act would be investor-friendly.

“Business-government engagement has produced exciting developments,” he noted. “Mining’s importance has been elevated right up to presidency level. It’s now a far more positive environment – because we’re working together.”

Mitchell identified private equity and venture capital as potential new sources of investment, and supported initiatives for major miners to mentor juniors.

Birch advised junior explorers to be transparent with partners. “Investors can handle bad news,” he said. “But they don’t like surprises. The key is to set realistic targets and then meet them.”

Data as currency

Mosa Mabuza, CEO of the Council for Geoscience, said African governments had to keep investing in geological data, and that all role-players shared responsibility for managing it.

“Good data for geological exploration is excellent currency,” he said.

“Over time, data reveals its value, triggering exploration and unleashing productive development,” said Mabuza. “Even with historical data, a modern miner looks at it with a different set of eyes.”

From uncertainty to evidence

Geological consultant Dr Nicolaas Steenkamp said managing exploration risk was about turning uncertainty into evidence that could be presented to investors.

“Too often, exploration projects start with a story painted for investors, and then all exploration becomes geared to proving that story,” he said. “It’s more effective to ask what needs to be proved for a project to become a viable mine.”

Steenkamp added that water, energy, permitting and, increasingly, community issues needed to be addressed during exploration to avoid later delays and costs.

Steenkamp said an exploration project could also be derisked by consistently achieving a series of small milestones. “Several small successes build investor confidence,” he

said. “It’s not about one flamboyant announcement. Moving from design to metallurgy, to processing and infrastructure, tell a concise, evidence-based story.”

Bringing the voice of the investor, Thapelo Moamogoe, Executive Head of Metals & Mining at Standard Bank Corporate and Investment Banking, advised junior miners on bridging the funding gap between exploration and production.

“Help investors understand the risks all along the value chain,” he said. “Help them see how they can recover their investment, and ultimately create a thriving business that adds value to society.”

Nicholson concluded that collaboration across the value chain – between juniors, major mining houses and investors – would support the long-term development of African mining. “What creates investable opportunities is looking at risk and how it’s shared,” she said. “It must be an honest process, undertaken as equal partners. Once these partnerships are put into practice, all become stakeholders in their success.”

- Mining Indaba brings together the global mining community to connect, invest, and create partnerships for real projects and progress. Mining Indaba 2027 takes place in Cape Town from February 8–11 2027.

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