



## Mining Update

### Western Australia

The state government is encouraging mineral and petroleum explorers to apply for funding of up to \$150,000 to support innovative drilling in Western Australia's under-explored areas.

Acting Mines and Petroleum Minister Simon O'Brien recently said that applications were open for the 'Co-funded Government Industry Drilling Program', which was part of the state government's \$80million Exploration Incentive Scheme. Mr O'Brien said the program was designed to stimulate geoscience-based exploration that would contribute to the economic development of under-explored areas in WA.

He said the 2009-10 drilling program would preferentially fund projects that promoted new mineral and energy targets, as well as innovative exploration concepts and technologies.

"As part of the EIS, which is funded by Royalties for Regions over five years, the state government will dedicate \$20.5million to the exploration drilling program, \$3million of which will be available for the 2009-10 program," the Minister said.

"Applicants will be eligible to apply for funding of up to 50 per cent and up to \$150,000 per project as part of this stimulus package.

"The program will encourage industry to drill in areas that have mineral, petroleum or geothermal potential and will ultimately help to identify new opportunities to ensure the future prosperity of WA's resources sector."

Mr O'Brien said applications for the Co-funded Government Industry Drilling

Program would close at 5pm on Friday, May 15. Applications should be made to the Department of Mines and Petroleum, which was co-ordinating the EIS. Mines and Petroleum Minister Norman Moore and Regional Development Minister, Brendan Grylls, officially launched the EIS in Kalgoorlie-Boulder on April 3. In addition to the Co-Funded Drilling Program, the EIS was also focused on improving the online exploration application process, promoting strategic research with industry, and a series of surveys to gather more information on the state's geology.

South Australia Minister for Mineral Resources Development Paul Holloway has said the South Australian government is disappointed by the decision to block the bid by China Minmetals for OZMinerals. "While the state government is disappointed by the decision not to approve the bid by Minmetals, we remain hopeful that another purchaser can be found for OZMinerals," Mr Holloway said. "The government will be seeking further discussions with both Treasurer Wayne Swan and Minister for Resources and Energy Martin Ferguson on the implications of this decision for South Australia's mineral resources industry." Meanwhile, Mr Holloway has welcomed the announcement by Panax Geothermal Limited of a Hot Sedimentary Aquifer project for the state's southeast. "The Panax Geothermal announcement is a timely reminder of the excitement being generated within the energy sector by South Australia's geothermal industry," Mr

Holloway says.

"This geothermal project in the state's southeast has potential to make a meaningful contribution to clean, base-load power supply.

"The announcement is also a reminder that South Australia is favourably placed to be a world leader in geothermal generation, technical skills, proven project development and long-term commercial success."

South Australia's Otway Basin represents an area of anomalously high heat flows close to the National Electricity Market transmission grid.

The Basin also has an extensive and readily accessible database of petroleum well and seismic data that define hot wet sedimentary rock targets.

"Panax has gained a significant advantage from the easily accessible and comprehensive seismic and well information databases managed by Primary Industries and Resources SA," Mr Holloway said.

"Both federal and state governments have previously recognised the prospectivity of the area and supported pre-competitive information gathering.

"The South Australian government also previously awarded a \$130,000 PACE grant to advance understanding of the Limestone Coast Geothermal Project area."

Mr Holloway said South Australia has attracted an estimated 97 per cent of all the investment in Australian geothermal exploration projects in the term 2000-08.



Twenty-eight companies have applied for 271 Geothermal Exploration Licences in South Australia representing 71 per cent of all geothermal licences applied-for in Australia.

“Based on information to hand, this state is forecast to remain in the lead for Australian work program investment in geothermal projects in the period 2000-2013,” Mr Holloway added.

Northern Territory Resources Minister Kon Vatskalis welcomed reports from the NT Resource Council indicating that there has been a 10 per cent increase in full time workers in the Territory’s mining sector.

“I understand that there has been a 10 per cent increase in permanent staff and that’s great news,” Mr Vatskalis said.

“These figures bear out what we have

been saying, that the Territory is faring much better than other jurisdictions, in part due to the innovative programs put in place to attract investors and new explorers here.”

The figures also show that there has been a decrease in the number of part time workers and contractors over the last nine months, however Mr Vatskalis said he was hearted by the NT Resource Council’s comments that industry is making sure it has enough fulltime staff employed for an improvement in economic conditions.

“The Territory is still the only jurisdiction with a dedicated China mining investment attraction strategy and the presence of the largest ever high-level Chinese delegation at [the recent] AGES mining conference in Alice Springs is a clear demonstration that our strategy is working.

“Add to this our drilling subsidy program and the fact that we provide world-class geoscientific data to potential explorers, and I believe the reasons for confidence in the industry become clearer.” ●

