Media Statement
Darwin, 27 August 2015

McArthur River Mine continues to back NT local business

McArthur River Mine (MRM) injected two billion dollars into the economy over the past five years, Glencore’s Chief Operating Officer for Zinc Assets in Australia Greg Ashe has told a mining conference in Darwin.

Speaking at the Mining the Territory conference as part of Northern Territory Resources Week today, Mr. Ashe said in 2014 alone, the company had invested $191 million in capital works, $60 million in wages and a further $233 million in goods and services, with an estimated 70% going to local Territory businesses.

Mr. Ashe said that Glencore had made a significant investment into MRM and remained committed to the future of the operation.

Last year was a big year in terms of MRM’s contribution to the Territory as the Phase 3 Expansion works were completed.

With those works now complete, the workforce has stabilised at 700 full time employees and contractors on site, generating an estimated 1000 additional jobs in the NT through flow on effects.

The direct value of the company to the Northern Territory economy on an ongoing basis is about $320 million a year.

Mr. Ashe indicated that MRM was engaged in a process with government around the security bond for the mine and was committed to finding a balanced solution, which would meet the expectations of the Government, the mine and the community.

He said MRM had made considerable progress on addressing environmental issues raised 9 to 12 months ago and was committed to running a safe, environmentally responsible and sustainable operation.

"I want to be clear: McArthur River and Glencore have been very frank with the government and the community about the environmental and operating challenges we’ve been facing," he said.

"The good news is we’re making progress and addressing each one of these challenges."

"McArthur River Mine will continue to operate so long as we are able to extract and process the ore safely, so long as we’re able to maintain our social license to operate and so long as we’re economic."

Mr. Ashe also referred to commentary on fish and cattle in the local area.

Fish

Fish and prawns in McArthur River and Surprise Creek are safe to eat, as confirmed by the Independent Environment Monitor in the 2014 Community Report which says:

"Monitoring data has not identified elevated lead levels in fish caught from McArthur River or Surprise Creek."
The Independent Monitor further noted:

“The data showed no evidence of mine-derived lead in McArthur River or Surprise Creek, and fish and prawns sampled from both of these water systems meet food standards requirements.”

The only fish that recorded elevated levels of lead were contained to small non-eating fish deep within the mine site itself. The public cannot access these areas at all.

MRM has posted signage as agreed with the NT Chief Health Officer with additional signage to be installed following regulatory approval.

Cattle

MRM is located on the McArthur River Station Pastoral Lease. The Station is managed by a wholly owned Glencore subsidiary company.

In June last year it was identified that some cattle had been entering the mine site and were subsequently removed. Five animals on McArthur River Station Pastoral Lease were euthanised in July and samples were taken for analysis. Test results identified that one of the animals had a low grade lead detection in its offal. The only cattle impacted were limited to McArthur River Station.

The NT Department of Primary Industry and Fisheries has confirmed its view that cattle do not pose a risk to human health:

“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.

All cattle within a 100 square kilometre radius were quarantined for a period of 12 months with no access to local or export markets. Those that could not be mustered out were destroyed on site.”

MRM has developed a cattle management plan in consultation with the Department of Primary Industry and Fisheries and McArthur River Station and this has been put into action.

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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 nearly 700 people, including contractors. In 2013, we spent $100 million on wages and salaries, $200 million on goods and services and $1.4 million on community investment projects.

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