

Mining and Energy Resources

IN THE WESTERN DOWNS



We are the Energy Capital of Australia
with coal, gas, solar, wind and hydrogen powering the Western Downs economy

Mining Industry Overview

Ever since the first mine opened on the Western Downs in 1914, the region's resources sector has been on an upwards trajectory with investors from all over the world keen to get a share. Locally the resources industry includes coal mining, oil and gas extraction, metal ore mining, non-metallic mineral mining, quarrying and exploration as well as a variety of mining services.

Over the past 15 years, the energy sector has seen strong investment in large-scale industry developments and significant power infrastructure upgrades. Our workforce and supply chain have developed diverse skills in the sector with increasing experience. In addition, legacy infrastructure from resources provides an ideal framework for renewables developments. All of this means that the Western Downs truly is the "Energy Capital of Australia" with coal, gas, solar, wind and hydrogen powering our economy.



Direct spending
\$102 million in wages
682 jobs



\$193 million spent across
443 local businesses
126 charities and sports clubs



Total Economic Contribution
\$563 million gross regional product
15% of Western Downs' total GRP



3,013 local jobs supported by Qld
resources sector 17% of Western
Downs' total employment



The resources sector is the third largest
employer in the Western Downs behind
construction and agriculture

Queensland Resources Council



Our region's close and long-standing collaboration with the resources sector has delivered major economic and infrastructure benefits for the Western Downs. The resources sector contributes directly and indirectly to the region's economy through significant local employment, local spending and community funding.

Paul McVeigh

Mayor Western Downs Regional Council



Experience Western Downs

It's the
people that
make it.



Power Stations

There are six power stations in the Western Downs located at Braemar, Condamine, Daandine and Kogan Creek. Each power station will be continually upgraded throughout the course of its life therefore contributing to the local economy in more ways than just through generating power. Upgrades mean jobs and flow-on to local businesses.

Kogan Creek

Owned by CS Energy, employs 111 people, has a generation capacity of 750MW, fuelled by black coal and contains the largest single generating unit in Australia with one of the lowest environmental impacts of any coal-fired power station in the country.

Darling Downs Power Station

Owned by Origin Energy, has a generation capacity of 644MW, runs on coal seam gas.

Braemar Power Station

Owned by Braemar Power Project Pty Ltd, has a generation capacity of 504MW, is powered by coal seam gas.

Braemar 2 Power Station

Owned by Arrow Energy, has a generation capacity of 519MW, is a gas-fired peaking power station.

Condamine Power Station

Owned by Shell QGC, has a generation capacity of 144MW. Waste heat from the gas turbine is used to make steam to generation additional electricity.

Daandine Power Station

Owned by APA Group, has a generation capacity of 27.4MW.

References

www.arrowenergy.com.au

Economic Impact of Minerals and Energy Sector on the Qld Economy 2020/21 – November 2021

Community ID – Western Downs

Queensland Resources Council

Energy News Bulletin 11 September 2020 by Paul Hunt

Western Downs Development Status Report 2022 – TSBE

Monadelphous Group www.monadelphous.com.au

Gas Resource Overview

Coal seam gas is natural gas that is sourced from coal deposits. In Australia the major coal seam gas resources are found along the eastern coast in the onshore Surat and Bowen basins.

The Surat Basin district of the Western Downs currently boasts the most coal seam gas activity in the country. The gas industry continues to bring infrastructure and investment to the region, providing new jobs while strengthening and diversifying the economy.

Arrow Energy, Senex Energy, Shell QGC, Origin and Central Petroleum – Incitec Pivot JV, among others, all operate in the region, producing for both domestic and export markets.

The Western Downs will continue to play a key part for the release of future domestic gas tenements by the Queensland Government.

Talinga Orana Gas Gathering Station Managed by Origin Energy

The Talinga Orana Gas Gathering Station (TOGGS) is now operational and enables Origin Energy to maximise coal seam gas (CSG) production from the Talinga and Orana gas fields in the Surat Basin.

Located approximately 30kms south-west of Chinchilla, TOGGS is a dual train gas gathering station consisting of two electric motor-driven RB56 compressor trains.

The Talinga gas field, with 570 petajoules of 2P reserves, is co-owned and operated by Origin Energy and lies within production license PL226.

There are more than 111 CSG wells across the field and it produces at around 98 terajoules of gas per day.

TOGGS was constructed by Monadelphous Group and completed in 2020 with investment of around \$50 million.

Gas Projects in the Western Downs Surat Gas Project – Arrow Energy

Arrow Energy is an integrated coal seam gas (CSG) company that develops gas fields, produces and sells CSG and generates electricity. The company has been producing and selling gas from the Surat Basin since 2006.

Construction on the first phase of the Surat Gas Project started in late 2020. More than 600 wells are being developed in this initial phase, creating up to 200 construction jobs. Over the full 27-year life of the project, Arrow Energy expects to create up to 1000 construction and operating jobs and bring around 300 terajoules (TJ) per day of gas to market. For context, one TJ provides enough energy for 30 average-sized homes for a year.



Through our Surat Gas Project, we're delivering more jobs, more opportunities and broader economic benefits to the region

Cecile Wake
CEO, Arrow Energy



Daandine Power Station

Coal Market Overview

Coal mining has contributed to the Western Downs economy in some capacity since 1914. CS Energy's Kogan Creek open cut black coal mine located near Chinchilla commenced operations in 2007 to supply coal to the adjacent Kogan Creek Power Station. Yancoal operates the Cameby Downs open cut mine located east of Miles which started production in 2010.

Coal at a glance

The total economic impact of the Queensland minerals and energy sector was estimated at \$84.3 billion in gross value added and 422,592 jobs supported in 2020/21.

The minerals and energy sector contributed \$38.6 billion in direct spending to the Queensland economy in 2020/21.

The largest contributor to the total direct expenditure of the minerals and energy sector in Queensland in 2020/21 was coal mining with approximately \$26.8 billion.

(Queensland Resources Council)

Cameby Downs

Cameby Downs Mine is an open cut operation located on the Warrego Highway in the Surat Basin 16 km from Miles and 30 km from Chinchilla.

It is owned and operated by Syntech Resources Pty Ltd (Syntech Resources) and is managed by Yancoal Australia Ltd. Syntech Resources is a wholly owned subsidiary of Yanzhou Coal Mining Company Limited.

The mine produces a low ash export thermal coal and is currently approved to extract up to 2.8 million tonnes per annum (Mtpa) of run-of-mine (ROM) coal with a mine life of approximately 45 years. The extensive tenement portfolio held by the company in the region has the potential to contain at least a further 1.0 billion tonnes of coal.

After processing, approximately 2.2 Mtpa of product (thermal) coal is produced from the Cameby Downs Mine and loaded onto trains, for transport to the Port of Brisbane for export.

REGIONAL PROFILE

Rich in natural resources, natural beauty and natural history, the Western Downs is the place to be. These natural strengths are supported by strong industry foundations across the agriculture, energy, manufacturing, and construction sectors. Together with significant and continuing investment in infrastructure and tourism, these have positioned the Western Downs as one of the highest performing local government areas in Queensland, and Australia.

Known as the Energy Capital of Queensland, the Western Downs is experiencing high economic growth, investment, consistently high employment and includes some 38,000km² of land. The region boasts an impressive \$4 billion worth of approved renewables, including \$2.4 billion under construction.

One of the greatest benefits of the location of the Western Downs is the connectivity and proximity to the supply chain and relevant markets.

Another is a connected labour pool resulting in good workforce relations and retention rates and a diversity of industries with high workforce attraction.

The Gross Regional Product (GRP) of the Western Downs region has more than doubled over 15 years to reach over \$4.07 billion.

Home to a growing population of more than 34,500 residents, the Western Downs offers contemporary technology and opportunities in a friendly regional location.

Modern facilities such as aquatic and fitness centres, art galleries, museums, cinemas and civic centres bring a metropolitan feeling to regional communities.

The region also offers residents accessibility to public and privately run medical and health care services including access to hospitals, medical centres, dental and other health care professionals.

The roll-out of the National Broadband Network (NBN) and increasing mobile and internet coverage has positively impacted the global connectivity of businesses, lifting productivity and profitability. Dalby is classified as 'Business Fibre Zone' providing business grade fibre at reduced wholesale prices.

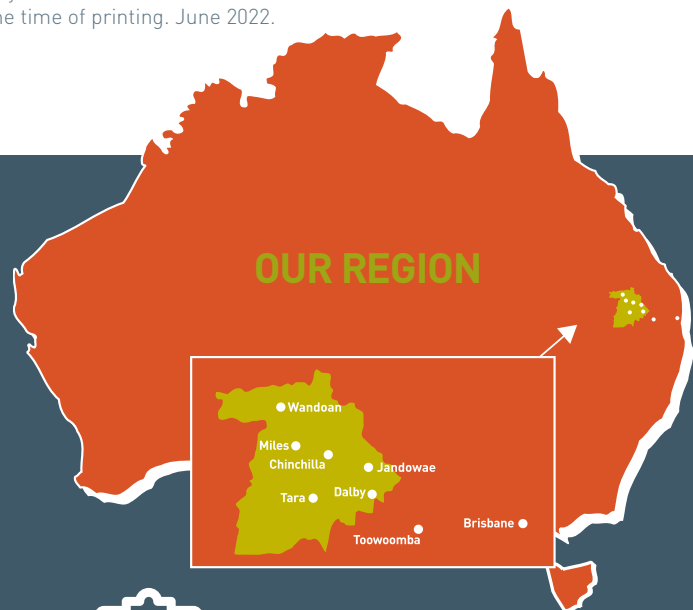
Residents enjoy a lower cost of living due to affordable housing (less than half of QLD average), ease of access to schools, work and retail outlets, with the NBN providing the network connectivity required for families and businesses to flourish.

It also offers a growing, diverse regional economy across agriculture, intensive agriculture, manufacturing, resources and renewable energy.

INNOVATION

Digital technologies create opportunity for growth and transformation. Technology is a continually evolving field and the Western Downs offers local businesses contemporary communication solutions via NBN access to stay connected and current.

The information and statistics included in this document are reliant on the accuracy of sources as listed and were accurate as at the time of printing. June 2022.



A SNAPSHOT



UNEMPLOYMENT RATE TRENDING LOWER THAN QLD AVERAGE



A SKILLED AND EXPERIENCED WORKFORCE



GRP: DOUBLED OVER 15 YEARS

Energy Capital of Queensland: Resources & Renewables



DEVELOPMENT & DEVELOPERS SUPPORTED AND WELCOMED WITH WDRC PLANNING SCHEME



COMPARATIVELY STRONG INDUSTRY SUPPLY CHAINS PER CAPITA OF POPULATION

NBN

INNOVATION: NBN ROLLOUT = DIGITAL CONNECTIVITY & SPEED FOR YOUR BUSINESS

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AVERAGE DISPOSABLE INCOME \$3K HIGHER THAN QLD AVERAGE

Western Downs Regional Council

Postal Address
PO Box 551
Dalby, QLD 4405
E info@wdrc.qld.gov.au

P 1300 COUNCIL
Interstate +617 4679 4000
F +61 7 4679 4099
W www.wdrc.qld.gov.au