A successful exhibition in London by local artists and greater capacity to implement environmental programs around the Gulf are among the objectives of two new grants approved by the MRM Community Benefits Trust Board in December.

The Waralungku Arts Centre has been invited to stage an exhibition in central London by the Rebecca Hossack Art Gallery which over the past 22 years has pioneered the introduction of Aboriginal and Torres Strait Islander artwork into the United Kingdom.

Paintings, prints and wooden sculptures by at least eight local artists will be featured in the exhibition this year.

Local artists Nancy McDinny, Stewart Hoosan and Artworker Madeline Dirdi from the Waralungku Arts Centre plan to attend the exhibition for two weeks in June/July and approached the Trust for a $5,000 grant to help cover costs.

Given the opportunity however to promote local art and culture and build the commercial market for our regional artists, the Trust has agreed to this request but also offered an additional $45,000 to support additional investment in marketing and website development.

In granting this additional funding, the Board’s aim is to help provide a platform for the Arts Centre and its artists to increase the public’s awareness of the facility, to showcase their works and drive sales at both a national and international level. Gallery owner Rebecca Hossack considers work from Borroloola to be “some of the most exciting to come out of Australia in recent years”.

A second grant approved in December was to support the Li-Anthawirriyarra Sea Rangers. The group will receive funding of $160,124 for two new vehicles, including maintenance costs over three years. The Li-Anthawirriyarra Sea Ranger Unit is a caring for country initiative of the Yanyuwa people of the southwest Gulf of Carpentaria.

There are currently 13 rangers relying on only two vehicles and three boats. Through this grant, they will double the number of vehicles available and in so doing, allow the group to improve and extend their strategic patrolling activities and potentially, commence additional environmental research programs.

The Board saw advantages in this proposal as an environmental initiative which also provides greater training, development and experience opportunities for the Rangers.

In addition to these new grants, work is continuing with planning for priority projects under the 2011 Annual Plan.

A meeting held in January with Traditional Owners and the Northern Land Council progressed the consideration of sites within the community for the planned business hub, multi-purpose community centre and student hostel accommodation.

These major infrastructure developments will take time to complete but with the support of the community and Northern Territory and Australian Governments, are progressing.
A message from the General Manager

When we were planning the project to convert MRM from underground to open pit operations which commenced in 2006, we had certain expectations about what this development would do for the future of the mine.

I am pleased to say that since then, MRM has met all targeted objectives in regard to production, employment, environmental management and socio-economic benefits for the region.

Last year’s production results are a good example. The Xstrata plc Production Report for the 12 months ended 31 December 2010 and released on 1 February 2011, outlines a 7% increase in ore mined at MRM from 2.1 million tonnes to 2.2 million tonnes, and a 10% increase in zinc in concentrate from 166,467 to 183,517 tonnes.

Importantly, we have also addressed expectations over the past four years by:
- maintaining our good environmental record of no adverse impact on the McArthur River or Gulf environments
- improving our site’s safety performance with significant reductions in total recordable injuries and lost time injuries
- investing over $7 million towards social and regional development through the MRM Community Benefits Trust
- increasing Indigenous employment from 9% to 20% of the workforce.

There can be no doubt that the conversion to open pit operations has been a success for MRM and the regional community.

We look forward to another successful year in 2011.

Ettienne Moller
General Manager
McArthur River Mining

Safety is in good supply at MRM

Congratulations are in order for MRM’s Supply Department, who have reached a team milestone in achieving 2,500 lost time injury free days.

Administration Manager Mike Williams said this was a fantastic achievement and proves that with teamwork and diligence, MRM’s workplace can be accident and injury free.

“Our Supply Department has clocked nearly seven years of accident free work time. This achievement is testament to the team’s commitment to safety and safe work practices, and looking out for one another,” Mike said.

“The Department is very proud of this result and they should be.

“As we start another year, this is a timely reminder to all employees to remain vigilant – safety is our priority, and it’s everyone’s responsibility.”

Comparison of 2009 and 2010 MRM safety statistics

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
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<tbody>
<tr>
<td>Lost Time Injury Frequency Rate</td>
<td>2.5</td>
<td>0.9</td>
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<tr>
<td>Total Recordable Injury Frequency Rate</td>
<td>8.9</td>
<td>8.9</td>
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<tr>
<td>Disabling Injury Severity Rate</td>
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Mining Report

In 2010, the Mining Department achieved its biggest year since open pit operations commenced at MRM, producing approximately 25 million tonnes (Mt).

Mine Manager Karissa Grenfell said the result comprised 2.23Mt of ore and 22.7Mt of waste material.

“In early 2011, the open pit development will remain focused on removing alluvial material from the most southern Pit Stage, G Major,” Karissa said.

“Operating in the clay layers has been a challenge with the early rain that has fallen over the mine, however work is progressing.”

Karissa said preparations for the 2010/2011 wet season were in place, with additional water management initiatives including the construction of a new water storage facility named Lake Archer used to store water pumped from the operational areas.

Other projects underway include a new crib hut facility for mine operators at the northern dump, and a quick fill tank designed to reduce the time taken to fill the water trucks from 15 minutes to two minutes, creating significant time efficiencies.

In addition to these new initiatives and outstanding production levels, 2010 was also a year focused on safety, innovation and the career development of many of our people.

“As we look to the year ahead, we can expect some further improvements to operational efficiency and workplace amenity,” Karissa said.

“This includes the relocation of the Mining Office and Light Vehicle Workshop to be situated closer to the new crib hut, enabling increased interaction between the teams.

“The relocation of the Light Vehicle Workshop will provide an overall improvement in facilities for the people working in this area.

“Congratulations to the entire Mining Department for the many achievements of 2010, and I wish everyone a safe and successful 2011.”
Carole Quakawoot
Indigenous Employment Coordinator, working with our MST Trainees and supporting Indigenous Employees in the workplace.

When did you start working at MRM?
I started in early October 2010 as the Indigenous Employment Coordinator.

Where did you work previously?
My background is in employment services, with my last two and a half years spent working within remote servicing.

What attracted you to MRM?
I was looking for a change in industries where I could still draw on my experiences, while broadening my skills. MRM has given me that opportunity. I am very proud to work for an organisation that is contributing towards the development of Indigenous people and their communities by providing employment opportunities that otherwise wouldn’t be available.

What is your professional goal for 2011?
My goal is to lift Indigenous employment within MRM, and to further develop and support Indigenous staff in their role as valued members within the operation.

Sally Martin
Human Resources Officer working in HR and providing support to all staff in the workplace.

When did you start working at MRM?
December 2010.

Where did you work previously?
My previous company actually seconded me to MRM for four months in 2008. I worked as a consultant during the final construction phase of the river rechannel project.

Where did you work previously?
My previous role was with Drake International in Darwin as a Senior Recruiter specialising in Executive and Permanent recruitment. It was my responsibility to find the right people for various roles in the Territory. Prior to that, I worked as a Registered Nurse.

What attracted you to MRM?
Having recruited for positions in the mining sector, I was keen to gain further exposure in this growing industry with a well known and respected company – and it just so happened that MRM was recruiting. The roster was appealing, together with the opportunity to work onsite at MRM, as I think this gives a greater insight into the operations of the mine – this background is certainly something you need when speaking with potential employees! Overall, living and working onsite is a unique opportunity and I like having a home away from home.

What is your professional goal for 2011?
I’m committed to continuing my studies in HR to gain a deeper knowledge and understanding of this specialist area. I would also like to use my knowledge and experience to assist in the growth of MRM’s HR Department and play a key role in attracting and retaining a diverse, productive, healthy and efficient workforce.
McArthur River rehabilitation continuing to yield positive results

Two years on from the successful diversion of a 5.5 kilometre stretch of the McArthur River, MRM’s intensive rehabilitation program is continuing to yield positive results.

Speaking at the Australian Mineral Council’s SD 2010 The Business of Sustainability conference, MRM Health, Safety and Environment Manager Gary Taylor and Dr Dean Thorburn of Indo-Pacific Environmental said MRM is starting to see a positive trend of animal and plant-life returning, which is now populating the beds and banks of the new river alignment.

Gary said “The re-alignment was constructed to imitate the form and function of the existing McArthur River as closely as possible and we are pleased to see the area improving each year with our rehabilitation efforts.”.

In 2005 it was identified that open cut mining of one of the world’s largest zinc reserves could only be achieved by diverting a section of the McArthur River. MRM undertook operations to divert the river in 2007, which included digging a 5.5km-long river bed ranging between 15 and 28 metres in width to replicate the existing river.

“The new river diversion was designed to have a similar flow capacity, ensuring fish movement was not hindered, and the banks were built with a similar slope to the original river,” Gary said. “Importantly, plans to manage local fish and plant species were put in place, along with ongoing, independent monitoring to track the rehabilitation process.”

MRM placed rocks and woody debris in the river for fish habitat and to trap sediment, while direct seeding for vegetation on the river banks has occurred twice since 2008. To date, approximately 40,000 tube-stock plants have been planted along the channel by MRM. In the Barney Creek area, some plants have grown to nine metres in height.

Gary said that early monitoring results indicated that sand, gravel and small boulders had moved, limiting fish populations in the diverted area, however MRM has since added large woody debris in an additional 35 channel locations, and early indications have highlighted that the diversity of species has since increased, thanks to this placement.

“By the end of this year, independent monitoring has shown that both fish populations and vegetation growth continue to improve,” Gary said.

“To see such tangible, positive results so soon after the completion of the diversion works is very rewarding.”
MRM family days

On the 14th and 21st of January, MRM opened its doors to the families of its employees to give them an opportunity to experience a day in the life of working at an Australian mine.

Families were welcomed by MRM’s General Manager, Ettienne Moller at the safety induction, followed by a mine and mill tour to learn more about MRM’s operations. The tour concluded with a barbecue in the accommodation village, where staff spent time with their families.

Administration Manager Mike Williams said this was a great opportunity for MRM employees to show their family members firsthand the work they do on a daily basis, and what their ‘home away from home’ looked like.

“It’s important for our families to know and understand what we do and our open day was the perfect opportunity to invite them into life on a working mine,” Mike said.

“It was great to see the kids’ faces – they couldn’t believe the sheer size of the haul trucks and other equipment – it was an eye-opening experience for them.”

Due to the success of these days MRM plans to make family days an annual event for staff and their families.

Aburri helps keep a lid on dust

As part of our commitment to the local community and a clean environment, MRM’s bulk carrier, the MR Aburri, recently received a new purpose-built roof designed to minimise potential dust emissions at the Bing Bong Port facility.

The refit is additional to the controls currently in place for the transport of bulk concentrate from the mine to waiting ships. Other control measures include: enclosed trailers on all haulage trucks, a closed system storage shed and load-out conveyor and a covered barge.

All of these strategies are in place to ensure dust is suppressed and managed at every step of the production process.
Mill Report

Despite high ambient temperatures and frequent storms affecting both people and equipment in the last quarter of 2010, the Metallurgy Department has achieved high levels of production. Metallurgy Manager Sam Strohmayer said the team remains on track to achieve set goals, and this is something to be proud of.

“First and foremost, from a safety perspective, our goal was to complete twelve months of no lost time injuries, and it gives me great pleasure in announcing we have achieved this very important milestone,” Sam said.

“We are also on track to meet our TRI (total recordable injury) improvement target of less than five people sustaining a recordable injury in 2010.”

Sam said the ultimate goal is to see each worker return home safely everyday without a work-related injury or incidents, and the effort made in 2010 places his team in good stead to achieving this in 2011, and beyond.

MRM achieved targeted concentrate and metal tonnages in the final quarter but there were a number of challenges including low filter availability and breakdowns of major mill components.

A number of plant improvement projects were commissioned and completed during the last quarter of 2010, most notably, the refurbishment of Thickener 1. This improvement process will increase the concentrate storage capacity during periods of low filter availability. It will also see a reduction in flocculant usage as the extra storage capacity lowers the rise rate of the water, thereby increasing the Thickener’s efficiency.

The relocation and upgrade of the low pressure air compressors has also been completed and these are now online.

“This relocation and upgrade was designed to improve access for maintenance crews while increasing the air flow around the compressors to improve their reliability,” Sam said.

“A standby compressor was also part of the upgrade which will allow the plant to operate at normal plant air levels during periods of maintenance.”
McArthur River Mine Community Benefits Trust

Project Officer - Borroloola visiting schedule 2011

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Organisations considering applying for funding from the MRM Community Benefits Trust need to refer to the current Guidelines and Application form dated March 2010. Applications received on previous versions of the application form will need to be resubmitted.

Applications should be discussed with the Project Officer, Community Engagement, Dan Tillman prior to lodgement. To arrange an appointment call 0427 571 628. All documents are also available by emailing trustenquiry@creativeoptions.com.au or contacting 08 8985 5115.