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## BLACK COAL AUSTRALIA - STATISTICAL SUMMARY

### Black Coal Reserves

At 39 billion tonnes Australia has around 6% of the world's recoverable black coal resources and ranks sixth behind USA (31%), Russia (21%), China (13%), India (8%) and South Africa (7%). Reserves to Production for Australia indicate a resource life of more than 90 years.

### Black Coal Mines in Australia

At the end of 2007 there were 118 operating black coal mines in Australia which included 74 open-cut mines and 44 underground mines. The bulk of the mines were in New South Wales (62) and Queensland (49). Most of the coal was produced in New South Wales (41%) and Queensland (56%), with locally significant operations at Collie (Western Australia), Leigh Creek (South Australia) and in the Fingal Valley (Tasmania).

### Black Coal Production

In 2007-08 Australia produced 421 Mt of raw coal which yielded 327 Mt of saleable coal.

More recently, for calendar year 2008, the comparable figures were 431 and 335 Mt respectively.

Preliminary figures for 2008-09 are 414 and 318 Mt respectively.

Australia produced about 6% of the world's black coal in 2008 and ranked fourth after China (47%), the USA (17%) and India (8%).

### Black Coal Exports

Exports of black coal in 2007-08 totaled 252 Mt with a value of \$24.4 billion comprising 137 Mt of coking coal valued at \$16.0 billion and 115 Mt of thermal coal valued at \$8.4 billion.

For calendar year 2008, 261 Mt was exported with a value of \$46.6 billion – 135 Mt of coking coal valued at \$32.3 billion and 126 Mt of thermal coal valued at \$14.4 billion.

Preliminary figures for 2008-09 are 262 Mt valued at \$54.6 billion – 125 Mt of coking coal valued at \$36.7 billion and 136 Mt of thermal coal valued at \$17.9 billion. ABARE has forecast that in 2009-10 the level of exports will remain about the same, but with a value returning to more like the 2007-08 level at \$28.4 billion.

Coal is Australia's largest commodity export representing 19% of the total value of goods and services exported in 2008-09 (p). Australia also remains the world's largest exporter of coal with just over a quarter of total exports globally. In 2008 Australia exported just over half of the world's coking (metallurgical) coal (52%) and 17% of its thermal coal.

Coal was exported to 37 countries from Australia in 2008. Main destinations (and share of exports) were Japan (45%), South Korea (15%), the European Union (11%), Taiwan (10%) and India (9%).



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## Coal Consumption

72.3 Mt of black coal was consumed in Australia in 2007 with major consumers being power stations 63.0 Mt (87%), the steel industry 4.7 Mt (6.5%) and the cement industry 1.1 Mt (1.5%). Other industry made up the remaining 3.6 Mt (5 %). Brown coal consumption of 65.6 Mt was almost entirely for electricity generation. (Relatively small amounts were used in the manufacture of briquettes and horticultural products).

## Coal and Electricity

At the end of June 2008 Australia's generating capacity totaled 53.4 GW, of which 48.5 GW was grid connected and 4.8 GW was non-grid or embedded. Coal-fueled generation capacity was 29.2 GW (55 % of total) with black coal plant representing 22.0 GW (41 %) and brown coal 7.3 GW (14 %).

In terms of principal (grid-connected) electricity generation, 184.7 GWh out of a total of 228.6 GWh (81%) was from coal-fueled power stations – 129.4 GWh (57 %) from black coal and 55.3 GWh (24 %) from brown coal. Coal's share decreased from 84% to 81% between 2006 and 2007, mainly at the expense of natural gas and coal seam gas.

## Coal Mining and Infrastructure Projects

In the 12 months to April 2009 6 new black coal projects valued at more than \$1.5 billion were completed while 21 projects with an estimated capital cost of around \$10.4 billion were scheduled for completion in the short to medium term – \$4.5 billion for infrastructure and \$5.9 billion for mine related development. A further 59 projects worth around \$38.6 billion were at a less advanced stage of planning.

## Coal Exploration

Private mineral exploration expenditure for coal in 2007-08 was \$234.8 million, around three times the level in 2002-03. For calendar year 2008 the figure was \$276.3 million.

## Coal Royalties

In 2006-07 the value of royalties paid to State governments was \$1.7 billion. For 2007-08 the values were \$1.4 billion for Queensland and \$0.4 billion for NSW, making a total of \$1.8 billion for these two States alone. It is estimated that the figures for 2008-09 will be significantly higher, and could total up to \$4.4 billion - \$3.2 billion for Queensland and \$1.2 billion for NSW. (Royalty values for the other black coal producing States of Western Australia and Tasmania would be insignificant in comparison.)

## Coal and Greenhouse Gas Emissions

In 2007 Coal's contribution to Australia's net Greenhouse Gas Emissions was 37 %, or around half of the emissions from the Energy and Industrial Processes sectors. Oil, natural gas and other fuels together also contributed 37 %. Other sectors contributions were: Agriculture 15% (70 % livestock related), Land Use, land use change and Forestry 7 %, and Waste 3 %. Coal's contribution to net Greenhouse Gas Emissions across all sectors comprised: Electricity Generation – 30.2%, Fugitive emissions from coal mining – 4.5 %, and Manufacturing, Transport and other – 2.2 %