



State wants more uranium mines

By Tania Winter

If the turnout at this year's Australian Uranium Conference – held last month in Western Australia – is anything to go by, South Australia is very much open for business.

PRIMARY INDUSTRIES AND Resources South Australia's executive director of minerals and energy, Dr Paul Heithersay, and SA politician Tom Kenyon (the Member for Newland) both attended the event.

Kenyon, who referred to himself as the "spruiker at large from South Australia", said the state wanted companies to explore and mine uranium, building on those mines already in operation at Olympic Dam (owned by BHP Billiton Ltd), Beverley (Heathgate Resources Pty Ltd) and Honeymoon (Uranium One Inc).

With the introduction of its Program for Accelerated Exploration (PACE) initiative during 1994, the state has experienced a flurry of exploration activity, with spending increasing 10-fold to \$330 million.

In terms of base metals, Terramin Australia Ltd's Angas mine recently started production and OZ Mineral Ltd's Prominent Hill operation can't seem to put a foot wrong.

On the gold front Dominion Mining Ltd's Challenger mine continues to grow, while Exco Resources NL's is hoping to

start production at its White Dam project next year.

Iron ore is also gaining traction, with IMX Resources NL's Cairn Hill magnetite, copper and gold deposit advancing, along with OneSteel Ltd's Middleback Range hematite and magnetite play.

And in the mineral sands arena there is Iluka Resources Ltd with its Jacinth-Ambrosia deposit and Australian Zircon NL with its Mindarie operation.

"I think the number of companies taking up ground in South Australia in the eight years I have been with the government is nothing short of remarkable," Dr Heithersay remarked.

"At the moment we have about 30 projects in the pipeline and our target is to have a six month permit process turnaround, and on average we are achieving that."

Competitive spirit

To attract development, the SA government has also lowered its royalty regime to 1.5% for the first five years, after which it increases to 3.5%.

"We also have the best precompetitive data in the country, and have had for a very long time," Dr Heithersay added.

"As part of the PACE program, we are doing a tremendous amount of work with the University of Adelaide, particularly in the areas of skills training and apprenticeships."

This year the SA Government has committed \$3.5 million as ongoing funding towards PACE, while the Geological Survey has a budget of \$5 million, with a further \$3 million on regulation.

In the future, Dr Heithersay said the department would be looking at extending its magnetic and gravity surveys into even more remote areas of the state, particularly in the far west and north.

"When we had a good hard look at the data, we realised that some of the magnetics and the gravity done over the state was undertaken in the 1970s on pretty wide spacing," he explained.

"So we will be embarking on a prospectivity analysis on some of these areas.

"Because we do have such great geophysical datasets, we will embark on a drilling campaign to collaborate some of these big anomalies and structures so we know what they are.

"The other thing we are doing is extensive seismic surveys.

"One will be flown from Victoria into SA and the other from the Gawler Craton through to the Musgrave Block in the Northern Territory.

"That will give us 3D information and we will build 3D models around that, providing us with a comprehensive 3D geology of the state, with new holes in key areas to collaborate numbers."



SA spruiker
Tom Kenyon



Dr Paul
Heithersay



Iron ore is gaining traction in SA as evidenced by work at IMX Resources' Cairn Hill project.