

# Media Release

30 October 2009

## **“HIGH QUALITY” RESOURCES PROJECTS CUSHION S.A. FROM WORST GFC IMPACTS: MINING LOBBY**

The development of South Australia’s mineral wealth remains a case of “business as usual” according to the South Australian Chamber of Mines and Energy (SACOME) as the sector emerges from its successful weathering of the global financial crisis.

Addressing the organisation’s annual general meeting in Adelaide today, SACOME President, Mr John Roberts, said that despite the fall in commodity prices and exploration expenditure linked to the GFC, the annual spend on minerals exploration in South Australia during the past financial year, had still exceeded the State’s annual target.

“Mineral exploration expenditure, supported by the State Government’s Plan for Accelerated Exploration, had reached record highs before the GFC and, despite falling commodity prices, has still exceeded the annual target described in the State’s strategic plan,” Mr Roberts told members.

“New resources projects underway or planned for SA are largely of high quality, and therefore have some in-built protection from the full effects of the financial crisis.”

Mr Roberts pointed to a number of “outstanding” examples of progress during last financial year, including the;

- Launch of OZ Minerals’ \$1.5 billion copper-gold mine at Prominent Hill
- Commencement of mining at Iluka Resources’ \$420 million mineral sands project in the State’s far west
- Advances in several SA geothermal projects, and
- Establishment of a special energy postgraduate program in Adelaide by the University College London – recently rated as the world’s fourth leading university.

“Despite the GFC, our South Australian resources industry is, for the most part, business as usual, demonstrating the tough and resilient nature of our industry in this State,” Mr Roberts said.

“With 11 operating mines and more in the pipeline, I believe our sector will remain the backbone of our State’s economy for many years to come.”

Mr Roberts told members that a number of hurdles, however, were still preventing SA’s resources industry from realising its full potential.

“SACOME is working with State and Federal governments to overcome difficulties explorers have in gaining access the highly prospective areas within the Woomera Prohibited Area. Also, the industry desperately needs a deep-sea commodities port in the Upper Spencer Gulf so that fledgling iron ore projects can progress to export stage,” Mr Roberts said.

SACOME Chief Executive, Mr Jason Kuchel, told the AGM that despite the economic downturn, the industry had continued to make good progress last financial year.



“In facing up to its future challenges – notably, the anticipated demand for skilled mining and energy personnel, and the economic challenges posed by carbon emissions - SACOME created two senior positions specifically to tackle these challenges,” Mr Kuchel said.

“We have been working with the resources industry on a skills and education blueprint for the industry, and a balanced energy framework to help industry meet the Government’s greenhouse gas emission reduction targets,” he said.

“It is a credit to our membership and staff that in spite of the economic downturn, these valuable projects have remained on track.

“The Skills and Education Blueprint and the first fruits of the environmental initiatives, are both due to be released later this year.”

**MEDIA CONTACTS:**

Jason Kuchel  
Chief Executive, SACOME  
(08) 8202 9999  
0448 848 848

Kevin Skinner  
Field Public Relations  
(08) 8234 9555  
0414 822 631