



30 April 2018

Aboriginal Land Commissioner
Office of the Aboriginal Land Commissioner
GPO Box 9932
Darwin NT 0801

Attention: The Honourable John Mansfield AM QC

Dear Land Commissioner

REVIEW OF DETRIMENT ISSUES – MCARTHUR RIVER REGION LAND CLAIM NO. 184

I refer to your letter dated 20 April 2018 and to the previous detriment submissions made by Mount Isa Mines Limited (“MIM”) via letters dated 25 January 2018 and 16 March 2018.

MIM confirms its previous submissions that MIM held its interests in the subject land prior to the land claim being made. We further confirm that there have been no negotiations or agreement with the Northern Land Council in relation to the land claimed becoming Aboriginal land and how to address the significant issues of detriment to MIM (and McArthur River Mining Pty Ltd (“MRM”), as operator).

MIM submits that it makes a significant contribution to the Northern Territory economy and employment and such a contribution would be placed at risk in the event that the Land Claim was successful.

MIM/MRM provides:

- opportunities for employment in the Gulf region;
- employment within the Northern Territory;
- pathways to employment for local people;
- school-based programs that support future employment at the mine;
- new trainee employment program that looks to fit jobs to local people;
- a procurement framework which support Territory enterprise development; and
- a significant contribution to the NT economy.

Local jobs in the Gulf region

In order to increase employment of local people employed at the mine, MIM/MRM has undertaken a dedicated program of recruitment from the local area.

This has involved:

- career days in Borroloola where potential employees and skills were identified;

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McArthur River Mining Pty Ltd ABN 90 008 167 815

- offering jobs in circumstances where skills have been identified that have provided the opportunity for immediate skilled employment;
- a number of visits to the mine by people interested in jobs;
- matching potential employees with existing or new trainee positions;
- undertaking medical clearances; and
- appointing indigenous mentors.

This process has resulted in 16 trainees taking up positions at the mine in 2017 in various positions across metallurgy, mining, environment and administration, many of whom have now progressed into full-time permanent jobs at the mine.

Local employees offer an additional layer of engagement with the community. They can see for themselves what is happening at the mine and discuss this with family and friends back at home.

Currently, MRM is working with the Borroloola School to introduce Certificate 1 in Conservation and Land Management in readiness to take up roles in the environment team. Positions have been set aside in that team for local recruits. Other school-based programs are being explored.

Northern Territory jobs

As at 31 December 2017, MRM provided direct employment for 1021 people:

- 401 employees;
- 120 permanent contractors;
- 395 operational contractors; and
- 105 project contractors.

MRM recruits its workforce from Darwin and generally only provides flights between Darwin and site. A dedicated recruitment campaign to attract trainee truck drivers from within the Northern Territory began in October 2017 and has progressed to include other positions across the site. This has been successful in increasing the pool of Northern Territory candidates for employment, adding to the mine's contribution to the Territory economy.

Discussions are also underway with the Northern Territory Government about graduate and other programs to encourage Northern Territory residents to take up job opportunities at the mine.

Below is an example of an advertisement seeking interested persons for traineeships at the mine.

McArthur River Mine is one of the world's largest zinc, lead and silver deposits. It is part of the Glencore group, a globally diversified natural resource company comprising around 150 sites around the world.

Situated 970km southeast of Darwin, we have a workforce of around 1000 people including employees and contractors.

Traineeships

We are recruiting to a range of trainee positions across our site. You will be provided with structured, on the job training by experienced professionals to develop your career and open future opportunities in our business.

- Are you a resident of the Northern Territory?
- Are you ready to take on new challenges?
- Can you meet our plane in Darwin to fly to site?
- Are you prepared to commit to a great career filled with opportunities to grow?

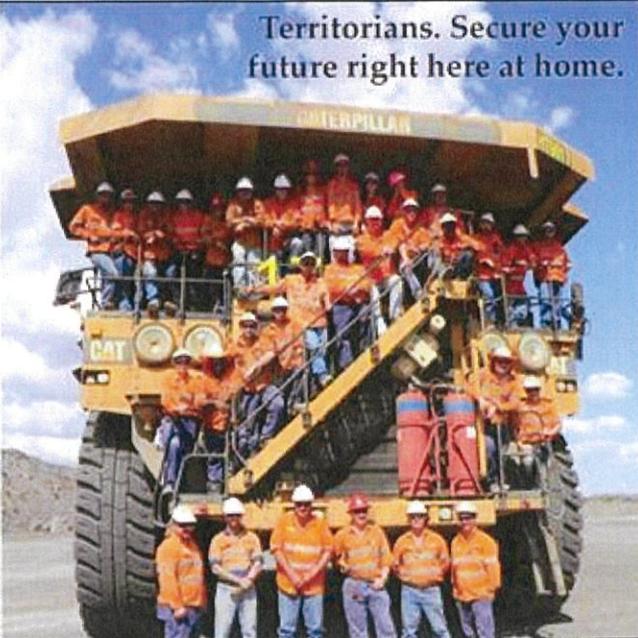
If your answer is yes, we may have the opportunity to secure your future in the Northern Territory.

We offer competitive salary packages, attractive work rosters, employee recognition programs and benefits. While at work, you will enjoy excellent accommodation and recreation facilities as well as delicious meals with options catering to most dietary needs.

Best of all, we are only a one-hour flight from Darwin, giving you more time to spend with family and friends during your time off.

McArthur River encourages diversity and inclusion throughout our workforce. Indigenous and female candidates are encouraged to apply.

To apply, visit www.mcarthurrivermine.com.au



Territorians. Secure your future right here at home.



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Northern Territory economic contribution

MRM invested almost \$2.3 billion into the economy over the six years from 2013-2017 made up as follows:

- \$296 million in wages;
- \$1.16 billion in operational goods and services
- \$818 million in capital projects.

MRM aims to maximise its expenditure within the Northern Territory. In 2017, it dealt with around 500 Northern Territory businesses, with 14 local businesses contracted for \$1 million or more and 71 businesses servicing contracts worth more than \$100,000 each.

Over the life of the mine, MRM is expected to spend a total \$9.9 billion on total wages, goods, services and projects.

Community investment

MRM's community investment is made up of cash sponsorships and donations, in-kind contributions and partnerships. Its largest single commitment is an annual \$1.25 million grant to the MRM Community Benefits Trust.

The Trust is a joint initiative of MRM, the Northern Territory Government and the people of Borroloola. It is a charitable Trust with membership as follows:

- Two Directors appointed by the Northern Territory Government;
- Two Directors appointed by MRM;
- Four Directors elected by MAWA representing the four Indigenous language groups; and
- One Director elected by the broader Gulf region community.

The Board is provided with operational support funded by MRM in the form of logistics and Trust Management Services, which are fully funded by MRM. Independent financial advice and services are provided by a consulting accountancy firm.

The independent Project Management Team conducts additional community engagement activities over and above those conducted by MRM to determine regional funding priorities and develop an annual plan. In the course of their work, the Project Management Team gathers information on MRM activities, which is fed back to the company through its Community Relations Team.

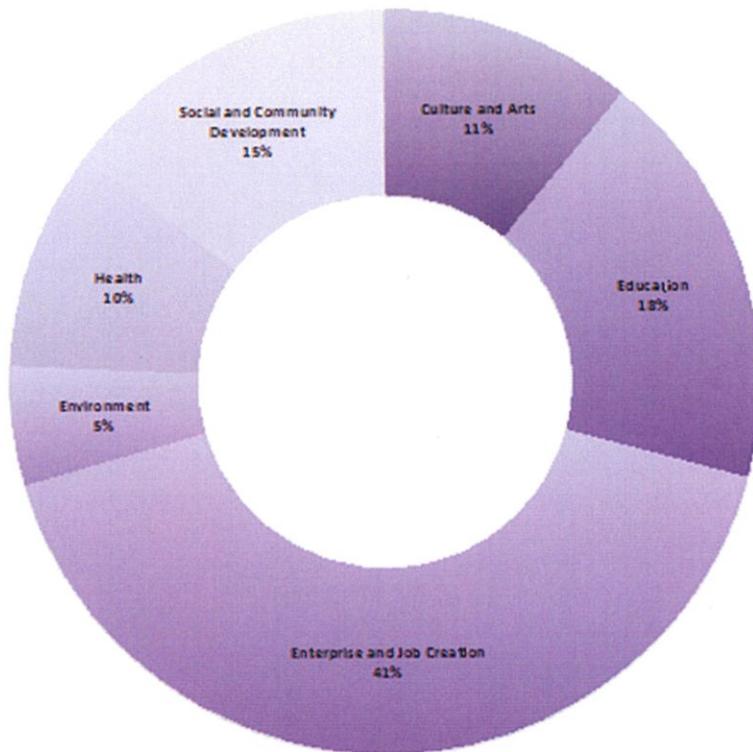
Since its establishment in 2007, the Trust has provided over \$14 million in grants to 91 separate projects in the following areas:

- Culture and Arts;
- Education;
- Enterprise and Job Creation;
- Environment;
- Health; and
- Social and Community Development.

Examples of projects funded include:

- \$1.5 million to Roper Gulf Regional Council for multi-purpose Borroloola Sports Courts to provide a focal point for youth and community activities;
- \$1 million to Mabunji Aboriginal Resource Indigenous Corporation towards the construction of a new crèche, allowing for local people to take up jobs;
- \$920,000 partnership with Borroloola School to encourage senior students through employment pathways;
- \$730,000 support for sea rangers and associated infrastructure, environmental and tourism initiatives;
- \$326,000 for the Song People Sessions and follow up musicology and Gulf Country song book projects;
- \$543,000 to upgrade Malandari store; and
- \$253,000 for school breakfast programs.

The figure below shows a breakdown of funds spent in each investment area.



While the Trust is the major vehicle for MRM investment in the community, other support includes:

- \$200,000 annually in cash sponsorships and donations to the local communities and programs with a broader Territory benefit; and
- \$100,000 raised annually by our staff and suppliers through the MRM Charity Golf Days.
- Partnerships with organisations such as Menzies School of Health Research. Menzies is currently undertaking a study into heat stress among workers in the tropics, which is funded by MRM. The results will be made available to the broader community to allow other businesses to implement programs at their workplaces.

As previously submitted these are matters which need to be considered in the context of the effect which acceding to the claim would have on the continued involvement of MIM and MRM in the Northern Territory and in particular the local community

Yours faithfully

David Kerr
 General Manager – Legal
 Zinc Assets Australia