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An aerial view of a mining site. A yellow excavator is on the left, and a yellow dump truck is on the right. A worker in an orange suit is visible in the center. The ground is dark and rocky. A green silhouette of a city skyline is overlaid at the bottom of the image.

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CHAPTER 3

2024 END-OF-YEAR
MINING INDUSTRY
REPORT





CONTENT

- 1.0 INTRODUCTION
- 2.0 OVERVIEW
- 3.0 KEY HIGHLIGHTS OF THE MINING SECTOR IN 2024
- 4.0 PROJECTION FOR 2025
- 5.0 CONCLUSION



1.0 INTRODUCTION

The Nigerian mining sector showed considerable resilience and potential for growth in 2024, despite ongoing challenges. The National Bureau of Statistics recently reported that Nigeria's GDP grew by 3.19% year-on-year in real terms in the second quarter of 2024, surpassing the 2.51% growth recorded in the same period of 2023.¹ This growth, while still tepid, signals a resilient and adaptable economy, with certain sectors emerging as clear beneficiaries of President Bola Ahmed Tinubu's economic policies since he took office.

Nigeria, endowed with abundant mineral resources, seeks to diversify its economy away from oil dependency, and the mining sector, although historically underutilized, is trying to gain traction as a vital component of the national economic strategy.

The metal ores sector, has recently surged, posting a notable 58.12% increase in Q2 2024. This growth is attributed to a significant boost in mining activities and heightened global demand for metals. The sector's progressive expansion underscores its crucial role in Nigeria's economy, fueled by global market trends and increased investments in mining.

Despite these gains, the metal ores industry and the mining sector at large face numerous challenges, including illegal mining, environmental harm, insufficient infrastructure, and security threats in mining regions. Moreso, navigating a complex regulatory and policy landscape poses an additional challenge to achieving long-term sustainable growth in the sector.

This Report provides an overview of the mining sector in Nigeria, analysis of the key highlights and developments in 2024, and potential opportunities for 2025.

From the Energy Desk

**ADEREMI
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^[1] [Key sectors driving Nigeria's economic growth since Tinubu became President - Nairametrics](#)



2.0 INDUSTRY OVERVIEW

The mining sector contributes to Nigeria's GDP, accounting for approximately 1-2% in recent years, with the potential for much higher contributions. The sector provides employment opportunities, particularly in rural areas, and supports local economies. However, it is estimated that about \$9 billion worth of gold is smuggled out of Nigeria yearly. Ola Olukoyede, the chairman of the Economic and Financial Crimes Commission, EFCC said illegal mining, if not curbed, in another five years would be much worse than the environmental degradation that oil and gas exploration has caused.²

These illegal mining activities are also fuelling terrorism which generates sufficient revenue used to procure arms and weapons making it more difficult for the government to combat terrorism, smuggling, degradation and pollution of the environment.

^[2] [Traditional rulers colluding with illegal miners, fuelling environmental degradation - EFCC chairman - The Street Journal](#)

Despite these menace, the Nigerian government in 2024 vigorously sought to sanitize the Mining sector. A few of their efforts and the resulting impacts are discussed below:



REGULATORY DEVELOPMENTS: In 2024, the Nigerian government framed policies to enhance the mining sector (i.e. the use it or lose it” policy),³ aiming to simplify the licensing process⁴ and enhance transparency.⁵ These changes have attracted new investments and are believed to have improved operational efficiencies for existing miners. Despite positive reforms, challenges such as bureaucratic inefficiencies and corruption persist. Effective implementation of regulations remains a priority to ensure investor confidence and sector growth.



INVESTMENT LANDSCAPE: 2024 witnessed a surge in foreign investment, particularly from Russia⁶ and China, with joint ventures focusing on gold and lithium extraction and processing.⁷ This trend underscores Nigeria's attractiveness as a mining destination. Domestic investors are also increasingly exploring opportunities in the mining sector. The government's support for small-scale miners is also encouraging local investments, contributing to job creation and community development.



INFRASTRUCTURE DEVELOPMENT: Investment in road and rail infrastructure by various State Governments and mining companies like Hasetins Commodities Limited has enhanced access to mining sites, reducing logistics costs.⁸ This therefore implies that the government's continued focus on infrastructure development improves energy supply and attracts investment for renewable energy sources which is essential for sustainability.

^[3] The “use it or lose it” policy resulted in the revocation of 924 dormant license by the MSMD. This policy was effected primarily to curb the brewing menace of a secondary license market in Nigeria where license owners rather than mobilise men, money and materials to the site, pollute the market by engaging in speculation and offering the licences to the highest bidder.

^[4] [FG cracks down on mining licence racketeers](#)

^[5] [MSMD launches transformative mining policies to drive local content, economic growth - THE AUTHORITY NEWS](#)

^[6] [Russian firm begins lithium exploration in Edo - Businessday NG](#)

^[7] [Nigeria's largest lithium processing plant unveiled in Nasarawa - Daily Post Nigeria](#)

^[8] [Hasetins Commodities, Mining, developing rural communities in Nasarawa - New National Star](#)



SUSTAINABILITY AND ENVIRONMENTAL CONSIDERATIONS: The establishment of stricter environmental regulations, programs and policies such as the Sustainable Mining Initiative (SMI), has placed an increased demand on mining companies to adopt sustainable practices as compliance with these regulations is crucial for maintaining operational licenses. Companies like Alumoni Mining Company are now committing to embracing sustainability initiatives, such as land reclamation and waste management programs to minimise their environmental footprint through the use of advanced technology. These practices not only mitigate environmental impacts but also enhance the social license to operate.



ARTISANAL AND SMALL-SCALE MINING: The Nigerian government initiated programs to formalize the artisanal mining sector,⁹ promoting safer practices and providing training to improve productivity and sustainability.¹⁰ While the artisanal sector faces challenges such as illegal mining and lack of access to finance, there are significant opportunities for growth through formalization and capacity building.



^[9] [FG forms cooperatives for 250 artisanal miners to curb illegal mining](#)

^[10] [FG Canvasses For Sustainable, Responsible Mining - Federal Ministry of Information and National Orientation](#)

KEY HIGHLIGHTS OF THE MINING SECTOR in 2024





Federal Government Announces New Licence Application Rates in the Nigerian Mining Sector - July 2024

In a press release dated July 4, 2024, the Ministry of Solid Minerals Development (MSMD) announced updated rates for the mining sector as part of ongoing reforms initiated by the Federal Government of Nigeria. The Minister indicated that these changes aim to enhance the business environment, support current reform efforts, and reinforce the government's dedication to boosting revenue from solid minerals.¹¹ The revised rate structures, which are available on the MSMD [website](#), pertain to license applications, the establishment of gold refineries and mineral processing facilities, registration fees for various operations, and royalty rates for different minerals, including gold, lithium ore, and coal, among others.

Mineral Titles and the New Application Rates

Section 13 of the Nigerian Minerals and Mining Act, 2007 ("the Mining Act") gives the Minister the power to determine license application fees by regulation. Although the Mining Regulations are yet to be amended by an official gazette, the revised licence fees, which range from approximately US\$200 to US\$2000 took effect from 4th July 2024.

Royalties Payable for Minerals in Nigeria

Section 33 of the Mining Act provides for the payment of royalties for the sale of minerals obtained during exploration or mining activities.

Following the recent publication of the new rates, the ad valorem rate for lithium ore has been reduced to 3%. When compared to the 5% royalty rate, which had been in effect since 1st May 2022 (as published by the then Ministry of Mines and Steel Development), it is expected that the reduction will incentivize market participants to invest in Nigeria's lithium market.¹²

^[11] [FG Announces New Rates For Mining Services - Federal Ministry of Information and National Orientation](#)

^[12] [Federal Government Announces New Licence Application Rates In The Nigerian Mining Sector - Mining - Nigeria](#)

Obaseki Lays Foundation for Edo Poly School of Mining and Management in Igarra, Launches Digital Resources Center – July 2024

In July 2024, the Edo State Governor laid the foundation for the development of the Edo State Polytechnic School of Mining and Management, in Igarra, Akoko-Edo Local Government Area of the State.

The school promises to offer programmes such as National Diploma in Mineral and Petroleum as well as certificates in basic prospecting and exploration for minerals, basic mining practices and techniques, health safety and environment, basic mineral techniques, and basic drilling and blasting in the mining and minerals industries.

Alake Moves N2.5bn Mining Fund from Bol to SMDF – August 2024

The Minister of Solid Minerals Development, Dr. Dele Alake, approved the transfer of the N2.5 billion mining sector support fund from the Bank of Industry (BoI) to the Solid Minerals Development Fund (SMDF). This move is intended to ease access to funding for indigenous miners by offering more favourable conditions.¹³

Recall that in 2016, the President Muhammadu Buhari-led administration released, N2.5bn to the BoI, and the Bank of Industry promised to provide counterpart funding of the same amount, to make it N5bn. However, almost a decade later the funds are reported to be sitting idle and depreciating in value in the vaults of BoI.¹⁴

The SMDF will be funded to take care of and improve the capacity, and working capacity of mining operators, especially the small-scale leaseholders.



^[13] [Alake Moves N2.5bn Mining Fund From BoI To SMDF](#)

^[14] [Miners' association calls for repatriation of N2.5bn BOI idle funds - Businessday NG](#)



Exposing Irregularities at Nigeria's Mining Cadastre Office - August 2024

The Mining Cadastre Office (MCO), an agency under the Ministry of Solid Mineral Development, tasked with issuing mining titles and regulating mining activities across the nation, sometime in August 2024 became the center of controversy, threatening to undermine Nigeria's efforts to diversify its economy away from crude oil.

There were allegations from industry CEOs against the MCO of demands for payments to secure tenement application for lithium in Nasarawa State. There were also reports that the MCO was selling coordinates to companies who were prepared to pay high prices for lithium.¹⁵

These allegations, if proven true, strike at the heart of Nigeria's efforts to create a stable and attractive environment for mining investment. The implications of this alleged mismanagement extend far beyond the immediate conflicts it creates. Nigeria's push for economic diversification, a strategy aimed at reducing the country's dependence on volatile oil revenues, hinges on

the development of sectors like solid minerals. International investors, already wary of the complexities of doing business in Nigeria, may be further discouraged by the apparent lack of reliable mining titles. Moreover, the alleged irregularities at the MCO raise serious questions about governance and transparency in Nigeria's mining sector and a worrying lack of oversight and accountability within the agency.

As Nigeria stands at a crossroads, seeking to build a more diversified and resilient economy, the integrity of institutions like the Mining Cadastre Office is paramount and the integrity of the titles issued by the MCO is the very foundation of the future of Nigeria's mining sector.

Cross River Governor Signs Executive Order to Protect Mining Communities in Nigeria - August 2024

The Cross River State Governor signed into law an Executive Order NO 1 of 2024 for the protection of mining communities across the 18 local government areas of the State against insecurity, exploitation and collection of surface rent from mining entities operating in any part of the State.¹⁶

^[15] [Chaos in the Mines: Exposing irregularities at Nigeria's mining cadastre office- Steven Kefas - SolaceBase](#)

^[16] [Otu signs Executive Order to protect mining communities in Nigeria](#)

Under the Executive Order and in compliance with section 16 of the Minerals and Mining Act, 2007, every mining entity or individual must obtain the Community Consent and Development Agreement which must be vetted by the Ministry of Justice in order to avoid multiplicity as well as guarantee that the community development commitments are not at variance with the State overall development master plan.

The Order also provides for the verification of Entities and Miners with authentic Lease and Licence from the Federal Government in line with section 15 sub 4 of the 1999 Constitution as amended, emphasising that the profiling shall be done in liaison with the Commissioner of Police in the State, taking into cognisance the provisions of the Land Use Act in Section 5 sub 1a, while the Ministry of Environment is to follow up with the Entities and Miners to ensure the restoration and reparation of the integrity of the land in accordance with all relevant laws.

In addition, the Order further empowers the Ministry of Land to grant approval for physical infrastructural development by any Entity in any part of the State while the Ministries of Justice, Environment, Mineral Resources, Local Government areas, the Traditional Institutions and the Cross River State Internal Revenue Service are to collaborate effectively to guarantee compliance on collection of Surface Rents, enforcement of the Order and prosecution of defaulters. It would however be interesting to see in the coming months how these various government Ministries will collaborate without occasioning bureaucratic setbacks.



198 Oil Companies, Mining Firms & Govt Agencies Opened Books for Industry Audit – August 2024

A total of 198 extractive companies and government agencies submitted volumes of information and data for the nationwide reconciliation and validation of revenues in the oil, gas, and mining industries, by the Nigerian Extractive Industries Transparency Initiative (NEITI).

Out of the 198 companies, 63 are in the oil and gas industry, meeting the materiality threshold of a minimum royalty payment of \$5 million, while 135 companies, which met the materiality threshold of N6 million are from the solid minerals industry. Of government agencies that either receive, take custody or manage oil, gas and mining revenues, 14 of such agencies were from the oil and gas sector while 8 agencies were from the solid minerals sector.¹⁷

^[17] [198 Extractives Firms, Govt Agencies Open Records As NEITI Industry Audit Advances](#) Extractive 360

The level of participation of extractive companies in the industry audit was higher than in the last exercise conducted in 2021, where 190 oil, gas, and mining companies were covered. The forensic audit aims to address revenue assurance, illegal mining, and data transparency within Nigeria's mining sector. It is also geared towards enhancing security, promoting data transparency, and providing funding opportunities crucial for attracting investors to the sector. We therefore believe that to guarantee comprehensive and effective audit processes in the future, the NEITI will have to leverage technology and collaborate with regulatory bodies.

FG, Stakeholders Reach Consensus on New Mining License Rates, Emphasize Sector Reforms – August 2024

Following the Federal Government's announcement of the new mining license rates and the subsequent pushback from key stakeholders, in a significant move to revitalize Nigeria's mining sector, align the sector with current market realities and ensure the efficient management of Nigeria's mineral resources, the Federal Government, in collaboration with key stakeholders, reached a consensus to review the mining license rates.¹⁸

In a related move, the government granted stakeholders the authority to propose adjustments to royalty rates for minerals whose market values have dropped below official estimates.

The decision to revise license and royalty rates was reached to help the government recoup investments in sector infrastructure and deter speculators who hold mining titles without active operations. This decision is part of the government's broader efforts to ensure that the sector remains responsive to economic changes and continues to benefit all parties involved.

^[18] [FG, Stakeholders Agree On New Mining License Rates, Emphasize Sector Reforms - Independent Newspaper Nigeria](#)

^[19] [FG bans mining activities at site where bandits killed 12 miners in Niger state - Nairametrics](#)

^[20] [Bandits seeking to take possession of mining areas Alake - Daily Trust](#)

Federal Government Threatens Diplomatic Row with Non-Nigerians Sponsoring Bandits – August 2024

Following reports of non-Nigerians funding mining operations in Nigeria, the Federal Government placed a ban on mining activities in Niger State's Shiroro Local Government Area where 12 miners were murdered by bandits recently pending the completion of investigation.

The Minister for Minerals and Solid Development, Dr. Alake urged embassies to monitor their nationals' activities in the sector, as criminal conduct could harm bilateral relations. Preliminary reports suggested that non-Nigerians were funding these operations, and the government has promised serious repercussions against offenders.¹⁹

The FG is leading efforts to secure mining sites nationwide and has emphasized the determination of security agencies to combat the incursion of bandits and criminal elements who seek to take control of mineral-rich areas through violence for illegal mining activities.

This incident brought about a unique opportunity for the mining marshals established by the ministry to collaborate with other intelligence units and security agencies to track the trail and pattern of operations of the bandits suspected to have infiltrated Shiroro local government from neighbouring States.²⁰

Industry Leaders Protest Closure of Authorised Mining Sites and Highlight State Government Actions as Illegal and Unconstitutional – August 2024

In August 2024, a coalition of key players in Nigeria's minerals and mining sector, known as the Forum of Concerned Stakeholders, led a protest over the closure of legal mining sites across various States in the country.²¹ The protest was hinged on allegations by stakeholders who claimed to have complied with all legal requirements and completed the necessary steps to obtain their licenses but yet were victims of government raids and shutdowns where lawfully mined products were confiscated without justification, personnel brutalized, and valuable equipment vandalized or destroyed.

They alleged that the shutdowns were carried out using law enforcement agencies and task forces that are not recognised by current industry regulations and that these actions were unconstitutional and in direct conflict with the Nigerian Minerals and Mining Act of 2007, which grants the Federal Government exclusive ownership and control of mineral resources and as such demanded that all regulatory agencies and structures established by sub-national entities be declared illegal.

It is worth noting that State participation in mining is primarily through each State's Mineral Resources and Environmental Management Committees (MIREMCOs). Illegal States' participation in the mining sector stems partly from the ineffective establishment or functioning of the States' MIREMCOs.



^[21] [Industry leaders protest closure of authorised mining sites - Businessday NG](#)

Mining, as Dangote Extends Sector's Dominance to Over 54%

Nigeria is believed to have as many as 44 mineral types, including 3.5 billion metric tons of iron ore reserves, 2.7 billion metric tons of coal reserves as well as 2.5 million ounces of gold reserves, which remain largely underexploited.

NEITI [reported](#) that a total of 1,537 companies paid both royalty and annual service fees during the review period, comprising 110 extractive companies and nine government entities, with a materiality threshold of N6 million.

Besides, the aggregate of total receipts by federal, state, and local government agencies experienced a 16% increase in revenue collection compared to 2022 in the sector, the report added.

Total mineral production was just about 95 million tonnes, representing an increase of 24.34 million when compared to the previous production of 70.72 million tonnes, thus indicating a 34.4% increase.

Minerals with the largest production volume in the year under review were granite, limestone, laterite, clay and sand. The major contributors to production are Dangote, BUA and Lafarge, with a combined production quantity and royalty payment of 51,615,051 tonnes and N3,227,611,424 respectively.

Notably, Dangote accounted for significant share of total production of 54.2 per cent and royalty of 35.8 per cent. These figures underscore the significant role played by these major companies in the mining sector.²²



Nigeria, Russia Sign MoU to Revive Ajaokuta Steel Plant – September 2024

Nigeria signed a Memorandum of Understanding (MoU) with Russia to rehabilitate, complete and operate the Ajaokuta Steel Plant and the National Iron Ore Mining Company (NIOMCO) in Kogi State, North-central Nigeria. The MoU was signed by the Nigerian Minister of Steel Development and Messrs Tyazhpromexport, TPE, the original builders of Ajaokuta Steel Plant, in Moscow, the Russian capital.

^[22] [Mining, as Dangote Extends Sectors Dominance to over 54% THISDAYLIVE](#)



It is expected that the full implementation of the MoU will facilitate the revival of both Ajaokuta Steel Company Limited (ASCL) and NIOMCO and would create over 500,000 direct and indirect jobs for Nigerians and increase the size of the economy by billions of dollars, thus contributing immensely to the Federal Government's agenda to grow the economy to over \$1 trillion by 2030.²³

The Ajaokuta integrated steel complex was conceived and steadily developed with the vision of erecting a Metallurgical Process Plant cum Engineering Complex for generating upstream and downstream industrial and economic activities that are critical to the diversification of our economy into an industrial hub. Other benefits of putting the Ajaokuta Steel Company on a sound and sustainable productive footing, include “feeding the gradually expanding railways with spare parts from its foundries; supplying materials required to produce a Nigerian car to the Zaria-based Nigerian Automotive Design and Development Council (NADDC) and supporting the entrenchment and deepening of local content in the lucrative Oil and gas industry.²⁴

FG Applauds African Natural Resource & Mines's \$600m Investment to Boost Steel Production – September 2024

The Federal Government has applauded the African Natural Resource and Mines Limited (ANRML)'s \$600 million investment in backward integration to boost steel production in the country. It should be noted that Nigeria currently imports about 10 million metric tonnes of steel annually and with steel as the catalyst for industrialisation, the Africa Industries Group (AIG) can be said to be playing an important role in taking Nigeria to the next level.

The AIG in the coming years will play a significant role in the ongoing steel sector revival efforts of the Federal Government.²⁵ This singular yet huge investment in Nigeria's steel sectors underpins the Renewed Hope Agenda of President Bola Ahmed Tinubu whose plan is to grow the economy to over \$1 trillion by 2030, ensure that all comatose steel plants become operational and the country begins steel production before the end of the tenure of his presidency.

^[23] [Nigeria, Russia Sign MoU to Revive Ajaokuta Steel Plant - Voice of Nigeria](#)

^[24] [Lawmaker hails Tinubu's move to revive Ajaokuta Steel, Itakpe Iron Ore mining - Tribune Online](#)

^[25] [FG applauds African Natural Resource & Mines's \\$600m investment to boost steel production - Businessday NG](#)



Solid Minerals, Interior Ministries, AGF, Oppose Senate's Rangers Bill - November 2024

In November 2024, a bill seeking to establish the Nigeria Mine Rangers Service (NMRS) to combat illegal mining, banditry and other criminal acts linked to mining activities was rejected by major stakeholders in the country's mining sector, including the Ministry of Solid Minerals Development, the Attorney-General of the Federation, the Ministry of Interior and the Nigeria Security and Civil Defence Corps (NSCDC).

At a public hearing session conducted, major stakeholders opposed the bill. Both the Ministry of Solid Minerals and the Ministry of Interior kicked against the bill on the grounds that it duplicated existing agencies, especially the NSCDC.

Recall that the Minister of Solid Minerals, Dr. Dele Alake, had established a special mines task force to combat illegal mining in synergy with existing agencies because of the “multifaceted” nature of illegal mining activities. We

believe that the Special Mine Surveillance Task Force, comprised of multiple security agencies whose sting operations would be coordinated by the Office of the National Security Adviser (ONSA) under the overarching supervision of the Honourable Minister of Solid Minerals Development, as detailed in the Special Mines Surveillance Task Force (SMSTF) Standard Operational Procedure (SOP), offers the best options as an integrated approach to combating illegal mining activities.

The office of the Attorney-General of the Federation (AGF) and Minister of Justice, simply advised the Senate to amend the NSCDC's Act to accommodate the proposed rangers service as against establishing another bureaucracy drawing funding from the nation's budget, insisting that the NSCDC was well-positioned to combat illegal mining.



Relief for Mining Sector as New Institution on the Way to Ensure Funding - November 2024

Relief is on the way for the extractive minerals sector in Nigeria as a multilateral development finance institution is being established to ensure focused and concerted funding of the critical sector. The institution, known as the African Extractive Minerals Development Bank (AEMBank), is borne out of the necessity to swiftly enhance and structure, in an efficient manner, the entire value chain of the mining sector.²⁶

Recently the African Minerals Strategy Group (AMSG) entered into a collaboration agreement and became a shareholder in the bank. The expectation is that AEMBank will provide a seismic shift in the funding of this critical and highly untapped sector. AMSG has, as founding members, 16 African countries and its main policy objective is to promote the growth and development of the sector within Africa. In addition, the Commonwealth Enterprise and Investment Council is engaged as a strategic partner.

Transaction advisors and seed investor, CLG Securities Limited, a pan African focused Advisory firm, disclosed that the bank is essentially formed on Public Private Partnership (PPP) principles and seeks to eliminate the pit-to-port mentality of most mining activities. It will rather assist in creating a deep value chain where value addition, beneficiation, and industrialisation are the core tenets.

Given the aggressive demand for critical materials which are essential in the energy transition phase to renewables, Africa has become a very important market and all efforts must be made to ensure maximum benefits to its people. Job creation, indigenous empowerment, sovereign revenues enhancement, and forex generation will be some of the key objectives. Funding is critical to the development of the sector and it is expected that the bank will cover this gap.

The bank will also assist sovereigns in leveraging their mineral reserves to shore up their currencies and become tradeable. Major interest has been expressed by institutional investors, other DFIs, and private investors in engaging and becoming active stakeholders in the bank.

^[26] [Relief for mining sector as new institution on the way to ensure funding - Businessday NG](#)

Nigeria to Launch Lithium, Rare Earth Processing Plants - November 2024

The Ministry of Solid Minerals Development has announced plans to begin the commissioning of lithium and rare earth processing plants across Nigeria, marking a significant step in the country's efforts to harness its mineral resources.²⁷

At the 2nd pre-press briefing for the 9th edition of the annual Nigeria Mining Week in Abuja on Tuesday the 19th of November 2024 the Minister of Solid Minerals Development, Dele Alake, disclosed that the move is part of the government's strategy to diversify the economy away from oil and capitalise on the growing demand for lithium, a key component in rechargeable batteries.

El-Thahadat plans to launch its lithium plants in Kwara and Kebbi States, while Hasetins was scheduled to inaugurate its rare earth, primarily tantalite processing plant in the Federal Capital Territory (FCT) in December 2024.

Also, a new gold refinery has just been set up in Gwarinpa, and the ministry is working with the company to ensure its take-off. The Minister also revealed that by Q1 of 2025, serious industrialists in the mining sector will gradually unravel as we begin to commission lithium and rare earth processing plants across the country.

Amendment of the Nigerian Minerals and Mining Acts – November 2024

Rep. Olusoji Abidemi Adetunji (PDP Osun) introduced a bill titled Nigerian Minerals and Mining Act (Amendment) Bill, 2024 (the "Bill"). This Bill scaled the first reading and if successful, the amendment will align Nigeria's mining



Rep. Olusoji Abidemi Adetunji (PDP Osun) introduced a bill titled Nigerian Minerals and Mining Act (Amendment) Bill, 2024 (the "Bill"). This Bill scaled the first reading and if successful, the amendment will align Nigeria's mining sector with contemporary economic and environmental standards, promoting sustainable practices and fostering local development.

The proposed amendment to the Mining Act of 2007 aims to maximize economic benefits and establish the solid minerals sector as a significant contributor to the country's Gross Domestic Product (GDP) in the near future.²⁸

Some of the proposed amendments include the separation of regulatory and administrative functions of the Ministry of Solid Minerals Development, regulation of Artisanal and Small-Scale Mining, the inclusion of Civil Society Organizations, and Mining Host Communities in State MIREMCOs, amongst

^[27] [Nigeria to launch lithium, rare earth processing plants](#)

^[28] [Proposed Mining Act Amendment To Maximize Economic Benefits, Boost GDP Contribution Dele Alake BARRISTERS.NG](#)

New Institution Alert -November 2024

On November 21, senator Aliyu Wadada Ahmed (SDP, Nasarawa West) proposed a bill to establish the Federal University of Mining Engineering and Technology in Nasarawa State. This bill has passed the first reading raising hopes for its adoption.²⁹

The proposed bill seeks to upgrade the Federal Polytechnic Nasarawa to the Federal University of Mining Engineering and Technology, Nasarawa. It is expected that upgrading the institution would not take away the polytechnic structure from it which is why it ends with technology.³⁰

If successful, this institution will be the first in Nigeria dedicated primarily to mining education, addressing a significant gap since mining engineering is currently offered only as part of a broader degree programs. The establishment of the university further represents a critical step towards enhancing mining education and training in the country, ultimately contributing to more effective and sustainable practices within the sector.

The Nigeria Mining Cadastral Office (NMCO) Hits Revenue Milestone - November 2024

The NMCO revealed a significant revenue achievement of N8.2 billion in October 2024 alone. This remarkable increase underscores Nigeria's commitment to enhancing the mining sector as part of its economic diversification agenda.

The revenue generated in October 2024 is a milestone that reflects the sector's growth and the agency's dedication to regulatory improvement. The Director-General of the NMCO attributed the revenue surge to improved transparency, enforcement measures, and digitalisation that streamlined licensing and revenue collection processes.³¹

The historical overview of the NMCO's revenue growth, showed an upward trajectory since 2019: N2.38 billion in 2019, N2.56 billion in 2020, N4.3 billion in 2021, N3.79 billion in 2022, and N6.07 billion in 2023. With a cumulative revenue of N36.05 billion generated to date, NMCO has made significant contributions to Nigeria's Treasury Single Account (TSA), ensuring all earnings directly support the nation's financial infrastructure. The Director General reported that NMCO's revenues from 2019 to October 2024 amounted to N26.23 billion, representing 75% of the agency's total revenue. From 2023 to October 2024, the agency generated N13.19 billion, a 63% increase over the corresponding period from 2021 to September 2022, when it recorded N8.1 billion.

He elaborated on NMCO's efforts to maintain industry transparency and efficiency, emphasizing the importance of reducing processing times for licenses and permits. He also emphasized the need to diversify the economy beyond oil and recognised NMCO's pivotal role in achieving this goal.

^[29] [Reform imminent as first mining university is proposed | REMTRACKER - OrderPaper](#)

^[30] [Why I am Sponsoring A Bill For Upgrading Of NASPOLY To University-Senator Wadada](#)

^[31] [Mining Cadastre revenue hits N8.2bn in October 2024 Business The Guardian Nigeria News Nigeria and World News](#)

Nigeria, Saudi Arabia Discuss Iron Ore Extraction – December 2024

Nigeria and Saudi Arabia have initiated discussions on iron ore extraction and steel processing, to promote domestic beneficiation for value-added exports.³² Meeting on the sidelines of the Resourcing Tomorrow annual Mines and Money Expo in London, United Kingdom, Minister of Solid Minerals Development, Dr. Dele Alake and the Deputy Minister of Minerals and Energy of Saudi Arabia, Engr Khalid bin Saleh Al-Musdaifer, discussed plans to extract iron ore and process steel in Nigeria.

Saudi Arabia currently boasts a solid steel industry that relies on importing iron ore from various African countries. However, Alake pitched for the extraction and beneficiation of iron ore to steel in Nigeria, adding that the value-added exports would attract better prices than raw ores. Engr. Al-Mudaifer confirmed Saudi Arabia's interest in sourcing iron ore for its steel industry and assured the Minister that the government would consider Nigeria's proposal for the domestication of the downstream value chain in the country.³³

A follow-up meeting is scheduled for Riyadh, capital of Saudi Arabia, during the Future Metals Forum in January 2025.

France-Nigeria Mining Pact – December 2024

[Nigeria](#) and France have [signed](#) a Memorandum of Understanding ([MoU](#)) to cooperate on strengthening their [critical minerals](#) value chains.

The MoU was signed by Dele Alake, Nigeria's Minister of Solid Minerals Development and Benjamin Gallezot, France's Minister of Critical Ores and Metals, and paves the way for partnership on research, knowledge sharing, skills transfer and the training of French and Nigerian students.³⁴

Nigeria and France will work together to mitigate the environmental impacts of mining by targeting carbon emissions reduction, water conservation and climate change adaptation.

^[32] [Nigeria, Saudi Arabia Discuss Iron Ore Extraction, Steel Processing in Strategic Talks at London Expo - Arise News](#)

^[33] [Nigeria and S. Arabia plan to collaborate on iron ore mining and steelmaking](#)

^[34] [Nigeria, France Partner on Critical Minerals](#)



The two countries will co-finance joint critical mineral extractive and processing projects in line with international best practices, under the terms of the MoU. Nigeria plans to use French expertise to relaunch over 2,000 abandoned mining pits and the MoU to attract French investors, according to Alake.³⁵

The recent signing of a pact between France and Nigeria to collaborate on mining exploration and businesses presents a potential turning point in bilateral relations. It is an opportunity for Nigeria to leverage its vast untapped mineral wealth to diversify its economy while strengthening diplomatic ties with one of Europe's leading economies. However, the broader geopolitical landscape, including recent developments in neighbouring West African countries, demands a closer and more critical examination of this partnership.³⁶

FG to Commence Testing of Minerals Samples Locally – December 2024

The Minister of Solid Mineral Development, Dr. Dele Alake has hinted that testing of minerals samples will henceforth be conducted in the country as against the former practice of depending on foreign laboratories in carrying

out the test. He said this while commissioning the ultra-modern mineral analysis laboratory in Sabon-Wuse, Niger State built by African Natural Resources and Mines Limited (ANRML).

The laboratory is a first of its kind in Nigeria as it aligns with the Federal Government's resolve to promote local value addition in the mining sector and in tandem with the key objectives of repositioning the mining sector in line with his 7-point agenda.

The ANRML laboratory, equipped with cutting-edge WDXRF machines, offers a comprehensive range of geochemical services tailored for the exploration and mining industries.³⁷ This internationally certified lab (certified with the prestigious ISO 7025 from the Canadian Association of Laboratory Abbreviations and other internationally recognized accreditation bodies for testing laboratories) will significantly benefit the sector, as it will handle mineral samples that were previously sent abroad for testing, positioning Nigeria as one of the players in global mineral analysis.

^[35] [French investors to revive 2000 abandoned mining pits in Nigeria - The Nation Newspaper](#)

^[36] [France-Nigeria Mining Pact Thisdaylive](#)

^[37] [FG to commence testing of minerals samples locally - Alake - The Nation Newspaper](#)



Creation of a Roadmap for Nigeria's Lithium Sector - December 2024

Stakeholders through the lawmakers are calling for the development of a comprehensive roadmap to establish the infrastructure necessary for potential lithium mines in Nigeria. It is expected that the proposed framework would aim to implement a lithium value chain policy that ties mining approvals to substantial investments in midstream and downstream segments of the industry. They have also urged for the design of a robust legal and regulatory framework to govern the sector effectively.

The lawmakers are recommending that the Ministry of Solid Minerals Development facilitate the establishment of the Nigerian Lithium Production Agency. This proposal aligns with Part II Section 4(P) of the Nigerian Minerals and Mining Act, 2007, mandating the agency to build a vertically integrated lithium industry.

They have also urged the Ministry of Solid Minerals Development to request increased funding of the Nigerian Geological Survey Agency (NGSA) to enable

it to carry out mineral site mapping and high-resolution airborne surveys, including radiometric and electromagnetic surveys, to accurately determine the quantity of lithium deposits in Nigeria. According to the Nigerian Geological Survey Agency (NGSA), exploratory samples showed promise, with minerals containing up to 13% lithium oxide content, while the global average mine ore contains about 1-2% lithium oxide content.

Spotlight on Nigerian Drone Company Terrahaptix - Records \$2m Revenue in Its First Year as It Begins South Africa Exportation - December 2024

Nigerian drone company Terrahaptix signed a contract with DiggingDeep to exclusively distribute its drones to mining companies that need them in South Africa.³⁸

South Africa is now the fifth African country Terrahaptix will be exporting to. The company already has clients in Congo, Ghana, Kenya, Cote d'Ivoire, and Nigeria where it produces its drones. It is reported that the Nigerian market accounts for just about 25% of its drones sales, and this can be easily linked to

^[38] [Nigerian drone company Terrahaptix records \\$2m revenue in its first year as it begins South Africa exportation](#)



the level of mining activities in Nigeria. In the next five years, Terrahaptix [hopes to dominate the African drone market](#).

Drones have become vital tools in mining operations, enhancing safety, efficiency, and data collection across various stages of the mining process. By providing real-time data and aerial views, drones improve decision-making, optimise workflows, and cut costs, making them indispensable tools for modern mining operations. They also assist miners in actual mining activity and ground surveillance.

According to Mining Technology, [65% of mines globally use drones](#), a big jump from 44% in 2018. The drone for mining market is currently valued at [\\$31.4 billion and it is projected to reach \\$103 billion](#) by 2031.

Due to the “mining renaissance in Africa,” which is spurred by the increasing popularity for electric vehicles (EV), it is expected that the demand for drones from mining organisations will increase in the near future.

A major component of these EVs is their lithium batteries. According to the Energy Institute, [the volume of lithium production between 2021 and 2023 increased by 80%](#). This increase is a huge leap in just two years especially given that only 14% of cars sold globally are Evs.

As the EV market matures and the demand for lithium increases, Terrahaptix could be positioned to corner the market in Africa. However, it still has a lot of South African drone companies – Aerobotics, DroneSnap, and Drone Air – to compete with and even bigger global drone companies.

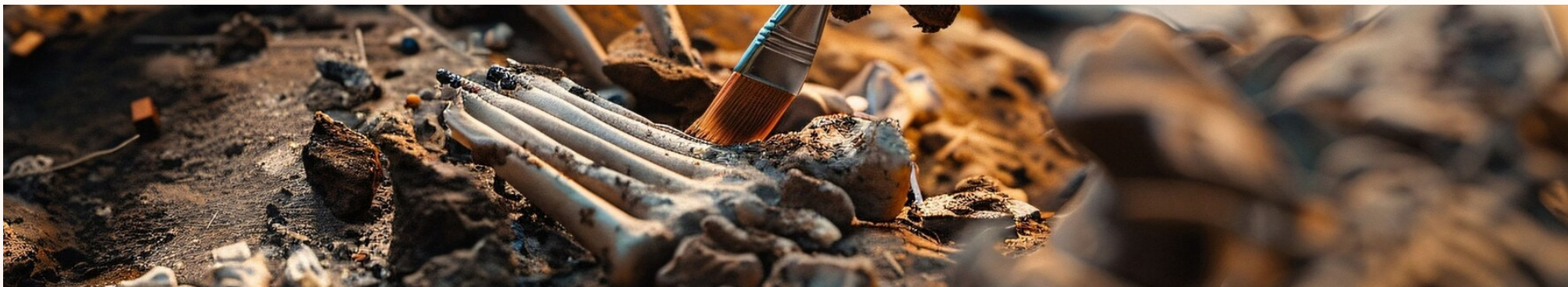
PROJECTION FOR 2025

The global transition to renewable energy presents a substantial opportunity for Nigeria to develop its lithium, cobalt, and nickel resources. The country's ability to attract investment in this sector could position Nigeria as a key supplier in the global market. There is also a growing demand for industrial minerals, particularly in construction and manufacturing. Investing in local processing facilities can add value and boost the local economy.

Also, adopting innovative technologies, such as automation and data analytics, can enhance productivity and reduce operational costs. Encouraging local startups to develop mining technologies will foster innovation.

Finally, strengthening local content regulations will promote the involvement of Nigerian companies in the mining supply chain. Supporting local businesses through training and capacity-building initiatives will create a more robust mining ecosystem.





CONCLUSION

The mining sector in Nigeria is at a critical juncture, with significant developments in 2024 laying the groundwork for future growth. By capitalizing on emerging opportunities in battery minerals, industrial minerals, and technological advancements, Nigeria can enhance its mining profile on the global stage.

We, therefore, recommend that the FG continue to streamline licensing and improve transparency, create incentives for investment in battery minerals such as lithium and cobalt mining, develop training programs for small-scale miners to improve their operations and continue to improve transportation and energy infrastructure to support mining activities

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