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Olympic Dam: SA copper target to feed global demand

Valerina Changarathil, The Advertiser

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BHP's [Olympic Dam mine](#) "is going to do a lot of the heavy lifting" as SA remains on track to meet its ambitious copper production target of one million tonnes by 2030, a mining conference in Adelaide was told on Tuesday.

“We are blessed with Olympic Dam — one of the richest ore bodies in the world,” Paul Heithersay, chief executive of the Department of Energy and Mining from July 1 told attendees at the Copper to the World conference.

“BHP is developing the Southern Mine Area (SMA), the main part of the Olympic Dam ore body. It’s going ahead in leaps and bounds.

“We have set ourselves a target of producing a million tonnes of copper by 2030. It’s an ambitious target but it’s material on the global stage.”

Mr Heithersay said the production numbers since the strategy was put in place in 2015 showed the state was on track, but dependent on BHP unearthing most of its remaining 70 per cent Olympic Dam resource.

BHP’s multimillion dollar investment to [revamp its smelter in 2017](#) had reduced a production bottleneck which now allows them to expand much more quickly.

“It’s going to do a lot of the heavy lifting (on the copper target) because it’s such a fabulous ore body and very very high grade.

“Average grade at Olympic Dam is 1.5 to 2 per cent — that’s a lot higher than 0.5 per cent average around the world right now,” he said.

Copper was first produced at Olympic Dam in 1988, but the main part of the ore body is only just being targeted through the expansion of the SMA.

[BHP](#) has already announced a staged expansion plan, investing hundreds of millions to take production from about 135,000 tonnes in 2018 to 450,000 tonnes by 2024.

“About 70 per cent of the ore body at Olympic Dam is still available to be developed,” said Claire Halsey, Olympic Dam’s general manager of integrated operations.





📷 08/02/2018 The smelter in action at Olympic Dam mine site 600km north of Adelaide. Kelly Barnes/The Australian

“Technology and innovation are the keys to unlocking our future potential, combined with disciplined capital investment and continuous optimisation,” she said.

The pursuit of better safety and productivity had led to the introduction of the site’s first electric vehicle and wireless load monitoring bolts to improve monitoring and maintenance at its Svedala Mill which grinds huge rocks to a fine powder ready for flotation where copper, uranium, gold and silver minerals are separated.

“Innovation is about the continuous pursuit of better safety for our people and greater productivity for our business.

“For Olympic Dam and BHP as a whole, any gain we can make in those two key

areas will improve our competitiveness and outlook for the future, at a time when

the demand for our core product is on the rise,” she said.

In addition, OZ Minerals’ Prominent Hill expansion, “very exciting” Carrapateena development, Hillgrove’s Kanmantoo mine in the Adelaide Hills and “projects coming along the curve” like Rex Minerals’ Hillside development and Havilah’s 100 million tonne maiden ore reserve at Kalkaroo all augured well for SA to feed into the high global demand for copper.

Ongoing work by the government also indicates the Middleback Ranges — an iron ore province — as a “key place to go and look for copper”.

Whyalla Steelworks owner Sanjeev Gupta, who owns iron ore mines in the area, last month said he was looking at the potential for a copper smelter at Whyalla.

Copper is currently exported from SA as copper plate — produced at BHP’s Olympic Dam mine, and copper concentrate, from BHP and OZ Minerals’ Prominent Hill mine, and from next year, its Carrapateena mine.



 Olympic Dam expansion - new smelter in operation.

Mr Gupta’s is studying using cheap power from his proposed hydro and solar projects to process the copper concentrate for exports.

The conference also heard majority of copper demand growth is happening in Asia — especially China — through increasing levels of electrification and transport infrastructure, demand for key consumer goods and the rising use of electric vehicles and renewable technologies.

Mining and Energy Minister Daniel Van Holst Pellekaan said the government will continue efforts to promote South Australia as attractive jurisdiction to develop and invest in copper.



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