



Media Statement

Darwin, 26 August 2015

McArthur River Mine: Freedom of Information Documents

Glencore notes the release of documents yesterday by the Northern Territory Government following a Freedom of Information (FOI) Request. The documents comment on issues related to the McArthur River Mining (MRM) operation.

Most of the issues raised in the documents relate to the public Independent Monitor Report released in October 2014 and address the 2012-13 period of operation. We also note that the documents released are 9 months old.

MRM engages in an open and transparent manner with the Government and the Borroloola community about the operational and environmental progress made by MRM.

Since the Independent Monitor Report was released in October 2014, MRM has made significant improvements related to the management and treatment of waste rock, our tailings storage facility and improving water quality on site (including flora and fauna).

MRM is committed to managing a safe, environmentally sustainable and profitable mining operation that continues to make a valuable contribution to the community and the Territory.

An update on the key matters raised in the FOI documents (including some factual clarifications) is attached to this statement.

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Notes for Editors

About McArthur River Mine

McArthur River Mine is located in the Northern Territory approximately 970km south-east from Darwin and 60km south-west of its closest township, Borroloola. MRM mines one of the world's largest zinc and lead deposits.

Established as an underground operation in 1995, MRM converted to open pit mining in 2006. MRM produces zinc and lead in concentrates which are primarily exported through Bing Bong loading facility on the southern coast of the Gulf of Carpentaria. The current mine life extends to 2036.

The mine provides direct employment to almost 930 people, including contractors. In 2014, we spent \$60 million on wages and salaries, \$233 million on goods and services and \$1.4 million on community investment projects.

For more information, visit www.mcarthurrivermine.com.au

McArthur River Mine (MRM): Update

Topic	Background	Current Status
<p>Status of MRM Mine Management Plan (MMP)</p>	<ul style="list-style-type: none"> MRM submitted a new MMP to cover the 2013-2015 period in March 2015 following a change in the geochemistry and resulting waste rock classification, which required further detailed and ongoing technical studies. This proposed MMP is currently under consideration by the NT Government. 	<ul style="list-style-type: none"> MRM is operating in compliance with our approved MMP 2012-2013. MRM is preparing a full Environmental Impact Statement (EIS) in relation to waste rock classification. This study will determine the final design of the overburden emplacement facility and the optimal solution for remediation of the site at mine closure.
<p>Detection of elevated levels of lead in fish, invertebrates and cattle</p>	<p>Cattle</p> <ul style="list-style-type: none"> MRM is located on the McArthur River Station Pastoral Lease. The Station is managed by a wholly owned Glencore subsidiary company. We can confirm that five animals on McArthur River Station Pastoral Lease were euthanised 12 months ago and samples taken for analysis. Test results identified one of the animals had a low grade lead detection in its offal. The only cattle impacted were limited to McArthur River Station. As per the announcement from NT Department of Primary Industry and Fisheries on Friday: <ul style="list-style-type: none"> <i>This detection of slightly elevated levels of lead in the offal of one animal does not pose an immediate public health issue. The lead contamination only affects humans after prolonged exposure to eating high levels of lead over a long time.</i> <i>All cattle within a 100 square kilometre radius were quarantined and excluded from the entering the local and export markets. Animals that could not be mustered were destroyed on site by DPIF stock inspectors.</i> <p>Fish</p> <ul style="list-style-type: none"> In 2014, MRM conducted fish sampling from the McArthur River and its tributaries. Ten from a sample of 347 fish had elevated lead concentrations – all of which were captured from a single location in Barney Creek on the mine site where fishing is not permitted. Testing of popular food fish upstream from Borroloola and near King Ash Bay did not indicate that bioaccumulation of lead or other metals had occurred in these fish and hence are considered safe to eat. 	<p>Cattle</p> <ul style="list-style-type: none"> MRM has an agreed cattle management plan with the Territory Government, which sets out a range of activities to manage any livestock on the MRM mineral leases. A large part of our cattle management plan focusses on fencing in and around areas near the mining operation and sites of cultural significance. Mustering is also conducted on a regular basis to remove cattle from site. <p>Fish</p> <ul style="list-style-type: none"> Further improvements have been made onsite at the Barney creek location including excavation of the accumulated sediment in the creek, installation of sediment catchment runoff system to reduce metals entering the creek. Our fish surveys are ongoing and the next set of results will be released once all the data has been analysed.
<p>Classification and management of waste rock at MRM</p>	<ul style="list-style-type: none"> Waste rock is generally classified as Alluvium (clays), Non Acid Forming (NAF) and Potentially Acid Forming (PAF) depending on how the waste rock reacts when it oxidises through contact with air and water For the past 18 months, MRM has conducted technical studies on the waste rock to confirm estimates and classifications The results of these studies indicated that there is likely to be more NAF material than originally anticipated, which could generate leachates containing soluble metals and salts. For clarification, the amount of PAF has not changed following these studies. This new information impacts on the design and management of overburden going forward – including the availability of benign material to encapsulate the waste rock / overburden emplacement facility. 	<ul style="list-style-type: none"> MRM is operating in compliance with our approved MMP 2012-2013. MRM is preparing a full Environmental Impact Statement (EIS) in relation to waste rock classification. This study will determine the final design of the overburden emplacement facility and the optimal solution for remediation of the site at mine closure.
<p>Management of Tailings Storage Facility (TSF) at MRM</p>	<ul style="list-style-type: none"> MRM acknowledges that seepage has occurred from the TSF into an existing area (Cell 3) of the TSF, however for clarification, this has not been discharging through the TSF embankment to surface waters. All TSF designs for MRM have been signed-off by qualified independent engineering experts who have concluded that the risk of failure at the TSF is extremely remote. Since the last Independent Monitor Report findings, MRM has reduced the amount of water going into Cell 2. Currently all water that decants at the TSF Cell 2 (i.e. water that does not stay bound with the tailings) is recycled to the concentrator. 	<ul style="list-style-type: none"> The operation of the TSF has been substantially improved since the end of the previous reporting period. These improvements bring the TSF operation substantively into line with the Phase 3 EIS commitments, including decant water management, tailings deposition and monitoring program. Remaining improvements associated with the TSF are well advanced or in progress. MRM has also responded to concerns regarding the stability of the TSF by putting a number of corrective measures in place and engaging engineering specialists to ensure the integrity of the TSF. The ongoing monitoring program includes daily inspections of all infrastructure, fortnightly water quality sampling and annual independent safety audits. These are in line with guidelines set down by the Australian National Committee on Large Dams (ANCOLD).

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