

The strategic advantages of in-house gold mining for companies in the context of rising gold prices

Pretoria, 25 February 2025 - In times of financial volatility, companies are looking for stable and profitable investment opportunities. Owning their own gold mine not only provides control over a valuable commodity, but also allows companies to benefit directly from developments in the gold market. Current trends and forecasts indicate that the price of gold will continue to rise, which makes gold mining even more attractive for companies.



Direct control and added value

Owning their own gold mine gives companies complete control over the production and sale of gold. This makes it possible to strategically plan production quantities and sales times in order to optimise profit from price increases. In contrast to buying gold on the open market, companies can maximise their profit margins and become less dependent on market fluctuations.

Financial benefits from rising gold prices

The price of gold has reached new highs in recent months. On 31 January 2025, the gold price was quoted at € 2,708.22 per troy ounce, which corresponds to a daily increase of 0.66%. Gold reached an all-time high of \$2,790 per troy ounce at the end of October 2024. Analysts predict that this upward trend could continue, particularly due to inflation fears and geopolitical tensions. Companies with their own gold production can benefit directly from these price rises and increase their income accordingly.

Protection against economic uncertainties

Gold is traditionally seen as a safe haven in times of economic turbulence. Owning their own gold mine allows companies to hedge against currency devaluations and market volatility. In an environment where central banks around the world are increasing their gold reserves and investors are increasingly investing in physical gold, owning your own gold production provides a robust hedge against financial risk.

Increase in company valuation and investor attractiveness

Companies that invest in gold mining can increase their attractiveness for investors. In the past, the shares of gold mining companies have often benefited disproportionately from rising gold prices. For example, a 20% increase in the price of gold could lead to a 40% increase in the price of gold mining shares. This leverage effect can have a positive impact on the overall valuation of the company and attract additional investors.

Sustainability and social responsibility

Modern gold mine operators are increasingly focusing on sustainable practices to minimise environmental impact and support local communities. By using environmentally friendly technologies and promoting social projects, companies can not only improve their public image, but also benefit from stable relationships in the long term.

Technological innovations and efficiency improvements

The gold industry has made *considerable technological progress* in recent years. New mining methods and innovative processes enable *more efficient and cost-effective gold extraction*. Companies that invest in their own gold mines can benefit from these developments, reduce their operating costs and increase their profit margins.

Conclusion: Strategic advantages through own gold mining

Owning your own gold mine offers companies numerous advantages, from direct control over gold production to financial security in uncertain times. Given the current and predicted developments in the gold market, *investing in gold mining is an attractive strategic decision*. Companies can not only strengthen their financial stability, but also consolidate their position in the global market.