



## NEWS RELEASE

# SUPPLEMENTARY ENVIRONMENTAL IMPACT STATEMENT

Darwin, 13 December 2005

McArthur River Mining (MRM) has today lodged a Supplementary Environmental Impact Statement, as part of the statutory process to respond to issues raised during the public consultation process for the conversion of the mine from underground to open pit mining.

The Supplementary EIS follows a ten week public review period for a draft Environmental Impact Statement covering the proposed \$66 million conversion of the zinc-lead mine.

MRM General Manager Brian Hearne said 13 submissions were received in the public review.

"Submissions were received from government departments and some community-based organisations and contained some useful suggestions, mainly about environmental monitoring," Mr Hearne said.

"The environmental assessment has been an exhaustive process, involving many scientific studies. We are determined to uphold the highest standards of environmental management and performance at McArthur River."

Of the more than 150 topics raised through the submissions, the most frequent related to the rechannelling of the McArthur River, potential impacts on the river and marine environments and the security of the tailings and overburden facilities.

"MRM has listened to the feedback through the draft EIS process," Mr Hearne said.

"As a result, we plan to undertake even more environmental testing and monitoring in addition to our already extensive monitoring program."

MRM has also produced additional information for the community to explain its environmental monitoring program in response to the concerns of people from the Sir Edward Pellew Islands about potential pollution off the Borroloola coast.

"We appreciate that people are concerned about the health of turtles and dugong," Mr Hearne said.

“Tests are conducted annually by Charles Darwin University on seagrass, oysters and molluscs around Bing Bong Port, as well as tests of sediment at the mouth of the McArthur River. Both show there has been no pollution from the mine and we do not anticipate that a change of mining method would have any negative impact.

“To reassure people, we propose to expand our annual marine testing program with Charles Darwin University and to work closely with the Amateur Fishermen’s Association of the Northern Territory (AFANT) to conduct regular tests on fish species in the river and estuary. We will also fund research into the habitats and behaviour of the freshwater sawfish, a threatened species believed to inhabit rivers in the area.”

If the Environmental Impact Statement is approved, MRM will also consult with the Government and other stakeholders about a proposed Biodiversity Offsets strategy, whereby an area of land would be set aside for conservation, to offset any environmental impact of the mine.

The planned move from underground to open cut mining would extend the life of the MRM mine by 25 years and provide continued employment for 270 people.

“The \$66 million open cut development is the only way to access MRM’s significant ore reserves and secure the future of the mine,” Mr Hearne said.

The draft EIS was lodged on 12 August 2005 and was then subject to a 10-week public review period.

In preparation for the move to open cut mining, MRM has been working with Aboriginal people from the Mabunji Aboriginal Resource Association on a seed collecting program, to aid rehabilitation of disturbed areas.

For further information about McArthur River and the proposed change of mining method, see <http://www.mcarthurriver.com.au>.

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#### **For further information**

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## **About MRM**

McArthur River Mine (MRM), which is 900 kilometres south-east of Darwin near the Gulf of Carpentaria, opened in 1995 and contributes both directly and indirectly around \$350 million annually to the Northern Territory economy. MRM is wholly owned by Xstrata Zinc.

MRM provides a training and employment programme that includes pre-vocational training, traineeships, apprenticeships and jobs for local Aboriginal people. MRM also brings benefits to traditional owners and the local community through sponsorships and donations valued at approximately \$50,000 per annum.

MRM has a measured and indicated ore resource of greater than 120 million tonnes, equating to over 85 years of production at current levels. In 2004, MRM processed some 1.4 million tonnes of ore on site, producing 120,500 tonnes of zinc in concentrate and 26,200 tonnes of lead in concentrate, which is shipped overseas through Bing Bong Port, 120 kilometres from the mine. The *Aburri* barge at Bing Bong is operated by Carpentaria Shipping Services, a joint venture between P&O and MAWA, representing four Aboriginal groups in the Borroloola region.

As part of the approval process of its current Mine Management Plan by the Northern Territory Government's Department of Business, Industry and Resource Development, MRM had to satisfy the Office of Environment and Heritage that the development will address a range of environmental and social issues associated with the test pit. This will cover an area of six hectares and will reach a depth of 40 metres.

## **About Xstrata Zinc**

Xstrata is one of the world's largest producers of zinc concentrates and refined zinc. Over half of all zinc currently consumed is used for galvanizing steel, which is a highly cost-effective and environmentally friendly method of protecting steel against corrosion. Zinc also finds application in the manufacture of die-cast alloys, brass and the production of zinc oxides and chemicals.

Xstrata's zinc and lead operations are located in northern Spain, northern Germany, Australia and the UK. They comprise: the San Juan de Nieva zinc smelter and the Arnao zinc semis plant in Asturias, Spain; the Hinojedo roasting plant in Cantabria, Spain; the Nordenham zinc smelter near Bremerhaven in northern Germany; the Mount Isa, George Fisher-Hilton and Black Star zinc-lead mines in Queensland, Australia; McArthur River zinc-lead mine in the Northern Territory, Australia; and the Northfleet lead refinery located in UK.

Xstrata Zinc produced some 312,000 tonnes of zinc in concentrate and 646,000 tonnes of zinc metal in 2004.