Since South Australia’s Copper Strategy was launched in February 2016 there has been significant progress towards achieving the action themes that support the vision of 1 million tonnes per annum of copper by 2030.

Achievement of the Action Themes are presented in this report along with the Copper Scorecard, developed to track industry progress across the value-chain and inform Copper Strategy directions.

Copper industry achievements have been significantly influenced by low copper prices over the past 2-3 years. During this time South Australia's copper producers, supported by the METS sector, have shown resilience with output continuing at high levels, and BHP’s Olympic Dam mine achieving a ten year production high for FY2016. Mineral exploration companies have faced a challenging time but continued to report new discoveries, resource upgrades and feasibility studies.

Copper prices have now rebounded, and the global demand for copper is expected to pick up with an anticipated 2020 supply shortage. South Australian explorers and miners continue to forge success with work underway in 2017 on Olympic Dam’s Southern Mine Area, a second decline at Prominent Hill and assessment of the Carrapateena and Kalkaroo projects.
Tracking toward 1 Mtpa by 2030

In 2016, South Australia achieved production of 290,862 tonnes of copper valued at $1.844 billion. This includes 136,658 tonnes of copper concentrate valued at $882 million and 147,716 tonnes of copper cathode valued at $1.076 billion.

Production from South Australia’s copper mines

<table>
<thead>
<tr>
<th>Mine</th>
<th>Company</th>
<th>2015 actual* (tonnes)</th>
<th>2016 actual (tonnes)</th>
<th>2017 company guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olympic Dam (copper cathode)</td>
<td>BHP</td>
<td>154,600</td>
<td>168,600</td>
<td>160,000-170,000 (FY 2017)</td>
</tr>
<tr>
<td>Prominent Hill (copper in concentrate)</td>
<td>OZ Minerals</td>
<td>130,305</td>
<td>116,882</td>
<td>105,000-115,000</td>
</tr>
<tr>
<td>Kanmantoo (copper in concentrate)</td>
<td>Hillgrove Resources</td>
<td>17,306</td>
<td>13,624</td>
<td>18,000-20,000</td>
</tr>
<tr>
<td>Production from other mines (aggregated)</td>
<td>—</td>
<td>&lt;100</td>
<td>&lt;100</td>
<td>—</td>
</tr>
</tbody>
</table>

*Volume reported publicly by companies do not sum to the total mine gate production value of 290,862 tonnes, reported by the government’s Mineral Resources Division.

Future growth

South Australia maintains a strong project pipeline at 30 June 2017, with the state well placed to treble production and meet the major objective of 1 Mtpa by 2030. Increasing the copper mining sector to this extent could have the following potential benefits to South Australians:

- **NEW JOBS**: 10,000 Jobs
- **PRODUCTION**: $8 Billion
- **ROYALTIES**: $200 Million

*Based on $8 billion production and current royalty rates.*
Copper project pipeline in South Australia

**EXPLORATION** (actively explored, positive drilling intercepts)

PACE Copper Discovery Drilling 2016-17 successful proponents

- Brownlow
- Mount Sarah
- Yerelina
- Callabonna
- Mount Denison
- Woodmurray
- Keilira
- Nankivel
- Kallioota
- Arcoona
- Mawson Copper
- Mount Woods

$20.2 million copper exploration in 2016

**ADVANCED PROJECTS** (JORC resource, feasibility studies underway)

- Khamsin
- Kalkaroo
- Hillside
- Mutooro
- Carrapateena
- North Portia

$2 billion potential capital expenditure

**MAJOR MINES** (producing and exporting copper cathode & copper in concentrate)

- Olympic Dam 158,600 tpa cathode
- Prominent Hill 116,882 tpa in conc.
- Kanmantoo 13,624 tpa in conc.

$290,862 t $1.84 billion in 2016

**TARGET 1** Mtpa COPPER by 2030

400+ EXPLORATION LICENCES for copper
**Achievements to June 2017**

### ACTION THEME 1: Exploration, discovery and information

**PACE Copper**
- **PACE** Copper Discovery Drilling 2016-17 with 18 successful proponents targeting copper
- Gawler Craton Airborne Survey (34% complete) – one of the world’s largest high-resolution airborne geophysical programs aimed at regenerating mineral exploration in the Gawler Craton
- Coompana drilling (in progress) and gravity survey (released) to determine prospectivity of basement geology beneath the Nullarbor
- Other geoscientific data releases for exploration targeting (ongoing)

**World-class information exchange**
- The new release of the South Australian Resource Information Gateway (SARIG) won the South Australian Premier’s iAward 2017 for Public Sector Transformation (June 2017)

**Promote the new South Australia Drill Core Reference Library (SADCRL) at Tonsley**
- 200,000 metres of drill core material viewed by 900 explorers in the past year
- 63 events and industry forums including all Copper Strategy Success Seminars and International Copper Technology and Research Hub workshops

### ACTION THEME 2: Developing innovative infrastructure, services and research

**Strategic approach to copper research**
- International Copper Technology and Research Hub (ICTRH), Concept Report released (February 2016)
- Copper Development Road Map to deliver Copper Strategy Theme 2 released (June 2017)
- Copper related programs at Institute for Mineral and Energy Resources, University of Adelaide, and Future Industries Institute, University of South Australia continue to be supported

**National mining services**
- Copper Strategy and South Australia Minerals and Energy Services Strategy linked to support development of a world class services supply chain for the copper industry

**Innovative infrastructure**
- Workshops identified ideas to improve the collection and delivery of water information for the mineral resources sector
- Economic analysis of potential Gawler Craton Railway (completed)

### ACTION THEME 3: Building industry and community capacity

**Copper Strategy Success Seminars (CS³) delivered**
- Social Acceptance and Mineral Development – CSIRO (May 2016)
- Government Insights; Tips for Mineral Resource Development (July 2016)
- The Future of Work (in conjunction with RESA, September 2016)
- Better Decision Making (January 2017)
- Leading Your Organisation in an Age of Disruptive Technologies (in conjunction with RESA, March 2017)

**Strengthening community engagement**
- South Australian Museum copper exhibit (June/July 2017)
- Supported Stronger Partners Stronger Futures – Aboriginal engagement program and visits

**Copper promotion campaign**
- Presented at the CRU World Copper conference Chile (April 2016 and April 2017)
- Hosted Chilean Minister for Mineral Resources and re-signed the MoU (April 2016)
- Copper to the World Conference, Adelaide (June 27, 2017)

**Addressing land access**
- Leading Practice Mining Acts Review announced September 2016 and progressing

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