

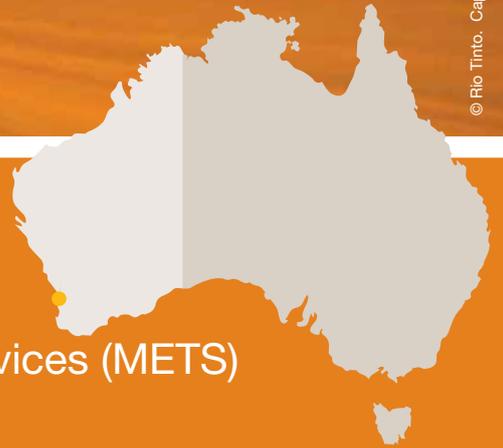


© Rio Tinto. Cape Lambert – conveyor equipment recycling fine ore from lump ore.



# Invest in the West

Mining Equipment, Technology and Services (METS)  
in Western Australia



By 2020-2021 the value of Australia's resources exports is projected to reach AU\$208 billion.

Western Australia accounts for over 25 per cent of the AU\$90 billion Australian METS industry.

Western Australia is one of the world's greatest mineral provinces with over 500 commercial projects across 50 different minerals and nearly 1,000 operating mine sites.

For five commodities, including iron ore, the State produced more than 10 per cent of the world's total production in 2015. The State is a significant operating base for the world's largest diversified mining companies and a global leader for specific commodities.

Over 200 international mining and related supply chain companies are active in Western Australia.

## WESTERN AUSTRALIA FAST FACTS

- Western Australia, with a population of 2.6 million people, is a regional centre for servicing mining projects
- Production of 50 different minerals from nearly 1,000 operating mines
- Annual resource exports valued at AU\$89 billion
- 41 per cent of Australia's total merchandise exports
- AU\$5.1 billion mineral projects under construction or committed and AU\$23.6 billion under consideration

## Western Australia's Commercial Environment

Western Australia hosts:

- The shortest travel times from an Australian State capital to most Asian and Indian Ocean markets
- A shared time zone (plus or minus 2 ½ hours) with almost 60 per cent of the world's population in the emerging economies of Asia. Among these countries are Western Australia's key economic partners, including China, Japan, South Korea and Indonesia which together accounted for 92 per cent of all Western Australian merchandise exports in 2015.
- Longstanding business links with China, Japan, India, Korea and South East Asia
- A transparent regulatory framework and simplified investment procedures
- Historic success as a reliable supplier of mineral and energy products.

Over a third of all Australian Stock Exchange listed companies are based in Perth, with almost 80 per cent of these operating in the energy and resources sector.

Western Australian resource companies account for about 70 per cent of all Australian companies active in Africa, Latin America, Central Asia and South East Asia.

## Western Australia's Economic Credentials

Western Australia has averaged annual economic growth of 5.3 per cent over the past decade due to its capacity to attract, develop and operate some of the world's largest mineral and energy projects. AU\$844 million was spent on minerals exploration in 2015, accounting for 59 per cent of Australia's total.

In 2015, minerals and petroleum contributed 87 per cent of the State's merchandise exports. Iron ore and gold were the State's largest mineral exports (AU\$48 billion and AU\$14 billion), and petroleum exports were valued at AU\$15.5 billion.

Iron Ore is Western Australia's largest commodity, with the State accounting for:

- 27 per cent of world economic resource
- 49 per cent of global exports, or 697 million tonnes
- 37 per cent of world production
- The value of Western Australia's resource sales increased by over 131 per cent from AU\$39 billion in 2005 to AU\$91 billion in 2015.



Rio Tinto Mine of the future – Iron Ore operational Control Centre Perth

The value of Western Australia's resource sales increased by over 130% in the decade 2005-2015 (AU\$49.5 billion to AU\$91.3 billion). The volume of the State's resource production had global market shares as in figure 1 below:

### World Minerals Production (2014)

Commodity	WA	Australia	World	WA % of world
Iron ore (Mt)	741	751	2,030	37
Garnet (000t)	283	290	1,660	17
Diamonds (Mct)	13	13	125	10
Alumina (Mt)	14	41	115	12
Zircon (000t)	195	500	1,410	14
Nickel (000t)	174	174	2,530	7
LNG (Mt)	20	29	245	8
Gold (t)	193	283	3,000	6
Rutile (000t)	40	144	480	8
Ilmenite (000t)	449	720	5,610	8

## Perth's Role as a Global Resource Centre

Western Australia's resource developments are supported by a strong and innovative local METS sector, comprising:

- Headquarters for nine of Australia's top 20 METS companies
- More than 650 METS companies (one-third of Australia's total), approximately 30 per cent of which are active internationally. Half of WA METS companies also service the oil & gas sector.
- The greatest diversity and concentration of service providers for metal ore mining and non-metallic mineral mining in Australia

In addition to a well-developed local METS industry, over 200 international mining and related supply chain companies are active in Western Australia and more than 100 of them have established regional bases in Perth.

Global mining companies access the State's METS expertise in numerous fields, including: remote control technologies and automated system solutions; airborne and ground geophysics and GPS positioning; exploration and 3D mine design software including mine production management and control and data management solutions; metallurgical, mineral and chemical process design, development and engineering.

## Innovation

Perth is a centre of scientific and technological innovation, driven by the needs of the resources sector.

Western Australia hosts technology divisions of world mining and METS-focused companies, and numerous research institutes have R&D centres in the State:

- One of three Rio Tinto Technology & Innovation (T&I) Groups and its Remote Operations Centre
- One of three BHP Global Technology Centres and its Integrated Remote Operations Centre
- Alcoa Technical Delivery Group (TDG) which develops innovation for the global company
- IBM Natural Resources Solution Centre for Mining
- BASF Global R&D Centre for Mining Solutions
- Outotec Global Competence Centre for Grinding Technologies, after acquiring Scanalyse
- ThyssenKrupp Industrial Solutions and its facility for mining solutions
- Government/industry/university partnerships (e.g. Australian Resources Research Centre – ARRC – comprises CSIRO, Western Australian Government, Curtin University and University of Western Australia).

Perth is also a global oil and gas hub which offers capabilities at the intersection of mining and METS research.



## Cultural Diversity

Western Australia is one of Australia's most culturally diverse States with over a third of its residents born overseas - the highest proportion of all Australian capital cities. Migration has added diversity to the population giving Western Australia a competitive edge in its international linkages.

Today the State's social diversity includes:

- people from more than 190 countries
- approximately 270 spoken languages and dialects
- more than 130 religious faiths

Traditionally its people were from the United Kingdom and Europe, followed by migrants from South-east Asia and the Middle East. More recently migrants from South Asia and Africa have made Western Australia their home.

## A Dynamic Lifestyle and Location

Perth is consistently ranked amongst the world's top ten most liveable cities by the Economist Intelligence Unit – the highest for all major resource cities in the world. The city offers a relaxed, friendly and outdoor lifestyle with modern infrastructure, health and education facilities and leisure and cultural activities.

Western Australia covers an area of 2.5 million square kilometres (3.5 times the size of Texas), and has a pristine coastline stretching 12,900 km. Perth's Mediterranean-style climate averages eight hours of sunshine a day.

Perth is serviced by 18 international and 12 domestic and regional airlines connecting travellers to over 110 destinations globally and Australia-wide. Along with this, Western Australians continue to enjoy one of the highest weekly earnings, about 10 per cent higher than the national average. Perth is also Australia's western gateway to the world's most dynamic and emerging economies in Asia, with over 4 billion in population.

Information current as at September 2016.

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