



March 2017

# McARTHUR RIVER MINING

Situated in the remote Gulf of Carpentaria 900 kilometres southeast of Darwin, the McArthur River Mine is a world-class zinc-lead mine with a long life ahead of it.

Operating since 1995, MRM is one of the world's largest zinc resources and a key operation in Glencore's global portfolio. We have continued to invest in the mine's future, successfully completing the Phase 3 Development Project which increased our annual capacity at MRM from 2.5 million tonnes of ore to 5.0 million tonnes.

## HISTORY

Although originally discovered in 1955, the 'Here's Your Chance' deposit was not commercially mined for 40 years as scientists searched for a way to liberate the precious ore from the rock.

In 1977 the first feasibility studies commenced and a pilot plant and temporary camp were constructed at the site. At the time, the high capital costs of building the mine made the project unviable.

The project was re-evaluated in 1989 to provide a single high-grade bulk zinc-lead-silver concentrate suitable for feeding Imperial Smelting Process smelters. Production began using underground mining in 1995, with an expected mine life of just 15 years.

In 2006, MRM moved to an open pit operation, increasing annual ore production to 2.5 million tonnes per annum and extending the mine life by a further 17 years to 2027.

In 2013 approval was given for a further expansion to increase production to 5 million tonnes per annum and further extended the mine life to 2037.

## OUR OPERATIONS

MRM is a fly-in fly-out site operating on a 24/7 basis. Villages at the mine site and at Bing Bong provide our workforce with a comfortable level of amenity when they are away from home.

Our operations include an open pit and processing facility on our mine site along with a concentrate storage shed and shipping facility at Bing Bong Port 130 kilometres to our north. We operate in accordance with the approvals and authorisations provided by the Northern Territory Government.

## MINING PROCESS

The mining process begins by drilling rock then charging the holes with explosives to break it down to a size that can be handled by our mining fleet.

The ore bodies are defined by geologists, selectively mined and hauled to the Run-Of-Mine Pad for processing. The overburden, or waste rock, is taken to Overburden Emplacement Facilities for eventual shaping and rehabilitation.

## PROCESSING

We process the ore on site to produce bulk, lead and zinc concentrates. Ore from the open pit goes through a number of stages at the processing plant including crushing and screening, grinding, flotation and dewatering.

The concentrate is thickened and pressure filtered, to ensure the correct moisture for handling and transport.

## MRM at a glance

DIRECT EMPLOYMENT IN 2016

**762**

INVESTED

**\$2b**

over the last five years between 2012-16

COMMUNITY BENEFITS TRUST

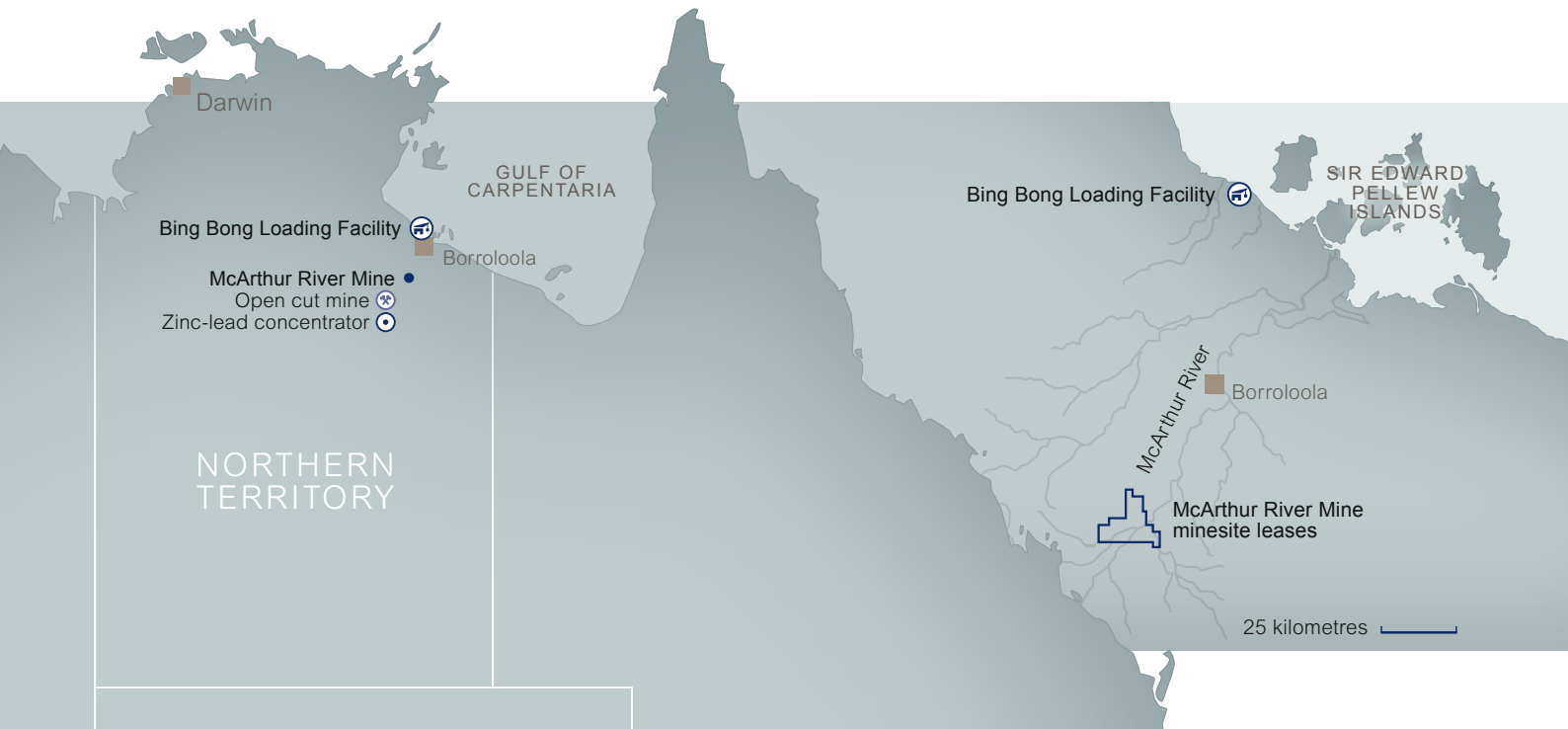
**\$12.3 m**

over 76 projects (contribution of \$1.25m per annum from MRM)

INDIGENOUS EMPLOYMENT

**17%**

of total workforce



#### MINING METHOD

Open pit mine using conventional drilling, blasting, loading and haulage methods

#### OPEN PIT (CURRENT)

Length: 1.6 km  
Width: 650 m  
Depth: 116 m  
Footprint: 102 ha

#### PROCESSING

Conventional crushing/ grinding and flotation process producing zinc-lead concentrates

#### TRANSPORT

Trucked to Bing Bong loading facility, transferred to barge, then offshore loading onto ships within a designated Offshore Transfer Zone

#### EXPORT MARKETS

Europe, Japan, China, North America

#### TRANSPORT AND SHIPPING

Concentrates are stored in a shed at the mine site to be loaded into covered road trains for transport and storage at Bing Bong. From here they are loaded on the purpose-built MV Aburri and taken to ocean-going vessels at sea. The product is covered throughout the process.

#### OUR ENVIRONMENT

We are committed to the highest standards of environmental management and performance. Our management practices proactively prevent risks and we have a comprehensive monitoring program in place to regularly assess and record the mine's environmental performance.

In addition to our own reporting, the Independent Environmental Monitor for MRM conducts an annual audit and review of our performance and reports directly to the NT Minister for Mines.

#### OUR CONTRIBUTION TO THE COMMUNITY

We value being part of the Northern Territory community. We've been here for more than 20 years, and plan to be here for another 20 to come.

We provide employment for around 760 people, mostly from the Top End and the communities immediately surrounding us in the Gulf region.

Since 2007 we have invested more than \$12.3 million into the Gulf Region through the MRM Community Benefits Trust and other community service initiatives.

We have an ongoing commitment to source as much as possible from within the Northern Territory, providing security and employment for Territorians.

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