

INDEPENDENT MONITOR REPORT

1 May 2020 to 30 April 2021

May 2022



A GLENCORE Company

The latest Independent Monitor Report on McArthur River Mine (MRM) confirms there has been a continuous improvement in the environmental management and performance at the mine. MRM remains committed to being open and transparent with the local Gulf community about our environmental and operational performance.

THE REPORT FOUND



A **high level of overall compliance** with Mining Authorisation conditions.



MRM has a **good Risk Management Plan** that meets international risk standards.



A **high level of overall compliance** with Waste Discharge Licence conditions.



MRM's workforce **effectively manage** our Tailings Storage Facility and Overburden Emplacement Facilities.



A **high level of overall compliance** with the NT Environment Protection Authority recommendations.



The McArthur River and its creeks were in good health and that **fish were safe to eat**.



No environmental issues that required urgent attention.



Works done in the McArthur River diversion channel **improved the river habitat** for the animals that live in the river.



You can view updated footage of the McArthur River channel and the waste rock facility every two or three months at: www.glencore.com.au/operations-and-projects/mcarthur-river-mine/see-our-mine-site

PERFORMANCE SCORECARD

The Independent Monitor (IM) examined how well MRM is meeting the conditions set out in our Mine Authorisation, Water Discharge Licence and Northern Territory Environment Protection Authority (NT EPA) recommendations.

The IM examined 1,055 conditions, requirements and individual elements in the Variation of Authorisation, Waste Discharge Licence and NT EPA recommendations.

Each condition was scored as either 'Fully', 'Partly' or 'Not' compliant and then given an overall percentage (%).

There were no non-compliances. There were 39 requirements that were scored as partly compliant however these were largely administrative (eg. documentation procedures) and posed a low risk to the environment.

MRM has either already addressed these or is in the process of doing so.

The IM found no significant environmental issues requiring urgent investigation and attention.

Did you know?

MRM has **over 400 monitoring sites** we use to collect and analyse data to ensure we meet our regulatory requirements for air quality (including dust and sulphur dioxide), ground water and surface water.

In accordance with the IM scoring method, MRM achieved very high levels of compliance and no non-compliances with the conditions of our Mining Authorisation across each of the key environmental aspects.

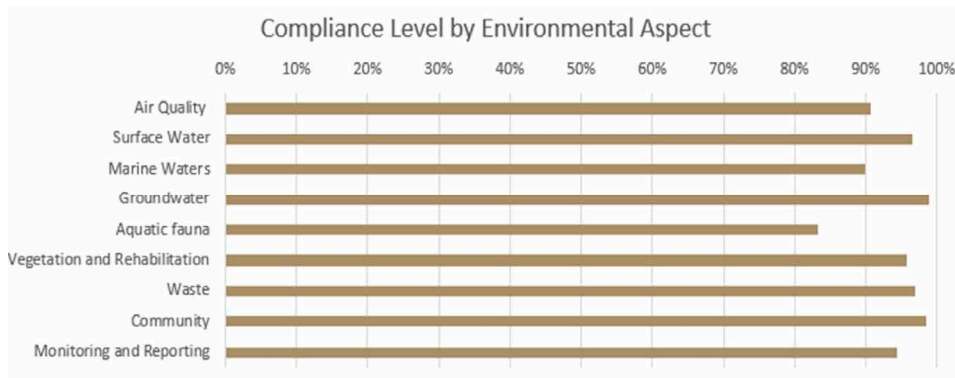


Figure 3-1: Authorisation – Operator Compliance Level Illustrated by Environmental Aspect, page 28, Annual Environmental Performance Audit Report 2021 – McArthur River Mine, Independent Monitor

In accordance with the IM scoring method, MRM achieved the highest compliance scores for the Tailings Storage Facility and Overburden emplacement Facility operation domains.

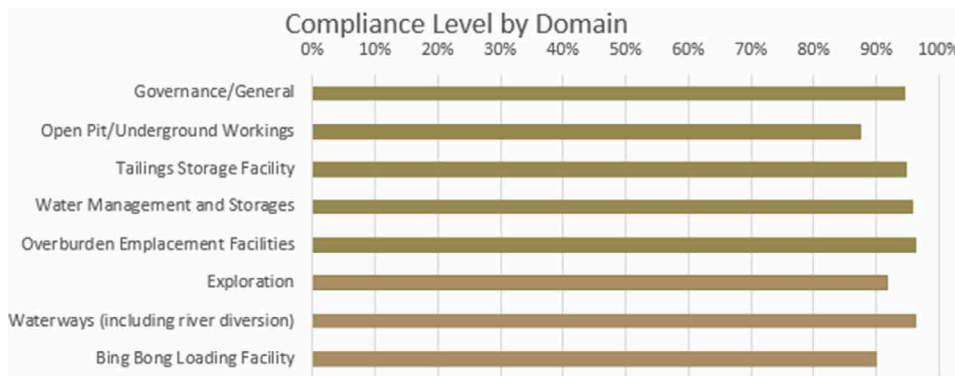


Figure 3-2: Authorisation – Operator Compliance Level Illustrated by Operator Domain, page 31, Annual Environmental Performance Audit Report 2021 – McArthur River Mine, Independent Monitor

About the Independent Monitor

The NT Government appoints an IM to assess the environmental performance of both MRM and the mine regulator. The IM is tasked with assessing whether the way MRM runs its operations meets the rules imposed by the NT Government to protect the environment. Advisian Pty Ltd was appointed as the IM in December 2019.

In March 2022, the IM released its Annual Environmental Performance Audit Report, which presents findings on the environmental regulatory

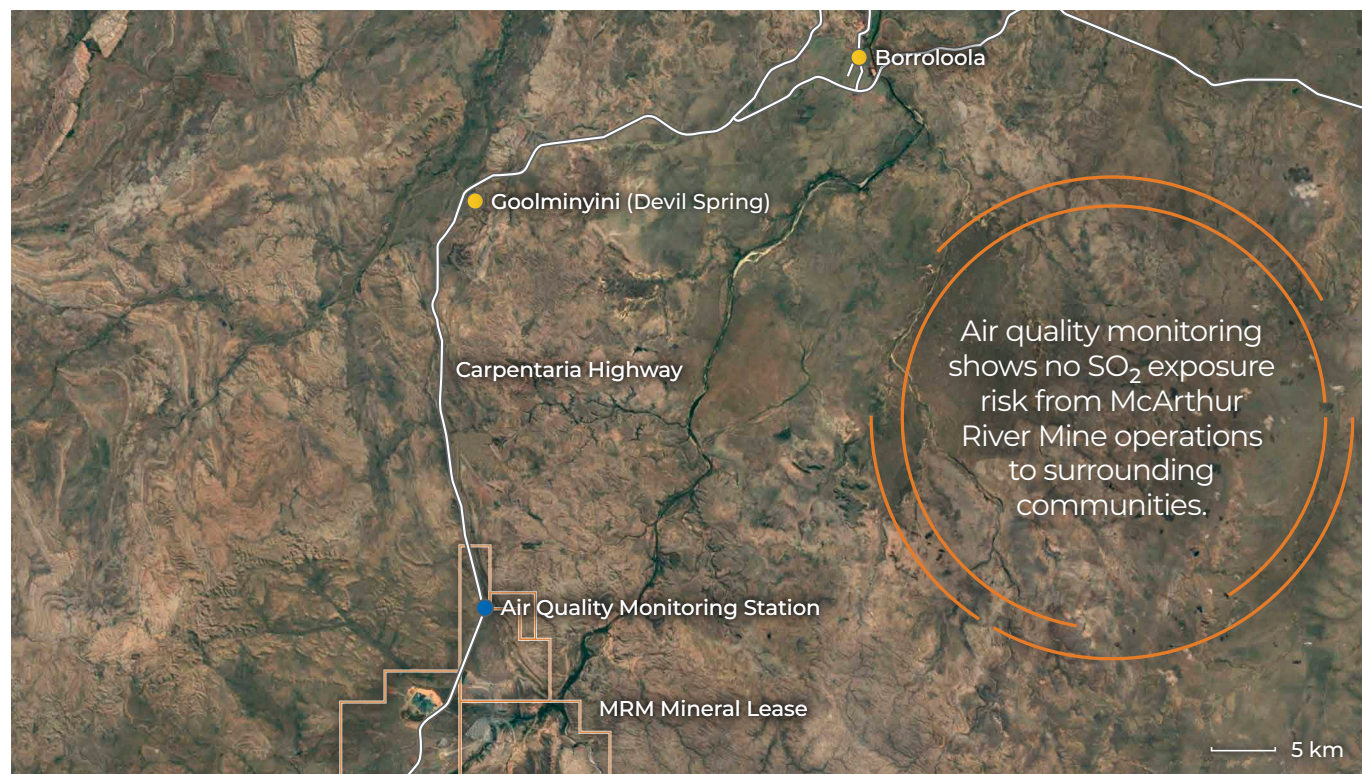
compliance of MRM and the NT Department of Industry, Tourism and Trade for the period 1 May 2020 to 30 April 2021.

In compiling its latest report, the IM also conducted face-to-face conversations with members of the local community in November 2020 and May 2021. These sessions provided feedback on the local community's areas of interest, as well as on communication about the mine's environmental performance.

AIR QUALITY

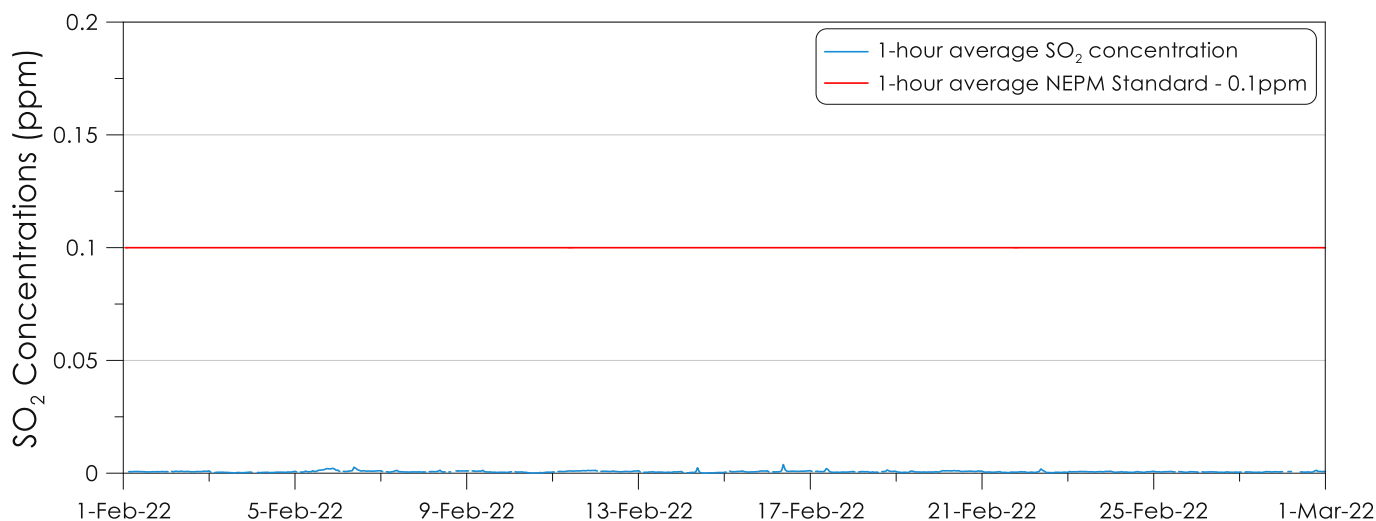
MRM operates an Air Quality Monitoring Station at the north of its mineral lease, which collects real-time sulphur dioxide (SO₂) data and various atmospheric measurements. Data collected are independently reviewed and analysed by an external air quality specialist to determine the risk of exposure at the nearest communities of Goolminyini (Devil Spring) and Borroloola.

Location of the Air Quality Monitoring Station, MRM and the nearby communities of Goolminyini (Devil Spring) and Borroloola:



Air quality monitoring data – 1 February 2022 to 1 March 2022

One-hour average SO₂ concentrations recorded at the Air Quality Monitoring Station during February 2022, with the NEPM standard concentration provided for reference

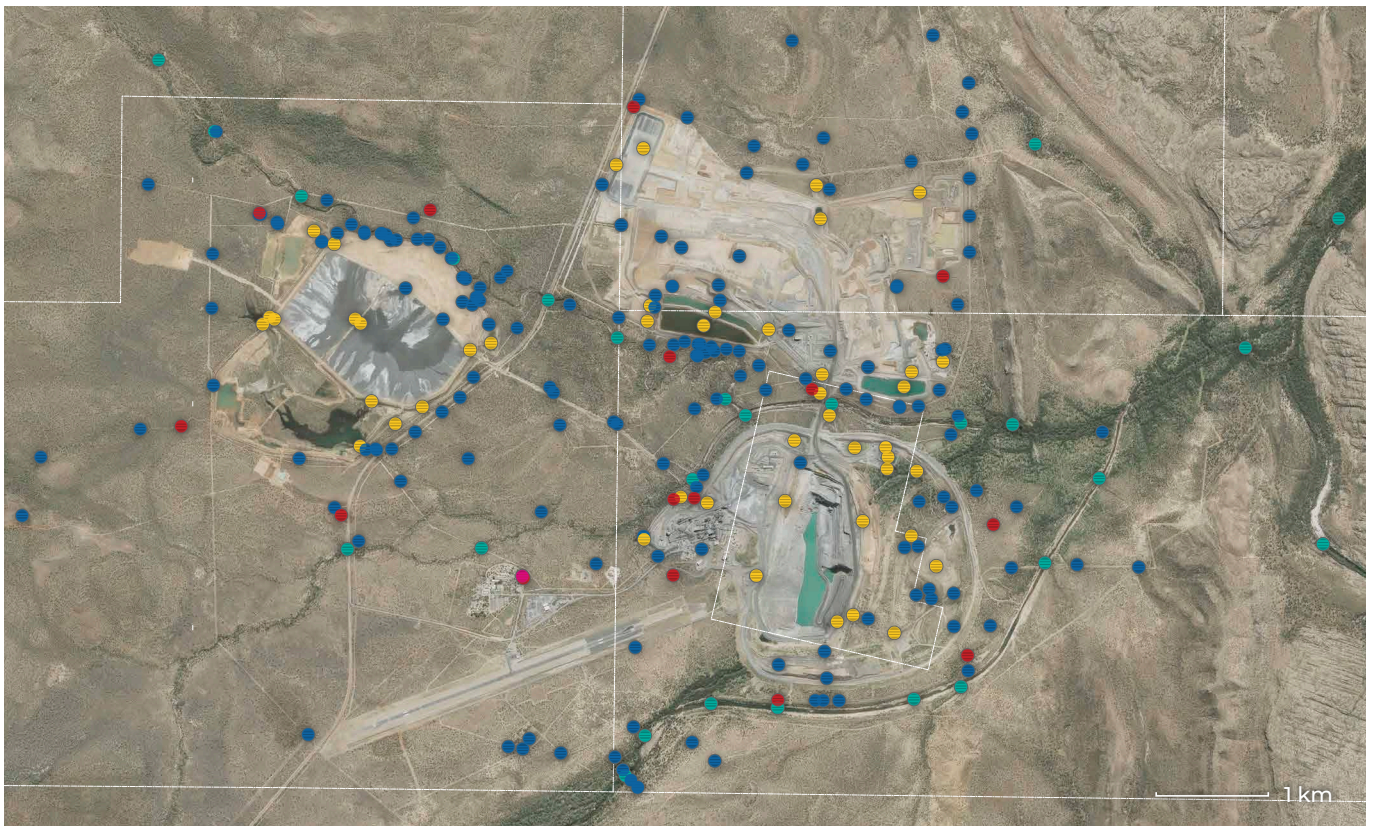


Our real-time air quality monitoring data and monthly Air Quality Monitoring Data Reports are available at: portal.mrm.envirosys.net.au

WATER QUALITY

MRM has a comprehensive and ongoing water monitoring program. We regularly test water quality and aquatic fauna (e.g. fish) to monitor the health of the McArthur River within and outside the mining lease.

We sample and analyse data from over 400 surface and ground water monitoring sites, including in the McArthur River.



McArthur River Mine monitoring locations and monitor types

● Surface Water and Fluvial Sediment ● Artificial Surface Water ● Groundwater ● Dust and Soil ● Sulphur Dioxide

The IM continued to find 'the McArthur River and its creeks were in good health'.

The IM Report says that MRM:

“uses lots of ways to protect the health of the McArthur River so that people can keep using the river”

and

“has programs in place that check and manage potential impacts on river health”.

This reaffirmed its findings from 1 April 2018 to 30 April 2020, as well as a 2018 report by the NT EPA that found:

“... the McArthur River, in terms of water quality and aquatic ecosystems, is in good condition at present”

and

“... no evidence of significant impacts on water quality or aquatic life in the McArthur River downstream of the mine”.

TAILINGS AND WASTE MANAGEMENT

The Tailings Storage Facility and the Overburden Emplacement Facility at MRM have the highest number of conditions because these activities pose the highest environmental risk if not managed properly. As in the previous IM Report, these areas again achieved among the highest scores of all the areas across MRM's domains.



Waste management

Waste rock is stored at our North Overburden Emplacement Facility (NOEF). Some of our waste rock is rich in pyrites which means it can oxidise when exposed to air or water creating heat and sulphur dioxide.

In 2013/2014, some waste rock combusted when exposed to air. We addressed this issue by conducting an external environmental assessment and changing our waste rock management methodology, which was subsequently approved by the NT EPA.

The waste rock is now placed in smaller piles, compacted to a height of two metres and layered between clean materials.

This layering stops air and water reacting with the pyrites in the waste rock. We conduct ongoing and extensive monitoring of the waste rock pile.

MRM has not experienced any significant issues with combustion at its waste rock pile since the new methodology was put in place more than seven years ago.

Tailings Storage Facility

Tailings are the finely ground residual waste materials left after the zinc, lead and silver are extracted from the ore during the processing phase of our operations.

MRM conducts regular and extensive tests at its Tailings Storage Facility to ensure compliance with all environmental conditions and reporting.

This includes, regular independent review of facility design and operational controls and independent dam safety audits completed no less than every 18 months by one of the world's leading experts.

The IM Report notes that “The high scores for these areas are a sign that McArthur River Mining is doing a good job at making sure that the mine's workers are spending time and effort looking after the high-risk mining activity areas to manage them well”.

MAY 2022

About McArthur River Mine

McArthur River Mine is located in the Northern Territory approximately 970 kilometres south-east from Darwin and 60 kilometres south-west of its closest township, Borroloola. McArthur River Mine mines one of the world's largest zinc and lead deposits.

McArthur River Mine provides direct employment to 1,200 people, including contractors. Last year we contributed over \$600 million to the local, Territory and national economies through our payment of wages, spend on goods and services from about 900 suppliers.

Our approach

MRM is committed to being open and transparent with the community about our environment and operational performance.

We value our relationships with the members of the four main language groups in the Gulf Region and is very proud that almost one in four of our employees are indigenous.

We are currently working with the Northern Lands Council (NLC) and Traditional Owners on an Indigenous Land Use Agreement (ILUA) over our mine site and Bing Bong loading facility.

MRM community engagement

You can visit us in person at our office in Borroloola or contact us via phone or email and view information about our environmental management on our website.

Office: Malandari Complex, Robinson Road, Borroloola, NT 0854

Phone: 08 8975 8281

Email: tracy.jones@glencore.com.au

mcarthurrivermine.com.au

 [@GlencoreAus](https://twitter.com/GlencoreAus)

 fb.com/GlencoreMcArthurRiverMine

FOR FURTHER INFORMATION PLEASE CONTACT:

Francis de Rosa
+61 (0) 417 074 751
francis.de.rosa@glencore.com

Tracy Jones
+61 (0) 418 251 774
tracy.jones@glencore.com.au

McArthur River Mining Pty Ltd
ABN 90 008 167 815

Post Office Box 36821
Winnellie · NT 0821
Australia

T. +61 8 8975 8281
F. +61 8 8975 8170