

## **Exploration and mining in China**

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For the first time, China became the largest gold producer in the world in 2007, and China has kept the ranking for the past 10 consecutive years. China produces about 500 t of gold per year and has stated approximately 12,000 t of gold in reserves last year. China has the world's largest reserves in many minerals including antimony, bismuth, molybdenum, rare earths, tin, titanium, tungsten, and vanadium. China also has the second largest volume of reserves in the world including lead, lithium, magnesium, phosphate rock, and zinc. From a geological point of view, China and eastern Asia are quite unique compared to other continents, having had an evolving history of a very complex tectonic setting and a relatively much longer metallogenic period from the Archean to the Tertiary. Great potential for new discoveries and better mining in many regions of China has been widely recognized.

In the past, exploration and mining in China were deeply influenced by the Planned Economy System adopted from Russia. Much has changed since the Reform and Open policy, especially after the gold sector was opened to foreign investment in 1994. Anglo Gold, Barrick Gold, Eldorado Gold, Griffin Mining, Placer Dome, Mundoro Mining, Silver Corp, and other western companies introduced advanced western technology, expertise and management experience to China in the last two decades. The Society of Economic Geology also played a very important role in the improvement of China's geoscience, exploration and mining. However there are still distinct differences between China and western countries regarding the technology, methodology, academic contribution, safety, environmental protection, operations, and management in exploration and mining.

For many reasons, overseas direct investment in China's mining sector is on a falling trend since the peak occurred in 2013. Foreign funded mineral resource projects have dropped dramatically from the maximum number of 279 in 2004.

It is quite likely we are approaching the end of a down-turn. The increasing demand for mineral resource, as well as the reforming regulations and laws in China, will drive more and more private and foreign investment to the exploration and mining industry in the coming future. Never ignore negative factors, and always be ready to find the proper strategy and solutions.