Resources in Regional Western Australia

MID WEST

CME

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August 2012

Message from the Chief Executive

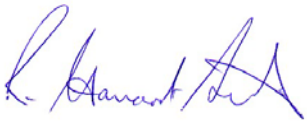
Worth over $107 billion in production value and generating $4.9 billion in royalties for the state, the resource sector makes a significant contribution to the Western Australian and the broader Australian economies.

As a diverse and highly prospective resources province, major commodities including oil and gas, iron ore, nickel, alumina and gold are being commercially produced in record volumes around Western Australia.

This resource sector activity is spread throughout the state, with flow-on benefits to many regional and remote communities. In addition to taxation requirements and royalties, resources companies are major employers and significant purchasers of a wide range of goods and services. They make voluntary contributions ranging from support of community activities to subsidising essential transport, medical and educational services on which regional communities rely.

Contrary to the perception of many, the resources industry has a small footprint on the land. The total cumulative area used for mining is estimated to be less than 0.17% of land in Western Australia and 0.07% of land in the Mid West. Access to land for exploration and mining purposes and support from the Western Australian community, are vital to ensure Western Australia continues to reap the rewards of its natural wealth for current and future generations.

This publication outlines some of the ways in which the Mid West resources sector contributes to the community – delivering economic, social and environmental benefits in ways which influence quality of life and development outcomes.



Reg Howard-Smith, Chief Executive

Key Statistics 2010/2011

In 2010/11, Western Australia's resources sector accounted for:

- Direct employment of 101,000 FTE[1]
- $107b sales value during the calendar year
- $4.9b in State royalties
- $4.2b mineral and petroleum exploration
- 92% of the State's merchandise export income
- Over $180b of resources projects are committed or under consideration over the next few years

The National context

- Mining (excluding oil and gas) contributed $2.4b in royalties and company tax[2]
- 46% of Australia's total merchandise exports
- 56% of total mining capital expenditure

Unless stated, data throughout is sourced from www.dmp.wa.gov.au (June 2012) and the Department of Minerals and Petroleum WA Mineral and Petroleum Statistics Digest 2010/11

[1] ABS, November 2011
[2] Deloitte Access Economics Reserve Bank MCA Quarterly Economic Brief, Winter 2011

About CME

The Chamber of Minerals and Energy of Western Australia is the peak resources sector representative body in Western Australia, representing the interests of over 200 member companies; accounting for over 95% of resource production by value in the State.

CME exists to champion the Western Australian resource sector and assist it in achieving its vision to lead the world in sustainable practice through innovation, and underpin Australia's position in the global economy.

CME works with members to build positive and mutually beneficial relationships between industry, government and the communities in which they operate.

CME in the Mid West

CME's member companies in the Mid West are the primary producers of regional value and employment generators. The Mid West region (including the Gascoyne) covers 610,000km^2, has 22 local government areas and a permanent population around 66,500; over half of which reside in Greater Geraldton.

CME's Mid West Regional Council works to promote greater awareness of the resource sector, proactively addresses regional issues and develops links with stakeholders.

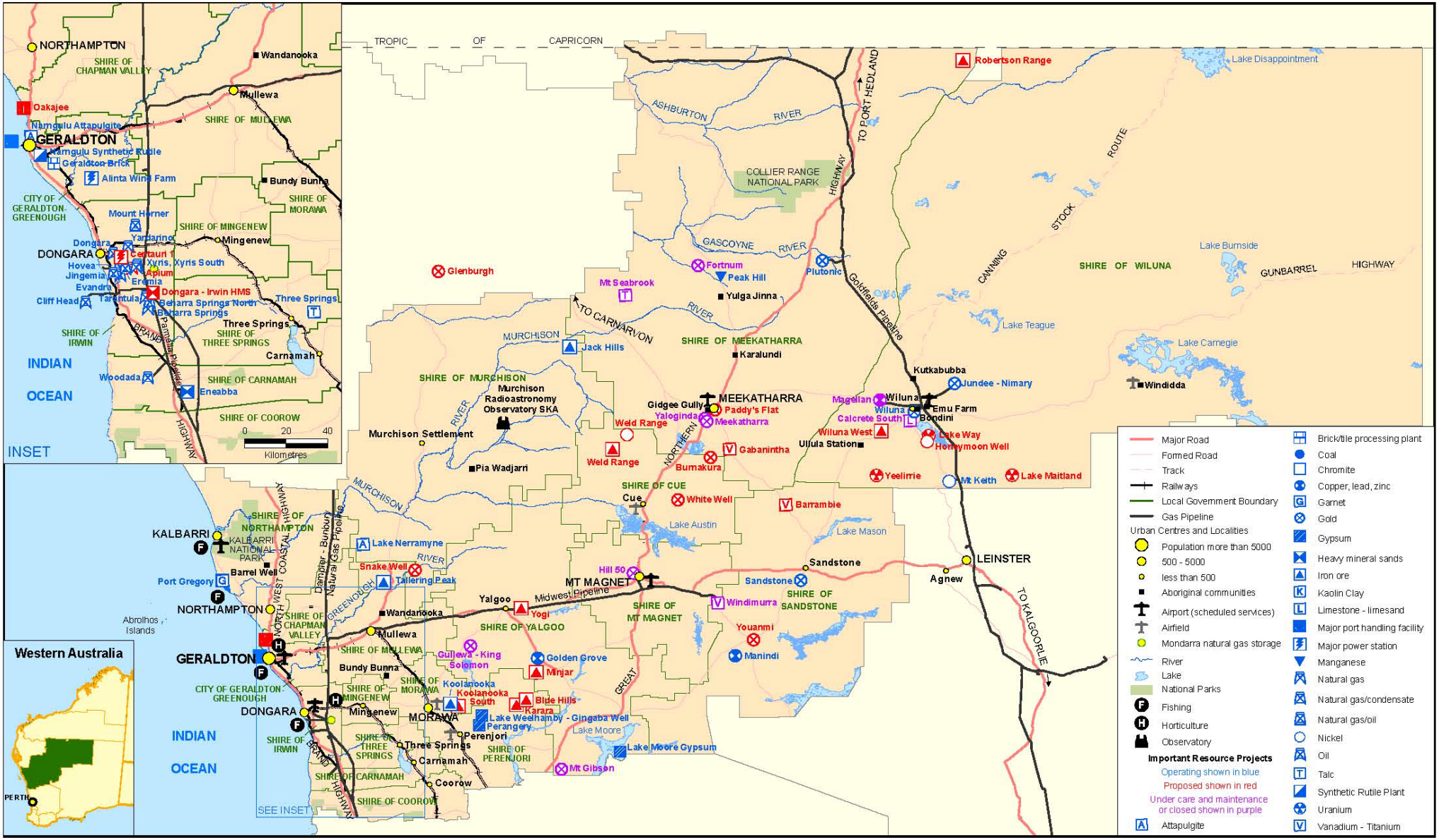
For more information see www.cmewa.com//In_the_Regions/Mid_West or contact Katherine Flower, k.flower@cmewa.com or telephone 9965 4903/0448 877 462.

CME Mid West member companies (production, development and exploration)

- Atlas Iron
- Crosslands Resources
- Doray Minerals Limited
- Flinders Mines Ltd
- Golden West Resources
- Gindalbie Metals
- Independence Group
- Iluka Resources
- Karara Mining
- Kentor Gold
- Magellan Metals
- Mount Magnet Gold
- MMG Golden Grove
- Newmont Asia Pacific
- Ramelius Resources
- Rio Tinto
- Shark Bay Resources
- Silver Lake Resources
- Sinosteel Midwest Corporation
- Toro Energy
- Tronox
- Xstrata Nickel Australasia

The Mid West membership also includes the Mid West Development Commission, Geraldton Port Authority, Oakajee Port & Rail, Brookfield Rail, Virgin, QR National Freight and Yamatji Marlpa Aboriginal Corporation; alongside other industry and service associate members; including transport, engineering, law firms, consulting companies etc.

CME



MID WEST REGION
KEY FEATURES

Government of **Western Australia**
Department of **Regional Development and Lands**

Government of Western Australia
Department of Water

This map is a product of the Department of Water, Spatial Services and was printed on 19/08/2009.

This map was produced with the intent that it be used for display purposes at the scale of [1:5000000] when printing at A4.

While the Department of Water has made all reasonable efforts to ensure the accuracy of this data, the department accepts no responsibility for any inaccuracies and persons relying on this data do so at their own risk.

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DATA DICTIONARY		
THEME	SOURCE	DATE
Cultural	Landgate	March 2009
Transport	Landgate / DMP	September 2008
Hydrography	Department of Water	August 2009
Tenure	Department of Conservation	June 2008
LGA Boundaries	Landgate	December 2006
Important Resource	DMP - Modified from	February 2009
Projects	MINEDEX Database	

Mining in the Mid West

A long history

Mining in the Mid West has a long history since Aboriginal people mined for ochre some 30,000 years ago. The Northampton area was home to the first commercial mines in the region with the Geraldine lead mine opening in 1849 followed seven years later by the Wanerenooka copper mine and in 1859 by the Gwalla copper mine.

In 1879, the first Western Australian Government railway opened between Geraldton and Northampton.

Gold

1891 saw the proclamation of the Murchison Goldfield, and between 1894 and 1896, almost 1,000 new Western Australian gold mining companies were floated on the London Stock Exchange.

The towns of Cue, Yalgoo, Sandstone, Mount Magnet and Meekatharra are synonymous in the history of gold mining in Western Australia where they reached their peaks of population and production in the early part of the last century.

Further development of the mining sector in the region was not notable until 1948 when talc was discovered at Three Springs by a local farmer.

Iron ore

With significant iron ore discoveries during the 1950's, the Federal Government was forced to lift an embargo on iron ore exports (designed to retain iron ore production for local industry use) in 1960 and approval was granted to allow companies to export up to 50% of their tonnages to Japan.

The Mid West produced Western Australia's first iron ore from a mine at Koolanooka, near Morawa. The first commercial shipment of 28,000 tonnes was dispatched to Japan in 1965 via Geraldton Port. Soon after, however, the size and grade of the Pilbara deposits overshadowed the Mid West region and mining ceased in the early 1970's.

As global demand for iron ore increased, work quickly commenced on developing projects within the Mid West with foreign investment joint-venture arrangements with both China and Japan.

In 2004, Mount Gibson Iron's Tallering Peak Hematite Operation commenced; and by 2005 there was a new group of iron ore aspirants in the Mid West. They were better positioned to progress their projects into production due to a collaborative approach to infrastructure management.

Crosslands Resources – Jack Hills Aerial View

2012 and beyond
In 2012, the Mid West is growing in significance as an iron ore producing region. Some 396 million tonnes of iron ore were exported in 2010/11, which constitutes 57% of the total value of WA's mineral and petroleum sales. Iron ore from the Mid West had total sales value of over $677 million (2010/11).

Future production will be bolstered by Karara's $2.5 billion project which will begin delivering some 8Mtpa of iron products in September 2012.

Other projects under construction and proposed for the region are listed on the back page.

Other commodities
Aside from the importance of iron ore, other commodities produced in the region include gold, copper, lead, zinc, nickel, cobalt, talc, gypsum, heavy mineral sands, chromite, manganese and silver. The Mid West is also likely to see uranium produced at Wiluna by Toro Energy in 2014.

Oil and gas
At least 15 commercial hydrocarbon fields have been discovered in the northern Perth Basin, of which Dongara is by far the largest, with original in-place gas of 14.3Gm3 and original in-place oil of 16.6 GL. Producing fields in the Mid West are Cliff Head, Dongara, Tarantula, Woodada, Beharra Springs, Xyris, Xyris South, Eremia, Evandra, Hovea, and Jingemia.

The 'value' of the Mid West
The value of resources production from the Mid West was over $2.67 billion in 2010/11.

Value of Minerals and Petroleum by commodity

Mid West region

Gold	$762,628,514
Iron ore	$677,345,596
Cobalt, Nickel and Talc	$531,586,041
Copper, Lead and Zinc	$449,640,567
Heavy Mineral Sands, Chromite	$197,956,325
Crude Oil and Condensate	$21,351,611
Silver	$19,368,681
Natural Gas	$14,886,610
Other	$ 4,297,109
Total	**$2,679,061,054**

Substantial economic contributions by mining companies, both directly and indirectly have a huge positive impact locally, regionally and nationally. They inject millions of dollars into the region through salaries and wages, payments of taxes and royalties to governments and through the support of local suppliers, contractors and other businesses.

The Karara mine is the most advanced iron ore project in the Mid West, and has, between June 2008 and July 2012, spent $220.8 million in the Mid West and employed 296 local businesses.

Although difficult to measure accurately, the indirect contribution of mining companies is often of greater value due to the multiplier effect of employee spending, payments to providers of goods and services, the circulation of taxes/royalties and reinvestment of company profits.

Environmental contribution
The Mid West resource regards responsible environmental management as a key priority. Even though mining in the Mid West only covers 0.07% of the regions area; robust environmental practices are adhered to and championed by the resource sector. Mining in Australia is governed by extremely rigorous environmental assessment and approval processes.

Recognising the high expectation of the public in this area, the industry strives to meet and exceed this through sustainable environmental practices, advocating for effective regulatory capacity and frameworks and responding to climate variations. The ongoing licence to operate, for companies in the sector, is contingent upon their effectiveness in meeting these expectations.

Social contribution to the Mid West

Relationships with local communities are vital to the resource sector's ongoing social license to operate. Companies continue to expand and strengthen alliances with community and non-government organisations, with the building of stronger local communities which are an essential consideration of future development.

To help sustain these important communities, resource companies operating in the region make voluntary contributions through community partnerships and initiatives in the areas of education, health, housing, sport and the arts.

CME and our member companies understand that we have a role in supporting our communities.

Some of CME's members in the Mid West outline their community contributions and programs in the following pages:

KARARA

The Karara mine is the biggest in scale and value; and most advanced iron ore project in the Mid West.

Karara enables development on a massive scale through:

- Developing regional infrastructure as part of the stage one mine development
- Developing 'soft and social ' infrastructure in the region which attracts population growth
- Promoting commercial development of local businesses to support broader development
- Providing confidence in the magnetite industry for other players to progress investment

Since 2010, Karara has established a relationship with local communities, contractors, local government authorities and the Mid West medical and education institutions, to ensure the needs of the Mid West and mining are met both now, and well into the future.

Karara Mining's community contribution is heavily skewed towards supporting long-term education, training and community health initiatives in the Mid West region. Some of these activities are as follows;

Training & Education

- High school and university scholarships
- Opportunity to secure graduate positions
- Training partnership with Durack Institute and Morawa Education Industry Training Alliance

Employment

- Forecast 2,000 man construction team at peak (12,000 individuals) and around 600 new Mid West direct and indirect jobs
- Long-term maintenance roles – for example QR employ 160 for stage one alone
- 296 Mid West business employed between July 2008 and June 2012
- $220.8 million has been spent in the Mid West between July 2008 and June 2012

Environmental Benefits

- Offsets package of $11.1m
- Rehabilitation of Badja Station
- Flora and fauna propagation programs
- Feral eradication, weed control, rehabilitation
- Biodiversity Reserve
- Solar technology trial for villages
- Recycling materials to senior schools

296 Mid West businesses engaged on the project to date:

- ***130 Geraldton based***
- ***42 Perenjori based***
- ***34 from Morawa***
- ***26 in Three Springs***

Sponsorship & Support

- Morawa art exhibition
- Mid West agricultural shows and events including Mingenew Expo
- Mingenew community water bore
- Housing generation for the Towns of Morawa, Perenjori and Mingenew
- Community Health Fund launch – underpinned by $300,000 investment
- 600 acre community farm on KML properties
- Karara infrastructure facilitating new mining /industrial developments

Geoff Wedlock Innovation Park

Long-term innovation development centre for mining and non-mining ventures. The masterplan has been developed with precincts allocated for:

- Aquaculture
- Poultry enterprises
- Threatened species propagation nursery
- Biodiversity reserve
- Agro-forestry
- Alternative energy development
- Threatened ecological community and remnant vegetation propagation (green corridor)

The Karara lifestyle: 30 mins flight from Geraldton. Accommodation villages offer high quality facilities including; 3G mobile coverage, internet accessibility, swimming pool, mini golf, tennis, cricket, gym and volleyball.

ILUKA RESOURCES

Iluka develop pre-employment and on the job training to assist Indigenous Australians gain employment across the company's operations. This is part of a native title agreement between the company and the traditional owners.

Iluka's community partnership program has a number of focus areas; emergency services, health and safety, sponsoring local projects or events that provide wide benefits to the community, biodiversity and community-led environmental initiatives.

Support of community projects, sports, the arts and charitable organisations that significantly improve the overall lifestyle of a significant number of people as well as providing facilities which are accessible to all members of the public and have the support of the community, are of high importance.

The program also considers funding education-based programs or events such as youth leadership, teamwork development and sustainable infrastructure projects that improve resources and infrastructure.

Other community initiatives Iluka is involved with include:

- Sponsoring the Geraldton Sunshine Festival
- Commenced two year funding contribution to the development of the Gingin Aquatic Centre
- A major supporter of the Midwest Gascoyne Football Academy under the Clontarf Foundation
- A major sponsor of the West Australian Ballet
- Provided three mobile interactive entertainment units for the Starlight Foundation
- Helped form a 'team for dreams' committee to make special wishes come true for young people.

IN BRIEF

MAGELLAN METALS (Wiluna)

Magellan donate $40,000 per year to the Ngangganawilli Aboriginal Health Service and support Constable Care Safety Foundation through sponsored football activities.

RIO TINTO MINERALS (Luzanec Talc Mine, Three Springs)

Community donations between 2008 and 2010 included over $56,500 for education and more than $24,500 for recreational purposes as well as funding for cultural activities and health services.

Rio Tinto talc mine at Three Springs.

MINERALS & METALS GROUP (MMG)

Golden Grove has a considered community investment program that is guided by the objectives of:

- Enhancing the employment opportunities for Indigenous people in the Mid West region
- Making a lasting contribution to the economic and social development of the Shire of Yalgoo
- Supporting existing cultural, sporting, and social activities that enhance the quality of life in our employees' home communities
- Contributing to regional economic, social and environmental planning in the Mid West region
- Demonstrating MMG's commitment to corporate social responsibility.

Golden Grove has established contractor relationships with a significant number of Mid West businesses and some 40% of the operational workforce resides in greater Geraldton. Initially established in 2006, a comprehensive partnership was established to deliver the successful Bayalgu Indigenous Pre-employment Training Program, aimed at improving Indigenous employment representation in the region while addressing projected skills shortages in the resource industry.

The program featured its first female intake in 2010 and also engaged a full-time Indigenous mentor; to assist participants through the program and for the following 18 months, and secure and retain long term employment. Some 69 trainees have completed the course with over 80% of securing employment upon completion.

Golden Grove is working to further extend its substantive investment in local communities through ongoing development of programs, partnerships and sponsorships such as:

- Strategic sponsorships and partnerships – Midwest Life Education, Geraldton PCYC Life Skills for Kids Program, Sunshine Festival Parade, Midwest Art Awards, Community Development Foundation (CDF) Passport Program in Yalgoo, Variety the Children's Charity Bike Ride, Yahoo Yalgoo and the Geraldton Australia Day Celebrations
- Yalgoo Small Gifts Program – supports Yalgoo community development/enhancement projects and events
- Employee Matching Grants Program – supports the voluntary contributions of MMG Golden Grove employees in their home communities
- Memorandum of Understanding with Shire of Yalgoo – includes investment in road maintenance, in kind support for Shire, financial support for community development position and the Indigenous Parenting Program
- Education Engagement Program – site visits for Geraldton high schools, values awards for Geraldton high school students, annual University Scholarships and financial support for leadership/team building activities
- Support of the Royal Flying Doctor Service
- A range of health, education, environmental and social sponsorships
- Sponsorship for a range of local sporting clubs and events.

Participants of the MMG 2010 Bayalgu Indigenous Pre-employment Training Program with Indigenous mentor Kingsley Bartlett (top row, second right).

SINOSTEEL

Sinosteel's community initiatives program supports social, cultural and sporting activities demonstrating the corporate ethos of working closely with the community and recognising the importance of nurturing community understanding of its activities.

A contribution of $25,000 was made to support the rollout of the School Passport Program throughout the Mid West Region in partnership with local schools and the Community Development Foundation. This initiative exchanges time spent volunteering in school to a range of purchases the child can make such as books, canteen, uniforms or excursion costs.

Sinosteel has been a corporate partner in Midwest Life Education since 2008 contributing $50,000 to extending the service across the Mid West to Mount Magnet, Yalgoo, Cue, Meekatharra and Morawa. This initiative helps educate young students and covers issues such as healthy food choices, sun safety, bullying and the effects of drugs.

Other local community commitments include:

- $12,000 towards re-printing Wajarri Wisdom - a book on bush tucker foods and medicines
- Geraldton Iron Ore Alliance Community Careers and Training Expo in Geraldton
- Major sponsorship of $3,500 to support Perenjori and Districts Agricultural Show
- Highly successful open days in Morawa and Perenjori

Sinosteel Corporation – Koolanooka Magnetite Joint Venture

CROSSLANDS RESOURCES LTD
Crosslands has supported Indigenous, community and educational projects since 2007 through the @Heart sponsorship program - designed to support local and sustainable initiatives within Meekatharra and Murchison, Cue, Mount Magnet, Yalgoo, Mullewa and Geraldton.

Some of the initiatives receiving support through this program include:

- Eastern Gascoyne Gymkhana Club
- Meekatharra School Breakfast Program
- Development of a strategic tourism framework for the Shire of Mount Magnet
- Geraldton City Band - Brass in the Bush
- Provision of essential equipment for the Geraldton Farmers Market
- Midwest Life Education - Rural Schools subsidy project
- Midwest Zone Polocrosse Association
- Motivating Mullewa District High School Students
- Midwest Golden Bowls Carnival
- Meekatharra Youth Awards
- Cue Primary School Newsletter
- Crosslands Midwest Junior Tennis Open

Crosslands Resources – Jack Hills working minesite

Current issues facing the Mid West

A recent KPMG study of fast growing towns in Australia put Geraldton at number seven, with a 2.4% population increase in the 12 months to June 2011. This growth has been driven by a range of forces, with the resource industry playing its part, alongside strategic positioning and location – it's the last town of any critical mass north of Perth. This growth is leading to an increased demand on services such as health, education, land and accommodation. The need for systematic regional planning has never been greater.

Port capacity

Geraldton Port

The Port of Geraldton is one of the most diverse regional ports in Western Australia and one of Australia's busiest. It can accommodate vessels with a maximum cargo capacity of up to 66,000 tonnes. The Port handles iron ore, grain, fuel, metal, mineral sand, talc, garnet and fertilisers. The problem of long period wave swell can lead to periods of closure at the port.

A major expansion project to upgrade Berth 5 to a dedicated iron ore facility was completed in 2008 and more recently in May 2012 a 5,000tph shiploader was winched into position at the new Berth 7 completing Karara's $250m investment, including a dual wagon tipper, train unloader and 255,000t storage facility.

Trade growth saw Geraldton Port reach 10 million tonnes per annum for the first time last financial year.

It is vital for the future development of the Mid West region that Geraldton Port is enhanced where possible. Planned arrangements regarding the cap on iron ore exports and transitional arrangements surrounding Oakajee need to be given more certainty.

Oakajee Port and Rail

To accommodate the region's iron ore producers and the development of other mines, 570km of new, heavy-haul standard gauge railway is proposed alongside the new deepwater port planned for Oakajee, 24km north of Geraldton. The Port will be backed by an industrial area of over 1,000ha being developed by Landcorp.

Current, expansion and new projects across the Mid West are searching for port capacity. Without enhancements to Geraldton Port, and the development of Oakajee, economic growth will be limited.

Designed to handle an initial 45 million tonnes of bulk exports every year, Oakajee would be one of the few natural deep anchorages on the Western Australian coast and the new port will accommodate 180,000 tonne cape size vessels. These facilities are proposed to be developed by Oakajee Port and Rail (OPR). Project planning, evaluation, engineering and regulatory approvals are well advanced. State and Federal Governments have committed funding contributions of $339m each towards its construction.

Earlier this year, Mitsubishi finalised the purchase of Murchison Metals 50% stake in OPR, increasing its interest to 100%. However, the project timetable is coming under increasing pressure, having originally been billed to commence this year, the State's 2012 budget indicated project commencement of 2017.

Talks between China and Japan have slowed and compounded by current political situations. Publicity around alternative 'options' add further uncertainty – leaving the Mid West with very little export capacity in the near future.

Roads
Severe pressure on the Mid West road network is a potential issue during the construction phase of major projects. Ongoing demands for supply, servicing, transport of products, together with the movement of mine workers and community members will place further stress on regional roads. An adaptive and responsive strategy from the Government is essential to ensure that regional roads are upgraded to meet these further demands.

CME has advocated for changes to the transportation of high and wide loads, and in April 2012; Main Roads WA announced that they would set up a one-stop-shop, allowing transport operators to make one application to Main Roads in order to obtain an Oversize Load Permit, book an escort and get a referral to Western Power for power line clearance. In addition eight problem powerlines on the Great Northern Highway will be moved underground in 2012/13.

Rail
Efficient rail transport is essential to the development of industry in the region and much is being done in this regard. Gindalbie recently completed connecting its Koolanooka and Karara developments via an 85km spur to the existing Geraldton–Mullewa–Morawa line, which was also upgraded as part of the process.

Brookfield Rail has commenced a $500m upgrade to significantly increase capacity of its existing rail infrastructure from Morawa through to Narngulu and QR National is investing $200m in rolling stock.

Oakajee Port and Rail are advanced in planning their heavy freight rail link to connect the proposed northern mines at Weld Range and Jack Hills with Oakajee Port, but the project is currently stalled (see above). It is anticipated additional rail lines will also be needed to transport products from new mine sites to Oakajee Port and these are expected to be provided by the private sector.

Skills
The skills shortage is an issue which has become increasingly prominent for the industry, regardless of location. The skills that are in demand are those located at the higher end of the spectrum such as engineers, geologists and metallurgists. CME's State Growth Outlook 2011 predicts an additional 9,000 workers are needed in the Mid West by 2015, representing an 80% increase on the 2009 workforce;

Planning needs to focus on education and training improvements, with particular emphasis on providing training facilities relating to the resource industry. In this regard, Durack's new $9b Resources Sector Training facility at Geraldton Airport will be key. It is anticipated construction on stage 1 will commence early next year, with the first intake of students in early 2015.

CME welcomes policy initiatives at Federal and State levels including enterprise migration agreements, commitment to training and focus on regional migration; but this remains a priority area for the foreseeable future.

Energy
CME's State Growth Outlook 2011 notes upcoming mineral and energy projects are likely to require approximately 0.8GW of additional electricity by 2015 – representing 20% of the State's new electricity demand. Approximately half of this could be purchased.

Forecast incremental electricity demand in this region is unprecedented, but the announcement in May 2012 that Western Power's double circuit 330KV electricity transmission line from Perth to Geraldton has begun construction, is critical to unlocking the Mid West's potential.

This project will deliver reliable supply to Geraldton's community and small businesses, numerous new Mid West mines, Geraldton Port and Oakajee Port and surrounding industrial developments.

It will allow renewable energy projects to feed into the grid and establish an environment capable of supporting radio-astronomy projects.

Stage 1 Pinjar to Three Springs is under construction with anticipated completion in 2014. Stage 2 continues onto Moonyoonooka but this element remains unfunded. Western Power report stakeholder consultations are ongoing at present.

Centauri I Power station
The proposed 168MW gas-fired power station, 8km east of Dongara has all the necessary regulatory approvals for development. Enneabba Gas in March 2012 released a statement saying they are assessing development options and joint venture opportunities for the project.

Water
Securing future water supply for projects in the Mid West is a priority for the sector. Uneven distribution of groundwater throughout the region is likely to lead to localised areas of scarce water resources, meaning projects sourcing suitable water long distances from their operations.

For this reason the Mid West Water Supply Strategy being drawn-up by the Department of Water, is an important document. The stakeholder consultation on this document has faced a delay until later this year - with the strategy now anticipated to be published in 2013.

Aviation
A network of Shire owned and operated facilities through to mine site private airstrips run throughout the region. Airport infrastructure is generally adequate to support resources development, with future air service competition necessary to ensure high quality and cost-competitive services.

There are significant initiatives planned for the City-owned Geraldton Airport. The development of a new Technology Park, significant new and additional car parking and the detailed planning and design for a 2700m runway with the capacity to accommodate Airbus A380 400-seat aircraft has the potential to develop Geraldton into a major logistics hub.

A Melbourne based development group has proposed a hotel complex at Geraldton airport with an eight-storey, 236 bed hotel, meeting and conference rooms, retail, food and beverage outlets. The proposal is supported by the City and discussions are ongoing.

FIFO

The City of Greater Geraldton is positioning itself as a FIFO hub. CME's State Growth Outlook 2011 found that 2% of the workforce currently FIFO and drive-in, drive-out of Geraldton, and this figure is expected to increase over the coming years as a result of labour intensive construction periods.

The importance of FIFO for resource projects is recognised nationally, where mobility in the workforce is paramount. Providing choice to workers is critical to the resource industry and the economy and reflects the need to attract and retain employees in a very tight market.

Support and recognition of this in the Mid West is important.

FIFO is a sustainable, accepted and proven work practice. Member companies are continually working to develop improved options that deliver greater flexibility for workers, and support positive outcomes for regional communities.

Land and housing

Land and housing remains affordable in the Mid West and Gascoyne. For the April 2012 quarter, REIWA indicate an average weekly rental of $330 ($420 in Perth metro, and a staggering $2,200 in the Pilbara) and a median house price of $365,000 in Geraldton ($469,000 in Perth and $830,000 in the Pilbara).

Over 69% of Mid West residents live in the City of Greater Geraldton[3]. Of approximately 3,650ha of current 'urban' land in Greater Geraldton, only 1,450ha (40%) is considered to be developed[4]. However, issues with availability of utility services to develop some of this land for release need to be resolved.

Land supply in Geraldton, and other regional areas in the Mid West needs to be carefully maintained to ensure there is adequate supply to meet new development demand.

Community infrastructure

Industry development as envisaged, together with increased population will generate higher demand. New and upgraded healthcare facilities will be required alongside upgraded and expanded sport and recreation facilities, child care facilities alongside capital investment in many of the regions' police stations.

CME wants to see sustainable regional centres and towns that support our industry and embrace our employees.

CME is working with stakeholders across the state to address these issues through our Regional Council and our various committees and working groups; to help shape the future of the region, support the resource sector and lead policy development.

For more information

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[3] Department of Regional Development and Lands, Mid West Profile 2011

[4] Planning WA, Greater Geraldton Structure Plan 2011

CME

Project name	Company	Location	Product	Status	Expected start-up	Cap. exp	Employment	
							Construction	Operation
Murchison	Kentor Gold	50 km S of Meekatharra	Gold	Under construction	August 2012	$15m		
Karara Project	Gindalbie Metals/Ansteel	220 km E of Geraldton	Iron Ore	Under construction	September 2012	$2.6b	500	130
DeGrussa	Sandfire Resources	100 km NE of Meekatharra	Copper	Under construction	late 2012	$390m	250	
Koolyanobbing	Cliffs Natural Resources	420 km NE of Perth	Iron Ore	Under construction	late 2012	$320m		
Coburn	Gunson Resources	250 km N of Geraldton	Mineral Sands	Under construction	2013	$180m	200	120
Murchison	Silver Lake	600 km NE of Perth	Gold	Under construction	2014	$65m		
Meekatharra	Reed Resources	S of Meekatharra	Gold	Awaiting financing	2012	$36m		
Andy Well	Doray Minerals	45 km N of Meekatharra	Gold	Feasibility study underway	2013	$55m		100
Lake Maitland	Mega Uranium /JAURD	130 km SE of Wiluna	Uranium	Pre-feasibility underway	2013	n/a	450	180
Wiluna Uranium Project	Toro Energy	17 km SE of Wiluna	Uranium	EIS underway	2014	$280m	350	170
Eradu Iron Project	Ferrowest	14 km E of Yalgoo	Iron Ore	Pre-feasibility under way	2014	$720m		
Barrambie Vanadium project	Reed Resources	64 km NW of Sandstone	Vanadium	Feasibility study completed	2014	$489m	400	250
Extension Hill	Asia Iron Holdings	330 km SE of Geraldton	Iron Ore	Govt approval received	2014	$2.9b	2000	500
Jack Hills project (stage 2)	Crosslands Resources	380 km NE of Geraldton	Iron Ore	Feasibility study underway	2014-15	$2b	450	350
Dongara	Tiwest JV (Tronox/Exxaro)	Eneabba	Mineral Sands	Pre-feasibility completed	2015	n/a		
Wiluna West (stage 1-3)	Golden West Resources	40 km W of Wiluna	Iron Ore	Pre-feasibility underway	2016	n/a		
Central Murchison	Westgold Resources	W of Cue	Gold	Feasibility study underway	2016	$100m		
Cosmos Project	Xstrata Nickel Australia	50 km N of Leinster	Nickel	Feasibility study underway	n/a	$147m		
Gullewa (Deflector)	Mutiny Gold	200 km E of Geraldton	Gold	Feasibility study underway	n/a	$52m		
Oakajee Port & Rail	Oakajee Port and Rail (MurchisonMetals/Mitsubishi)	20 km N of Geraldton	Infrastructure	Feasibility study underway	n/a	$5.9b	2500	250
Yogi Mine Project	Ferrowest	14 km E of Yalgoo	Iron Ore	Pre-feasibility underway	n/a	n/a		
Weld Range	Sinosteel Midwest	370 km N of Geraldton	Iron Ore	On hold	n/a	$2b	1020	850
Perseverance Deeps	BHP Billiton	10 km N of Leinster	Nickel	On hold	n/a	$490m		
Yeelirrie	BHP Billiton	500 km N of Kalgoorlie	Uranium	On hold	n/a	n/a	650	300

* This is not an exhaustive list. Source: Bureau of Resources and Energy Economics, Mining Industry Major Projects April 2012.