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1

BREAKING NEWS

Mining missed in stimulus, Catchpole

■ NATION'S MINERS OVERLOOKED IN STIMULUS

Paul Hayes

Despite being a major money generator for the national economy, Australia's mining industry is being left behind in the Federal Government's \$42 billion stimulus package, Australasian Institute of Mining and Metallurgy CEO Michael Catchpole said.

"The stimulus measures announced to date have completely neglected the one sector, mining, that has the greatest potential to generate huge revenues over a longer economic cycle and put the Federal Budget back in the black," he said.

According to Catchpole, mining provides up to almost 11% of the nation's GDP, or \$119 billion.

He said an agreement between the mining industry and the Federal Government in the lead up to the 2007 election on a flow-through share scheme to support increased



Michael Catchpole

exploration activity needs to be implemented for continued growth.

"If we are to continue to rely on the huge earning capacity of resources, and not be mired in deficit for years to come, we must guarantee our prosperity by discovering new ore bodies for future development," he said.

"Far more than any economic stimulus package aimed at family shoppers, the very real stimulus of a flow-through share scheme will ensure that exploration capital, the lifeblood of the minerals industry, keeps flowing."

GOLD PRODUCTION

Gold prices soar; production falls

Jessica Darnbrough

The price of gold is at record highs, yet gold production fell 12% in 2008, Surbiton Associates managing director Dr Sandra Close told MINING DAILY.

According to the Melbourne-based mining consultants' latest Quarterly Gold Review, production for 2008 was 219 tonnes, 28 tonnes less than in 2007.

Production in the December quarter 2008 was 55 tonnes, 3% lower than the September quarter and 13% lower than the 2007 final quarter.

"This is the lowest annual production since 1989," Close said.

"Output has trended downward over the last decade thanks to reduced throughput and higher gold prices which have enabled lower grade ores to be treated profitably.

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IN TODAY'S ISSUE

- Exploration activity - p2
- Commodity prices - p3
- QLD fiscal update - p4

MCARTHUR RIVER

Garrett approves McArthur

Jessica Darnbrough

McArthur River Mine has been given the green light on its planned open pit expansion from the Federal Government's Environment Minister Peter Garrett.

Garrett approved the expansion, after lengthy negotiations with the traditional land owners and various environmental management groups.

The approval came with a set of conditions which included the continuation of Freshwater Sawfish and



McArthur River Mine

Migratory Bird studies in and around the mine's operational areas.

Xstrata Zinc Australia chief operating officer Brian Hearne said mining operations would recommence

immediately.

"We now have certainty about the future of MRM and are working rapidly to mobilise our workforce," Hearne said.

"The decision by Minister Garrett supports the fact that the original approval of the mine's \$110 million open pit development in 2006 was correct.

"The legal action was only ever about the process followed by the Commonwealth Government in giving the original approval for the mine expansion."



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IRON ORE

Atlas Iron wins top honour

Jessica Darnbrough

Atlas Iron's managing director David Flanagan has won the First Among Equals title at the 40under40 Awards held on the steps of Parliament House last week.

The 40under40 initiative recognises Western Australia's young business leaders who have achieved local, national and in some cases international success in their field.

In the past four years Flanagan has captained Atlas Iron's transition from junior explorer to fully-fledged iron ore producer.

"The secret to Atlas Iron's success is project management. We work out how many holes we have to drill to reach the target resource we need. In other words, we map out every step even before we take the first one," Flanagan told MINING DAILY.

Among Flanagan's top achieve-



David Flanagan

ments are completing what he calls 'two of the best native title agreements' in the history of the Pilbara, and appointing a mining contractor with a 50% indigenous work force.

"We wanted to leave a footprint in the Pilbara, one the community is aware of and one they are better off for having in the first place," Flanagan said.

Australian Mining's exclusive interview with David Flanagan can be read in full in the upcoming March edition.

COMING UP IN THE NEXT ISSUE OF AUSTRALIAN MINING:

Hunter Valley Spotlight

The Hunter Valley of New South Wales has been one of Australia's largest coal producing regions over the last half century, and continues to be one of the world's great mineral export regions. This month, *Australian Mining* will publish an exclusive report on the Hunter Valley Coal Supply Chain in April, with editor Daniel Hall reporting on the Hunter Business Chamber's premier coal industry luncheon.

Also featured...

- Prospect Awards 2009 Launch Issue
- Environmental Management
- Electrical Equipment and Cables
- Contract Mining and Services
- Product Focus: Motors and Drives

BRIEFS

JOBS ON OFFER

On first impressions the current employment market may not seem the easiest environment in which to advance your career, however with a strategic approach your career can flourish, according to Hays Resources & Mining. "Given the proliferation of doom and gloom news candidates could be forgiven for thinking any hope of career advancement is lost, but this simply isn't the case," Regional Director of Hays Resources & Mining Simon Winfield said.

NEW CHAIRMAN

Aluminum Corp. of China has appointed Xiong Weiping as chairman, replacing Xiao Yaqing who helmed the country's largest overseas acquisition. Chinalco, as the Beijing-based company is known, didn't say whether Xiao will also step down as the chairman of listed unit Aluminum Corp. of China Ltd. or where the 49-year-old will go, according to a statement posted on its Web site late.

EXPLORATION

Mapping the future

Paul Hayes

Federal Minister for Resources and Energy Martin Ferguson has announced the release of a radiometric map of Australia, designed to give mining companies and mineral explorers a greater understanding of the country's energy and mineral potential.

"Geoscience Australia's Radiometric Map will be a powerful addition to information used by companies exploring for energy and mineral commodities," Ferguson said.

"It will create fresh opportunities for scientists and explorers to relate the geochemical patterns indicated by radiometric data in a specific area to similar patterns observed in another region of Australia."

Created after a world first whole-continent geophysical survey, the map gives a clear picture of low-level natural radiation emitted by potas-

sium, uranium and thorium across Australia.

The map is a tool that could become of particular use at as the director of the Northern Territory Geological Survey, Dr. Ian Scrimgeour, travels overseas to promote NT as a preferred mineral exploration investment destination.

Scrimgeour will next month attend the Prospectors and Developers Association of Canada (PDAC) conference in Toronto.

"PDAC is one of the world's largest mining and exploration conventions and I look forward to travelling there as part of an Australian delegation to discuss investment opportunities in the Territory," Scrimgeour said.

"Toronto is seen as one of the major mining finance capitals of the world and it's important that we try and direct some of the exploration capital raised in Canada to projects in the NT."

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ALUMINUM - CASH	▼	1269.25	-44.75	-3.41	1314.00
NICKEL - CASH	▼	9420.00	-401.00	-4.08	9821.00
TIN - CASH	▼	10800.00	-375.00	-3.36	11175.00
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\$A/\$US	▲	0.6462	0.0023	0.37	0.6438
STG/\$US	▲	1.4424	0.0129	0.90	1.4296
EURO/\$US	▲	1.2818	0.0144	1.14	1.2674
EURO/\$A	▲	1.984	0.0151	0.77	1.9689

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ALUMINIUM SMELTING

Savings for smelters

TECHNOLOGY TRIALS SHOW ALUMINIUM SAVINGS

Daniel Hall

A barrier coating developed through CSIRO's Light Metals Flagship offers aluminium smelters significant annual savings in reduced consumption of petroleum coke alone, according to researchers.

Recent smelter trials indicate that the low-cost coating prevents air burn oxidation and extends the operational life of carbon anodes used in high-temperature electrolytic cells.

Use of the coating was shown to produce a net reduction in carbon usage of 0.02 kg carbon/kg aluminium produced.

"Our coating can provide considerable savings for the companies operating the more than one hundred smelters that produce aluminium at present," CSIRO Materials Science and



Dr Mahnaz Jahedi

Engineering's Dr Mahnaz Jahedi said.

Dr Jahedi presented the results of the project at a recent meeting of The Minerals, Metals and Materials Society in San Francisco.

Carbon anodes are made from petroleum coke, and in the extreme heat of aluminium electrolysis cells, the exposed top and sides of the anodes can oxidise spontaneously due to air burn.

>> CLICK HERE TO READ MORE

NORTHERN MISSING LINK

Missing link confirmed

Daniel Hall

Queensland Treasurer Andrew Fraser has confirmed that the government was committed to building the State's Northern Missing Link project.

"We are proceeding with the Northern Missing Link project, including the doubling of Abbot Point Coal Terminal," he said.

Current contracts with coal companies expired on 17 February, 2009.

"We have offered (through Ports Corporation of Queensland) to extend the contracts for another three months, with a further three month extension beyond that (i.e. to June) as we seek to provide every opportunity to the coal companies to commit to the timing and scope of the project," Fraser said.

"The coal companies have come to the government (through QR



Northern Missing Link will go ahead, Fraser

and Ports Corporation) saying that they now have very different tonnage profiles for the coming years.

"The downturn in the resources sector is massively reshaping the sort of volumes the coal companies believe they will need.

"Whereas we previously faced infrastructure bottlenecks, there is now going to be 30 million tonnes of spare capacity on the network this financial year."

>> CLICK HERE TO READ MORE

SUPPLIER AWARDS

Intelligent design awarded

Computer Aided Design and Drafting Services (CADDs) has won the Intellectual Services Category for the 2008 Rio Tinto Iron Ore Supplier Recognition Program.

In addition, CADDs was awarded the Overall Winner prize.

The award was accepted at the Rio Tinto Supplier Recognition Program 2008 Awards Function, held recently at the Duxton Hotel Perth.

Computer Aided Design and Drafting Services is the parent com-

pany for four Businesses including CADDs Engineering, CADDs Architectural, Australian Energy Efficient Building Consultants and the Australian Documentation Custodian Services.

According to CADDs Managing Director Alan Moody, the company's Hamersley journey began some 17 years ago in 1992 when Moody went to Paraburdoo on a two week contract, which was continually extended and ultimately lasted more than a year.

QUEENSLAND RESOURCES

Queensland fiscal update

Daniel Hall

The Queensland resource sector's capacity to drive the State economy through the global economic slowdown has been highlighted in Queensland Treasurer Andrew Fraser's recently released Economic and Fiscal Update, according to the Queensland Resources Council (QRC).

QRC Chief Executive Michael Roche said that despite a forecast \$4 billion drop in government revenues since the 2008-09 mid-year budget review in December, mineral royalties would continue to underpin government revenues.

"It's instructive to note that this financial year and for the next three years, Treasury is forecasting royalty returns higher than any other year in the history of Queensland," Roche said.

"Prior to this financial year, the sector's highest return to the people of Queensland was \$1.5 billion in 2006.

"Treasury projections have minerals and energy resources continuing to generate more than \$2 billion in royalties for the next three years after a record \$3.6 billion in 2008-09."

Roche said the best way of protecting the State's leading domestic revenue source in 2008-09 and turning around a forecast \$1.57 billion deficit was to ensure that state government policies encouraged resource sector growth.

"There is no doubt that global minerals and energy demand will rebound and that Queensland's resource industries are well positioned to hit the ground running when it happens," he said.

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NUMBERCRUNCH

500 - China is expected to consume 500 Mt of steel in 2009 (Fortescue Metals Group, 5 February 2009)

19.5 BILLION - Rio Tinto's strategic partnership with Chinalco is said to deliver US\$19.5 billion in cash to Rio Tinto (Rio Tinto, 12 February 2009)

4,000 - The number of jobs expected to be created during the construction phase of proposed coal seam gas projects being considered by the Queensland Government. (QLD Department of Mines and Energy, 18 February, 2009)

Conferences, seminars & workshops

Event submissions can be emailed to simone.waterhouse@reedbusiness.com.au

ALTA Copper, Uranium and Nickel Short Courses

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Sheraton Hotel, Perth,
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■ ALTA
Alan Taylor
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4th Annual Mine Tailings & Environmental Management Conference

23 to 25 Feb 2009
Novotel Langley, Perth
The Mine Tailings & Environmental Management conference will focus on finding cost effective, environmentally progressive, and safe tailings solutions to ensure mining operations remain ecologically sound to prevent negative

opinions from industry leaders.

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Gidstone Resources Industry Update

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Stamford Plaza Brisbane
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■ Siham Ammoura
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MineMax 2009

26 & 27 Feb 2009
Novotel Langley Perth
MineMax 2009 has been created to provide attendees with a direct means of drawing upon the skills and knowledge of the mining industry's leading professionals.

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Water Management in Mining

1 May 2009
524 Hay Street, Perth
Participants in this course will gain an understanding of water requirements

across an operating mine, be able to analyse existing water infrastructure and contribute to the improvement of water management on an operating mine site.

■ METS
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Iron Ore processing Course

1 May 2009
Level 6, 524 Hay Street, Perth
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