



Northparkes Mines *Sustainable Development Report* 2014





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Who we are

Northparkes Mines (Northparkes) is one of Australia's leading copper and gold producers. We are the fourth largest copper producer in Australia. Our high-quality copper and gold concentrate is sought after by customers in China and Japan for use in piping, cable, electronics (cars, homes washing machines, air conditioners, wind turbines, watches) and electric motors.

Northparkes is managed and operated by China Molybdenum Co., Ltd (CMOC) on behalf of Northparkes Mines Joint Venture comprising CMOC (80%), Sumitomo Metal Mining Oceania Pty. Ltd (13%) and Sumitomo Corporation (6.7%).

The mine is located 27 kilometres north of the township of Parkes in Central West NSW, Australia. Our product is railed to Port Kembla, then shipped to customers in China and Japan for treatment.

CMOC is a global mining company engaged in end-to-end mining and processing of molybdenum, tungsten, gold and copper metals. CMOC is one of the largest producers of molybdenum in China.

The company listed on the Hong Kong Limited Stock Exchange in 2007 and the Shanghai Stock Exchange in 2012. The company's controlling shareholder is Cathay Fortune Corporation, a private investment company, which owns 36 per cent. Louyang Mining Group holds 35 per cent and the remainder is publicly held via exchanges amongst shareholders in China, Hong Kong and the USA.

CMOC is on a journey to becoming a global, diversified mining company. As a base and specialty metals company, its strategy is to acquire and invest in mature resources projects in politically stable regions, with strong cash flow.

CMOC is committed to upholding the highest standards in safety, health and the environment and ensuring the sustainability of its business and the communities in which it operates. Its overarching goal is to generate positive returns for its shareholders, employees and its communities.

Over 7,400 employees hold positions at CMOC's operations in China and Australia, with regional offices in Sydney and Phoenix, Arizona.

IN 2014, NORTH PARKES
MADE UP 44 PER CENT
OF CMOC'S
OVERALL PROFIT.

CMOC's global operations

MOLYBDENUM	MIbs	35
TUNGSTEN	MIbs	15
COPPER	Kt	55
GOLD	Kos	60
SILVER	Kos	600





CMOC IS EXCITED
ABOUT THE FUTURE
OF NORTHPARKES
AND ITS LONG-TERM
POTENTIAL.



When CMOC had the opportunity to purchase Northparkes Mines in 2013, we recognised the potential in the business, its people and its future.

CMOC is proud of what we have achieved over one year of ownership of an outstanding business with an excellent reputation – in both the mining industry and the broader community. It seemed fitting that Northparkes reached its 20th year of operation during our first year of ownership and that we could all celebrate this significant milestone together. Considering what has been achieved over the last 20 years, it's exciting to think about what's possible in the next 20.

Over the last year, we have built lasting relationships with the Northparkes team and worked together to do the same with the community. We have been humbled by the warm welcome we've received and proud of the relationships we've been fortunate to forge. The CMOC Board visited Northparkes in August 2014 and, as a sign of their long-term commitment to the broader community, pledged grants for both Parkes and Forbes during their visit. This gesture complements the existing programs Northparkes has in place which are built on the principles of sustainable investment, partnership and development.

During the year, we took the opportunity to share Northparkes' Zero Harm Operations approach with CMOC's Chinese operations. All of the Northparkes Leadership team visited the CMOC operations in Louyang Luanchuan, Henan Province, together with other Northparkes experts from Ore Processing and Finance. Four of CMOC's Chinese employees also spent time at Northparkes during 2014 giving them an invaluable understanding of Zero Harm Operations. Their secondment program has continued into 2015 and is proving to be one way to share knowledge and insights across our global operations.

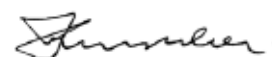
Turning to the bigger picture: we are entering a difficult period in the mining

industry, which is cyclical in nature. In 2014 our revenue was significantly impacted by a decline in commodity prices: the copper price fell by 15 per cent during the year. This decline was partially offset by an increase in our metal production – 2014 was a record year for production with copper metal production up two per cent compared to 2013.

While we do not anticipate the business environment will significantly improve in the short-term, I am confident that Northparkes can navigate the road-bumps ahead guided by its innovative workforce and its relentless focus on Zero Harm Operations. We have the right people and a robust cost structure in place to take the business forward. We maintained our production costs throughout the year and also successfully transitioned to a fit-for-purpose business system, completing the transition from Rio Tinto to CMOC. With a continued steady focus on prudent cost management, business improvement and our philosophy of looking for simpler ways to do things – while always staying safe – our business is well placed to weather the commodity market challenge.

2015 will be an exciting year for Northparkes with two major projects underway – the construction of the Rosedale Tailings Storage Facility and development works to support future sub-level caving in our E26 Block Cave Mine. Both of these projects, and indeed all work at Northparkes, have been approached with an overarching focus on ensuring and achieving the highest possible standards in respect to the health and safety of our people and the environment in which we operate.

Everyone at CMOC is excited about what lies ahead, for both Northparkes and CMOC itself. Zero Harm Operations sits at the heart of our success and I hope our performance continues to improve as we challenge ourselves to be the best we can be.



Kalidas Madhavpeddi
Overseas CEO

20 YEARS

8 EMPLOYEES

CELEBRATING
20 YEARS
AT NORTHPARKES

6.1 MILLION
TONNES

PRODUCTION RECORD

\$372.2M

REVENUE

\$275.3M

TOTAL DIRECT
ECONOMIC VALUE
DISTRIBUTED

\$495,000

**SPONSORSHIPS,
DONATIONS
AND GRANTS**

**1,140 HOURS
OF VOLUNTEER
SERVICE**



AWARDS

**2014
WINNER**

NSW MINERALS
COUNCIL
ENVIRONMENT
AND COMMUNITY
EXCELLENCE
AWARD



**VOLUNTEER
LEAVE PROGRAM**

**2014
WINNER**

AUSTRALIAN MINING
PROSPECT
AWARD FOR
COMMUNITY
INTERACTION



**VOLUNTEER
LEAVE PROGRAM**

**2014
WINNER**

EMERGENCY
RESPONSE TEAM



**VICTORIAN
MINES RESCUE
COMPETITION**

**2014
FINALIST**

2014
AUSTRALIAN
CROPPING
FARMER OF
THE YEAR



**GEOFF
McCALLUM**



WHEAT 4,536 TONNES
BARLEY 1,580 TONNES
CANOLA 1,780 TONNES



Our *Values*



SAFETY

WE LIVE SAFETY.



IMPROVEMENT

WE WILL BE BETTER
TOMORROW THAN WE
ARE TODAY.



ONE TEAM

WE ARE ONE TEAM WITH
A SHARED PURPOSE.



COMMUNICATION

WE COMMUNICATE
OPENLY, HONESTLY AND
WITH INTEGRITY.



LIFE BALANCE

WE LEAD BALANCED AND
FULFILLING LIVES.



LEADERSHIP

WE DEMONSTRATE
CONSISTENT AND
RESPONSIBLE LEADERSHIP.

Stefanie Loader Northparkes Mines Managing Director



THE MINISTER
RECOGNISED
NORTHPARKES AS A
SHINING EXAMPLE
OF HOW MINING
CAN CONTRIBUTE.



2014 was a year of growth for Northparkes. We grew as a business, becoming an integral part of CMOC. We received all levels of government approval for our Mine Life Extension Project that will see us continue to operate until 2032. We also celebrated 20 years of operations with our people and our community. I am proud of these milestones, which reflect the quality of Northparkes as a business and our future potential.

It was also a year to reminisce. On Friday, 15 August we celebrated 20 years of mining operations with all of our employees, community members and special guests including the Minister for Energy and Resources. The Hon. Anthony Roberts MP. What was really impressive about the occasion was the number of our employees who have been at Northparkes for the entire journey. Eight Northparkes employees celebrated their 20 year anniversary during the year, which is a fantastic achievement.

While all of this was going on, our operations worked to reach production targets we've never seen before. We mined and milled 6.1 million tonnes (Mt), which is a new production record. We continue to improve our production rates and keep our costs as low as possible, making us one of the most cost effective copper producers in the world. Our production is guided by our constant focus on Zero Harm Operations and living by our values of Safety, Communication, Leadership, Improvement, One Team and Life Balance. Our values link together everything we do at Northparkes and allow us to work towards our goal of Zero Harm Operations, which means zero harm to our people, our environment, our equipment and our community.

During the year we acknowledged the 15th anniversary of the airblast tragedy that took the lives of four of our colleagues in 1999. Over 100 employees came together at the memorial on 24 November to remember the events of that day. Close to the anniversary we were able to host a family member of one of the victims who came to the mine to get a better understanding of what happened 15 years ago.

To cap off our achievements throughout the year, we were recognised across the industry as leaders in community engagement, with our Volunteer Leave Program receiving both state and national recognition at awards ceremonies. You can read more about the program in this report. It is the cornerstone of Northparkes' proactive approach towards community relations; this unique approach sums up Northparkes' overarching commitment to contributing to our community.

During 2014 we also welcomed a number of visitors to Northparkes including the Premier of NSW, the Member for Dubbo – the Hon. Troy Grant, MP, the Member for Orange – Mr Andrew Gee, and the Federal Minister for Industry – the Hon. Ian Macfarlane MP. Early in the year, a group of Counsel Generals representing countries from around the world included Northparkes as part of their tour of the Central West, organised and led by the Hon. Troy Grant, MP. This was in addition to a number of school visits and university tours.

We also took a trip down memory lane when over 80 former GeoPeko employees, who are proud to claim the discovery of the original Northparkes orebody, visited the mine as part of a reunion tour.

As we head into 2015 our focus remains on Zero Harm Operations and cost effective production which will see us continue to excel as an operation and leading copper concentrate producer. In 2015 Northparkes will undertake two major projects to ensure our mining future, including our first sub level cave in E26 and our biggest tailings storage facility. Both of these projects will ensure we can continue to mine until 2032.

Stefanie Loader
Managing Director

NSW Minerals *Council Chair*

The first female Chair of the NSW Minerals Council was appointed in 2014 – Northparkes Mines Managing Director Stefanie Loader. Stef was proud to be appointed to the role and is excited about the opportunities it presents.

“I want to continue to broaden the image of our industry, which we do by proactively telling the stories of the great people working in mining while

also listening to our community and key stakeholders,” she said.

“Coming from the metalliferous side of the industry, I am looking forward to learning more about coal which is such an important part of our industry here in NSW. I’ve already spent time underground in the western coalfields and have been to see open cut and underground mines in the Hunter Valley.”

NSW Minerals Council CEO, Stephen Galilee said Stef is an outstanding leader in the mining industry, a role model for women, and a highly regarded member of both the Parkes community and the Central West more broadly.

“I look forward to working with her as we seek to address industry challenges and maximise opportunities for mining communities across the state,” he said.



In 2015, in addition to taking on the Chair of NSW Minerals Council, Stef also received the AICD Board Diversity Scholarship which allowed her to complete her Company Directors Course.

Stef is passionate about the power of culture to transform and empower an organisation and believes that diversity and innovation are critical inputs to a high performance culture.

“There is no right or perfect culture for any organisation. Rather, it’s about creating and shaping an environment that both suits a business and challenges it to be its best; to thrive and grow. This doesn’t happen overnight but what’s exciting is that there is opportunity, every day, to work together to create a culture that motivates, inspires and attracts others.

“I believe it’s about being unique, being true to what we stand for and having a vision for the future. Under CMOC’s ownership, Northparkes has an exciting future that I’m proud to lead us toward.”

In addition to her leadership of Northparkes, Stef is a mother of two, is married to a fellow geologist and is now learning about farming – having recently bought a property in the Central West.



STEF IS PASSIONATE ABOUT THE
POWER OF CULTURE TO TRANSFORM
AND EMPOWER AN ORGANISATION
AND BELIEVES THAT DIVERSITY AND
INNOVATION ARE CRITICAL INPUTS
TO A HIGH PERFORMANCE CULTURE.

20 years of *Northparkes* Mines



In 2014 Northparkes celebrated 20 years of mining operations. To mark the occasion a special ceremony was held, attended by over 250 people including The Hon. Anthony Roberts MP, Minister for Resources and Energy and other special guests from local and state government. We were particularly pleased to welcome Mr Andrew Gee MP, Member for Orange, to our celebrations ahead of Parkes moving to the Orange electorate.

Importantly, the day was a chance for our employees to get together and share their memories and stories about working at Northparkes.

To highlight the importance of these stories, five employees from different periods in time – 20 years, 15 years, 10

years, five years and relatively new to the business – told their story and explained why Northparkes is so special to them.

Sanjeewa Senanayake has been working at Northparkes for two years as a Metallurgist in the Ore Processing Department. He spoke about his experiences. “The reason Northparkes is the business it is today is not because of luck or because of favourable markets - but because of the hard work, dedication and can-do-attitude of the people who have worked here in the last 20 years. And while those years were fantastic with great memories – I truly believe that the best is yet to come,” he said.

The Hon. Anthony Roberts MP, unveiled a plaque to commemorate the occasion. “Companies that work with and support

the community, care for the environment, care for their workers and lead by example, are always welcome in our State,” he said. “Northparkes is a shining example of how mining can contribute, by not only co-existing with agriculture, the environment and local communities, but actually helping regions thrive.”

Eight people from the Class of 1994 were recognised both on their 20-year anniversary date, as well as at our Christmas celebrations in December. They were: Rob Cunningham, Alan MacDonald, David Little, Ian Cowle, Geoff Tilley, Ian Rowe, Brad Mill and Tony Melhuish.

The class of 1994

Rob Cunningham has been working at Northparkes since the beginning. He was part of the first operations induction back in January 1994 and has worked here ever since. Today Rob is the Manager for the Health, Safety, Environment and Farms (HSEF) Department, but over his 20 years he has worked in nearly every area of the business.

"I began as an Ore Processing Operator for my first few years before moving to Underground Team Leader and then Underground Production Superintendent," he said.

In 2009, Rob took on the role of Open Cut Manager and led an open cut mining team to safely complete a challenging project. From there he became the Tunnel Boring Project Manager in 2011 where he led a team of international contractors to conduct a world first trial of new underground tunnelling technology. His current role as HSEF Manager is a transition from operations to support services.

During his time at Northparkes Rob has been through the good times and the hard times, including the airblast in 1999 that tragically took the lives of four of his colleagues. Since then Rob has been involved in sharing the lessons the business learnt with employees at Northparkes and across the wider mining industry to help prevent an event like that ever happening again. "Being involved in the airblast shifted my views on risk management – for the better. I don't have a bias to any particular systems or methods of managing risk, other than to find the best for Northparkes."

Northparkes Managing Director, Stef Loader, said Rob is an outstanding leader. "He has led teams across mining, projects and support services – and all have become high performing teams under his leadership," she said.



8 EMPLOYEES

CELEBRATING
20 YEARS
AT NORTHPARKES

What we do

Our operations consist of underground block cave mines and an ore processing plant supported by the Asset Management team who look after, design and build new equipment. We depend on our Mining, Ore Processing and Asset Management teams working together to achieve our production targets.

2014 was an outstanding year for our operational teams. Together we set a new annual production record of 6.1Mt.

In our Underground mine, automation of our loaders remained a crucial element in our success. Our E48 block cave mine reached 80 per cent automation, making it our primary method of extracting ore from underground. This makes the E48 production level the most automated underground mining environment in the world.

The Underground team also added three new extraction drives to the E48 block cave. These drives expand the existing production level by 30 per cent, broadening resources within the cave and extending its life by a further two years and 12.6Mt.

The second stage of our operations takes place in Ore Processing. This is where the ore from Underground is processed into copper and gold concentrate.

There is a continual focus on improvement at Northparkes and to use every resource that is available. This focus resulted in the highest copper recovery at the highest throughput rates in the fourth quarter of 2014, which was an outstanding achievement.

In 2014, Asset Management maintained 1,696 pieces of equipment across our underground and surface operations. This work ensures the equipment across site, both mobile and fixed, remains reliable and operating.

Exploration

Ongoing drilling for ore bodies is a large part of our efforts to secure a long and bright future for Northparkes. Our Exploration team conducted a number of drilling programs throughout 2014 to identify growth opportunities in our region. During the year, 11 reverse circulation drill holes and 10 diamond drill holes were completed over four prospect areas.

OUR E48 PRODUCTION
LEVEL IS THE MOST
AUTOMATED
UNDERGROUND
MINING ENVIRONMENT
IN THE WORLD.



At Northparkes we strive for Zero Harm Operations in everything we do. Zero Harm Operations is how we work – doing every task the right way, every time. We take this approach not because we have to, but because we want to.

At Northparkes safety is one of our six values. We live safety which means: no task is so important that we cannot take the time to do it safely and we watch out for each other because we care.

To help reduce the risk of injury to our workmates, we assess and put measures in place to prevent an injury from occurring. At Northparkes this is known as risk management.

During 2014 we completed a review of our critical risks onsite. A critical risk is one that has the potential to cause a fatality. By way of example, some of Northparkes' critical risks include driving to and from work, or a rock fall. We identify critical controls for those risks, which we rely on to prevent a fatality.

The top five critical risks at Northparkes are:

1. Onsite vehicle impact
2. Offsite vehicle impact
3. Underground rockfall
4. Electric shock/arc flash
5. Crush by fixed plant (equipment with moving parts e.g., conveyors).

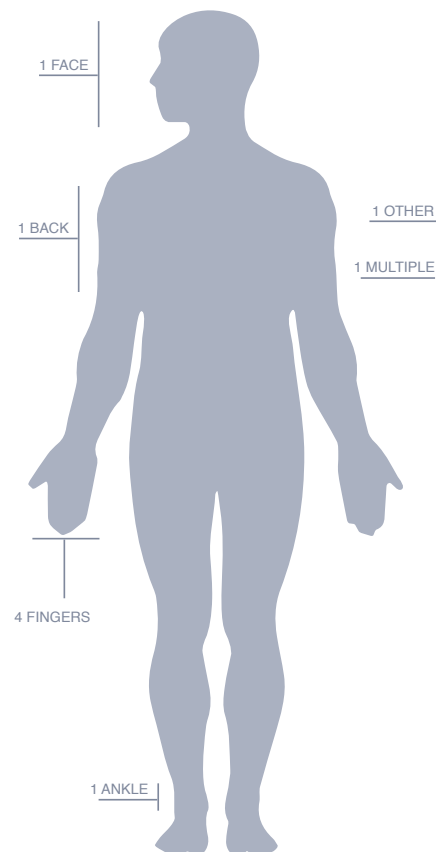
During the year we achieved 99 days straight without a recordable injury. (A recordable injury is when the injured person cannot return to their normal duties the following day). Over the last few years there has been a downward trend in the number of people injured onsite. A total of nine people sustained recordable injuries in 2014. The graphic to the right represents the body parts injured.

INJURIES

RECORDABLE INJURIES
IN 2014

9

RECORDABLE
INJURIES





Economic Management

TOTAL DIRECT
ECONOMIC
VALUE DISTRIBUTED
\$275.3M

Business Results

Revenue* (\$M)	372.2
Capital expenditure* (\$M)	47.6
Ore mined (Mt)	6.1
Total tonnes milled (Mt)	6.1
Copper concentrate produced	169.4
Copper metal produced (Kt)	55.4
Gold metal produced (Koz)	60.2

* These numbers represent CMOC's 80% share of total revenue and capital expenditure in AUD.

Expenditure item (\$M)

Payments to all suppliers of goods and services:	
State	83.1
Region	32.4
Other	53.9
Total	169.4
Sponsorship and donations*	0.5
Payments to government:	
Local - Parkes	1.5
State royalties	12.3
State - payroll and land tax	2.1
Federal - company tax	51.1
Total	67

* This number has been rounded up for the purpose of this table. For more detailed information please refer to page 20.

Direct salaries and wages paid per town of residence (\$M)

Forbes	2.9
Orange	0.7
Parkes	31.6
Peak Hill	0.7
Other	2.6
Total salaries and wages paid	38.5

Working with our *community*



In 2014 Northparkes' community engagement model evolved with the overwhelming uptake of our Volunteer Leave Program. 76 percent of our workforce took part in the program that encourages employees to volunteer their time with community groups and organisations throughout the Central West.

In its second year, our employees volunteered over 1,140 hours of time to more than 30 community projects. Many of the projects would not have been completed as quickly or, in some cases, at all without the assistance of our volunteers. The program had such a positive impact on our employees that many took ownership and – as such – made it their own. They took it upon themselves to identify and plan projects in the community, with the assistance of the Community and External Relations team.

This model of community engagement sees the Northparkes workforce involved in and now leading community engagement. It is no longer the responsibility of one specific team; now the entire site is involved.

Northparkes was recognised as an industry leader at both a state and national level for the program during the year. It won the NSW Minerals Council Environment and Community Excellence Award in August and the Australian Mining Prospect Award for Community Interaction in October. Other mine sites around Australia have shown an interest in adopting the program, or one very similar. Importantly, other businesses in the Central West have also shown interest in adopting a similar model of community engagement, making this a truly sustainable program.

In addition to our Volunteer Leave Program, Northparkes also engages with our community through more formal avenues and meets with community stakeholders on a regular basis. We recognise the importance of building and maintaining a strong relationship with these community representatives, based on mutual respect and a long-term commitment.

One of those relationships is with our Wiradjuri Executive Committee (WEC). The committee is made up of two members from the Wiradjuri Council of Elders, two from Peak Hill Local Aboriginal Land Council and two from Northparkes. The committee meets quarterly to provide Northparkes with a formal channel of engagement with the Wiradjuri community. These meetings help to identify opportunities to work together to provide support to the Wiradjuri people in the community.

Strong Young Mums

This program is a result of Northparkes' relationship with the WEC. The program was formed in 2012 and is a five-year partnership that aims to break the cycle for disadvantaged young women in Parkes and Peak Hill. The overriding objective is to help prevent unemployment, isolation, as well as domestic and sexual violence often experienced by this marginalised group.

In 2014, one of the highlights of the program was the opportunity for our Strong Young Mums (SYMs) to meet the former Governor of NSW, Her Excellence Dame Marie Bashir. Many of the women also undertook formal education and training opportunities and visited Northparkes twice to further develop relationships with our employees and learn about our business.



OUR EMPLOYEES VOLUNTEERED OVER 1,140 HOURS OF TIME TO MORE THAN 30 COMMUNITY PROJECTS.

During the year we also met with the Northparkes Community Consultative Committee (CCC). The CCC was established in 2006 and membership includes mine management and 12 community representatives from both Parkes and Forbes. It is a general forum to update members and identify improvement opportunities in our community together.

At a CCC meeting during the year, general discussion included proposed upgrades to Northparkes Oval. When

the CMOC Board visited Parkes and Northparkes for the first time in August, the Chairman and Overseas CEO identified the infrastructure upgrades at the Oval as the perfect project to receive a grant from CMOC valued at \$15,000. Parkes Mayor Ken Keith OAM said "The grant was a wonderful and unexpected gesture by CMOC, which will help improve the Northparkes Oval facilities. We have built strong friendships with CMOC and look forward to a continuing mutually beneficial relationship," he said.

We also met with our neighbours twice during the year. Neighbours' meetings are a chance for us to update our surrounding landholders on our business and activities both on and offsite. We see these meetings as important forums for us to listen to our neighbours, learn about their activities and answer any questions they may have.

We greatly value the relationships that we enjoy with both the Parkes and Forbes Shire Councils, an important avenue for community engagement and communication. In addition to regular meetings with both Councils, we were delighted to welcome the Parkes Mayor Ken Keith, OAM, and Deputy Mayor of Forbes Shire Council, Cr Graeme Miller, to meet the CMOC Board in August. Cr Ken Keith was a guest speaker at our 20 year anniversary celebrations and also joined the Regional Industry Roundtable that we hosted as part of the day's celebrations. At this Roundtable we took the opportunity to bring members of the Central West mining industry together with the Minister for Resources and Energy and the Member for Orange.

.....
\$491,150
.....

SPONSORSHIPS, DONATIONS AND GRANTS IN 2014

.....
\$321,000
.....

PARTNERSHIPS

.....
\$115,000
.....

STRONG YOUNG MUMS
PROGRAM WITH CENTACARE

.....
\$80,000
.....

PARKES SHIRE COUNCIL
GRANTS OFFICER
AND ABORIGINAL
PROJECT OFFICER

.....
\$60,000
.....

FORBES SHIRE COUNCIL
GRANTS OFFICER

.....
\$30,000
.....

PARKES SPORTS
COUNCIL GRANTS

.....
\$12,000
.....

LACHLAN HEALTH
PARTNERSHIP
PALLIATIVE CARE

.....
\$11,150
.....

PARKES LIFE
EDUCATION

.....
\$10,000
.....

FORBES COMMUNITY
GARDEN

.....
\$9,000
.....

ELVIS FESTIVAL

.....
\$5,000
.....

FORBES VANFEST
MUSIC FESTIVAL

.....
\$80,000
.....

SPONSORSHIPS

.....
\$40,000
.....

ROUND 1

.....
\$40,000
.....

ROUND 2

Northparkes holds two Community and Investment Program rounds each year with \$40,000 awarded to successful applicants each round. Each applicant is required to submit a written request for funding, which is assessed by a small committee of community representatives. The following organisations were successful recipients in 2014:

- Trundle ABBA festival
- Parkes/Forbes Australian Breastfeeding
- Dubbo Deaf Club (Hear our Heart Ear Bus)
- Binaal Billa Family Violence Legal service
- Peak Hill Girls Club
- Forbes Rotary Club Science Challenge
- Peak Hill Preschool Kindergarten Inc
- Parkes Public School sensory gym
- Trundle PA&H Society
- Red Bend Junior Rugby League referee uniforms
- Parkes Gun Club
- Forbes District Historical Association
- Forbes PA&H Dog Trials
- Parkes High School creative learning space
- Parkes SES
- Tullamore PA&H Association
- Little River Landcare Group
- Trundle Men's Shed
- Tullibigeal Lake Cargelligo United RLFC
- Cookamidgera Community Landcare hall
- WIRES Dubbo

**1,140
HOURS**



VOLUNTEERED HOURS

ASSISTING OVER 30
ORGANISATIONS AND
COMMUNITY GROUPS

- Trundle Main Street Rejuvenation
- Peak Hill Aboriginal Men's Group
- Rotary Club of Parkes
- Forbes Childcare Centre Inc
- Mater Aged Care
- Parkes East Public School
- Welcome to Parkes publication
- Quota International of Parkes Inc
- Parkes United Emergency Services Comm Inc
- Forbes Shire Council
- Forbes North Public School P&C Association
- Forbes Toy Library
- Parkes Shire Food Service Inc (Meals on Wheels)
- Tullamore Central School
- Parkes Golf Club
- Wirrinya Progress Association
- Trundle Central School
- Tullamore Irish Festival
- Forbes Amateur Swimming Club Inc
- NSW Bee Week Field Days
- Parkes Floral Arts Society Inc
- St Joseph's Primary School
- Peak Hill P & F Association
- Yeoval P & C Association
- St Georges Toy Library
- St Vincent de Paul Society
- Parkes/Forbes Cake Decorators Guild of NSW
- Adavale Community Hall
- Parkes Shire Council

\$54,000

MATERIALS DONATED

INCLUDING:
CONVEYOR BELT
COMPUTERS
POWER BOXES
FIRST AID BOXES
DESKS
CHAIRS
FILING CABINETS

\$25,000

ONE-OFF CMOC GRANTS

\$15,000

NORTH PARKES
OVAL

\$10,000

FORBES WIRADJURI
DREAMING CENTRE

EQUIPMENT POOL

AVAILABLE TO THE PUBLIC

3X3 MARQUEES
A BLOW UP BIG SCREEN TV
ESKIES



Our People

Why is Northparkes so special? Every person you ask will answer the same: the people. The people at Northparkes are the reason for our success. Some have worked at the operation from the first day it began 20 years ago, others joined the team along the way. What they all have in common is their ability to make things work, which is what Northparkes is known for across the industry. If you want to make something succeed – send it to Northparkes.

The People team works together to provide our workforce with the best workplace possible. This includes flexible work practices, attractive conditions of employment and ongoing development opportunities.

In 2014 the team placed a strong emphasis on increasing diversity and inclusion across both professional and technical roles. There was a focus on promoting Northparkes as an equal opportunity employer to receive applications from a wide sector of the community, with women and people with Indigenous backgrounds strongly

encouraged to apply for vacant positions. We strive to employ the best person for the role – whether male or female – to ensure we have a successful business.

The team is responsible for ensuring all our employees have the skills necessary for their role. Training is provided through both formal courses and on-the-job coaching and learning. As new projects get underway in 2015, new skills will be needed within the workforce. In anticipation of this, this was an area of focus for the Training team in 2014 with different Underground operators trained to use new equipment including haul trucks, production drill rigs and blasting units. These skills will ensure Northparkes continues to operate as efficiently and safely as possible in the years to come.

We have a constant focus on developing our employee pipeline through scholarship, apprentice and graduate programs. In particular our Apprenticeship Program has grown significantly over the last 10 years and currently boasts 18 apprentices – the most ever employed. Apprentices are encouraged to gain a

range of knowledge and experience during their employment in our business and are provided with ongoing training opportunities to broaden their skills base.

Highlights of our 2014 Apprentice Program included:

- Five apprentices started in the electrical, mechanical and light vehicle maintenance trades
- Four apprentices successfully completed their four-year programs in the trades of electrical, mechanical and drafting
- First year Electrical Apprentice, Kelsie Thompson, secured a Bert Evans Scholarship worth \$5,000
- Our apprentices had the opportunity to meet the Federal Minister for Industry, The Hon. Ian Macfarlane MP. The Minister visited the Trades Training Centre and, in doing so, had the opportunity to hear first-hand about the experiences of each apprentice.



Four more young locals began their apprenticeships at Northparkes in early 2015 in electrical and mechanical trades.

An exciting development for 2015 is the re-establishment of our Graduate Program, formalising our commitment to assist students to enter the professional workforce.

The Graduate Program allows students to develop their technical knowledge into practical experience. Graduates will be offered a number of development opportunities, and will gain experience across site to assist them with their future career endeavours. In 2015, over 800 applications were received for four graduate roles – Mechanical Engineer, Mining Engineer, Analytical Chemist and Geologist.







WHY IS NORTHPARKES SO SPECIAL? EVERY PERSON YOU ASK WILL ANSWER THE SAME: THE PEOPLE. AT NORTHPARKES OUR PEOPLE ARE THE REASON FOR OUR SUCCESS.



Diversity at Northparkes

Northparkes Women in Mining

At Northparkes we believe the best workforce is a diverse one: it's key to how we work and our overall success. Having women in our business enables us to achieve greater productivity and higher profitability. Not only does global research confirm this, so does our business performance.

Northparkes has a leading edge when it comes to attracting and retaining women to our workforce. The results speak for themselves.

We currently have over 300 permanent employees, of which 17 per cent are women. This is close to double the industry average. Three of the seven members of our leadership team are female. Within our female workforce, eight per cent are employed in operational and technical roles and the remaining 12 per cent are in support service roles.

Our School to Work Program allows us to share information with students about the range of careers available to them in the mining industry while also providing a mentoring service to the students.

Attracting women to operational roles is also a key focus the People team who are in constant communication with short-term labour providers to encourage women to apply for these roles. There is still more work to be done – but Northparkes is definitely well on its way to achieving a truly diverse workforce – the best kind of workforce.



Kelsie Thompson
Electrical Apprentice

How did you become an apprentice at Northparkes? When I was at Nyngan High I did TVET for electro-technology. From there I looked up Northparkes on the internet and waited to hear of apprenticeship recruitment. My work experience teacher helped me with my resume and cover letter and now, as they say, the rest is history!

Who do you look to for advice and guidance? Everyone at Northparkes has knowledge to share and plenty of years on me. I rely mainly on my team members, production operators and leaders for guidance with my work. The Training team will play a huge part with guidance and advice throughout my four-year journey with study and qualifications.

What does your family think about your career choice? At first they were a bit nervous because of the distance from my hometown, family and friends. Once I made it past the interview and they got to meet the Northparkes team they felt 100 times better about my decision. Now they love visiting Parkes and are two very proud parents.



Roslyn Dalton
Manager Ore Processing

How did you join the mining industry? Science was always of interest to me, particularly geology, and I also enjoyed being exposed to new places and challenges. I recognised that a career in mining could provide me with all this, and more. I joined the industry when I finished my Chemistry degree. My Father was a coal miner in Central Queensland so I guess you could say I grew up with mining.

You lead a team of largely men, what is this like? For me it's about leading a team of people, regardless of their gender. What makes my job such a joy each day is the committed team I lead. They go above and beyond consistently to achieve the best results for the business, you can't ask for more than that. That said, we need to actively encourage more women to join the industry and position it as an option women naturally consider.

How do you manage your work life balance to accommodate your young family? My husband and I made the choice for him to stay home, effectively reversing our roles in the home. This plays a large role in allowing me to manage my work life balance with two young children. He is a gem!

People (%)

	2014	2013	2012	2011
Turnover	10	18	17	13
Female Employees	17	17	17	18
Indigenous Employees	5	2	7	7

Employees per town of residence

	2014	2013	2012	2011
Alectown	1	1	0	0
Bedgerabong	0	0	0	0
Bogan Gate	3	4	5	4
Dubbo	6	4	4	3
Forbes	33	29	32	23
Goonumbla	1	1	1	1
Orange	5	3	1	2
Parkes	252	230	302	282
Peak Hill	7	8	8	6
Tichbourne	4	3	2	2
Trundle	4	5	6	7
Other	11	23	8	11
Total	327	311	369	341

Gender diversity across department (%)

	2014		2013		2012		2011	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Site Management (including Managing Director and direct reports)	50	50	75	25	75	25	50	50
Financial Management	71	29	73	27	75	25	25	75
People	33	67	42	58	53	47	42	58
Ore Processing	89	11	88	13	86	14	87	13
Department Operations								
Health, Safety, Environment and Farms	62	38	59	41	45	55	46	54
Underground Mining	87	13	87	13	93	7	91	9
Asset Management	95	5	94	6	94	6	92	8
Site wide gender diversity	83	17	83	17	83	17	82	18

Gender diversity across positions (%)

	2014		2013		2012		2011	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Manager	50	50	75	25	81	19	88	12
Superintendent	83	17	78	22	76	24	88	12
Team Leader	86	14	71	29	97	3	93	7
Professional	79	21	64	36	80	20	73	27
Graduate	100	0	86	14	68	32	65	35
Apprentice/Trainee	86	14	92	8	92	8	80	20
Technician	94	6	88	12	93	7	96	4
Administration	0	100	0	100	11	89	17	83
Trade	94	6	97	3	96	4	97	3
Site wide gender diversity	83	17	83	17	83	17	82	18

Indigenous *Scholarship* Program



The Northparkes Mines Indigenous Scholarship Program has had a big impact on the lives of six university students in the Central West. Now in its fourth year, the scholarship program assists Aboriginal or Torres Strait Islander students throughout their university degree.

In 2014 we welcomed two new scholarship holders to our team, Michael Thomas from Wellington studying a Bachelor of Environmental Science and Ellerey Harris from Lake Cargelligo studying a Bachelor of Social Work. Both men will receive support from Northparkes throughout their entire journey of university.

The scholarship is aimed at students studying both technical and non-technical subjects. Technical scholarship holders receive \$10,000 per year while non-technical scholarship holders receive \$5,000 per year.

Of our six current scholarship holders, five are studying non-technical subjects, including our inaugural recipient, Sophie L'Estrange from Forbes. Sophie is in her third year of a Bachelor of Oral Health at Charles Sturt University in Wagga Wagga. Each semester break she completes work placement onsite

at Northparkes, as well as at other businesses that will assist her in her chosen field.

"I've been given great opportunities to expand my professional development in the dental field through placements organised by Northparkes in various clinics throughout NSW and the ACT," Sophie said. "Without the support from Northparkes, I would have missed out on these amazing experiences."

In addition to financial support, Northparkes offers valuable workplace experience through placements both onsite and throughout Australia. Adelaide-Rose Wakefield, a second year scholarship holder, completed a two week placement at the Balgo Hills Summer Camp in the Kimberly Desert, 900km from Broome during the year.

"I am so grateful for the opportunity to spend time with the Balgo community," Adelaide said. "During my time I was exposed to the native Kutjungka language and culture and got to spend most of my time with the children who came from all over the region. I built relationships with the children who are some of the happiest kids you'll ever meet."

Another second year holder, Jason O'Neil, just completed placement at the North Australian Aboriginal Justice Agency based in Darwin. Jason had the rare opportunity to attend Bush Court during his time there.

Our sole technical scholarship holder, Amelia Sharah, is in her second year of a Bachelor of Electrical Engineering at the University of Newcastle. Amelia completes work placement onsite at Northparkes each semester break with the Electrical Engineering team where she gains invaluable experience.

"This scholarship has provided me with the opportunity to develop a new career. I am now studying full-time to be an Electrical Engineer, something I never actually thought I would get the opportunity to do.

"Working at Northparkes during my university holidays gives me insight into the mining industry. So far I have gained technical knowledge and practical experience in an engineering environment, rather than just in a classroom environment and from this I have learnt so much. Also working with other Electrical Engineers means I get to pick up their technical and leadership skills, I just wouldn't get that at university."



IN 2014 WE HOSTED A MENTAL HEALTH FORUM IN PARKES OPEN TO ALL MEMBERS OF THE COMMUNITY. OVER 50 PEOPLE ATTENDED THE REAL MAN'S TOOLBOX WHERE MENTAL HEALTH EXPERTS AND COMMUNITY MEMBERS SOUGHT TO BREAK DOWN BARRIERS SURROUNDING MENTAL HEALTH ISSUES.

Fit 4 Life

As part of Northparkes' Health and Wellness Program, each year we encourage our employees to adopt healthier and more balanced lifestyles. In 2014, the Fit 4 Life Challenge helped over 40 people on their journey to be healthier.

The goal for the Fit 4 Life Challenge was to increase physical activity at work and challenge individuals to get fitter, healthier and happier. To ensure our employees were being healthy all the time, family members were encouraged to join as well.

Over 60 per cent of the participants agreed that the Fit 4 Life Challenge positively affected their work/life balance and improved their health and happiness.

Cathy O'Grady took part in Fit 4 Life and said it was a lifestyle change that her husband could be involved in as well. "I really enjoyed the challenge once I got motivated, we were supported the whole time. Vouchers for doing well along the way gave us an extra boost and kept our motivation levels up. We have actually been able to buy our own home gym with the vouchers I won, so we've taken what we learnt in the challenge and are still using it at home," she said.

Fitness classes are held five days a week at lunchtime to provide even more opportunities for people to get active. They included circuit training, boxing and volley ball. To encourage physical activity outside the work place, the Fit 4 Life Challenge also offered free gym

membership and discounted boot camp activities to all participants, as well as fun family-friendly activities and events. Everyone could get involved in the fitness initiatives through pet walks and picnics, a family bike ride and the Northparkes Rotary Fun Run.

The results speak for themselves. Along with the majority of participants having a better work/life balance and higher fitness levels, over 40 per cent of participants believed the challenge greatly improved their physical activity during work time. 62 per cent of participants thought that overall morale at Northparkes was better as a result of the challenge.

In 2015, the Northparkes Health and Wellness Program is targeting cardiovascular disease through the Heart at Work initiative. Heart at Work aims to help employees reduce risk factors for the disease, which is avoidable. Challenges will run throughout the 12-month program with a healthy cooking challenge, fitness challenges and a weight loss challenge. The program will also incorporate educational activities to promote healthier eating, increasing physical activity, better mental health, safer alcohol consumption and smoking cessation.

At Northparkes we believe being healthy is not a fad, trend or short-term goal – it is a lifestyle.

It is recommended that in one average week Australians need to do two and a half hours of exercise and include strengthening activities on two days. Our 30 minute lunchtime fitness classes provide our people with the opportunity to do this.



“CARRYING THOSE
EXCESS KILOS GREATLY
INCREASES A PERSON'S
RISK FOR DEVELOPING
CARDIOVASCULAR
DISEASE, LONG
TERM HIGH BLOOD
PRESSURE AND/OR
TYPE 2 DIABETES.”



Our Emergency Response team

Northparkes has a dedicated team, made up of full-time positions and volunteers, trained to respond to emergency situations. In 2014 our Emergency Response team (ERT) took out top honours at the Victorian Mines Rescue Competition in Bendigo. They competed against other teams from across Australia and were crowned the overall winners after achieving first place in two events – team skills and fire-fighting. They also placed an impressive second in several events including first aid, the breathing apparatus practical, theory test, team captain and overall safety.

This year's team was made up of Captain Robbie Owens, Vice-Captain Jamie Pope, team members Ben Ryan, Adam James, Wayne Sargent, Matt Ross, Jeneta Wellard and team Manager Matt Greenaway.

Robbie Owens said, "This year's team worked together like they had been together for years. The key to a successful ERT is to remember you are only as strong as your weakest person and only as fast as your slowest person. If you remember this, you become an undividable team, and I believe that's what we were."

The Victorian Mines Rescue Competition is held every two years and attracts Emergency Response teams from as far away as Western Australia. While training is already underway for the next competition, the focus for the ERT is to be as prepared as possible in case of an emergency at Northparkes.



Environmental management

At Northparkes we pride ourselves on recognising the values, qualities and biodiversity present within the region in which we operate. This recognition was key to securing environmental approval for the extension of our mine life in 2014 under the State and Commonwealth legislation that will see Northparkes continue until at least 2032.

Environmental monitoring plays a critical role in determining any potential impact our mine has on the surrounding environment. Mining operations are guided by management strategies and the measurement of environmental impacts. We have monitoring programs for dust, noise, water (surface water, groundwater and farm dams) and rehabilitation.

We monitor air quality to assess the effectiveness of implemented dust

control measures and identify potential sources of dust from our site. Monitoring is conducted according to Australian Standards and utilises neighbouring sites, including both directional and depositional gauges. In addition, high-volume samplers are located at our neighbouring properties. In December 2014, we installed our first real time monitors for dust (PM10) and noise, which will allow us to monitor real-time data and provide information to our stakeholders faster.

Noise monitoring is conducted quarterly by an external specialist who monitors and analyses noise data at our neighbouring properties. Noise levels must comply with the requirements as set out in our Development Consent, and associated standards and policies.

IN 2014 WE RECYCLED MORE WATER THAN EVER BEFORE WITH OVER 66 PER CENT OF WATER USED COMING FROM RECYCLING.

The majority of our water use is to process crushed ore into copper and gold concentrate. We manage our water use through an internal infrastructure system that aims to:

- Ensure reliable and sustainable long-term supply of water to site
- Minimise fresh water use by recycling water from mining and processing activities
- Monitor surface and groundwater resources to assess impact of our operations.

Results on page 37.





Water

	QUANTITY USED MEGALITRES (ML)			
	2014	2013	2012	2011
Fresh water piped from the Lachlan Valley borefield [A]	1,854	1,999	2,069	2,379
Harvested from site surface water catchments [B]	1,002	655	1,762	1,054
Total water used [A+B]	2,856	2,654	3,831	3,433
Water recycled onsite	3,215	3,109	2,188	1,898

Environmental Performance

	2014		2013		2012	
	Actual	Target	Actual	Target	Actual	Target
Government fines	0	0	0	0	0	0
Reportable high-risk environmental incidents*	1	0	0	0	0	0
ISO 14001 certification	Recertified	Maintain certification	Recertified	Maintain certification	Recertified	Maintain certification
Freshwater used in megalitres (ML)	1,808	1,576	1,998	1,812	2,069	2,050
Total recycled water used (%)	67	63	49	N/A	N/A	N/A
Greenhouse gas emissions per tonne of concentrate (tCO ₂ -e/t)	1.18	1.44	1.14	1.52	1.28	1.67
Total energy used per tonne of ore milled gigajoule (GJ)	0.1351	0.14	0.1313	0.17	0.143	0.25
Total land clearance (ha)	12.8	160	2.09	NA	7.44	25
Total land rehabilitated (ha)	0.35	0.43	0.87	NA	4.2	15

* A broken connection on a 315 mm poly tailings line caused tailings slurry to run into a pipe bund and adjoining roadside drain. The line was repaired and tailings were removed immediately. Actions to prevent a re-occurrence included changing limits on the tailings leak detection system and changing the process for shutting down a tailings line for maintenance.

Mine *closure*

As mentioned throughout this report, in 2014 Northparkes received approval for our Mine Life Extension Project. While we still have at least 18 years of operations ahead of us, we continue to actively rehabilitate the land around our operations so we can minimise any adverse impact on the environment.

Planning for mine closure is included in our ongoing business planning and management. This approach allows for successful completion of the closure requirements during normal mining operations.

As part of our closure planning for tailings dams, we have undertaken rehabilitation trials on one of our Tailings Storage Facilities (TSF) in consultation with the University of Queensland. The basis of this research is to determine the most appropriate rehabilitation designs for successful closure of our tailings storage facilities at Northparkes in the future.

There are four stages in the rehabilitation trials:

- Review of site environmental data and literature
- Field sampling of geochemical and physical characteristics
- Hydrological and geochemical modelling
- Field trials to validate the required cover system.

The information from these field trials will be used to inform the final capping design. In decommissioning the TSFs, capping will be staged and will use a field-tested design.

By capping the TSFs we ensure long-term stabilisation and will minimise environmental risk.







Northparkes' Mine Life Extension Project was approved in 2014, which will see Northparkes continue to operate until at least 2032. Part of the approval conditions, under the Commonwealth Environment Protection and Biodiversity Act 1999, requires that residual impacts resulting from the Extension Project must be offset. Offsetting is an action intended to compensate for impact on the land due to mining operations.



To offset the impacts of our Mine Life Extension Project we purchased a 350 hectare property, known as Kokoda. This site was selected as it has the required vegetation and structure to directly correlate with the proposed project impacts.

Kokoda is located along a north-south vegetation corridor. The corridor connects remnant woodland and forest vegetation along the ridges and hills from north of Eugowra in the south, to east of Narromine in the north. It includes Goobang National Park, the largest conserved remnant patch of woodland and forest vegetation in the Central West.

To determine the biodiversity value of the Kokoda property, detailed baseline ecological surveys began in

2013 and continued throughout 2014. These surveys included vegetation assessments, surveying winter migratory birds, nocturnal spotlighting and playback surveys. We also conducted echo-location recording to survey for micro bats and deployed remote cameras to monitor fauna.

Kokoda boasts a wide range of flora and fauna including areas of remnant Grey Box grassy woodland, forest including Dwyer's Red gum, Grey Box and Black Cypress Pine. Several threatened species such as little lorikeet, superb parrot, brown treecreeper, hooded robin, grey-crowned babbler and eastern bentwing-bat are also present. Additionally, the property provides suitable habitat for a range of other threatened species that have the potential to occur within the area.

Over the coming years, we will continue to monitor the ecological value of Kokoda and actively undertake management to improve the habitat value for the threatened species that live in the area. We believe that securing Kokoda aids in preserving vegetation corridors in the wider landscape and facilitating ecological processes, such as fauna movement and gene flow within the region.

WE WILL CONTINUE
TO MONITOR THE
ECOLOGICAL VALUE
OF KOKODA AND
ACTIVELY UNDERTAKE
MANAGEMENT TO
IMPROVE THE HABITAT
VALUE FOR THE
THREATENED SPECIES
THAT LIVE IN
THE AREA.







2014 WAS A LANDMARK YEAR FOR NORTHPARKES.

WE CELEBRATED 20 YEARS OF OPERATIONS AND EXTENDED
OUR MINE LIFE TO AT LEAST 2032.

OUR PRACTICES HAVE BEEN IMPROVED AND REFINED OVER
THOSE 20 YEARS. THAT IS OUR COMMITMENT TO INNOVATION
AND ZERO HARM OPERATIONS. WE CHALLENGE OURSELVES TO
BE BETTER EACH DAY AND ARE ALWAYS LOOKING FOR IMPROVED
WAYS OF DOING THINGS.

OUR JOURNEY TOWARDS ZERO HARM OPERATIONS IS A
RELENTLESS FOCUS ON OUR ENTIRE SPHERE OF OPERATION:
OUR PEOPLE, OUR COMMUNITY, OUR ENVIRONMENT AND OUR
EQUIPMENT. WE BELIEVE THIS APPROACH IS WHY WE HAVE BEEN
SUCCESSFUL FOR OVER TWO DECADES, AND SETS US UP FOR
FURTHER DECADES TO COME.

THANK YOU FOR YOUR INTEREST IN NORTHPARKES MINES.

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