

Mine for generations

CAMERON ENGLAND



OZ Minerals managing director Andrew Cole, inset, says the Carrapateena mine has the potential to be a long-term mining province.

OZ Minerals' billion dollar Carrapateena copper and gold mine in South Australia's Far North could be the harbinger of not just a mine, but a mining province generating prosperity for a generation or more, the company's managing director Andrew Cole says.

Speaking at the opening of the mine on Friday, 160km north of Port Augusta, Mr Cole said the area "has the potential to be a very long-term mining province – some 60 to 70 years". The development of the Carrapateena mine has a fairytale feel to it. It was discovered by lone prospector Rudy Gomez, who bet much of his retirement next egg – and a bit of cash from some friends – on two drill holes he'd been wanting to sink for years.

Aided by a drilling grant from the State Government, across the globe.

South Australia's Outback has long been considered "elephant country" by experts such as the Department for Energy and Mining's Paul Heithersay, with the theory being that between the mammoth Olympic Dam ore body, and still substantial but much smaller mines such as OZ's Prominent Hill operation, there must be numerous massive lodes hiding under the surface. The difficulty in SA however, is that in much of the state, you have to drill through hundreds of metres of rock to discover the mineral riches beneath.

OZ is determined to be a leader among the companies in Mr Gomez sunk two holes, one of which struck a vein of copper ore so rich it drew the attention of mining companies from this race, and has taken a novel approach to mineral exploration. In one case, they opened the data set at their Mt Woods exploration project near Prominent Hill to anyone who wanted to have a look, and attached \$1 million worth of rewards to whoever came up with the best approach to finding new deposits.

The program was designed to attract new thinking to the exploration process, with data scientists, machine learning experts and other technology disciplines brought to bear in addition to the traditional exploration skill set.

It also meant that OZ could draw on expertise from around the world, rather than relying on its own in-house team.

OZ has also approached the Carrapateena project with a similar innovative zeal, redesigning key parts of the mine in response to feedback from staff, fed back to senior management through techniques, some of which have been borrowed from tech giant Amazon. And at the company's West Musgrave project in Western Australia, it is aiming to use a crushing method not traditionally used in the mining sector, along with up to 80 per cent renewable power.

At Carrapateena, where the company expects to mine for at least 20 years, OZ now employs about 800 people, and Mr Cole said \$40 million had been spent in the Upper Spencer Gulf region as of November last year.

"Carrapateena will contribute for decades to the local, state and national economy, and we hope it will improve the wellbeing of a great many people," Mr Cole said.

"That has been our aim; to create value for all our stakeholders and we ask you to hold us to account for that as we grow and develop in a way that's true to being a modern mining company."

"We are currently studying the feasibility of expanding the sublevel cave into a series of potential block caves and moving out, underground, into other deposits. So Carrapateena has the potential to be a very longterm mining province – some 60 to 70 years."

In its financial results reported earlier this month, OZ said Carrapateena would achieve a mining rate of 4.25 million tonnes per year by the end of the year. "It's been a real success story the construction and start-up of Carrapateena," Mr Cole said at the time.

Mr Gomez, now in his mid 80s, is still progressing other exploration programs in SA. He said it was great that OZ had done such a good job bringing Carrapateena into production.

