Growing South Australia’s copper industry

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South Australia is a great place to invest in mineral resources projects.
Copper resources

[Map showing copper resources in Australia, with various locations marked, including Olympic Dam, Prominent Hill, and major cities.]

- Copper contained resource (tonne):
  - Less than 10,000
  - 10,000 - 99,999
  - 100,000 - 999,999
  - 1,000,000 - 9,999,999
  - Greater than 10,000,000

- Major copper mines (approved)
- Developing copper projects
- Copper occurrences
Unlocking South Australia’s potential

South Australia: focused on unlocking the full potential of South Australia’s resources, energy and renewable assets.

Department of State Development

www.minerals.statedevelopment.sa.gov.au/invest/key_industry_indicators
South Australia’s copper strategy

Vision
By 2030, South Australia will be the major contributor to Australia’s position as the world’s third-largest copper producer.

Objective
More than triple South Australian copper production to 1 million tonnes per annum (mtpa) by 2030.

Actions
• Accelerate exploration, discovery and information
• Develop innovative infrastructure, services and research
• Build industry and community capacity
Why a copper strategy – energy efficiency

Copper usage: Critical for a more energy-efficient world

Global Cu demand by industry

- 35% Consumer goods
- 30% Traffic and transport
- 13% Construction industry
- 13% Electrical and electronic applications
- 9% Industrial machines and plants

Cu content by application

- ~ 25 kg
- up to ~ 115 kg
- ~ 200 kg
- ~ 4,000 kg
- ~ 7,300 kg
- up to ~ 30 t

Why a copper strategy?

Demand for copper
Increasing around the globe
Developing the strategy

Timeline and steps to create the copper strategy

- **Copper Summit**  
  May 2015

- **Feedback from stakeholders**  
  October 2015

- **Finalise actions**  
  January 2016

- **Strategy implementation**  
  From March 2016

- **Release of Directions Paper**  
  September 2015

- **Workshops develop actions for copper strategy**  
  October 2015

- **Copper strategy release**  
  February 2016

- **Reviews of strategy**  
  2017 and 2019
Drivers to reach our copper target

- World-class
- Cost competitive
- Collaboration

World copper mining cost curve

SA copper producers working to move down the international cost curve to improve opportunities for expansion and development.

Global copper mines

Source: SNL December 2015
Increase in production

2016 Increase to copper production forecasts, reserves and grades

- Olympic Dam stepping up current production forecast to 280,000t within 5 years
- Carrapateena 40,000-55,000 tpa copper forecast
- Prominent Hill outstanding brownfields drilling results
Actions: Theme 1

Theme 1: Exploration, discovery and information

• South Australia Drill Core Reference Library.
• PACE Copper
  • high-resolution airborne geophysical and terrain imaging program in the Gawler Craton
  • industry–government collaborative drilling on new targets and domains
  • world-class data and interpretation.
Major global copper deposits

South Australia, unlike other locations, has a huge gap between the largest and second-largest known copper deposit implying there is a good opportunity to find more giant deposits there.

Source: Data for Chile, Peru & USA; source SNL Metals & Mining. Data for South Australia; source Mineral Resources Division, DSD, Government of South Australia.
Theme 2: Developing innovative infrastructure, services and research

- Innovative infrastructure – water, transport
- Commercial research – International copper technology and research hub concept
- Services capability – SA as hub for copper METS
Theme 3: Building industry and community capacity

- Sharing insights – CS$^3$ program
- Building regional business and community relationships
- Copper promotion campaign
South Australia’s advantages

- Reputation for low risk mineral investment jurisdiction
- Government strategies to support resources
- Harmonious industrial relations framework
- Skilled resources workforce
- Rich copper endowment
- Stable regulatory environment
- World class research facilities
**Actions: Summary**

Copper strategy actions linked to the copper industry drivers

- **Operational productivity**
  - ICT
  - R&D
  - Business services

- **Exploration success**
  - Technical innovation
  - Input suppliers

- **Capital financing**
  - Strategic target
  - Production source
  - Key drivers
    - Actions: PACE Copper, World-class Information Systems, CSIRO program
  - Globally competitive supply chains
    - Actions: Strategic Approach to Cu Research, National Mining Services
  - Strategic enablers
    - Actions: Innovative Infrastructure, CSIRO program, Resources Industry Skills Development
  - Stakeholder engagement
    - Actions: Strengthening community engagement, copper promotion campaign, IPA access
  - Sustainability
    - Links: Low Carbon Investment Plan, Water for Good
South Australia’s copper strategy

• Delivering increase economic and community benefits for South Australia and Australia

• Providing investment and development opportunities for the world
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