



Northern Territory Visit to China November 9-14, 2008

Report to Industry

PURPOSE

As part of the *China Minerals Investment Attraction Strategy* a second Ministerial visit was scheduled for 9-14 November, 2008 in Beijing. The Northern Territory Delegation was led by Minister Vatskalis and attended by 4 Departmental representatives and 7 industry representatives from Energy Metals, Emmerson Resources, NT Resources Council (NTRC), Territory Uranium, TNG and Clayton Utz.

The China visit program was developed with the following objectives:

1. To competitively position the Northern Territory as a preferred location for exploration and mining investment for the Chinese market.
2. To attract investment for specific NT exploration and mining projects.
3. To strengthen relations with Chinese strategic partners and build on-ground support to effectively market and develop business in China.

Given the economic climate this visit to China played particular importance to assist our junior and mid-sized explorers to raise equity. The Northern Territory Government's China Strategy has increasingly become a vital tool to assist local companies to advance their exploration projects.

OUTCOMES ACHIEVED FOR NORTHERN TERRITORY DELEGATION

1. The Northern Territory successfully maximised its competitive positioning as a preferred location for exploration investment

- *The NT was the only Australian jurisdiction with a Minister present at 2 major forums*

Minister Vatskalis presented the key-note speech at the Australia-China Mineral Exploration Investment Seminar (Monday, November 10, 2008) hosted by Austrade and attended by 200 participants and presented the opening speech for the Australian Session at the China Mining Congress (Tuesday, November 11, 2008) attended by 100 people. The Minister's presentation was well received and the Northern Territory was the highlight of both forums.

- *The NT is the only Australian jurisdiction with a dedicated China Strategy*

The Northern Territory's *China Minerals Investment Attraction Strategy* was promoted in the Minister's speech, in face to face meetings and in the marketing materials. The Northern Territory's commitment to the China market has been the key to establishing Chinese investor confidence.

Another key element of the China Strategy is the establishment of strategic partnerships in China. To date the Northern Territory has partnerships with the China Chamber of Commerce Metals & Minerals (CCCMC), China Mining Association, China Development Bank and the Hunan Provincial Government. These relationships provided the Northern Territory with a perceived competitive advantage.

- *The NT was one of the only jurisdictions with an industry delegation*

The Department secured 4 NT explorers and 1 service provider for the visit. The participation of the 4 explorers provided the NT with a competitive advantage and great interest was received to meet these companies. The Northern Territory successfully increased its profile as it was one of the only jurisdictions to bring real business opportunities to the table.

Clayton Utz travelled with the team for the third time to China. The law firm plays a key role to educate Chinese investors on how to set-up joint ventures and do business in the Northern Territory. Clayton Utz's Senior Partner Barry Irwin presented at the NT Investment Seminar and provided valuable materials in Chinese on doing business in Australia.

- *The NT was the only Australian jurisdiction to run an investment seminar*

The Northern Territory ran the 4th NT Investment Seminar with partners CCCMC who were instrumental in hosting and promoting the event. Over 40 people came to hear presentations from the Minister, the Dept and industry. The NT Investment Seminar has been effective tool to profile specific NT exploration projects to Chinese investors. Industry established many contacts and scheduled follow-up meetings after the seminar.

- *The NT promoted over 20 exploration projects*

The Northern Territory is well ahead of the competitors and is one of the only jurisdictions that actively collates and promotes local exploration projects for Chinese investors. A special book was developed for this purpose that provided 1-2 page outlines of the various projects. This initiative enabled the team to match a number of Chinese companies to specific commodity interests.

2. The visit created enormous opportunity for investment attraction with a number of exploration projects now under review by Chinese companies.

- *NT Investment opportunities were presented to over 3300 executives*

The Minister and the Department presented at 3 forums which included the Australia-China Minerals Exploration Investment Seminar, the China Mining Congress and the 4th NT Investment Seminar with coverage of over 3300 executives.

The China Mining Congress is Asia's premier mining conference with 3000 attendees. It includes an exhibition of which the Northern Territory team conducted promotions at the Australian booth.

- *Meetings were scheduled with over 30 Chinese companies - the largest number to date*

The NT delegation attended the largest number of meetings during a visit to date. The China Chamber of Commerce Metals & Minerals (CCCMC) provided assistance prior to the visit to schedule meetings for the 4 NT exploration companies. Further meetings were set during the visit by the Department and industry themselves.

The 4 companies received excellent interest from the meetings. It is expected that a number of these companies will make visits to Darwin in the New Year.

3. Relations with on-ground strategic partners were successfully strengthened

- *Relations were strengthened with the China Mining Association and Ministry of Land & Resources*

Minister Vatskalis and the Department met with Mr Li Yuan, Head of the China Mining Association (CMA) and representative of the Ministry of Land & Resources at the China Mining Congress and hosted a dinner for senior members of the CMA. The CMA signed a Co-operation Agreement with the Northern Territory Government in November 2007 and is a strong supporter of the Northern Territory.

- *The Northern Territory maintained strong relations with Chinese media*

The Department maintained good relations with various Chinese media including the Geological Exploration Herald and China Mining Journal. Representatives were invited to the NT Investment Seminar and hosted at the China Mining Association Dinner. This resulted in a number of media hits for the Northern Territory.

- *The 4th NT Investment Seminar provided excellent benefits to CCCMC members*

The 4th NT Investment Seminar was opened by Madame Li, Deputy Chairman of the CCCMC who praised the work of the Northern Territory and the strong relationship with CCCMC. The seminar provided CCCMC members with an opportunity to meet with NT explorers face to face and fulfilled the Cooperation Agreement between the Northern Territory and CCCMC to bring NT and China business together.

- *CCCMC will send a delegation to the Northern Territory for AGES 2009*

The cooperation between the NT and CCCMC will continue next year in March. CCCMC will head a delegation of 15-20 to attend AGES. This will enable the 'matching' of NT and Chinese companies to continue.

CONCLUSION

The second Ministerial visit to China was successful in maintaining the Northern Territory's profile as a competitive location for exploration and mineral investment. Ministerial presence proved valuable to strengthening relations with key Chinese contacts and opening doors for the industry delegation.

The NT Government's focus to match local exploration and mining opportunities with Chinese investors was a key to success for this visit. The Department brought real business to the table with 4 companies travelling with the delegation and over 20 NT exploration projects promoted.

In order to develop future business the Department will be working hard to encourage interested Chinese companies to visit the Territory and to support the current engagement between NT companies and Chinese companies. This activity has great potential to result in a number of joint ventures which will drive exploration programs in the Territory and bring us closer to making new discoveries.

In the current economic climate the Northern Territory Government has gained a crucial advantage by having a dedicated China Minerals Investment Attraction Strategy in place.