

GLENCORE

Media statement

Townsville, 1 May 2017

Glencore welcomes Prime Minister to Townsville Copper Refinery

Glencore has welcomed Prime Minister Malcolm Turnbull and Federal Resources Minister Matt Canavan to our copper refinery in Townsville this morning to discuss the current energy situation in Australia.

Our copper refinery in Townsville, as well as our mining and smelting operations at Mount Isa, underpin one of the most important industrial supply chains in Queensland.

Last year Glencore's copper operations contributed over \$1.1 billion to Queensland.

Gas and electricity are critical inputs to these operations. Energy represents about 35% of total costs for our refinery and base electricity prices have increased 100% over the past three years.

Hosting the Prime Minister and Minister Canavan was Mr Mike Westerman, Chief Operating Officer for Glencore's Copper Assets in Australia.

Mr Westerman said: "If electricity prices continue to rise, Glencore will be forced to consider the future of our copper processing assets across North Queensland, as well as future investment in energy intensive operations."

"We support the Government's measures to decrease current volatility in the energy market and provide greater certainty for large industrial users of energy in Australia. We recognise this type of temporary bridging policy might be required, given the critical nature of the issue," said Mr Westerman.

Australia is blessed with abundant natural resources and some state governments' decision to lock up strategic gas reserves makes no sense.

Glencore believes that reliable, low cost baseload energy for households and industry should be the cornerstone of Australia's national energy policy. This should also include high efficient low emission coal technologies which can deliver secure energy with less emissions.

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Notes for Editors

About Glencore

Glencore is one of the world's largest global diversified natural resource companies and a major producer and marketer of more than 90 commodities. The Group's operations comprise about 150 mining and metallurgical sites, oil production assets and agricultural facilities.

With a strong footprint in both established and emerging regions for natural resources, Glencore's industrial and marketing activities are supported by a global network of more than 90 offices located in over 50 countries.

Glencore's customers are industrial consumers, such as those in the automotive, steel, power generation, oil and food processing. We also provide financing, logistics and other services to producers and consumers of commodities. Glencore's companies employ around 155,000 people, including contractors.

Glencore is proud to be a member of the Voluntary Principles on Security and Human Rights and the International Council on Mining and Metals. We are an active participant in the Extractive Industries Transparency Initiative. For more information, visit www.glencore.com.au

About Glencore in Australia

Glencore is one of the world's largest global diversified natural resource companies and a major producer and marketer of more than 90 commodities.

We are a major Australian employer, with over 15,600 people working across industries that include coal, copper, cotton, grain and oilseeds, nickel, oil and zinc.

In 2016 we contributed more than \$12 billion to the regional, state and national economies, by employing people, sourcing from local communities, and paying taxes to our host governments. For more information, visit www.glencore.com.au