



Operational Changes – Queensland Metals

Key Information

Queensland Metals includes the Mount Isa Mines zinc and copper operations, Lady Loretta Mine near Camooweal and the Copper Refineries and Port Operations at Townsville. Over many decades our communities, employees and suppliers have played a key role in the success of our operations across these sites in North Queensland.

Glencore has announced that we will transition our Mount Isa operations away from copper mining to focus on our long-life zinc mining, and copper smelting and refining going forward.

After 60 years of copper mining and several successful extensions, the Mount Isa copper mining and concentrator operations have come to the end of their life, and we've made the difficult decision to close these assets.

Importantly, the Mount Isa operations remain significant assets for Glencore which is emphasised by our continued investment in our long-life George Fisher zinc-lead-silver mine, and copper smelting and refining operations.

ABOUT THE PLANNED CLOSURE OF SOME OF OUR OPERATIONS

The copper mining operations and copper concentrator at Mount Isa and Lady Loretta zinc mine will close in the second half (H2) of 2025. The size and scale of our associated support services will also reduce as a result of the changes.

The following operations at Mount Isa Mines will gradually scale down and close in H2 2025:

- Enterprise Underground Copper Mine,
- X41 Underground Copper Mine,
- Copper Concentrator.

The Black Rock copper mine in Mount Isa, run by mining contractor Pybar, will close in Q3 2024.

Why our copper mining operations are closing

Numerous studies and reviews have been carried out to further extend the underground copper mines, however none of these have proven economically viable. The existing mineral resources are geologically complex and are at lower grades. This, coupled with ageing infrastructure assets and high production costs mean we have not been able to find a path forward that is economic or internationally competitive.

This is a difficult decision given most of our people, live and work in Mount Isa. Every mine has a beginning, middle and end, and we're very proud that for 60 years the copper operation has built a positive history and made a significant contribution to Mount Isa and the state of Queensland.

THE FUTURE OF OTHER PARTS OF MOUNT ISA MINES AND THE QUEENSLAND METALS BUSINESS

Copper Smelter at Mount Isa Mines and Copper Refinery at Townsville

Our current plan has the copper smelter and refinery operating until 2030. This means Glencore will need to approve additional capital for their operation. These metallurgical assets will continue to process and refine third-party concentrate from other mines in the region. We are also continuing to investigate and trial options such as recycling electronic and copper scrap to extend the life of these assets.

George Fisher Mine at Mount Isa

There's a strong future for our zinc assets in Mount Isa. George Fisher Mine will continue to operate until at least 2036. Current capital projects are focused on ventilation and cooling of new mining blocks to support increased production in future.

Zinc-Lead Concentrator and Lead Smelter at Mount Isa

Our zinc-lead processing facilities will continue to operate to support our zinc-lead mining.

Lady Loretta Mine near Camooweal

Lady Loretta Mine is a well-defined and finite orebody. As communicated publicly over the past few years, closure is scheduled to take place in H2 2025. The mine is owned by Glencore and is operated by Redpath using a largely fly-in and fly-out workforce. A small number of our employees who work there will be supported by Human Resources throughout the closure process.

Glencore Port Operations at Townsville

Our port operations will continue to export metals, minerals and fertiliser products from our copper smelter and refinery and third-party producers.

Support Services at our operations

Other services that support our copper mining operations, which are based in Mount Isa and Brisbane, will reduce in size in line with the closures.

OUR COMMUNITIES

We acknowledge the long history of our Queensland Metals operations, particularly Mount Isa Mines which turns 100 in 2024. These changes may create concern and uncertainty for the workforce, community and suppliers.

We are notifying the workforce and community almost two years prior to the closures. This is to give people plenty of time to consider the best options for their circumstances and support the transition to a smaller workforce. We are also working with all levels of government on the best ways to support the community, local industry and business for the longer-term future following the changes.

Mount Isa Mines will still be part of the community with our zinc-lead operations having a strong outlook for years to come.

OUR MOUNT ISA WORKFORCE

The changes do not mean an immediate shut down. Copper mining production and processing will continue while taking a staged approach to scaling down and closing these operations.

Our top priority is the safety of our people, open communication and ensuring people are supported throughout this process.

There will be a range of changes to support continued operations, such as department restructures and adjustments to role accountabilities, operational and process changes to maintain safety, along with workforce reductions at different stages.

Our aim is to retain as many employees as possible and to continue to support our people and the Mount Isa community.

Critical roles and skills will be retained for:

- continued operations of our copper mining and processing until H2 2025,
- zinc-lead mining and processing into the future,
- critical roles and skills across our operations,
- smaller future projects,
- care and maintenance activities.

Where we can't redeploy people, we will help identify suitable job opportunities at other mines and industry in the region as part of supporting the community and region's transition following the reduction to our Mount Isa operations.

We want to stress that the safety of our workforce is our priority throughout this process.

OUR SUPPLIERS AND CONTRACTORS

Forums will be held in Mount Isa over the coming months to outline the closure schedule. Each supplier and contractor agreement with Mount Isa Mines is different and separate meetings will be made available about the changes.

Priority for meetings will be given to suppliers in Mount Isa who heavily rely on our copper operations for business. During these discussions, we may identify opportunities to provide critical services or supplies to meet the future needs of the business.

Critical skills, supplies and services will be needed for continued operations of our copper mining and processing until H2 2025, zinc-lead mining and processing into the longer-term future, smaller future projects and care and maintenance activities.

Next steps

Our operations have been successful because of the commitment of our people, the community and suppliers over many years, especially in Mount Isa where our operations have been running for almost a century.

For the immediate term, it's business as normal. We are in the early stages of working through the details of the operational changes that will need to take place between now and the closures.

Our focus over the coming months will be extensive engagement with impacted employees, contractors, suppliers, and the Mount Isa community. We will continue to provide information and release further updates as they become available.