



### **Looking for WA jobs in mining?**

From recent media reports, it's clear the Western Australia iron ore investment boom is forecast to keep pushing forward at great speed.

New investment by mining companies BHP Billiton and Rio Tinto is set to top \$10.35 billion.

## **\$6 billion dollar Pilbara iron ore mining expansion on the cards for Rio Tinto and BHP Billiton**

BHP's Pilbara operations are set to expand with good news surrounding BHP's strong September iron ore production report. Additional hints have been made from Rio Tinto chief's that indicate it would next month approve a \$US5bn-\$US6bn Pilbara iron ore mining expansion. This is good news for WA jobs in mining and for the WA economy as mining in the state starts to take on a more positive outlook.

It's not clear when BHP would give the go-ahead for a new expansion phase of its rail and iron ore freight network, ports and iron ore producing mines in WA's Pilbara region. It's been estimated that the investment could be as high as between four and six billion dollars. Heartening news for people looking for FIFO jobs in mining in Western Australia.

BHP's record September quarterly iron ore production of 54 million tonnes beat earlier targets of about 50 million tonnes. In a recent BHP Billiton September quarter report, owing to increased productivity output, BHP boosted 2013-14 WA iron ore production 212 million tonnes, a five million tonnes increase.

## **BHP Billiton is determined to make its WA iron ore mines perform**

The BHP Jimblebar mine expansion near Newman, and the installation of four mobile iron ore crushers, is expected to increase capacity to new dizzying new heights of 220 million tonnes per annum.

BHP has stated in the longer term, a low-cost investment to expand Jimblebar iron ore output to 55 million tonnes per year and fixing up the bottlenecks in its logistics and delivery systems is expected to boost 260-270 million tonnes per annum.

Whichever way you look at it, BHP is determined to make its WA iron ore mines perform through innovation and increased productivity.

The potential iron ore investment by Rio Tinto, BHP and even Gina Reinharts' Roy Hill iron ore mine shows there are still plenty of available funds for the best iron ore projects that can return a positive result on the balance sheet.

Rio Tinto is steadfast in its position to approve an expansion of its iron ore mining operations to 360 million tonnes, from its current plans to hit a production target of 290 million tonnes per annum.

## **Low iron ore mining costs is good for WA jobs**

Questions are still being raised in the board rooms of Australian mining companies about the strength of the iron ore demand and how long unexpected recent price strength will last. BHP and Rio Tinto boast the world's lowest operating costs.

This has put them in an enviable position because should iron ore prices take a dive, they can still remain profitable with extraction costs around the mid \$40 a wet metric tonne.

Iron ore prices have been forecast to slip from current prices around the \$US130 a tonne to longer-term pricing of \$US70-\$US90. The emphasis and drive for the big mining companies like BHP, Rio Tinto and Andrew Forrest's Fortescue Metals Group is to dig the iron ore out of the ground and get it to its customers as fast as it can whilst prices remain high.

Reference: WA Jobs Boom | Iron ore mining investment set to soar to \$10 billion in 2013 - 2014

