South Australia setting the PACE in Minerals and Energy Investment Opportunities

Dr Ted Tyne
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Division of Minerals and Energy Resources
Primary Industries and Resources SA
South Australia’s Mineral & Energy Sector Highlights

- Record levels of mineral and geothermal exploration expenditure and drilling
- Record levels of minerals export
- Major mining developments: Prominent Hill, Angas, Cairn Hill, Project Magnet, Honeymoon
- Minerals leases granted to IMX Resources - Cairn Hill, Western Plains - Peculiar Knob, Iluka Resources - Jacinth/Ambrosia, Heathgate Resources - Beverley Extension and Hillgrove Resources – Kanmantoo
- New geophysical, geochemical and geological mapping coverages in targeted greenfield regions Plan for
- PACE – South Australia’s very successful Plan for Accelerating Exploration extended until 2011
Minerals and Resources Sectors
Leading the Way for South Australia

- **Mineral exploration**
- **Mineral production value**
- **Capital expenditure**
- **Net minerals industry value**
- **Mineral exports**
- **State royalties revenue**
South Australia’s Mineral Exploration Sector Highlights
Mineral Exploration Expenditure – South Australia
1992/93 – 2007/08

- FY mineral exploration expenditure
- South Australia’s share of exploration in Australia

PACE startup

FY mineral exploration expenditure
South Australia’s share of exploration in Australia

$ Million

0.0% 2.0% 4.0% 6.0% 8.0% 10.0% 12.0% 14.0% 16.0%

South Australia’s
Petroleum and Geothermal Sector Highlights
Petroleum Exploration Expenditure – South Australia
2001/02 – 2007/08

[source ABS Cat. 8412 table 7]
Geothermal Projects in South Australia

23 GEL / GELA Holders in South Australia

- Geodynamics
- Petratherm
- Geothermal Resources
- Green Rock
- Torrens Energy
- Eden Energy
- Scopenergy/Uranoz-Panax
- Pacific Hydro
- Teck Cominco
- Granite Power
- Gradient Energy
- Tri-Star Energy
- Clean Energy Australasia
- Osiris Energy
- Origin Energy
- Callabonna
- Deep Energy
- Inferus
- A-B-L-R Joint Venture
- AAA Energy
- Earth Heat
- New World Energy
- Stuart Petroleum

- 235 GELAs, GELs, GRLs on variety of plays covering 110,000 km²
- > 73% of all geothermal licences in Australia
- ~US$600 million in work programs 2002-2013 and this excludes demo plants, up-scaling and deployment projects

- 14 wells drilled to date:
  - Geodynamics: Habanero 1, 2
  - Petratherm: Paralana 1B, DW1, Yerila 1
  - Panax-Uranoz-Scopenergy: Heatflow 1, 3, 4
  - Greenrock: Blanche 1
  - Geothermal Resources: Frome 2, 3A, 8, 9
  - Torrens Energy: 9 wells (Gollum 1 drilled)
- Geodynamics’ Habanero #3 drilling ahead
- Eden Energy: Chowilla 1 drilling

Potential mining developments may be new markets for energy
South Australia’s Mining Sector Highlights
South Australia’s First Wave of Mining

2001 – 4 Mines Active
- Olympic Dam
- Leigh Creek
- Beverley
- Middleback Ranges

2008 – 10 Mines Active
- Challenger
- Prominent Hill
- Leigh Creek
- Beltana
- Olympic Dam (OD Expansion)
- Middleback Ranges
- Project Magnet
- Mindarie
- Angas
- Honeymoon
New Mines:
- Honeymoon (U)
- Mindarie (HMS)
- Beltana/Reliance (Zn)

Prominent Hill (Cu-Au)
- Angas (Zn-Pb)

Mine Expansion Projects:
- Olympic Dam (Cu-Au-U)
- Project Magnet (Iron Ore)
- Leigh Creek (Coal)

Beverley (U)
- Challenger (Au)

Projects:
- Kanmantoo (Cu)
- White Dam (Au)
- Portia (Au)
- Cairn Hill (Iron Ore)
- Arkaringa Basin (CSM)
- 4 Mile (U)
- Bird in the Hand (Au)
- Mount Gee (U)
- Kestrel (Fe)
- Carrapateena (Cu-Au-U)
- Crocker’s Well (U)
- Gullivers (HMS)
- Gould’s Dam (U)
- Bungalow (Iron Ore)
- Habanero (Geothermal)

Jacinth, Ambrosia (HMS)
- Cairn Hill (Iron Ore)
- Beverley Extension (U)
- Taroola (Iron Ore)
- Mutooroo (Cu-Co)
- Oban (U)
- Peculiar Knob (Iron Ore)
- Menninnie Dam (Pb, Zn)
- Kalkaroo (Cu, Mo)
- Tripitaka (HMS)
- Tunkillia (Au, Ag)
- Wilgerup (Iron Ore)
- Wilcherry Hill (Iron Ore)
- Kingston (Energy)
- Paralana (Geothermal)
South Australia’s Mining Projects Pipeline

Copper: Olympic Dam, Prominent Hill, Carrapateena, Kalkaroo, Kanmantoo, Mutooroo, Olympic Dam (Ex), Prominent Hill (Und), Alford East, Blinman, Blue Rose, Burra, Chianti, Charlinga, Churchill Dam, Cultana, Emmie Bluff, Faugh a Ballagh, Glensea, Kalabity, Kapunda, Marathon South, Moonta, Mulyungarie, Netley Hill, Oak Dam, Punt Hill, Titan, Torrens South JV, Wirrida, Yalpoudnie

Copper-Gold: Olympic Dam, Prominent Hill, Carrapateena, Kalkaroo, Kanmantoo, Olympic Dam (Ex), Prominent Hill (Und), Alford East, Blue Rose, Chianti, Churchill Dam, Cultana, Faugh a Ballagh, Glensea, Marathon South, Mulyungarie Oak Dam, Titan, Torrens South JV, Wirrida

Gold: Challenger, Bird In Hand, Portia, Tunkillia, White Dam, Baggy Green, Barns, Golf Bore, Mainwood, Mongalata, Monsoon, Typhoon

Uranium: Beverley, Beverley (Ex), Crocker Well, Four Mile, Honeymoon, Mount Gee, Oban, Olympic Dam, Garford, Goulds Dam, Kalabity, Narlaby, North Mulga, Watson, Warrior, Wynbring, Yaninee, Yarramba, Yarranna

Iron Ore: Iron Duchess, Iron Knight, Iron Magnet, Cairn Hill, Hawks Nest, Peculiar Knob, Wilgerup, Bramfield, Bungalow, Coolybring, Giffen Well, Gum Flat, Stony Hill, Warramboo

Heavy Minerals: Mindarie, Jacinth/Ambrosia, Tripitaka, Dromedary, Gullivers, Typhoon

Base Metals/Diamonds: Beltana, Angas, Menningie Dam, Reliance, Alvery, Aristarchus, Claude Hill, Eurelia, Hunters Dam, Junction Dam, Kangaroo Dam, Malache, Mt Caroline, Mt Christie Siding, Oakdale, Parmdana, Prospect Hill, Sturt/Nardoo, Wheat Ellen, White Hill, Weednanna

Coal: Leigh Creek, Arkaringa Basin, Kingston, Lock
PACE – Plan for Accelerating Exploration

THEME 1 Balancing resource development with conservation

THEME 2 Drilling collaboration between PIRSA and industry

THEME 3 South Australian centre for mineral exploration under cover

THEME 4 From craton to basin: new geophysics

THEME 5 Resource development and sustainable communities

THEME 6 Baseline geochemical survey

THEME 7 Next generation data delivery

THEME 8 South Australian Minerals and Petroleum Expert Group
EXPLORERS

PACE

MINES

GEOLOGY

SARIG

MORE INFO

Government of South Australia
Primary Industries and Resources SA
South Australian Explorers

The following companies have contributed to this CD in order to highlight the wealth of exploration opportunities that exist within South Australia:

<table>
<thead>
<tr>
<th>Exploration Companies</th>
<th>commodities actively sought by company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adelaide Resources Limited</td>
<td>ASX, gold, copper,uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
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<tr>
<td>Alliance Resources Limited</td>
<td>ASX, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
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<tr>
<td>Archer Exploration Limited</td>
<td>ASX, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
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<tr>
<td>Australasia Gold Limited</td>
<td>ASX, gold, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
</tr>
<tr>
<td>Australian Zircon NL</td>
<td>ASX, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
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<tr>
<td>Centrex Metals Limited</td>
<td>ASX, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
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<tr>
<td>Crescent Gold Limited</td>
<td>ASX, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
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<tr>
<td>Crossland Uranium Mines Limited</td>
<td>ASX, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
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<tr>
<td>Curnamona Energy</td>
<td>ASX, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
</tr>
<tr>
<td>Diatreme Resources Limited</td>
<td>ASX, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
</tr>
<tr>
<td>Dominion Mining Limited</td>
<td>ASX, copper, uranium, silver, lead, zinc, nickel, iron ore, PGM, molybdenum, tantalum, mineral sands, diamonds, oil/gas, geothermal, coal</td>
</tr>
</tbody>
</table>
International Investment & Partnerships

- Canada
- China
- Japan
- Korea
- India
International Partnerships

- India
  - Tata Group/Geodynamics, Reliance Group/UXA
- Japan
  - JOGMEC/Minotaur, Mitsui Corp/Uranium One
- South Korea
  - LG International/Scimitar Resources
- China
  - Citic Group/Southern Gold/ Marathon Resources
  - Sinosteel/PepinNini
  - Baotou Iron & Steel Group/ Centrex Metals
  - Heilongjiang Resources Limited/Havilah Resources
  - Focus Investment and Tangshan Xingye Industry and Trade Group / Western Plains Res.
  - Jilin Tonghua Iron & Steel (Group) Mining Co/ IMX Resources
  - Tongjiang International Energy Co. Ltd / Altona Resources
  - CNOOC (Beijing) Energy Investment Co. Ltd/ Altona Resources
  - Rizhao Steel/OneSteel
  - Shanxi Haixin Iron & Steel Group Co./ OneSteel
  - Hebei Jinxi Iron & Steel Co./ OneSteel
  - Wuhan Iron and Steel Corp. (WISCO)/Ironclad
  - China MinMetals – proposed $2.6b takeover of Oz Minerals
Uranium One Inc / Mitsui & Co Ltd

Mitsui has invested $104 million to acquire a 49% interest in the Honeymoon uranium project and Uranium One’s Australian exploration portfolio.

This portfolio includes the Goulds Dam and Billeroo projects, and other prospective tenements on the Stuart Shelf and Eyre Peninsula.

Left: Mr. Fuminobu Kawashima of Mitsui & Co with Mr Greg Cochran of Uranium One Inc

Below: Members of Mitsui in South Australia for the signing ceremony
Strengthening PIRSA’s International Partnerships

Partnering with China National Nuclear Corporation

Dr Chen Yuehui, Vice President CNNC and Dr Ted Tyne, Director Mineral Resources PIRSA
November 2008

11月11日，中核集团公司副总经理邱建刚会见了澳大利亚南澳大利亚资源局长Ted Tyne一行。

会见时，双方围绕当前形势下感兴趣的话题进行了交流与探讨。双方一致认为，希望在开发南澳洲铀矿方面成为重要的合作伙伴，以实现真正的双赢合作。（胡钢 文影）
South Australian based mining companies looking for further investment in advanced mineral projects

- Uranium One – Uranium
- IMX resources – Cairn Hill Iron Ore
- Western Plains Minerals – Peculiar Knob Iron ore
- Centrex Metals – Wilgerup Iron Ore
- Havilah Resources – Portia Gold
- Havilah Resources - Kalkaroo Copper – Gold
- Havilah Resources – Mutoroo Copper Cobalt
- Curnamona Energy – Oban Uranium
- Ironclad Resources/Trafford Resources – Wilcherry Hill Iron Ore
- Minotaur Exploration – Tunkillia Gold
- Hybrid Energy/Futuregas – Kingston coal-to-liquids
- Rex Minerals – Hillside Copper-Gold-Uranium
Oban – *Uranium*
Curnamona Energy Ltd

- Sand-hosted uranium mineralisation
- Oban uranium discovery is in a coarse-grained sandy aquifer amenable to *in-situ* leach (ISL) extraction
- Economically significant uranium intersections, 6.5 m thick and grades up to 0.44% eU₃O₈ occur over strike length of 3000 m along channel
- Exploration continues within Yarramba palaeochannel. New sand hosted uranium mineralisation discovered by drilling west of Oban
  - Best result CEY 292: 5.2 m of mineralisation (above 100ppm eU₃O₈) grade thickness of 0.21 m percent eU₃O₈
- Mineral claim pegged with intention to commence field leach trials
- Retention Lease granted July 2008
- Work commenced on mining and rehabilitation program (MARP) – must be approved by PIRSA before field leach trial can commence
White Dam – Gold
Project Capital Ex. $12m
Exco Resources Ltd/Polymetals Group Pty Ltd

- Total resource of 9.1 Mt at 1.13 g/t for 330 400 oz Au including:
  - 7.3 Mt at 1.09 g/t Au at White Dam
  - 1.78 Mt at 1.28 g/t Au at Vertigo (800 m away)
- Construction expected to commence late 2008, with first gold production mid 2009
- Estimated 40 full time employees
- Planned to open cut and heap leach treat approximately 4.3 Mt oxidised ore at 1.25 g/t Au containing 115 000 ozs Au
- Mine life of 2–3 years based on planned throughput 2 Mt pa
- Polymetals Group Pty Ltd (project managers) acquire 50% interest in March 2008 by sole funding first $9.6m of expenditure on development and construction within 12 months of receipt of MARP from PIRSA
Kanmantoo – Copper-Gold
Project Capital Ex. $130m
Hillgrove Resources Ltd
Market Cap. $51m

• Current resource 33.44 Mt at 0.9% Cu and 0.2 g/t Au containing 290 000 t of Cu, 216 900 oz Au and 3 218 400 oz Ag
• Definitive Feasibility Study now completed for 2009
• Annual production: 2 Mtpa of ore for 17 000 t Cu, 8000 oz Au and 125 000 oz Ag considered economically viable
• Mine life at least 6.5 years. More if underground mine developed
• Results from June 2008 drilling program include:
  - Main Zone KTDD 150 17 m at 1.33% Cu and 0.43 g/t Au
  - Emily Star KTRC 637 15 m at 1.52% Cu and 0.17 g/t Au from 36 m
  - Emily Star KTRC 633 16 m at 1.34% Cu and 0.10 g/t Au from 29 m
• Mining lease application resubmitted to PIRSA approval expected late 2008
• Mining and Rehabilitation Program (MARP) approval expected late 2008

September 2008
• Total combined mineral inventory of 800,000 oz Au and 1.6 Moz Ag to a depth of 200 m

• Oxide mineralisation is tabular, flat lying, and generally in sharp contact with an underlying sub-vertical vein-related primary mineralisation

• Drilling recommenced at Area 223 in August 2008
  - Program to include 41 RC drillholes, 8 with diamond drillhole tails to provide data and samples for metallurgy, geotechnical analysis and further resources characterisation

• Drilling program is an essential precursor to a Definitive Feasibility Study
• Coarse gold in high grade base of Tertiary layer overlying bedrock gold mineralisation that remains open at depth
• New method of assaying has overcome coarse gold sampling problems
• Mining Lease application lodged for proposed trial open pit
• Diamond drillhole – PTDD 206: 56 m at 4 g/t Au, incl. 6 m (at base of Tertiary) at 7.7 g/t Au
• PTAC 191: 26 m at 15.4 g/t Au (aircore)
• PTAC 193: 13 m at 33.5 g/t Au (aircore)
• Feasibility study resource delineation drilling and metallurgical studies completion expected by end of 2008
• Native Title agreement has been concluded for the area.
• It is envisaged that the Portia (Au) and North Portia (Cu – Au) deposits will be mined in conjunction with each other from a single access ramp
Mutooroo – Copper-Cobalt-Iron Ore-Sulphuric Acid
Havilah Resources NL

• Current Inferred Resource 11.5 Mt at 1.1% Cu and 0.1% Co
• High sulphur content of ore identified as potential source for sulphuric acid production
• Iron ore (64% Fe₂O₃) identified as saleable by product of sulphuric acid production
• Feasibility study continuing, completion expected early 2009
• Project design completion February 2009
• 9000 m of drilling completed during 2008, recent drilling targeting shallow oxide Cu zone. Best results include
  - MTRC 33 from 8 m, 21 m at 0.71% Cu
  - MTRC 137 from 10 m, 14 m at 1.04% Cu
  - MTRC 164 from 1 m, 13 m at 1.03% Cu
  - MTRC 207 from 1 m, 37 m at 1.34% Cu
• Best deeper drilling results include
  - MTDD 128 from 258.8 m, 22.1 m at 2.03% Cu, 0.23% Co, 20.0% S
  - MTDD 125 from 229.5 m, 10.9 m at 1.32% Cu, 0.13% Co, 14.1% S
  - and from 257.8 m, 2.9 m at 2.18% Cu, 0.31% Co, 30.3% S
• Potential to be Australia’s largest cobalt producer
• First production expected late 2010

September 2008
Leigh Creek – Coal
Babcock and Brown Power Ltd

- 3,874,284 t production in 2007/08
- Most technologically advanced and productive open-cut coalfield in the world
- Produces hard brown coal exclusively for Flinders Power Northern (540 MW) and Playford (240 MW) Power Stations
- Mining continues at Lobe B, rehabilitation currently underway on northern fields Lobe C and D
- Exploration for new resources continues
- Coal transported by rail over 250 km from Leigh Creek to Pt Augusta

September 2008
Wilcherry Hill – *Iron Ore (magnetite)*

*Ironclad Mining Ltd*

- JORC compliant Indicated and Inferred Resource of 44 Mt at an average grade of 36.4% Fe within three separate prospect areas
- Pre-feasibility Study expected to be completed end of 2008
- Exploration resource delineation drilling continuing with 98 RC drillholes (total 13 538 m) completed in June quarter 2008. Significant new mineralisation outlined
- Significant results from Ultima Dam include
  - 07UERC049 from 57 m, 10 m at 51.1% Fe, 11.2% SiO₂, 7.1% Al₂O₃, 0.163% P
  - 07UERC050 from 43 m, 5 m at 42.6 % Fe, 20.5 % SiO₂, 10.7% Al₂O₃
- Significant results from Weednanna North include
  - 08WNRC003 from 60 m, 31 m at 31.7% Fe, 22.8% SiO₂, 4.6% Al₂O₃
  - 08WNRC006 from 34 m, 11 m at 47.0% Fe, 15.7% SiO₂, 3.0% Al₂O₃
- Detailed metallurgical report received confirming high quality of magnetite
- Resource modelling commenced in June quarter 2008
- Exploration drilling at Hercules prospect commenced
Kingston – Coal to liquid fuels
Hybrid Energy Australia Pty Ltd

- JORC compliant resource of 578 Mt lignite
- Deposit located near Kingston, 250 km southeast of Adelaide
- Scoping Study completed 2007
- Feasibility Study commenced 2008 due for completion 2010
- Feasibility study will include a joint testing program with University of Adelaide to identify efficient methods of optimal lignite utilisation
- The test program will be undertaken by School of Chemical Engineering in their South Australian Coal Research Laboratory
- EIS proposed for 2011
- Proposed Project plan will include
  - surface mine
  - coal to liquids conversion facility
  - Low emissions power generation plant
Menninnie Dam – Base Metals
Menninnie Metals Ltd

- Menninnie Central resource 3.8 Mt at 4.0% Zn, 3.2% Pb, 34 g/t Ag
- Latest drilling targeted IP anomalies north of Menninnie Central and broader anomalies between Cracker and Menninnie Central
- Drill results at Cracker Gap reveal broad zones of low – moderate grade shallow mineralisation adjacent to the deeper Menninnie Central resource
- Correlation of drill results and IP survey analysis will identify further drill targets
- Activities for remainder of 2008 include drill testing of the expanded/new anomalies and targets in southern quarter
- 30 line Km IP survey around Tank Hill commenced
- Nonning JV agreement with Minotaur Operations announced June 2008
- 2008 JV budget approx. $10m (40 000 m)
- Priority targets Viper, Cassius, Tank Hill, Menninnie North
Bird in Hand – Gold
Maximus Resources Ltd

- Total Indicated and Inferred Resources 598 000 t at 12.3 g/t Au, for 237 000 oz contained Au i.e.
  - Indicated Main Reef 160 000 t at 13.6 g/t Au, for 70 000 oz contained Au
  - Inferred Main Reef 406 000 t at 11.7 g/t Au, for 153 000 oz contained Au
  - Inferred White Reef 32 000 t at 13.6 g/t Au, for 14 000 oz contained Au
- The contained Au content is 46% above previous estimate of 162 000 oz
- Positive Scoping study leads to commencement of Pre-feasibility Study
- Pre-feasibility study will initially involve further drilling and a groundwater pumping test. A Managed Aquifer Recharge (MAR) test to be undertaken as part of the study
- Drill testing of the historic Deloraine Gold Mine approved in mid 2008

September 2008
Hillside – Copper - Gold
Rex Minerals Ltd

• 2008 drilling programme confirms continuation of high grade copper mineralisation at Hillside. Results include 5 m at 3.0% copper and 0.71 g/t gold from 301 m
• New structure discovered at Hillside with visible copper mineralisation
• Improved geological understanding identifies regional copper potential on Yorke Peninsula
South Australia
the value proposition … exploration

• There has been a fundamental RE-RATING of South Australia by the world’s mineral and geothermal energy sectors

• The 2008 RESOURCES STOCKS Global Risk Survey ranked South Australia No. 2 in the world

• Record levels of mineral, petroleum and geothermal exploration expenditure and activity has moved South Australia into 2nd place behind WA

• PACE successfully kick-started exploration in South Australia to unprecedented levels and established a successful model for drilling partnership with industry

• South Australia’s mineral endowment now recognised: Copper; Copper-Gold; Gold; Minerals Sands; Base Metals; Hot Rocks; Iron Ore and URANIUM

• New PACE geoscience datasets; new PACE discoveries and encouraging intersections in all mineral provinces and across all commodities

• New insights into SA Geology
South Australia
the value proposition ... new mines

- 4 active mineral mines in 2001
- 10 active mineral mines in 2008 with major expansions underway at Olympic Dam Cu-Au-U Mine, Whyalla Project Magnet and Beverley Uranium Mine
- 25 advanced mineral projects in the assessment and approvals pipeline, many supported through PACE drilling program
- 70 mineral prospects with encouraging intersections, many supported through PACE drilling program
- New mining leases granted in the past 3 months for: Jacinth-Ambrosia Mineral Sands; Kanmantoo Copper; Beverley Extension Uranium; Cairn Hill Iron Ore; Peculiar Knob Iron Ore – all moving forward to construction
- New mine assessments and approvals process streamlined and case managed through one-stop-shop. Average lease approval ~6 months
- State-Commonwealth protocols and streamlined process well developed for URANIUM mine approvals
South Australia
the value proposition ... next decade

• We now better understand the State’s mineral endowment which will host the world’s biggest mine

• Critical mass of exploration success, new mines and advanced projects

• URANIUM URANIUM URANIUM URANIUM URANIUM URANIUM URANIUM URANIUM

• Exploration successes and advanced projects offer opportunities for JVs

• Inventory of quality minerals projects ready to go when access to capital improves

• Government-Industry Resources and Energy Sector Infrastructure Council established to support major infrastructure incl. new deep water port at Port Bonython

• Training and skill centres established and tertiary value-chains in geoscience and engineering in place with record numbers of students

• PACE initiatives even more important to support junior exploration sector
South Australia
Impact of global downturn

• The first wave of mineral exploration generated by PACE has cemented South Australia’s status as a world class exploration and mining province and created significant new activity in South Australia’s resource sector.

• However, the recent global economic turmoil and dramatic falls in some key commodity prices are having significant ramifications for the resources industry globally. In South Australia it is likely that it will result in some weakening of exploration activity in the short term.

• Despite this, the outlook for the South Australian resources sector remains positive as the known resources are long life and very competitive. The diversity of our resource base, the multitude of recent discoveries of world class ore bodies, and South Australia’s global reputation as a good place for investment in mining all bode well for the future of the resources sector in this State.