PDAC's Jeff Killeen on Tariffs, the METC, and the Financial Landscape of the Global Minerals Market

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February 4, 2025 – In a recent interview with Tracy Hughes from Investor.News, Jeff Killeen, Director of Policy and Programs at the Prospectors & Developers Association of Canada (PDAC), discussed the potential impacts of proposed tariffs by the Trump administration on Canada's mining and mineral exploration industry. Killeen highlighted the uncertainty surrounding the specifics of these tariffs but noted that any significant imposition, such as a 25% tariff, would inevitably escalate costs for both junior explorers and major mining projects, influencing everything from the cost of drill steel to overall capital costs for new mines. He emphasized, "the prospect of major tariffs would have a huge impact on the industry from a cost perspective," indicating a potential ripple effect on strategic decisions and financial flexibility within the industry.

Killeen also touched on the priorities and policy outlook for PDAC moving into 2025, underscoring the organization's commitment to maintaining its role as a pivotal global convening platform for the mineral industry. The annual PDAC Convention aims to bring together stakeholders from various segments of the industry to facilitate networking and share best practices and innovations. Moreover, Killeen delved into the Canadian mineral sector's financial landscape, sharing insights on the $10 billion raised in 2024 through various Canadian exchanges—an

increase from previous years, showcasing Canada's robust position in the global market. However, he critically analyzed the concentration of these funds among a few major deals and expressed concerns about the broader distribution of capital within the sector. Reflecting on investment incentives, Killeen remarked, "the flow-through model has been a key source of investment," emphasizing its importance in fostering sector growth amidst financial challenges.

Additionally, Killeen stressed the urgent need for the renewal of the Mineral Exploration Tax Credit (METC), set to expire at the end of March. He detailed the efforts PDAC is making in lobbying for an extension and ideally a permanent installment of the METC to bolster the sector's financial health. "We're doing our best in this interim period, reaching out to current members of Parliament to current ministers, to the CRA and trying to understand what are the possibilities for the METC to be renewed," Killeen explained, highlighting the critical role of government support in sustaining mineral exploration and development in Canada.

To access the complete interview, click here

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world, PDAC's work centers on supporting a competitive, responsible, and sustainable mineral sector.

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