



# Mining its business

The Western Australian minerals industry is approaching the next phase of its celebrated history with a kitbag bursting at the seams with new projects. By **Wally Graham**

**T**he state's minerals industry continues to tick over as one of the country's major mining hubs.

Of the 31 advanced mining projects to appear on the Major development projects – October 2009 listing from the Australian Bureau of Agricultural and Resource Economics, 21 were in WA.

Eight WA iron ore projects with a combined capital expenditure of \$16.8 billion account for two-thirds of the country's total expected capital costs.

Projects of particular significance on the list include CITIC Pacific Mining's Sino Iron project, producing 28 million tonnes of iron ore pellets and concentrate, and BHP Billiton's Rapid Growth Project series.

Rio Tinto is not to be left out with its 22Mt Hamersley Iron Brockman 4 project as well as its joint venture with Robe River on the Mesa A project, which is expected to produce 25Mt.

That is a lot of iron ore and to accommodate its movement, two associated infrastructure projects – the Utah Point Berth Project at Port Hedland and BHP's Western Australian Iron Ore Infrastructure Project (part of RGP5) – are under construction.

The Utah Point expansion is due for completion this year and will allow an

additional 18Mt per annum to be loaded through the port.

RGP5 is expanding BHP's rail and port capacity to 300Mtpa and is due for completion in 2011.

Gold has also been a busy sector in WA with Newmont's \$US3 billion revamp of the Boddington gold mine being opened in February.

**Catalpa Resources** is another gold play to make a mark lately with its Edna May mine due to be commissioned in 2010.

Norton Gold Fields delivered the first ore to mill from the Homestead underground decline at the Paddington mine, while Saracen Mineral Holdings achieved the first gold pour from its Carosue operations at the South Laverton project.

The numbers were also big in the less advanced project category, with applications being lodged in the west for 71 out of 138 mineral projects.

Iron ore consolidated its heavyweight ranking in this category with 31 projects on company drawing boards.

Seven of these have an estimated capex of \$1.5 billion or more. Projects to keep an eye on are Aquila Resources' West Pilbara mine, Atlas Iron's Ridley magnetite project, Australasian Resources' Balmoral South

magnetite project and Crossland Resources' Jack Hills Stage 2 mine.

It can be no small coincidence that the WA minerals industry is so buoyant at present while the state government keeps up its strong commitment to improving the mining approvals process.

Late last year the government introduced a lead agency framework which determines specific departments as the first point of call for a project.

The relevant department assists proponents with the approvals process throughout agencies.

The lead agency then provides a custom level of service depending on the size, scale and significance of the project.

The Department of State Development is the lead agency on major resource projects, such as Gorgon and Oakajee.

The Department of Mines and Petroleum is the lead agency for the emerging uranium sector.

"The lead agency framework means that proponents will know which agency is dealing with their proposal and receive a custom level of service," WA Premier Colin Barnett told the Australian Petroleum Production and

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## Western Australia major mineral projects

COMMODITY	PROJECT	COMPANY	NEAREST REGIONAL CENTRE	EXPECTED START-UP
Black Coal (mining projects)	Canning Basin Project	Rey Resources	Derby	2012-13
	Lake Maitland	Mega Uranium / JAURD / Itochu	Wiluna	2012
Uranium	Wiluna uranium project	Toro Energy	Wiluna	2013
	Yeelirrie	BHP Billiton	Kalgoorlie	2014
Bauxite Gold	Darling Range DSO	Bauxite Resources	Darling Range	2010
	Boddington	Newmont	Pinjarra	2009
	Brightstar	A1 Minerals	Laverton	2009
	Edna May	Catalpa Resources	Westonia	2010
	Paddington	Norton Gold Fields	Kalgoorlie	2009
	South Laverton project	Saracen Mineral Holdings	Kalgoorlie	2010
	St Ives	Gold Fields	Laverton	2011
	Aldiss/Randalls	Integra Mining	Kalgoorlie	2010
	Bellamel	Norton Gold Fields	Kalgoorlie	Na
	Duketon gold project	Regis Resources	Laverton	2010
	Gullewa	ATW Gold Corporation	Geraldton	2011
	Leonora	St Barbara Mines	Leonora	2011



COMMODITY	PROJECT	COMPANY	NEAREST REGIONAL CENTRE	EXPECTED START-UP
Iron ore (mining projects)	Leonora gold project	Navigator Resources	Leonora	2010
	Lindsays, Brilliant, Kalpini	Carrick Gold	Kalgoorlie	Na
	Murchison	Silver Lake	Perth	Na
	Norseman gold project	Matsa Resources	Norseman	2011
	Nullagine (Blue Spec)	Northwest Resources	Nullagine	Na
	Nullagine gold project	Millenium Minerals	Nullagine	2011
	Phillips River	Tectonic Resources	Ravensthorpe	2010
	Super Pit	Newmont / Barrick Gold	Kalgoorlie	Na
	Tropicana Joint Venture project	Anglo Gold Ashanti / Independence Group	Laverton	2013
	Extension Hill DSO	Mt Gibson Iron	Geraldton	2010
	Hamersley Iron Brockman 4 Project (Phase A)	Rio Tinto	Pilbara	2010
	(Phase B)	Rio Tinto	Pilbara	Na
	Mesa A	Rio Tinto / Robe River	Pilbara	2010
	Sino Iron Project	CITIC Pacific Mining	Cape Preston	2010
	Western Australian Iron Ore Rapid Growth Project 4 (RGP4)	BHP Billiton	Pilbara	2010
	RGP5	BHP Billiton	Pilbara	2011
	RGP6	BHP Billiton	Pilbara	Na
	Abydos iron ore project	Atlas Iron	Port Hedland	Na
	Argyle	Kimberley Metals Group	Kununurra	Na
	Balia Balia project	Aurox Resources	Karratha	Na
Balmoral South magnetite project (stage 2)	Australasian Resources	Onslow	2012	
Cape Lambert iron ore project	MCC Mining / Ezraz	Pilbara	Na	



COMMODITY	PROJECT	COMPANY	NEAREST REGIONAL CENTRE	EXPECTED START-UP
Lead / zinc / silver	East Pilbara Project (Robertson Range and Davidson Creek)	FerrAus	Pilbara	2013-14
	Extension Hill Magnetite Project	Asia Iron Holdings	Geraldton	2012
	Hardey	Aquila Resources	Pannawonica	Na
	Chichester Optimisation (stage 1)	Fortescue Metals Group	Pilbara	2010
	(stage 2)	Fortescue Metals Group	Pilbara	2012
	Jack Hills Project (stage 2)	Crosslands Resources	Geraldton	2013
	Karara haematite mine	Gindalbie Metals / Ansteel	Geraldton	2010
	Karara magnetite mine	Gindalbie Metals / Ansteel	Geraldton	2011
	Marillana	Brockman Resources	Newman	2012
	Nullagine iron ore project	BC Iron / FMG	Newman	2010
	Railway iron ore project	United iron	Newman	2011
	Roy Hill	Hancock Prospecting	Pilbara	Na
	Southdown Magnetite iron ore project	Grange Resources	Albany	2013
	Weld Range	Sinosteel Midwest	Geraldton	2013
	West Pilbara	Aquila Resources	Pilbara	2013
	Western Turner Syncline	Rio Tinto	Tom Price	Na
	Wiluna West	Golden West Resources	Wiluna	Na
	Yalgoo iron project	Ferrowest	Yalgoo	2011
	Yilgarn iron ore project stage 1 (Carina)	Polaris	Koolyanobbing	2011
	Mineral Sands	Admiral Bay	Kagara	Broome
Lennard Shelf		Meridian Minerals	Fitzroy Crossing	2011
Nickel	Panorama (Sulphur Springs) zinc-copper open cut	CBH Resources	Port Hedland	Na
	Coburn	Gunson Resources	Geraldton	2010
Rare Earths	Dongara	Tiwest JV (50% Tronox / 50% Exxaro)	Eneabba	2011
	Keysbrook	Matilda Zircon	Perth	2010
	Flying Fox (T5 deposit) (part of Forrestania project)	Western Areas	Southern Cross	2010
	Spotted Quoll	Western Areas	Southern Cross	2010
	Talc Redesign Project (Mount Keith)	BHP Billiton	Leonora	2011
	Canegrass	Nickelore	Kalgoorlie	Na
	Cosmos Project (includes Alec Mairs 2 deposits)	Xstrata Nickel Australia	Leinster	2012
	Diggers South	Western Areas	Southern Cross	Na
	Kalgoorlie nickel project	Heron Resources	Kalgoorlie	2014-15
	Murrin Murrin	Minara Resources / Glencore International	Leonora	Na
	New Morning / Daybreak	Western Areas	Southern Cross	2011
	NiWest nickel laterite heap leach project	GME Resources	Leonora	Na
	Perseverance Deeps	BHP Billiton	Leinster	2013
	Sherlock Bay	Australasian Resources	Karratha	Na
	Wingellina	Metals X	Kalgoorlie	Na
Vanadium	Yerilla	Heron Resources / Ningbo Shanshan	Kalgoorlie	2012
	Mt Weld	Lynas Corp	Mt Weld	Na
Diamonds	Barrambie vanadium project	Reed Resources	Sandstone	2012
	Windimurra vanadium	Windimurra Vanadium	Mt Magnet	Na
Spodumene / Lithium	Argyle underground development	Rio Tinto	Kununurra	Na
	Mt Caitlin	Galaxy Resources	Ravensthorpe	2010
Manganese	Nicholas Downs	Hancock Prospecting	Newman	2010
	Burrup ammonium nitrate plant	Burrup Holdings / Yarra International	Burrup Peninsula	2012
Ammonium Nitrate	Dampier Nitrogen project	Incitec Pivot	Burrup Peninsula	Na
	Spinifex Ridge molybdenum / copper project	Moly Mines	Marble Bar	Na
Molybdenum	Swan River (Kerrigan) kaolin project	Minerals Corporation	Tammin	Na
Kaolin				

Source: ABARE minerals and energy Major development projects – October 2009 listing  
Some projects have been commissioned since.



Exploration Association when launching the scheme.

"In doing so, it ensures smaller developers are able to gain the necessary approvals.

"This reform will ensure that the fragmented approach previously taken to approvals is rectified. It will lead to more responsive and coordinated services."

For the fourth quarter 2009 the Department of Mines and Petroleum was able to approve 84% of prospecting licences and 60% of exploration licence applications within its timeline target.

More impressive was its score of 100% for the approval of mining leases and general purpose leases for the period.

"AMEC is very pleased with the progress that the Department of Mines has made in transparency and efficiency since Minister Moore took charge," Association of Mining and Exploration Companies chief executive Simon Bennison said.

"The Department of Mines has implemented

a fully transparent, online tracking system for most applications and we only wish all the other departments involved in applications would follow suit.

"We know that applications often get delayed because they depend on decisions being made by other areas of government, such as the Department for the Environment, Indigenous Affairs and Water. We also know that some approvals are delayed by proponents themselves.

"Unfortunately, until the other departments implement a transparent tracking system and reporting process similar to the mines department, it will be difficult to precisely identify and correct the bottlenecks.

"AMEC openly applauds the Department of Mines and Petroleum, Minister Moore and the departmental staff for their genuine attempts to improve the mining and exploration approvals process in Western Australia."

The success of the improved process also

received the thumbs up from the state's Chamber of Minerals and Energy, with chief executive Reg Howard-Smith agreeing that it was good to see an upward trend in the percentage of project approvals being processed within target timelines.

"Approvals reform remains a priority for the resources industry and we are encouraged by the improvements outlined in this report," he said.

Howard-Smith did qualify his statement by adding that although there was a sense that approvals improvement was moving in the right direction, there was still a great deal of work to be done.

"These results should encourage government to continue to seek improvement across the entire approvals process that supports responsible development while maintaining a high standard of environmental integrity," he said.

