



Prospector

INTERNAL MONTHLY UPDATE

Minerals Strategy Consultation Welcomed

The Australian Mining Cities Alliance (AMCA), a collaboration of local governments from around Australia, commended Prime Minister Anthony Albanese and his Government on the recent announcement of their commitment to establish a new Critical Minerals Strategy.

AMCA Deputy Chair Anne Baker (Mayor of Isaac Regional Council) particularly welcomed the Federal Government's commitment to consult with community stakeholders.

"The Prime Minister's commitment to consult with community stakeholders in the development of the Critical Minerals Strategy is greatly appreciated and AMCA stands ready to assist the Government in this important initiative," Cr Baker said.

"The opportunity for Australia to be a supplier of natural resources, technology and manufacturing to satisfy the global needs to meet climate change objectives is patently clear.

"Government, industry and the community will need to work together to ensure that our nation secures its place in meeting global needs.

"That is why it is so heartening that the Prime Minister will consult with communities in doing so.

"However, it will not be sufficient for the Government to simply engage with the capital city masses.

"Consultation will need to be constructively and meaningfully inclusive of those who have the greatest stakes, even though they may be fewer in number.

"Commitment to the Traditional Owners is right and proper. Such respect for those who have undeniable rights is essential.

"We implore the Government to also respect the people who live in the communities that will be impacted by this major growth in mining for critical minerals.

"They will see their cities and towns change. They will have to accommodate the invasive effects of exploration.

"They will have to adapt to impacts on their infrastructure and their services as non-resident populations



AMCA Deputy Chair and Mayor of Isaac Regional Council, Anne Baker.

come and go.

"And ultimately they will have to sustainably support the mining operations that will change their communities for many decades to come, if not forever.

"All we ask is that the Government includes us in their consultation."

Prime Minister Albanese announced the new National Critical Minerals Strategy would be developed in consultation with industry and community stakeholders, including Traditional Owners.

"Australia has some of the world's largest reserves of critical minerals and a new National Critical Minerals Strategy will set out a clear vision for the sector," Mr Albanese said.

He said the Strategy would complement other Government initiatives, including the National Battery Strategy and the Electric Vehicle Strategy.

"The National Reconstruction Fund will include the \$1 billion Value Adding in Resources Fund which will work alongside the \$2 billion Critical Minerals Facility," he said.

"These initiatives will expand Australia's mining science technology capability, diversify supply chains, create local jobs and help drive growth in the critical minerals sector including rare earths – a key component of low-emissions technologies, such as batteries, electric vehicles and solar panels."

ADVOCACY WRAP-UP

• **ENERGY TRANSITION BILL:** This Bill proposes the establishment of a national authority to oversee the extraordinary transformation of the resources sector, its workers and its communities. AMCA's submission emphasises the need for engagement with affected communities and offers itself as a potential connector for this into the future.

• **'IRON BOOMERANG PROJECT' INQUIRY:** Let's build a railway across the north of Australia and steel mills at each end. Then let's send coal westward and iron ore eastward instead of overseas. Then let's export steel instead of ore. This bold project is the subject of a Senate Inquiry and AMCA's submission cautiously supports the concepts but questions the viability.

• **CLIMATE CHANGE BILL:** Further to the submission to the Senate Inquiry, letters to relevant Senators, Ministers and Shadow Ministers and meetings with them in Canberra in September, follow-up correspondence has been sent to those who did not respond.

• **2023 FEDERAL BUDGET CAMPAIGN:** The Board will consider the draft advocacy campaign at its next meeting.

NEGOTIATIONS CONTINUING

As approved by the AMCA Board in September, negotiation has continued with the Minerals Council of Australia on potential areas for collaboration into the future, including:

- Region-specific Transition/Transformation Planning Framework – including climate change responses and other impacts on specific regions
- Broader Sustainability for Industry and Communities (TSM) – including social, economic, and environmental initiatives
- Skills Development and Training – including vocational and higher education, and supporting regional placement positions and upskilling.

Resources Spend Up \$1b

A new report has confirmed the growing contribution of Queensland's resources sector to the state's economy, well beyond the billions of dollars in royalties and taxes it generates for the Queensland and Federal Governments.

A Queensland Resources Council (QRC) report shows the amount of money spent by mining and energy companies on local goods and services rose by \$1 billion, or 4 per cent, in 2020-21 to reach \$27.7 billion.

QRC Chief Executive Ian Macfarlane said the report was an important measure of the commitment of member companies to supporting local businesses and supply chains in the regions in which they operate across Queensland.

"The \$27.7 billion spent locally in 2020-21 means resources companies operating in Queensland are now spending a record 82 per cent of their total procurement budgets in this state, which is a great outcome," he said.

"This means the benefits flow through to everyone, from the companies providing and servicing the big mining machinery to the local food store providing catering for functions and conferences that a resources company might host."

Macfarlane said while taxes and royalties from resources companies help governments pay for hospitals, schools and essential services, the report shows how important the sector is to supporting local jobs and

economies, particularly in regional areas.

"Nearly half the total spend on goods and services by our sector was spent outside the Greater Brisbane area and provides tremendous flow-on benefits in those communities," he said.

"It has also been very encouraging to see Queensland businesses stepping up to overcome many of the supply-chain issues caused by the COVID pandemic to meet the growing demands of resources companies.

"This has enabled our sector to continue operating at full production, which has kept the Queensland economy strong during the fall-out of the global pandemic."

NEWS IN BRIEF

• The AMCA Board meets in Karratha this month, with long-distance travellers from east and south and a few participating by videoconference. It will be an opportunity for Directors to see this region and understand its opportunities and its challenges, and is critical for AMCA's advocacy work.

• Toni Keown has handed the baton to Simone Cruickshank (Management Accountant at City of Kalgoorlie-Boulder) who is to be formally appointed Treasurer by the Board this month. Thanks again Toni and welcome to Simone – we look forward to working with you.

• Virginia Miltrup (CEO of City of Karratha) and Dale Dickson (interim CEO of Mount Isa City Council) have both recently commenced their new roles. Both have impressive resumes and will offer sound leadership and solid management of their respective organisations. The AMCA also welcomes them as new Directors and looks forward to their contributions in the future.

• Outgoing CEO of Mount Isa City Council, David Keenan has commenced his new role as CEO of Scenic Rim Regional Council in south-east Queensland. Thank you David for your work at Mount Isa and for your solid contribution to AMCA's development and operation.

Updated Agreement With Traditional Owners

Rio Tinto and the Yindjibarndi Aboriginal Corporation (YAC) have signed an updated agreement aimed at strengthening ties and delivering improved social and economic outcomes for the Yindjibarndi people in WA.

The updated agreement, which will be delivered as part of Rio Tinto's commitment to modernise its relationships with Traditional Owners, was signed on November 9 on Yindjibarndi Country at Jirndawirrinha.

"The partnership will help build resilient and prosperous communities, strengthen our spiritual and cultural heritage and, through strategic business partnerships, create a successful economic model for self-determination for the Yindjibarndi Nation that can endure for generations to come," YAC chief

executive officer Michael Woodley said.

One of the mining giant's rail networks runs through Yindjibarndi Country, connecting its Pilbara mines to ports at Cape Lambert and Dampier. Rio Tinto has held a Participation Agreement and Indigenous Land Use Agreement with the Yindjibarndi people since 2013.

Part of the agreement includes support for YAC to deliver the outcomes of its 3C Strategy, which is focused on developing community, commercial and culture projects and programs to assist YAC to fulfil its aspirations of self-determination.

These programs support the Yindjibarndi people's aspirations to build capacity and capability, and support initiatives that will preserve, sustain and celebrate culture.

'Megatrends' to Benefit Portfolio of The Big Australian: Chair

The Big Australian explored a number of themes at its recent annual general meeting (AGM).

BHP chair Ken MacKenzie highlighted the fact the miner's portfolio is positioned to benefit from several so-called megatrends.

"The changes we have made across BHP align your company with the megatrends of decarbonisation, population growth, and demand for higher standards of living," he told shareholders.

The world's ongoing push for

decarbonisation is especially relevant for BHP, which is poised to take advantage with its considerable stable of future-facing critical minerals.

"According to our modelling, to deliver our Paris-aligned 1.5°C, the demand for copper, nickel and steel will grow to enable the infrastructure and products required for the energy transition," MacKenzie said.

BHP chief executive officer Mike Henry also highlighted the company's decarbonisation

credentials.

"We are confident the fundamentals of decarbonisation, population growth, rising living standards and urbanisation will drive demand for the commodities in our reshaped portfolio for decades into the future," he told shareholders.

Henry also used the AGM to raise his concerns about new workplace laws, saying multi-employer bargaining is not appropriate for the Australian mining sector, which is already home to very high wages.