

BUCKING THE TRENDS

FAR NORTH QUEENSLAND'S MINING INDUSTRY CONTINUES TO GROW, WITH A NUMBER OF PROJECTS IN THE FINAL STAGES OF APPROVAL, WRITES SHANNON POWER.

MINING in Far North Queensland has bucked national trends and continues to go from strength to strength.

Cairns Chamber of Commerce CEO Deb Hancock says the chamber is pleased to see a number of mining projects growing across the Far North Queensland region.

"We are seeing some companies projecting a doubling of their market capitalisation and acquisitions of key tenements to facilitate significant growth in operations and employee numbers," she says.

"There are also a number of very large projects in the final stages of approval that are ready to move into operational status. We look forward to some positive announcements in this space in the near future."

The healthy bauxite mine run by Rio Tinto Alcan (RTA) in Weipa, Western Cape York has recorded further successes, both in its mining operations and in the surrounding communities.

Mining operations at Andoom and East Weipa shipped a combined total of 26.46 million dry product tonnes in 2014 alone.

The much anticipated South of Embley project – described as a 22.8 million tonne a year "tier one investment opportunity on Cape

York" – is on track to have completed feasibility studies by the end of 2015.

"Rio Tinto's Weipa operation is on track to achieve another successful year, with a number of achievements and improvements," says Gareth Manderson, Rio Tinto general manager, Weipa Operations.

"The operation had one of the strongest first halves to the year for safety performance in the past five years.

"There has been a focus on steady tonnes, leading to improved outcomes for stakeholders,

stable production results and an ongoing focus on costs." Bauxite remains the major mining resource across Far North Queensland with Metallica Minerals announcing this year the Urquhart HMS Project about 3km south west of Weipa.

"The maiden bauxite estimate is a very positive result; it is significant that the inventory is very close to our Urquhart Point heavy mineral sand mine near Weipa as it keeps open the option of dual commodity processing," says

Metallica Minerals managing director, Andrew Gillies.

"We have every expectation, based on current global bauxite market fundamentals, that the Urquhart Bauxite Project's development schedule will match increasingly positive bauxite market sales demand in 2016 and beyond."

Metallica Minerals also runs the SCONI Project, located between Cairns and Townsville.

It consists of a number of nickel-cobalt rich and scandium-rich lateritic deposits.

The Bauxite Hills Project, run by Metro Mining, is estimated to have a 27-year mine life and a projected \$37.9 million average annual net profit after tax.

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Swiss company Glencore was named Preferred Proponent by the Queensland State Government to mine the \$20 billion bauxite lease in Aurkun, Cape York.

"The Project in Aurkun is at an early feasibility stage with work to be undertaken to assess the business case for developing a small and sustainable operation with the potential for

future expansion," says Julian Farrugia, Glencore Bauxite Resources.

"We look forward to advancing our assessment of the resource and continuing our work in close consultation with the traditional owners." On the Atherton Tableland, Consolidated Tin Mines is a base metals producing company currently producing zinc, lead and copper concentrates with a silver and gold co-product is also actively exploring within the highly prospective Einasleigh and Greenvale near the mine at Mt Garnet.

Two tungsten mines operate in the Far North: Watershed, about 115kms north west of Cairns, ranks among the 10 largest unexploited non-Chinese tungsten deposits worldwide and

has been classified to contain 49.2 million tonnes of ore.

Carbine Tungsten Limited operates the historic mine at Mt Carbine with an anticipated production from the tailings at 50 tonnes of WO₃ per month (5000 metric tonne units) and is valued at about \$161 million annually.

Mourilyan Sands is a high purity fine grained natural silica sand deposit located in Innisfail

south of Cairns. The sand is in high demand to be used in HD LCD television screens, optical lenses, halogen lamps, paint filler and many other products.

One of the sole coal projects in the Far North is run by Wongai Hard Coking Coal Project, proposed to be developed at medium scale underground coal mining operation located in the Laura Basin estimated to cost \$500 million.

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