



Australia India Business Council NSW, Resources and Mining Industry Chapter October 2009 Newsletter

Welcome to the October newsletter from the AIBC, NSW Resources and Mining Chapter. It contains links to recent press and informs you of upcoming events. We hope you find this of interest.

Highlights

- Australia's foreign investment review thresholds increased from \$100m to \$219m
- India's Minister for Coal and the Chairman of Coal India visit Australia
- India was the second largest importer of Australian gold, refined lead, high quality metallurgical coal and copper concentrate in 2008-09
- ADB Lifts Growth Forecasts for India in 2009 and 2010 to 6% and 7%
- India's imports of thermal coal are forecast to increase to 42 million tonnes in 2009 and 50 million tonnes in 2010
- The spot prices of coking coal in Australia touch \$170 a tonne
- And much more...

India's Minister for Coal and the Chairman of Coal India visit Australia

India Coal hunts for Australian assets (click on the link: [Broadband](#))

Recent ABARE Reports:

- Australia's export earnings from mineral resources increased by 37 per cent to a record \$159.7 billion
- India was the second largest importer of Australian gold, refined lead, high quality metallurgical coal and copper concentrate
- At a forecast \$123 billion, minerals and energy export earnings in 2009-10 will be the second highest on record
- Australian mine production in 2009-10 is forecast to increase by 4.6 per cent, being underpinned by expected higher production of iron ore, gold, copper, liquefied natural gas and uranium.
- India's imports of thermal coal are forecast to increase to 42 million tonnes in 2009 and 50 million tonnes in 2010,

http://www.abareconomics.com/corporate/media/2009_releases/10sept_09.html

http://www.abareconomics.com/publications_html/ac/ac_09/ac09_Sept_a.pdf

General

6% economic growth in India

An increase in public spending, a quicker than expected return of capital inflows, stronger industrial production, and signs of improved business confidence will lift economic growth to 6% in India this year, up from an earlier estimate of 5%, says the Asian Development Bank (ADB) in a major new report.

<http://www.adb.org/article.asp?id=12996>

Amendments to Australia's foreign investment policy

Australia's foreign investment review thresholds increased from \$100m to \$219m

http://www.firb.gov.au/content/downloads/Australia's_Foreign_Investment_Policy_September_2009.pdf



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Coal

[Coal India vets Eols from 52 global firms](#)

"There is no uniform format in striking a strategic partnership. On a case to case basis, we will explore possible JV options or an outright purchase of an existing mine.

[Govt begins valuation of CIL for IPO](#)

"Coal India had requested the ministry of coal to ascertain the fair value of CIL shares."

[CIL seeks nod for compensatory shares from divestment](#)

"We have finalised and sent our proposal to the Union government for approval. We do not want to include compensatory shares for land losers and employees stock options in the 10 per cent proposed divestment by the government"

[Coal sector to get regulator soon](#)

"A Cabinet note for appointment of a coal regulator has been approved by the Ministry of Coal"

[CIL set to remove imported coal clause for consumers](#)

"According to the clause, it was mandatory for coal consumers to purchase a mix of imported and domestic coal at prices fixed by CIL.

[India out to snap up Aussie coal](#)

"India does not have enough resources to feed that demand, and from that perspective, Australia has all the resources."

[Bhushan Steel buys Aussie exploration firm](#)

"Bhushan Steel group, has acquired a 60 per cent stake in Australian exploration company, Bowen Energy."

[Aust response to Coal India investment better than expected](#)

"We can say that the response has been possibly better than what we could have expected,"

[Coal ministry favours market-linked coal prices](#)

"In principle, we agree to all the recommendations made by the Planning Commission including market-linked prices for Coal...But, no decision on price increase has been taken yet,"

[Coal India may acquire assets of Rio Tinto](#)

"There will be a seven-member committee comprising Coal Videsh and other officials. It will be formed in the next 2-3 days. It will submit the report by March."

[Coking coal prices may touch \\$200/tn in 2010-11](#)

"The spot prices of coking coal in Australia have touched \$170 a tonne and this upward movement in prices is mainly due to an unexpected growth in imports by China. In fact, imports by the country in the past six months is comparable to what it usually imports in a period of 18 months"

Uranium

[Paladin ready for uranium consolidation](#)

"The whole uranium space is going through consolidation and revision, of which Paladin will hopefully be one of the architects,"

Energy

[India sees joint foreign/local exploration bids Reuters](#)

"Indian companies have been going and talking to other companies to give their credentials and strengths and we believe there will be lot of partnerships,"



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Oil and Gas

[Oil India to invest \\$927 million for buys, exploration The Hindu Business Line](#)

"State-owned Oil India Ltd (OIL), which is hitting the capital market on September 7, plans to invest nearly Rs 4,500 crore in the next two years on exploration-related activities"

[Gujarat State Petroleum Corporation Ltd \(GSPC\) builds on LNG trading biz Business Standard](#)

"Earlier in June, GSPC had purchased its first LNG cargo delivered by Australia's North West Shelf (NWS)"

[Gorgon set to be world's biggest CO2 storage project-UPDATED](#)

The first LNG is due in 2014 and domestic gas is planned by the end of 2015. The Gorgon Joint Venture participants have already entered into long term LNG sales and purchase agreements with customers in Japan, China, India, South Korea and North America.

[ONGC to invest \\$10 billion in oil, gas fields The Economic Times](#)

"Ultimate reserve accretion of 68.90 million tonnes of oil equivalent from domestic operated fields is again the highest in 18 years,"

Australia and India - A Partnership for the Future

Treasurer Wayne Swan's address in New Delhi

<http://ministers.treasury.gov.au/DisplayDocs.aspx?doc=speeches/2009/023.htm&pageID=005&min=wms&Year=&DocType=>

['A robust, rules-based trading system would guard against ...](#)

Excerpts from Minister Crean's recent interview with the Indian media "It is our desire that the stronger economic integration between India and Australia has to involve all sectors."

Events

Thank you to all that supported the successful (and 'sold-out') Australia/ India Resources, Mining and Technologies opportunities event on Thursday, 3 September

The presentations of Jason Mendens (Chair of the Resources and Mining Chapter), Sue Kruse (Commonwealth Department of Resources, Energy and Tourism) and Mike Moignard (Austrade) are attached. The event was proudly sponsored by Gujarat NRE Minerals Limited and its Chairman, Mr Arun Jagatramka. It was attended by Confederation of Indian Industry delegation members (including Coal India and other participants), AIBC members and VIP's.

Details of our next event will follow.

Further Information

For further information about the AIBC NSW Resources and Mining Industry Chapter, please contact its Chair, **Jason Mendens**.

Jason Mendens

Partner

Chang, Pistilli & Simmons

Corporate Lawyers

T: +612 8922 8022

F: +612 8922 8052

E: jmendens@cpscorplaw.com.au