

# COAL AND MINERALS MINING

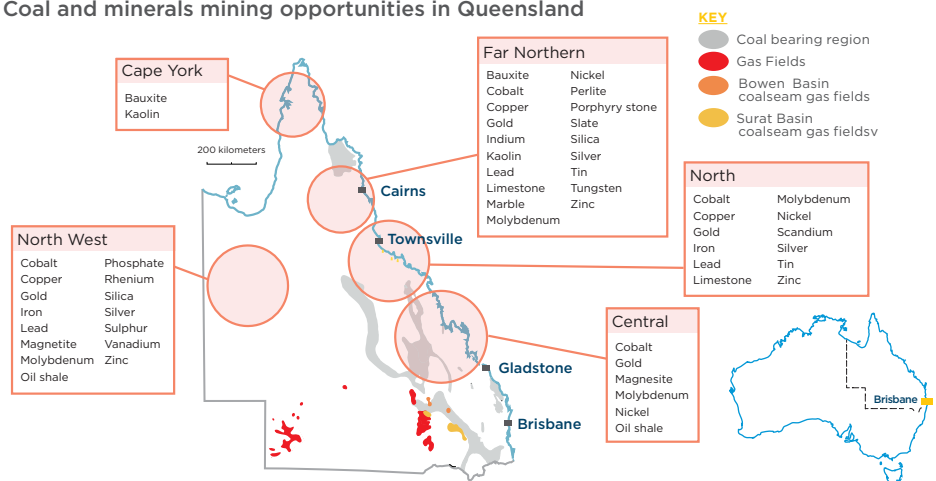
## Brisbane's established and world-leading resource hub supports the demands of Australia and many parts of the world.

Australia is a world-leading coal and minerals exporter producing 19 minerals in significant amounts from more than 400 operating mines.<sup>1</sup> Increased production from recently completed expansions along with strong demand from Asian markets saw Australia's mineral commodity earnings increase by 6 per cent during 2013-14 to reach \$124 billion.<sup>2</sup> Ever-increasing demand will ensure this sector continues to be a major source of growth for the Australian economy.

Queensland is world renowned for its vast resource endowments of coal, metals and rare earth elements. The state currently accounts for 35 per cent of all private capital investment in mining and exploration in Australia.<sup>3</sup> The mining sector is Queensland's single largest industry, accounting for one in every four dollars of Queensland's economy, and one in every five jobs across the state.<sup>4</sup>

Of Queensland's 169 energy and resource companies, the majority choose to position their headquarters in Brisbane.<sup>5</sup> The city's strategic location across three international time zones, close proximity to many of Australia's largest resource and mineral deposits, highly skilled workforce and access to world-leading innovation and technology are just some of the competitive advantages that make Brisbane a premier choice for resources companies doing business in Australia and across the globe.

### Coal and minerals mining opportunities in Queensland



SOURCE: Trade & Investment Queensland, Mining and minerals: opportunities in Queensland 2013

## Brisbane's Competitive Advantages

### Global advantages

Increasing global demand for coal and base metals provides ongoing opportunities for expansion and investment in the mining sector. Brisbane is the closest Australian eastern seaboard capital city to Asia and home to one of Australia's fastest-growing capital city ports, making the city well placed to cater to the growing energy and resource demands of the Asia-Pacific market.

### Infrastructure and construction

Record investment in energy and resources projects requires ongoing investment in key economic infrastructure across the transport, energy, water and telecommunications sectors. Queensland's continued ability to service the growth in demand for its resources from both China and India is supported by world-class rail and port infrastructure.

## Talent innovation and education

Brisbane's population is young, skilled, well educated and culturally diverse. Home to three world-class universities, a rich research environment and innovation-focused government, Brisbane is internationally recognised as a centre of excellence in the field of mining technology and services. A large number of world-renowned industry research and education facilities are well established in Brisbane including the Queensland Minerals and Energy Academy, UQ Sustainable Minerals Institute and Cooperative Research Centres (CRCs) such as CRC Mining and CRC Optimising Resource Extraction.

<sup>1</sup>Australian Government Geoscience Australia, Minerals Basics, 2014

<sup>2</sup>Australian Government Bureau of resources and energy economics, Resources and Energy Quarterly, September Quarter 2014

<sup>3</sup>Queensland Government Mining Journal, Summer Edition 2014

<sup>4</sup>Queensland Resource Council, 2013

<sup>5</sup>Deloitte Queensland Index, August 2014

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"Brisbane has some great universities that provide some fantastic people that can work for a mining technology company such as ours."

Andrew Jesset, Chief Executive Officer, Mineware

### Proximity to Australia's largest resource and mineral reserves

Brisbane, as a world-leading commercial hub for energy and resources, benefits from its proximity to Australia's largest coal and mineral deposits. Two of the state's major basins, the Bowen Basin and Surat Basin, account for the majority of the state's **34 billion tonnes** of world-class coking coal and thermal coal deposits.<sup>6</sup> The Mt Isa minerals province in the state's north-west is world renowned for its vast base and precious metal deposits of lead, zinc, copper, silver and gold. The Weipa region in far north Queensland is home to major bauxite deposits, and throughout the state there are a range of industrial minerals and rock deposits.

### Opportunities

#### Supply chain partnerships

There is currently in excess of **\$71 billion in future resource investments under construction** and **\$61 billion** committed or under consideration in Queensland<sup>7</sup>. As these projects continue to proceed through the planning stages to commencement, opportunities will emerge for companies with

the capacity to integrate their offerings into project supply chains and/or contracts with local companies.

#### Coal

Queensland has a rich endowment of high-quality coal resources, with more than **34 billion tonnes** (raw coal in-situ) identified by drilling operations. Coal exploration expenditure in Queensland in 2012-13 was a staggering **\$454 million**.<sup>8</sup> Queensland is the world's largest seaborne metallurgical coal exporter, sending **128 million tonnes** abroad in 2012-13 and a further **51 million tonnes** of thermal coal, accounting for 40 per cent of all internationally traded coking coal and 8 per cent of internationally traded thermal coal.

#### Metals and industrial minerals

Queensland is recognised for a world-class endowment of base metals as the world's second-largest producer of lead, third-largest zinc producer and fifth-largest silver producer. Queensland is home to the largest silver-producing mine in the world in BHP Billiton's Cannington mine. Base metals exploration expenditure in Queensland totalled **\$43.9 million** in 2013-14.<sup>10</sup>

Industrial minerals and rocks are vital inputs in the manufacture of industrial products such as foundry sands, ceramics, paints, glass, plastics and chemicals. Queensland has abundant industrial mineral deposits including phosphate, magnesite, limestone and silica located throughout the state, predominantly along the eastern

coast.

#### Uranium

In late 2012, the Queensland state government overturned a long-standing ban on uranium mining, paving the way for its resumption. It is estimated that there are more than 100,000 tonnes of uranium oxide in Queensland, of which the majority is in the state's north-west. An implementation committee has been established by the Queensland government to consider the environmental, economic and health and safety issues associated with uranium mining, with a framework to be developed in the near future.

"Brisbane still has lots of growth years and whoever is here will benefit from that."

Mauro Neves De Moraes, Global Director Coal, Vale

<sup>6</sup>Queensland Government, Department of Natural Resources and Mines

<sup>7</sup>Queensland Resources Council, Queensland Economy, 2012

<sup>8</sup>Queensland Government, Department of Natural Resources and Mines, Queensland coal statistics report for year ended June 2013

<sup>9</sup>Queensland Government, Department of Natural Resources and Mines, Queensland coal statistics report for year ended June 2013

<sup>10</sup>ABS 8412.0 Mineral Petroleum Exploration, June 2014

### Queensland Mineral Production, 2010-11

Metal	Queensland production 2012-13 (tonnes)	Australian Share	Global Share
Copper	349,310	33.0%	1.7%
Silver	1,361	82.0%	5.2%
Lead	421,549	70.0%	8.2%
Zinc	971,425	64.0%	7.2%
Bauxite (mineral)	25.3M	32.0%	9.6%

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Department of Natural Resources and Mines, Industry update, August 2014