

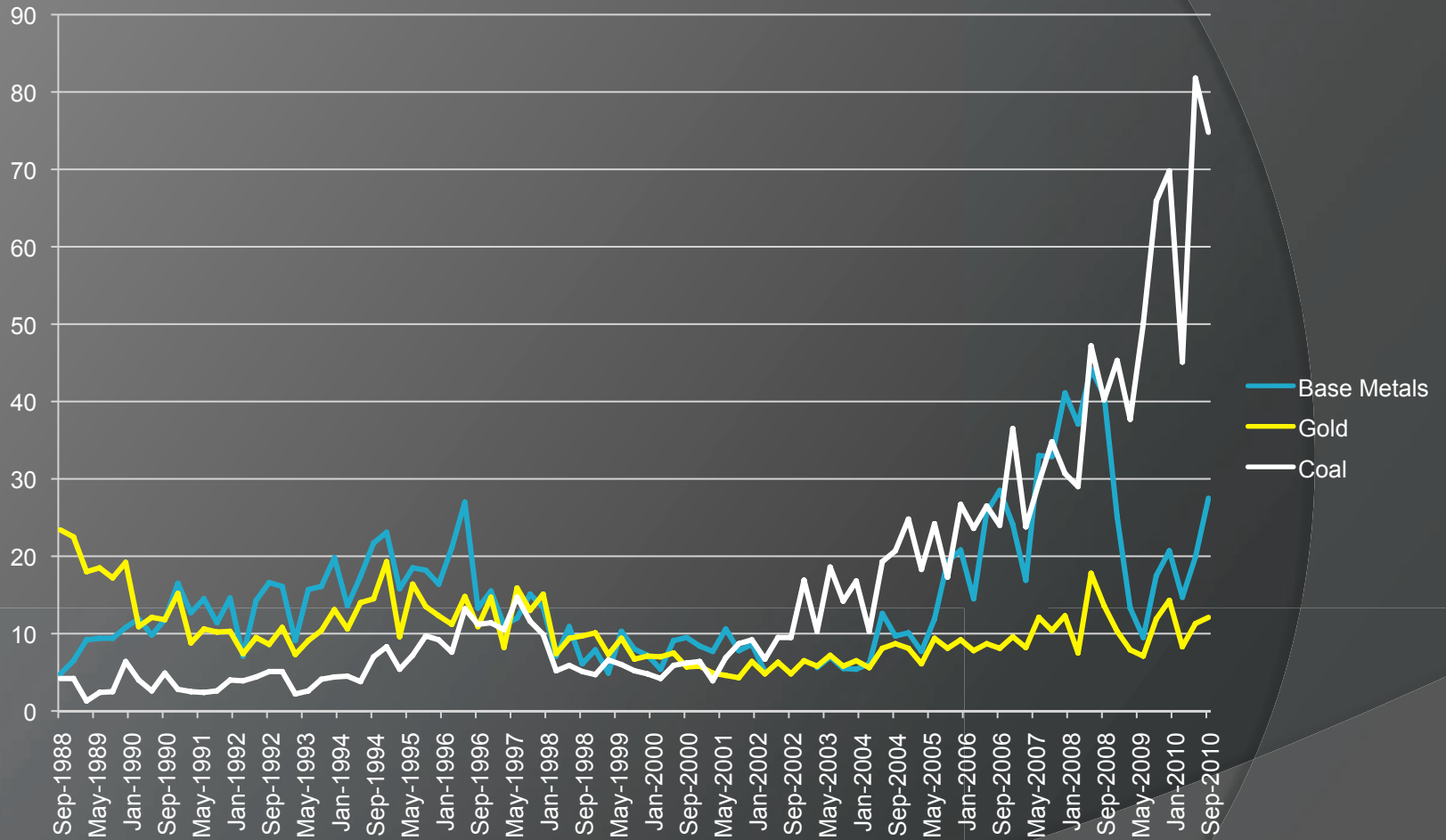
**BEGINNERS GUIDE
TO THE
QUEENSLAND COAL INDUSTRY**

Presentation by:

Jonathan Loraine
Partner

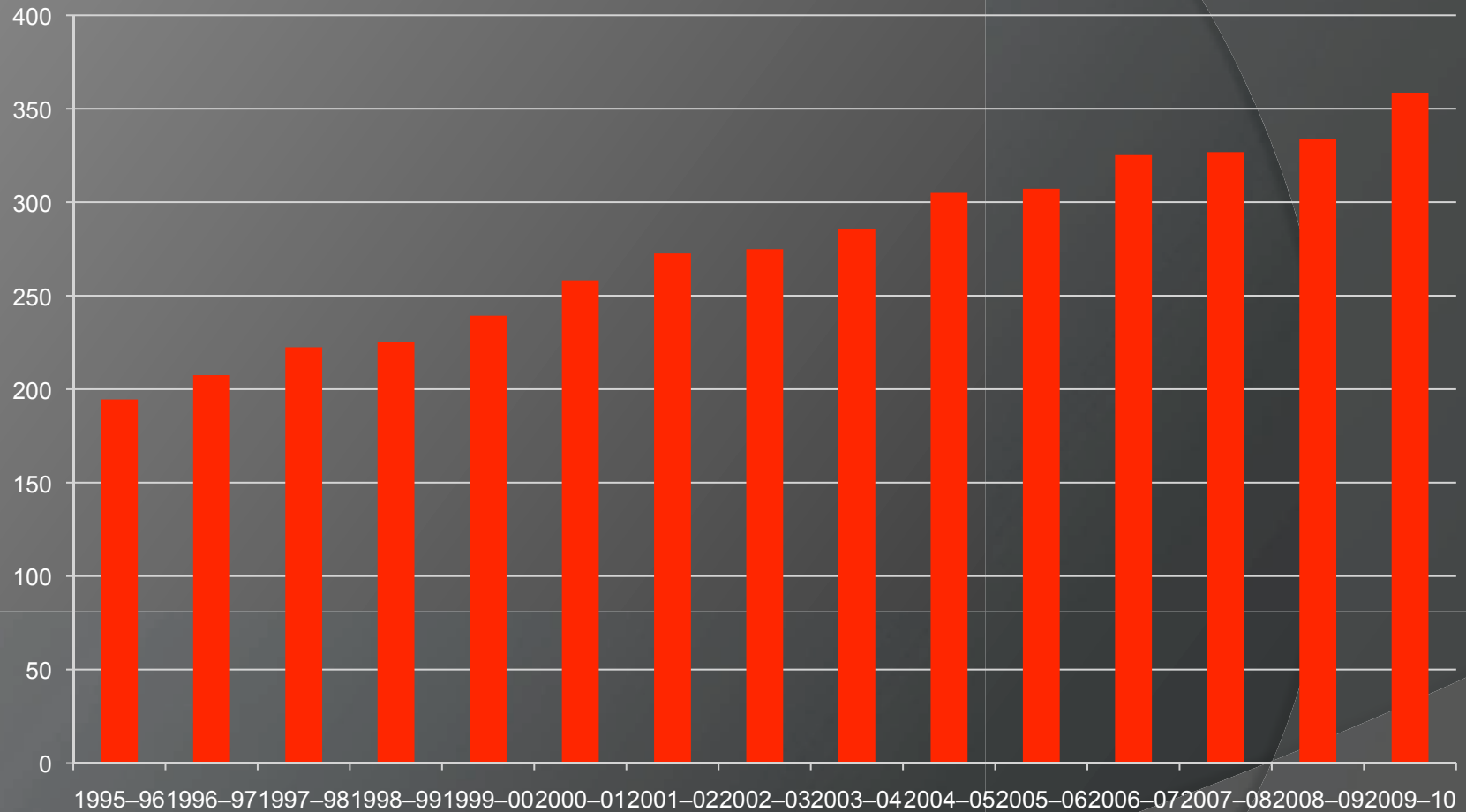
March 2011

Qld Exploration – good leading indicator



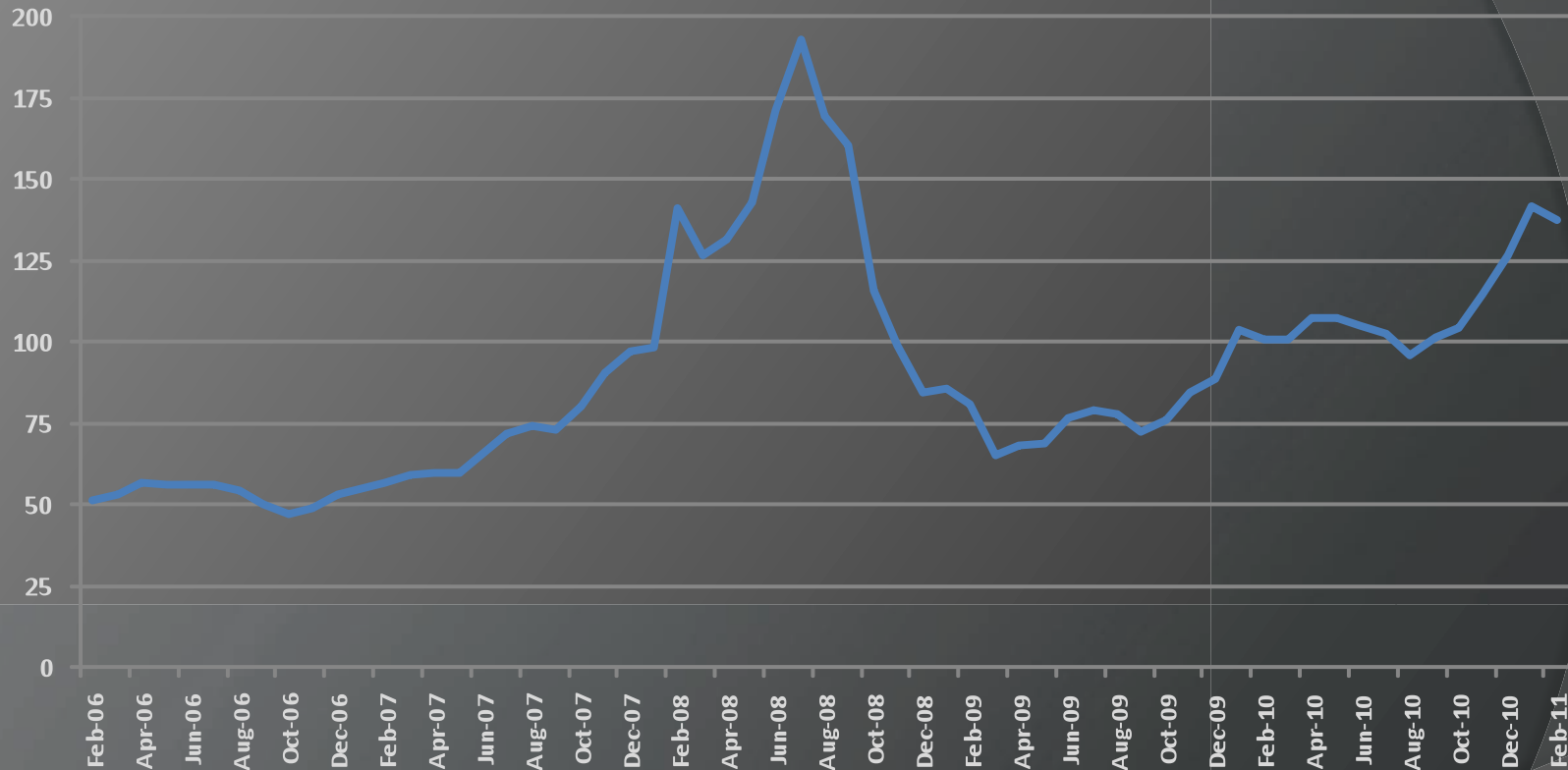
Australian Black Coal Production

Black coal production (Mta)



Australian Coal Prices

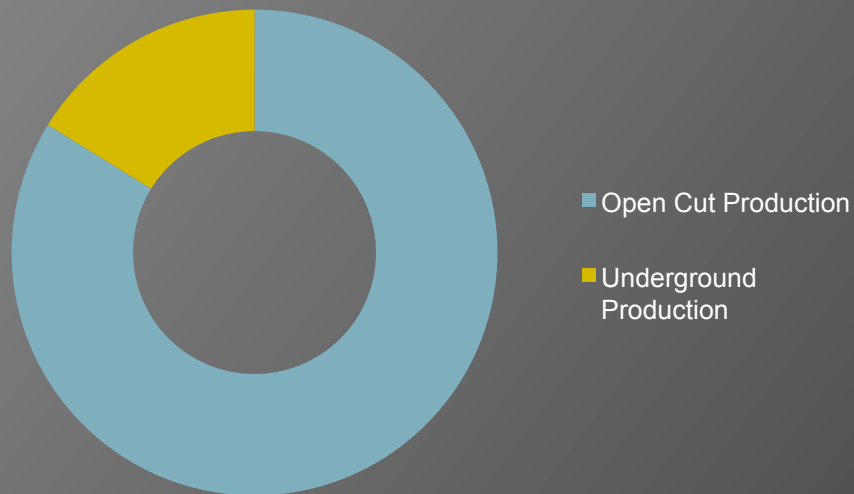
Thermal Coal Prices



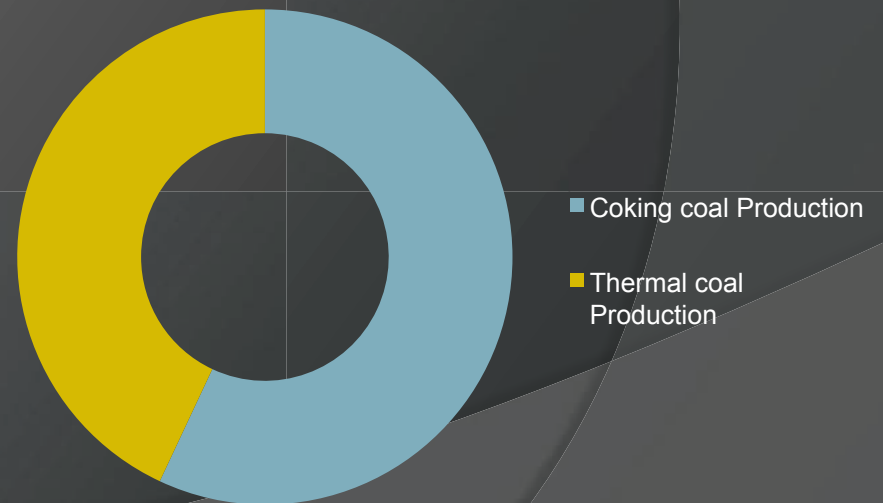
Coking coal prices are currently \$320 per tonne; more than twice the value of Thermal coal.

Quick Facts

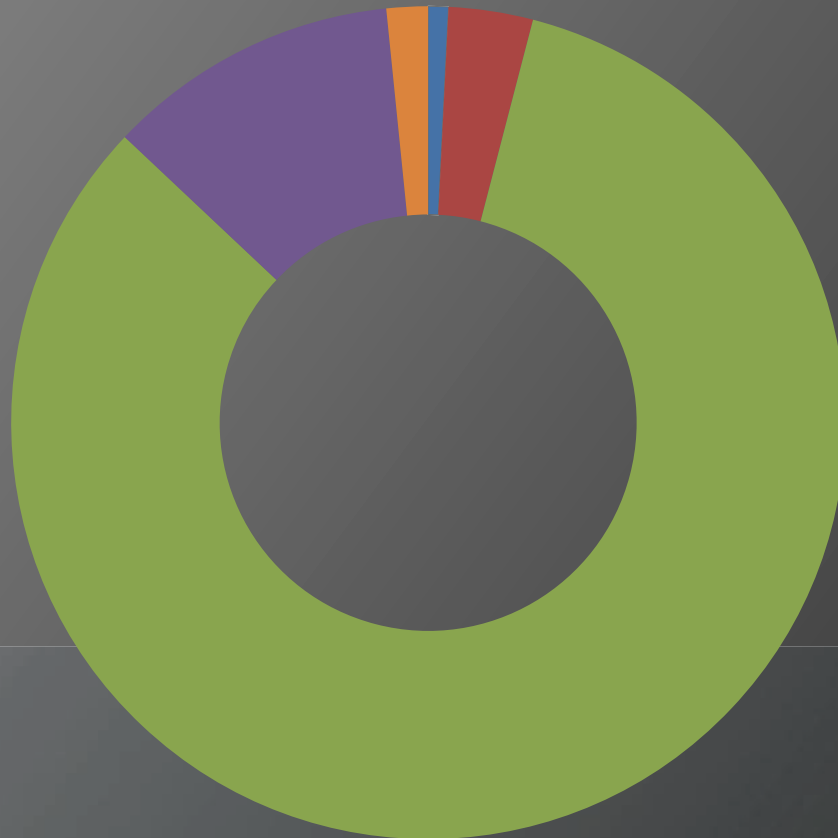
55 operating mines, 24,000 direct employees.



	Mtpa	\$ bn /yr	\$/t
Thermal Coal	44.7	5.0	111.86
Coking coal	114.1	28.3	248.26



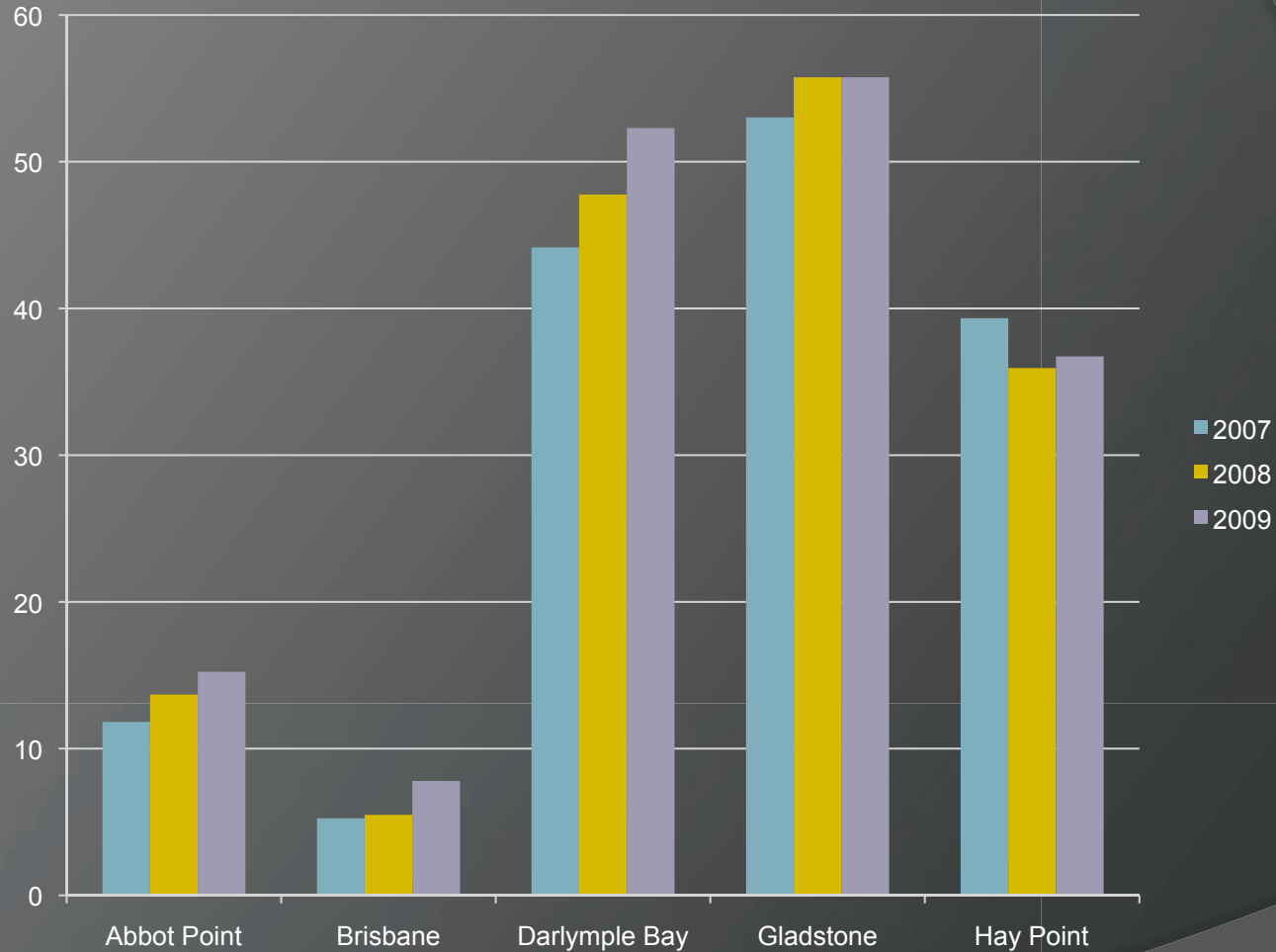
Where does the coal go?



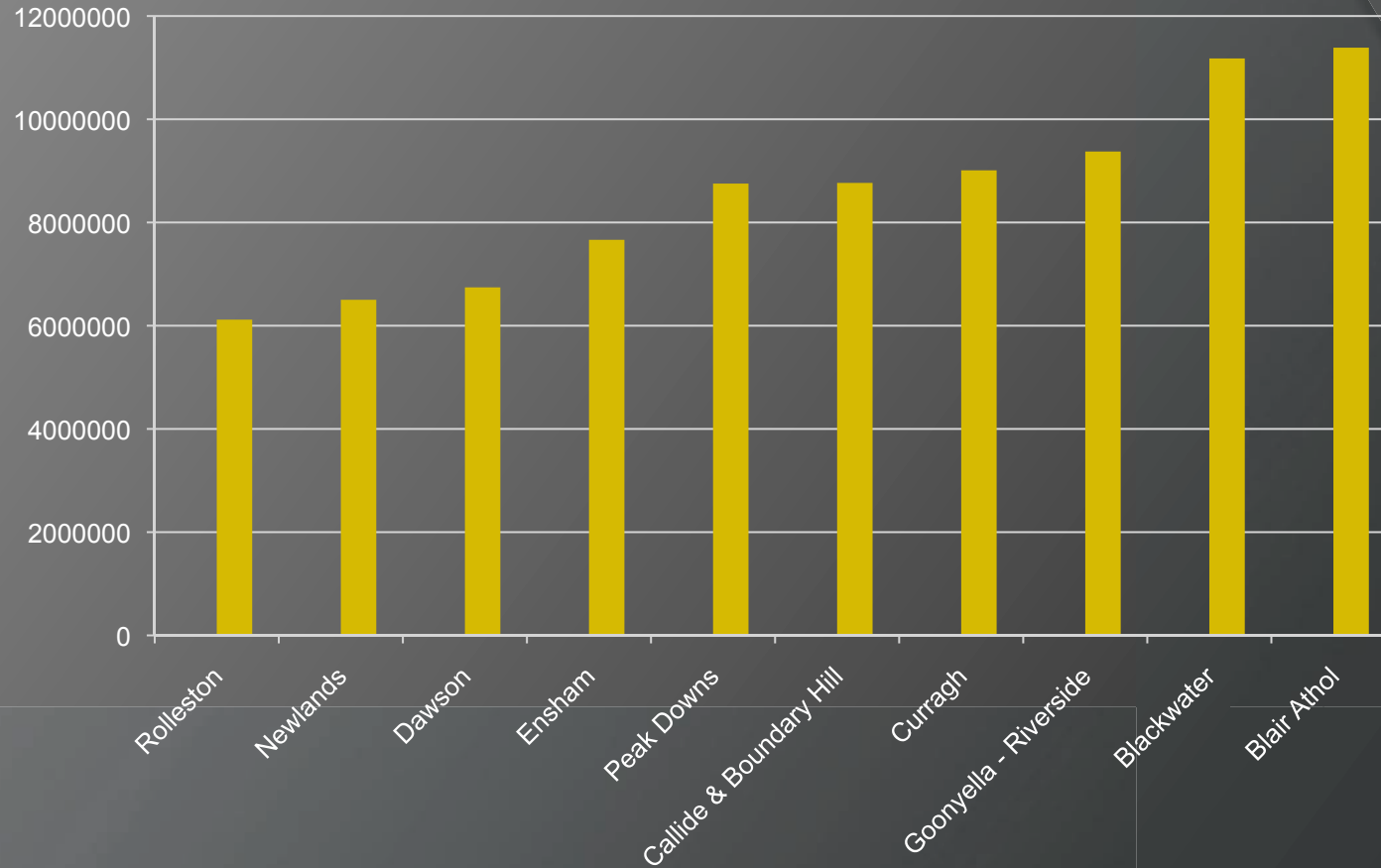
- Africa
- Americas
- Asia
- Europe
- Oceania
- Other Asia

Where does it go from?

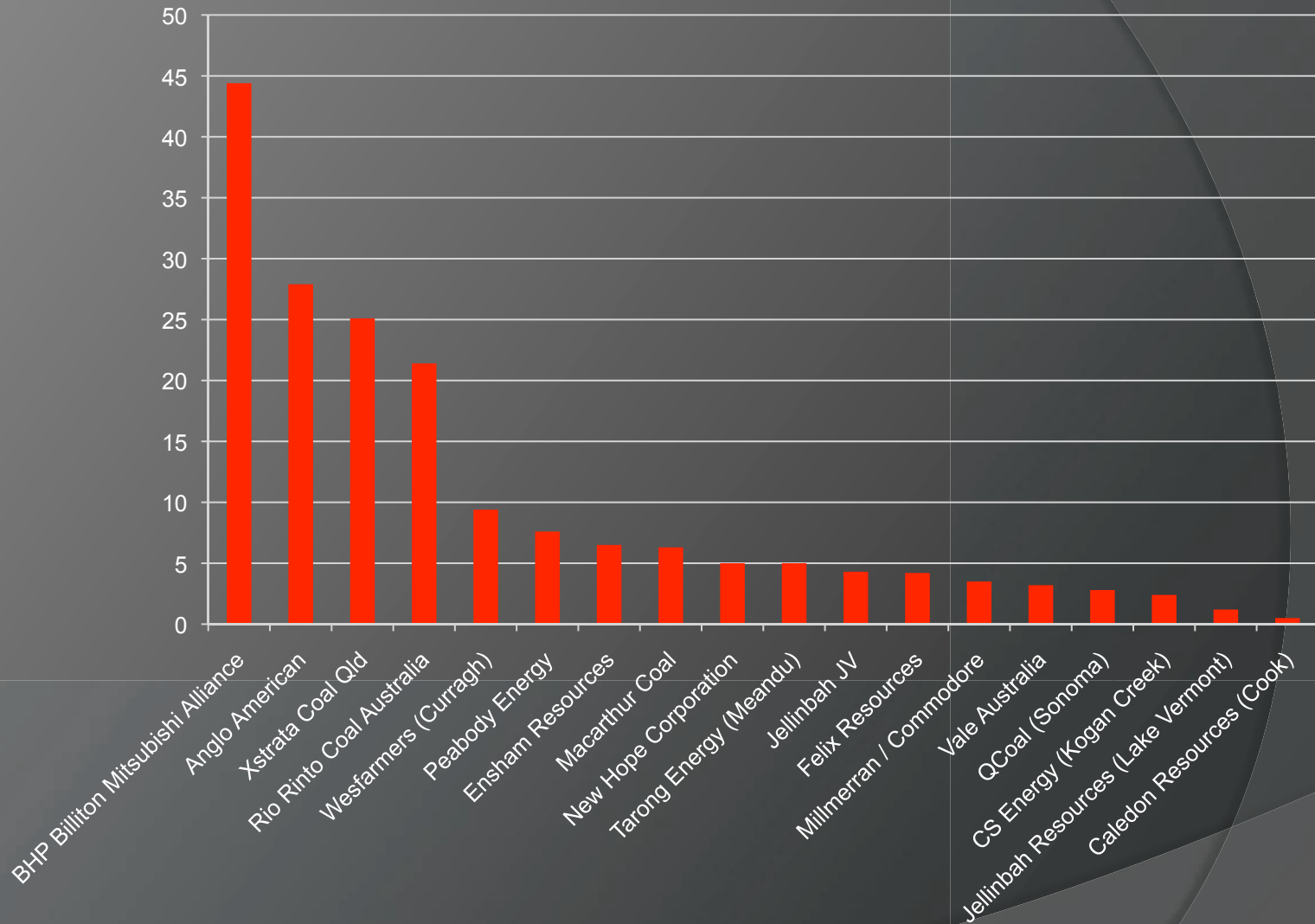
Millions of tonnes per annum



Biggest Queensland Coal Mines



Who are the main operators?



Supply Chain

How do they manage their supply chain (in-house, sub-contract etc.)?

- Varies from centralised for major groups to ad-hoc systems for smaller groups
- Usually limited procurement capacity at sites but will vary between operations

Industry Issues

What are the major issues faced; relevant to the ICT industry?

- Remote operations
- Increasingly data intensive
- Skills shortages; especially on sites
- Very complex compliance environment
- Fly-in fly-out (FIFO) operations

Communication

What are their internal channels of communication – magazines, associations, professional bodies etc.?

- Professional and technical bodies such as AusIMM and Qld Minerals Council
- Social Media - LinkedIn has active mineral industry networks
- Web-based news services such as Miningnews.net and International Longwall News.
- Industry Conferences such as Mining 2011

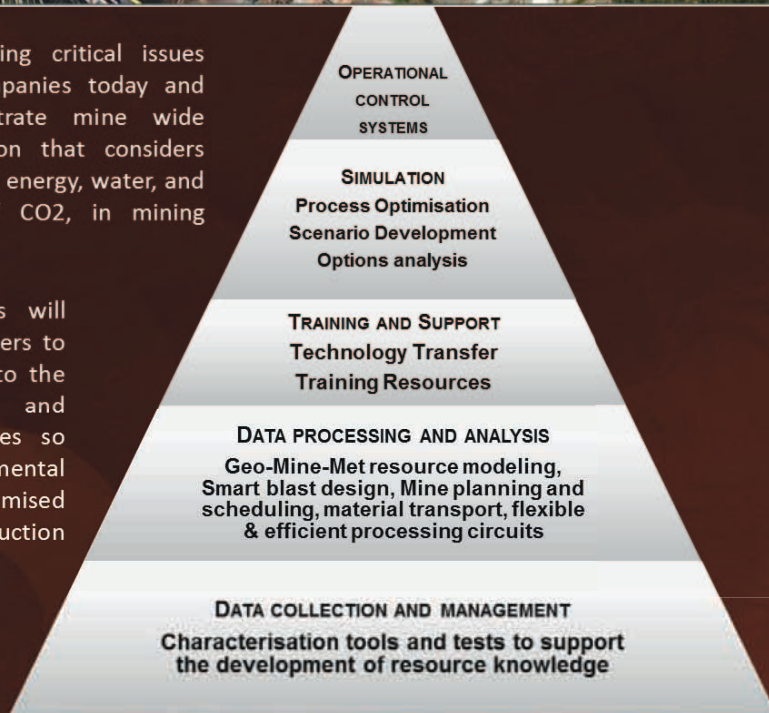
Transforming the mining industry's approach to evaluation and extraction of mineral deposits.

www.crcORE.org.au



CRC ORE is tackling critical issues facing mining companies today and aims to demonstrate mine wide process optimisation that considers the consumption of energy, water, and the generation of CO₂, in mining operations.

CRC ORE outputs will enable Site engineers to consider changes to the design, layout and operation of mines so the environmental footprints are minimised and metal production increased.



CRC ORE participants: The University of Queensland, AMIRA International, Anglo Platinum, BHP Billiton, Newcrest Mining, Xstrata, Queensland University of Technology, The University of Tasmania, CAE Mining, JKTech and the Quantitative Group.

Where is the industry heading?

Optimising Resource Extraction

CRC **ORE**

neuchâtel
partners

Draglines



Bulldozers



Scrapers



Hydraulic Shovels



Dump trucks



Blasting



Water



Fire



Thank you

This presentation can be downloaded from

www.neuchatel.com.au

Jonathan Loraine, Partner
March 2011