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THEY'RE small and adaptable and if they can raise the money they'll be building the next wave of mines in the Bowen Basin.

That's the prediction of Queensland Resources Council chief executive Michael Roche.

"Beyond the mines already under construction by the majors like BMA's Caval Ridge and Anglo's Grosvenor project, the next set of mines to get the go ahead I expect will be from small to medium sized companies."

While major players like BMA, Anglo and Xstrata lay off workers and contractors, new players like Bandanna Energy and Stanmore Coal are getting closer to the starter's gun on new projects.

Mr Roche said their approach to date has been impressive.

"They are giving it a red hot go. They are taking very seriously the signals from the state government on things like co-existence with agriculture.

"They are also designing their mines with cost structures that could withstand the current climate."

Mr Roche said the catch will be raising capital in a very difficult environment, but that a good project with joint venture partners would "probably" get up.

"In some ways this is the best time to build, costs are well down for engineering and construction and a skilled workforce isn't a problem because there are lots of good people out there and by the time these mines come online coal prices could be back up."

In its latest quarterly activities report, Stanmore Coal said as other companies looked to get rid of non-core assets, more opportunities would arise for Stanmore to build on existing projects and speed up its timetable to production.

In other words, the company was preparing to act on the short-sightedness of the majors.

"History reflects that many successful new coal projects and companies are built in difficult market conditions when large resource company strategies are driven by short term shareholder expectations," the report reads.

"The company aims to capitalise on these opportunities through transaction structures which limit the need for upfront capital or will identify new sources of capital to finance these transactions.

“Stanmore Coal has personnel with a strong history of identifying and capitalising on opportunities with a limited capital base. The Lilyvale Project expansion announced during the quarter is another example of the company's successful approach in this area.”

Meanwhile, after more than 12 months of doom and gloom in the coal industry, Mr Roche said there was a small glimmer of hope in the outlook for the sector.

Mr Roche said while more jobs cuts were likely, and some more mines could still shut down when the latest round of take-and-pay contracts expired, there were some encouraging signs.

“I am hoping the next six months will be more stable,” he said.
“There are some signs of a sustained lower Aussie dollar, and some signs - only some, I don’t want to overplay it - that the coal price has at least bottomed out.”

Mr Roche said he’d spoken to about a dozen industry leaders over the past two weeks whose views varied from “light at the end of 2013” to “a couple of tough years still ahead of us”.

“In all this doom and gloom we are seeing some remarkable tonnage performances, a record at Hay Point port in June and one for Abbot Point in July,” said Mr Roche.

“Companies are trying to get tonnes out the door, it is a volume game now, trying to spread those high fixed costs over tonnes and that has to be good for job retention. You can’t do that without the right people.

“There’s no doubt companies are looking to reduce costs any which way, but I am hopeful we are through the worst of it.”