



A Snapshot of the Kimberley Resources Industry

The Western Australian Department of Mines, Industry Regulation and Safety (DMIRS) regulates the mining, oil and gas resource industry in WA.

DMIRS regulates environmental, health and safety standards in the resources industry, including dangerous goods (fuel bowzers, commercial gas storages, fireworks, etc.) in the community.

The department's Geological Survey of Western Australia (GSWA) undertakes scientific research across the State to gain greater geological knowledge about areas such as the Kimberley. GSWA field scientists interpret the geology and produce maps and data about WA's geological evolution.

Resource companies mine materials which produce products that the community needs, such as energy and fuel, electronics equipment (screens, batteries, motors), healthcare (artificial joints, sunscreen), construction (metals, paint, rock, sand), agriculture goods (fertiliser, gypsum) and a host of personal items like cosmetics and ceramics.

In 2015–16:

- Despite a downturn in commodity prices, the value of WA's mineral and petroleum sales was \$88 billion, or 56 per cent of Australia's total resource sales.
- 80 per cent of this production was from minerals and 20 per cent from oil and gas.
- Iron ore was 71 per cent of mineral sales.
- Mineral resources are owned by the community and royalties are the "purchase price" the State Government charges resource companies for the minerals they extract. In 2015-16, \$4.6 billion was collected in royalties for WA.
- Mining directly employs 102,000 people in WA.
- Mining tenements cover 15 per cent of the State.
- WA produces more than 50 different minerals from 111 major mining projects (each producing more than \$5 million in production value) and 48 operating oil and gas fields.



VALUE OF RESOURCE PRODUCTION BY SHIRE IN THE KIMBERLEY IN 2015-16 WAS \$0.6 BILLION (the Pilbara was \$48.4 billion):

- Wyndham-East Kimberley: \$352 million
- Halls Creek: \$192 million
- Derby-West Kimberley: \$75 million
- Broome: \$5 million

VALUE OF RESOURCE PRODUCTION BY COMMODITY IN THE KIMBERLEY IN 2015-16:

- Diamonds and crude oil: \$359 million
- Nickel, copper, cobalt: \$166 million
- Iron ore: \$66 million
- Gold, silver and gemstones: \$25 million
- Construction materials: \$8 million

MAJOR KIMBERLEY PROJECTS

EXISTING PROJECTS:

- **Ungani oilfield (halfway between Broome and Derby, south east of the Great Northern Highway):**
 - Operated by Buru Energy, commercial oil production started in July 2015 and is currently being produced and transported out of Wyndham port.
- **Koolan Island, located 130km north of Derby in Yampi Sound:**
 - Mining of high grade iron ore was undertaken by BHP from the mid 1960s, and more recently by other companies. It is currently under care and maintenance.
- **Cockatoo Island, located 130km north of Derby in Yampi Sound:**
 - Cockatoo Island produced high grade iron ore by BHP in the early 1950s, then more recently by other companies. It is currently under care and maintenance.
- **Nicholson's Find project, on Lamboo Station, about 40km south west of Halls Creek:**
 - Operated by Halls Creek Mining Pty Ltd, Nicholson's Find produces gold, with workers commuting daily from Halls Creek.
- **Savannah project, about 110km north of Halls Creek on the Great Northern Highway:**
 - A nickel-producing mine operated by Panoramic Resources Ltd, with product trucked to Wyndham Port. The project is currently under care and maintenance.

- **Argyle Diamond Mine, south west of Lake Argyle, and about 120km south west of Kununurra:**
 - Operated by Rio Tinto, the mine has been operating since 1983 and produces, among others, the well-known pink diamond.
- **Ridges Mine, just off the Great Northern Highway, and about 110km south west of Kununurra:**
 - Operated by Kimberley Metals Group, Ridges produced iron ore, which was trucked to Wyndham Port and loaded by barge onto ships. The Ridges mine is currently under care and maintenance.

NEW PROJECTS:

- **Thunderbird mineral sands project (halfway between Broome and Derby, north west of the Great Northern Highway):**
 - Sheffield Resources is currently going through environmental approvals and Native Title processes and plans to start works during 2017, with first production planned for some time during 2019 and a mine life of more than 40 years.
 - Mineral sands are used for paints and plastics, ceramics, sunscreen, toothpaste, artificial joints and welding rods.
- **Brown's Range project, about 170km south east of Halls Creek:**
 - Being developed by Northern Minerals, an initial pilot plant is under construction and is scheduled to be producing in 2018, which will allow assessment of the feasibility of a larger full-scale development. The project aims to produce the heavy rare earth dysprosium, which is used in hybrid and electric vehicles, as well as other high-end technology applications.

Exploration is an essential part of the resource industry and in 2015-16, 61 per cent of Australia's total mineral exploration was undertaken in Western Australia, worth \$871 million. Travelling around the State, you might see evidence of exploration, such as fresh sample bags or capped drill holes. DMP also regulates this section of the industry so if you see something on your travels that doesn't look right, get in contact with the department, which will investigate.

Prospecting for gold can be a great pastime and for a one-off fee of \$25 you can get a Miner's Right. However, old mine workings, while part of the heritage of Western Australia, can be dangerous. For your own safety, stay well away from old mine sites.