

# LAZARUS INQUIRY – SHOW TRIAL OR SHOW CASE?

QUPEX  
8 March 2016

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Chief Executive



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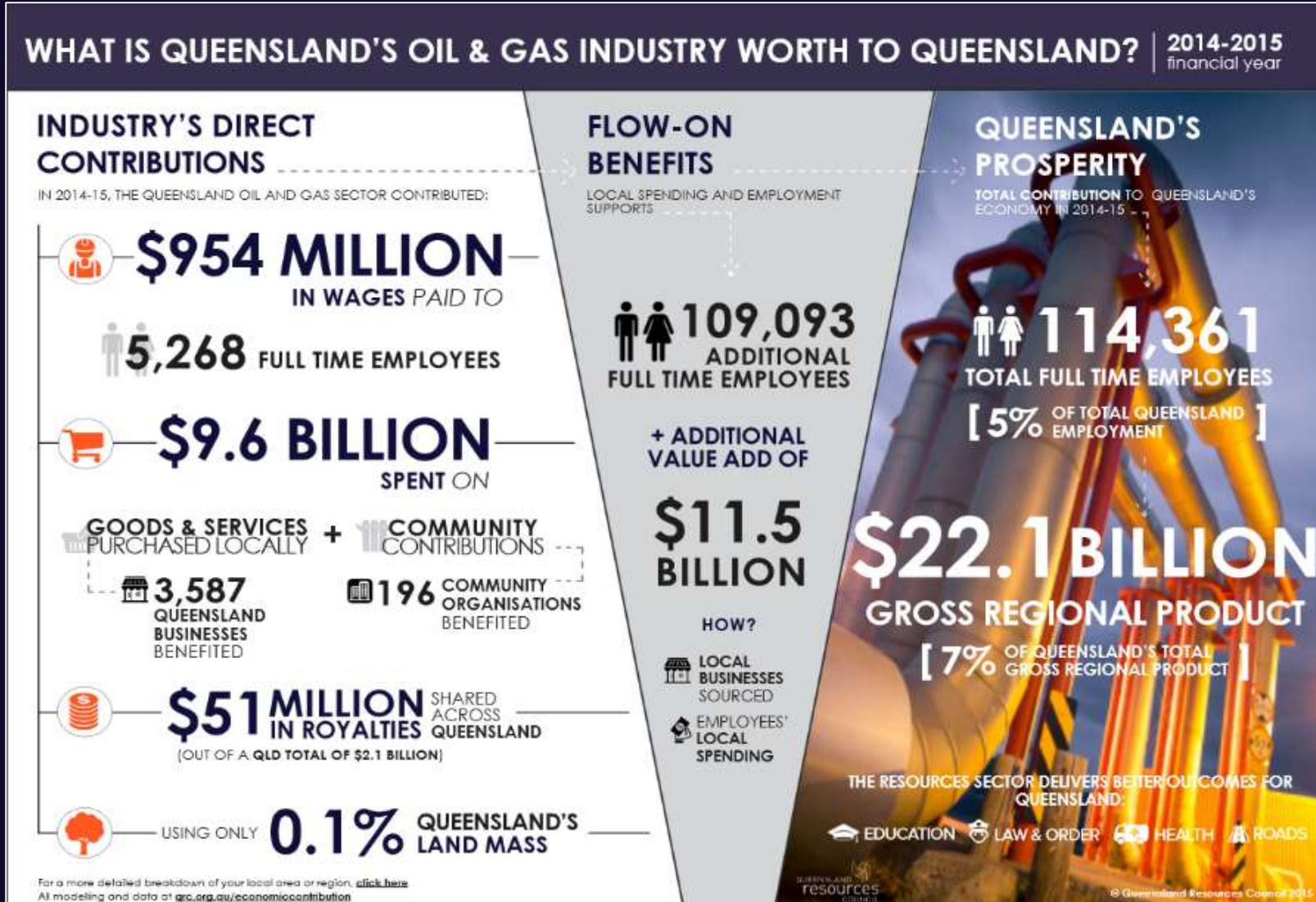


# WHO ARE WE?



- QRC is a **not-for-profit peak industry association** representing the commercial developers of Queensland's minerals and energy resources
- **72 full members** – explorers, miners, mineral processors, site contractors, oil and gas producers, electricity generators
- **163 service and associate members** – the providers of goods or services to the sector
- A **multi-commodity, state-based advocacy body** formed in 2003 as successor to the Queensland Mining Council (itself a merger of coal, metals and gas producers)

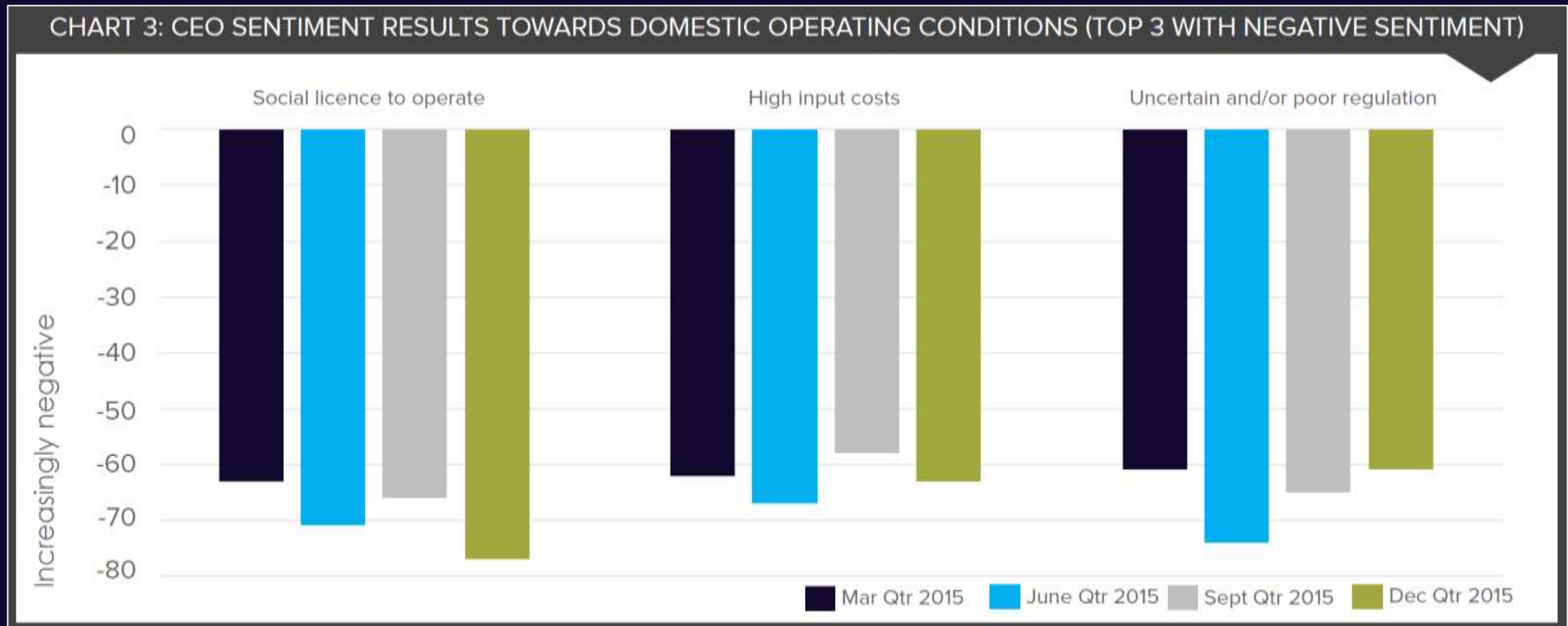
# ECONOMIC CONTRIBUTION – OIL AND GAS



# BUSINESS ENVIRONMENT – STATE OF THE SECTOR

“

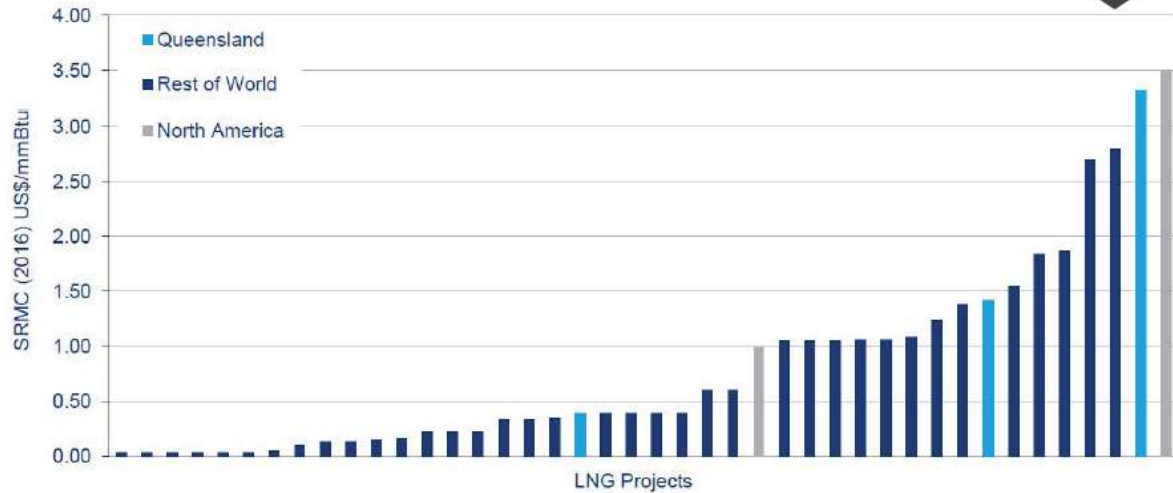
*QRC asks members: ‘To what degree will these microeconomic factors adversely impact upon the objectives of your organisation over the next 12 months?’*



# GLOBAL COST CURVES FOR QUEENSLAND LNG

## LNG: 3 QLD OPERATIONS

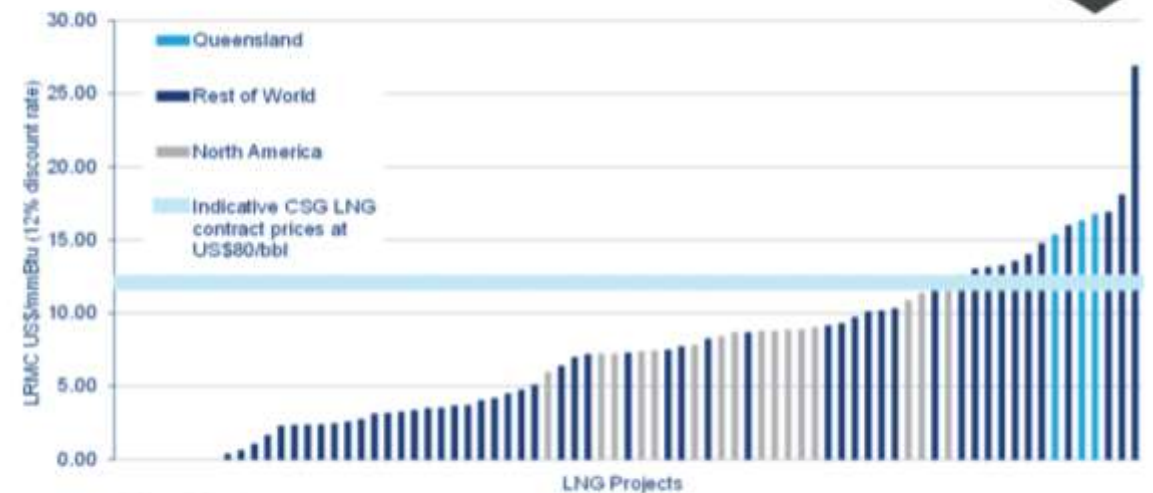
2016 LNG PROJECTS SHORT-RUN MARGINAL COST: 3 QUEENSLAND OPERATIONS



Source: Wood Mackenzie

LNG Projects in SRMC (2016) analysis include existing and under construction

2016 LNG PROJECTS LONG-RUN MARGINAL COST: 3 QUEENSLAND OPERATIONS

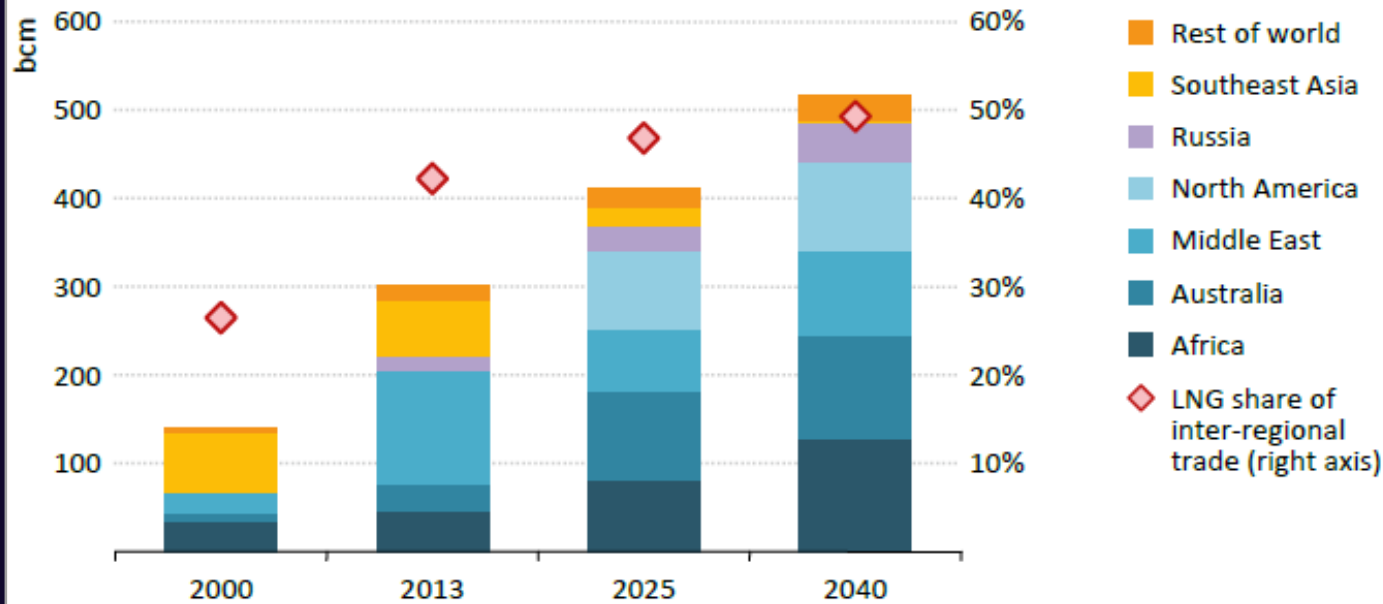


Source: Wood Mackenzie

LNG Projects in LRMC analysis include existing, under construction, probable developments and possible developments

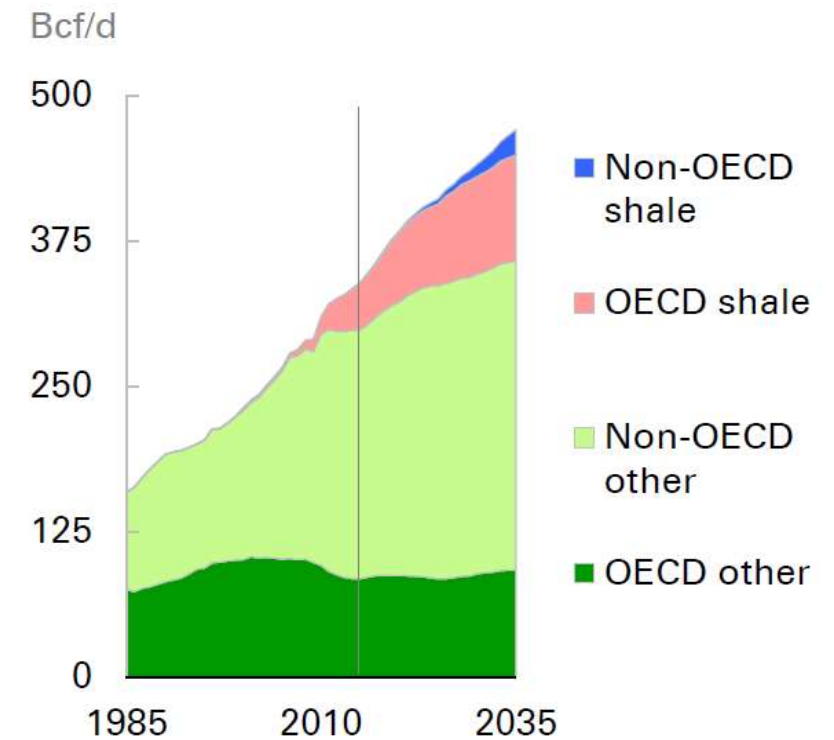
# OUTLOOK AND FUNDAMENTALS - GAS

## LNG EXPORTS BY REGION



Source: IEA World Energy Outlook 2015

## GLOBAL GAS PRODUCTION BY TYPE AND REGION




Source: BP Energy Outlook, 2016

# DID YOU KNOW?

### DID YOU KNOW?

EVERY SMART PHONE DEPENDS ON MINED RESOURCES



- ELECTRONICS**  
COPPER  
GOLD  
SILVER
- SCREEN**  
INDIUM TIN OXIDE

**40** MINED METALS & MINERALS

### DID YOU KNOW?

PARLIAMENT HOUSE WAS BUILT AND OPERATES USING RESOURCES



**FLAGPOLE**  
81 METRES TALL & IS MADE OF STAINLESS STEEL


STEEL = IRON ORE + COKING COAL

**STRUCTURE**  
CONTAINS 300,000 CUBIC METRES OF CONCRETE = 100 METRES OF THERMAL COAL

THERMAL COAL HELPED BUILD AND HELPS POWER FEDERAL PARLIAMENT

### DID YOU KNOW?

EVERY PART OF A WIND TURBINE DEPENDS ON STEEL



- GENERATOR**  
65% STEEL  
35% COPPER
- BLADES**  
STEEL HOLDS THE BLADES IN PLACE AS THEY TURN
- TOWER**  
90% STEEL  
TUBULAR STEEL TOWERS
- FOUNDATION**  
MADE FROM STEEL RE-INFORCED CONCRETE

GLOBAL STEEL PRODUCTION IS DEPENDANT ON COAL

70% OF STEEL\* IS MADE FROM COAL

1MW OF WIND TURBINE CAPACITY REQUIRES 220 TONNES OF COAL


220 = 220 SMALL CARS!

\* STEEL IS MADE THROUGH A PROCESS OF MELTING IRON ORE WITH COKING COAL

RESOURCES COUNCIL

### DID YOU KNOW?

SOLAR POWER CANNOT OPERATE WITHOUT MINED METALS AND MATERIALS



- SOLAR CELLS**  
SILICA  
TELLURIUM  
CADMIUM
- PANELS**  
TITANIUM DIOXIDE
- WIRING**  
COPPER
- BATTERIES**  
LEAD  
LITHIUM
- FRAME**  
ALUMINIUM  
STEEL

MANUFACTURING & PRODUCTION OF SOLAR PANELS IS DEPENDANT ON RESOURCES

**16** MINED METALS & MINERALS ARE REQUIRED FOR PRODUCTION OF A SOLAR PANEL

RESOURCES COUNCIL



# DID YOU KNOW?

## EXTERIOR

### STEEL PAINT

PAINT REQUIRES  
MINERAL SANDS

## HOT PLATE

### STEEL

STEEL = IRON ORE  
+ COKING COAL

## GAS

POWERS THE  
BBQ, FROM A  
BOTTLE OR A  
SUPPLY TO THE  
HOME

## YOUR BBQ DEPENDS ON RESOURCES

THE FACTORIES THAT  
PRODUCE STEEL,  
PLASTICS, RUBBER  
AND PAINTS RELY ON  
**GAS.**

AUSTRALIA HAS GAS  
RESERVES TO POWER  
A CITY OF **1 MILLION**  
FOR **↑ 10,000 YEARS.**

## CONTROLS

## PLASTIC

## CONNECTOR HOSE

## RUBBER



# LISTENING TO THE COMMUNITY

2ND EDITION - 2016

# LAZARUS INQUIRY – SHOW TRIAL OR SHOW CASE?

QUESTIONS

