

NEW SOUTH WALES
**Mining &
Resources**





DIG THIS

An inside look at New South Wales' mining sector.

Whether it's gold or lead, copper or coal, mineral or metal – mining is big business in New South Wales.



We're a major source of these precious materials for the world, and mining is our largest export industry. In fact, it's responsible for 45 per cent of our total merchandise exports¹. Mining is a vibrant industry to say the least. A product of prospective geology, well developed infrastructure, low average operating costs, leading edge mining technologies, and an available and highly skilled workforce. Not to mention, the ongoing support of a State government that realises the value of this industry to its citizens, as well as the world.

Here, mining is a major contributor to our economy – in terms of business activity, investment, employment, regional development, and export revenue. It is a vital cog in the successful running of our State, and we support it in kind – actively encouraging investment and growth in this export-driven sector.

And all the while, we have one eye on the future. Soon, with the recent announcement of Newcrest's Cadia East gold and copper deposit development, New South Wales (NSW) will boast Australia's largest underground mine, and one of the largest underground mines in the world. But as you'll see, that's just the start. We're ready to set all new benchmarks in this sector. And we're hoping you are too.

A RICH VEIN OF FORM

The value of mining in NSW.

Coal, gold, copper, lead, zinc and other metals, industrial minerals and construction materials – it's all mined here in NSW. And in 2008–2009, the value of this production was put at around \$A23 billion.

Take a look at these impressive figures:

- Coal production in 2008–2009 was 138 million tonnes with a value of \$A19.5 billion. This accounts for more than 85 per cent of the total value of mineral production in NSW.
 - Coal exports in 2008–2009 were 103 million tonnes with a value of \$A17.1 billion², mostly shipped through Newcastle Port, the largest coal export port in the world.
 - Metallic and industrial mineral production in 2008–2009 had a combined value of \$A3.3 billion, representing a further significant contribution to the State's economy.
 - In 2008–2009, private new capital expenditure in mining was \$A2.4 billion. Additionally, there are more than 50 mining and minerals projects proposed for the future and together these projects will involve a cumulative investment of more than \$A13 billion and will generate more than 9,000 direct jobs.
- NSW also has a strong value-added minerals processing sector that has an output worth approximately \$A10 billion per annum, with much of this being exported.
 - NSW is the largest producer of steel and aluminium in Australia, with more than 75 per cent and 35 per cent of Australia's total respective steel and aluminium capacity.

Little wonder then that NSW's minerals industry is a major contributor to the NSW economy. But it's also a major employer, providing work for around 29,000 people, and nearly 81,000 people employed indirectly by the sector.



A GOLDMINE OF OPPORTUNITY

How we're supporting the mining industry in NSW.

There's never been a better time for explorers to invest in NSW. We've allocated over \$A70 million in special funding over the past 12 years, and added \$A16.5 million to our New Frontiers initiative for a further three years – all to stimulate future exploration for mineral and petroleum resources³.

And our support is paying dividends. Private mineral and petroleum exploration investment in NSW in 2008–09 was approximately \$A250 million. This included around \$A75 million spent on coal seam methane (CSM) exploration in the Sydney, Gunnedah and Clarence-Moreton Basins, reflecting the continuing strong interest in CSM as an energy source both domestically and internationally.

BREAKING NEW GROUND

We've also carried out high-resolution airborne geophysical surveys of more than 80 per cent of the state, as well as new gravity and seismic surveys in frontier areas. This new geophysical data has stimulated exploration, with many areas that have never been systematically explored in the past now having exploration titles requested of them.

Business expenditure on research and development by the mining industry in NSW in 2007–2008 was \$A637 million (85 per cent of which was in coal mining⁴). This was almost 65 per cent of Australia's business expenditure on research and development for coal mining, and around 20 per cent of total business expenditure on research and development in the mining industry.

Growth in labour productivity, increased investment in mines, infrastructure, services, exploration and research and development, underpins NSW's strong growth and prospects in mine production and mineral extraction volumes.

EXTRACTING NEW TECHNOLOGIES

The Australian mining industry is a major user of specialised mining technology to enhance cost-effectiveness and global competitiveness, while minimising environmental impact.

And in NSW, our mining technology sector's development of new and innovative technology is helping Australia gain international recognition for our advanced solutions for the mining industry. Here are some examples:

ACUMINE

www.acumine.com

Acumine Pty Ltd commercialises the technology of the Australian Centre of Excellence for Automated Systems and Field Robotics, the Cooperative Research Centre for Mining and the University of Sydney.

AUSMETEC

www.ausmetec.com.au

Ausmetec Pty Ltd's pre-flotation conditioning technology dramatically improves flotation separation and mineral recovery, to deliver significant returns in copper, zinc, tin and nickel processing plants.

FLIPSCREEN

www.flipscreen.net

Flip Screen Australia's highly productive screening and recycling device for excavators, loaders, backhoes, telehandlers and skid steers is exported to the USA, Canada, UK, New Zealand, South Africa, Italy, Holland, Tahiti, Finland, PNG, Mexico and the Middle East.

MINE SITE TECHNOLOGIES

www.minesite.com.au

Mine Site Technologies' ImPact Digital Communications and Tracking System enhances communication capability for the mining industry. It has its technology in China, United States, Canada and Zambia, as well as with major Australian companies.

If you'd like to know more, the NSW Government directory of innovative NSW technologies includes solutions in surveying, visualisation, processing, refining, monitoring, analysis, safety and environmental areas. Simply go to www.business.nsw.gov.au





THE STATE OF THINGS TO COME

Building a brighter future in NSW.

We're backing the mining industry. Not just in words, but in deeds. With active support through a number of policies, process and initiatives that encourage this sector's continuing growth. And paving the way towards a future that will remain bright for this vital industry.

TAKE A LOOK AT WHAT WE'RE DOING TO FACILITATE MINING IN NSW

- We have a 'one stop shop' approach to the development consent process for all coal, large mining and petroleum exploration and production leases in NSW, to help make it easier to get projects started. The NSW Department of Planning coordinates the responses of all relevant NSW government agencies to applications made under the Environmental Planning and Assessment Act 1979.
- Our State Environmental Planning Policy (SEPP) for Mining, Petroleum Production and Extractive Industries aims to protect resource lands and prevent land use conflicts. Its planning controls provide for orderly management of identified resource lands, and sustainable development of resources.
- Our "Gateway" process has streamlined local governments' preparation of Local Environmental Plans (LEPs). We're undertaking auditing of the entire state's resources, so councils have the information they need to appropriately zone areas containing known and potential mineral and extractive resources.
- State Conservation Areas (SCAs) are gazetted in locations where both conservation values and mineral resources potential are high, to ensure impacts on mineral resources are taken into account in determining conservation outcomes⁵.

Right now, business is booming. More than 30 coal projects and mine extensions⁵ are proposed for development in NSW over the next decade, premised on world class utilisation of the estimated 11 billion tonnes of NSW recoverable coal reserves⁶.



THIS IS JUST THE BEGINNING

Gold and copper are also expected to continue to attract new capital expenditure for new mines, projects and extensions – with the focus continuing to be in the Lachlan Fold Belt in the central west region of NSW. And the discovery of large new mineral sands deposits in the Murray Basin area, south-west NSW, further boosts the State's mineral resource inventory.

The confidence of mining and minerals exploration companies in NSW is evident, with bullish expectations of the long-term demand for resources. And large international companies like Anglo American, Barrick, BHP Billiton, Newcrest, Newmont, Peabody, Vale and Xstrata all have active exploration programs in NSW.

And with a large number of projects about to get underway, or be expanded, we're expecting to see this industry reach impressive new heights over the coming years.

1) 2009–2010 NSW Minerals Industry Annual, Industry & Investment NSW 2) Based on Coal Services Pty Ltd data 3) 2009-2010 NSW Minerals industry Annual, Industry & Investment NSW 4) ABS Cat. No. 8104.0 Research and Experimental Development, Businesses, Australia, 2007-08 5) 2009–2010 NSW Minerals Industry Profile, Industry & Investment NSW 6) 2009 Coal Industry Profile, Industry & Investment NSW

**INDUSTRY & INVESTMENT NSW,
A DEPARTMENT OF THE
NEW SOUTH WALES GOVERNMENT**

Level 47, MLC Centre, 19 Martin Place, Sydney, NSW 2000
GPO Box 5477, Sydney NSW 2001, Australia
Phone: +61 2 9338 6600 Fax: +61 2 9338 6950
Email: investment@business.nsw.gov.au
www.business.nsw.gov.au

**FOR FURTHER INFORMATION AND
INTERNATIONAL OFFICE LOCATIONS
VISIT WWW.SYDNEYAUSTRALIA.COM**



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