ENVIRONMENT

(From left) Ed Turley, Environmental Officer, and contractor Eric Battig, perform a topographical survey in the Vis Vis valley near the Alumbrera mine in Argentina.

MIM continues to work to improve its environmental performance and reduce the environmental effects of its operations. Many improvements have been made. The main environmental challenges now facing MIM are the management of effluent and stormwater discharges, air emissions reduction, the minimisation of disturbance, lessening of Greenhouse gas emissions and the drive towards a more sustainable minerals industry, including strengthened community involvement.

Working for a sustainable future

In 1999 MIM joined other international mining companies in establishing the Global Mining Initiative to study sustainable development issues facing the mining industry. The research was part of the Mining Minerals and Sustainable Development Project which culminated in a report and major industry conference in Toronto in May 2002. MIM is evaluating the report recommendations and preparing its strategy to further sustainable development in the minerals industry.

During the year MIM reported progress against the voluntary Australian Minerals Industry Code for Environmental Management. Progress was made in relation to environmental planning, impact assessment, water efficiency, waste management and environmental monitoring programmes.

Room for improvement in risk assessment, closure planning and stakeholder communication was recognised. Recent EMS audits have emphasised the importance of formally assessing environmental risks at each operation. With the implementation of new guidelines the development of closure plans will be a priority this year and the plans will be audited during 2003.

The company again reported to the Greenhouse Challenge Office, detailing greenhouse emissions and initiatives in place to abate these emissions. Meanwhile, the company's UK sites are working to meet energy efficiency goals under the Climate Change Levy agreement.

Environmental Management

Audit of and reporting on the environmental performance of each of MIM's sites is an integral part of the management of environmental issues across the group.

Operations throughout the group continue to develop and implement site specific environmental management systems. These broadly follow the international standard ISO 14001, and conform to the MIM Group Environmental Standard and the Australian Minerals Industry Code for Environmental Management.

Six site environmental management systems were audited during the year; the balance will be audited in the first half of 2003 financial year. Environmental audits and assessments were also undertaken as part of business development projects.

Reporting

A comprehensive environmental reporting framework is in place, requiring monthly incident and quarterly performance reports for all operations. The number of incidents reported using MIM's internal incident ranking categories (one [minor] to five [catastrophic]) decreased by 3% from 2000/01 to 2001/02. The reporting and rectification of incidents is an important tool in improving our environmental performance.

To assist in ensuring MIM meets its corporate governance requirements, and local site due diligence, sites have developed detailed compliance registers which require those with environmental responsibilities to regularly assess environmental compliance in their areas.

MIM provided emissions data for the National Pollutant Inventory in Australia and to similar schemes in Germany and the UK. The majority of emissions were to air, sourced predominantly from smelter emissions and the generation of dust.

In January 2002 MIM released its fourth annual Environment Report covering the 2001 financial year. The report was distributed to all employees. The report is available at *www.mim.com.au/environment.html*.

Performance

MIM coal mines continue to rehabilitate areas disturbed by mining. Newlands and Collinsville have rehabilitated the backlog of all overburden spoil. By 2004 Oaky Creek Coal will recontour the majority of remaining unrehabilitated spoil. Ripping and seeding required for rehabilitation will be completed following any subsidence from underground operations.

The proportion of the Mount Isa copper smelter's sulphur dioxide emissions captured for conversion to acid for fertiliser manufacture increased from 54% in 2000/01 to 72% in 2001/02. This also led to a significant decline in other emissions from the smelter.

An effluent treatment plant was commissioned at Avonmouth and further work was undertaken to improve the quality of rainfall catchments at Mount Isa. These projects highlight the continuing effort to improve the quality of water discharged from MIM's sites.

Compliance

Compliance against significant Australian legislation is detailed in the Directors' Report on Page 30.

For more information MIM's environmental performance visit: www.mim.com.au. The 2002 Environment Report will be available on the website from January 2003.