

# GLENCORE

The Hon Anthony Albanese MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

The Hon David Crisafulli  
Premier of Queensland  
1 William Street  
BRISBANE QLD 4000

17 July 2025

## Mount Isa Mines – Copper Smelter & Refinery

Dear Prime Minister and Premier Crisafulli,

s 47G(1)(a)

You will recall Glencore's correspondence to you both on 26 February 2025, included at **Attachment A.**

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s 47G(1)(a)

Glencore is grateful to both the Queensland and Federal Government for its continued engagement and discussion with our company on this issue.

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We have another meeting with Minister Last next week. We have set aside as much time as needed for this meeting to ensure it is a working meeting where we can discuss ideas in detail to make progress towards a potential solution.

Glencore would also welcome the opportunity for a similar working meeting with Minister Ayres to seek detailed feedback and counter proposals in response to the table of possible measures for a

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support package we put forward at our last meeting. We are committed to setting aside as much time as needed for this to be a working meeting where we can discuss options in detail.

Glencore remains committed to engaging with Queensland and Federal Government (s 47G(1)(a) s 47G(1)(a))

As we have stated all along, Glencore remains committed to investing in the Northwest Queensland region and is actively progressing the Black Star Open Cut Project, which is a 10–20 year copper and zinc resource, as well as extending the George Fisher Mine beyond its current life of mine of 2042.

We recognise and appreciate that Mount Isa and Townsville have been good to Glencore. It is also true that we have been good to Mount Isa and Townsville and that our success has created shared value across the region. Glencore has continued to invest in our Queensland Metals operations including A\$1.8 billion capital investment over the last 5 years.

Glencore is one of the largest producers and processors of critical minerals in Australia and our company is proud of the economic contribution we make in Australia.

Last year our economic contribution in Australia was A\$19.6 billion including A\$3.6 billion in taxes and royalties. Across Queensland our economic contribution was around A\$9.4 billion and in the Mount Isa and Townsville local regions our economic contribution was around A\$1.4 billion.

As with all our correspondence related to this matter stretching back to 26 February 2025, the purpose of this letter is to be as transparent as possible.

Glencore is grateful to you both for your continued engagement, particularly Premier Crisafulli, for making the time to meet with us twice in person.

We welcome the opportunity to engage on this very challenging issue.

Yours sincerely,

Suresh Vadnagra  
Industrial Lead – Global Nickel and Zinc Assets  
Glencore plc

**ATTACHMENT A**

# GLENCORE

The Hon Anthony Albanese  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

The Hon David Crisafulli  
Premier  
1 William Street  
BRISBANE QLD 4000

26 February 2025

## Mount Isa Mines – Copper Smelter & Refinery

Dear Prime Minister Albanese and Premier Crisafulli,

I'm writing to provide an important update on Glencore's Mount Isa Mines (MIM) operations in Queensland. MIM, including our George Fisher Mine, produces copper (refined metal), zinc concentrate, lead bullion (metal) and silver.

As you may be aware Glencore recently met with Departmental officials, Ministerial advisers and Ministers from your respective governments. The purpose of these meetings was to provide an update on our operations and Glencore's ongoing commitment to Mount Isa. s 47G(1)(a)

s 47G(1)(a)

Given the MIM complex includes multiple integrated facilities sharing a large operational footprint, including both mining (underground/surface) and processing (concentrator/smelting) assets, it is appropriate to provide an overview of the key related issues that will influence the long term sustainability of MIM's operations.

Before setting these out, I want to be clear that Glencore remains committed to Mount Isa. Together, our Queensland Metals business last year supported 4,350 direct jobs and contributed around A\$2.6 billion to the economy. This includes an annual spend of A\$1.8 billion on goods and services and working with around 1,900 suppliers.

Over the past five years alone, Glencore has invested A\$1.8 billion into our Queensland Metals business, including:

- \$653 million in zinc mining and processing
- \$513 million in the Mount Isa Copper Operations
- \$220 million in copper processing, incl. the concentrator, smelter and refinery
- \$87 million in exploration

Glencore is also committed to extending MIM by advancing studies into the Black Star Open Cut operation.

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## 1. Mount Isa Copper Operations (MICO) Closure

You may recall that in October 2023, Glencore announced we would be closing MICO after having exhausted the available viable mining inventory. This process remains on schedule with MICO likely to close in July 2025.

When Glencore announced the closure of MICO, our early estimate was that up to 1,200 "roles" could be impacted.

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## 2. Black Star Open Cut (BSOC) Project

MICO is only one part of the broader MIM complex and Glencore is actively seeking to re-start the Black Star Open Cut (BSOC) operation in Mount Isa.

The BSOC Project, which is a silver, lead, zinc and copper project would significantly extend the existing open cut mine footprint into the current MICO working areas and critical shaft infrastructure (hence the sequential nature of MICO closure and BSOC commencement). The BSOC project has an estimated 10-20 year mine life and is at a pre-feasibility stage of development. The mining workforce for the BSOC project is anticipated to be around 300-400 full time employees. Studies to date show that BSOC is economically viable. Subject to further studies confirming its feasibility and subject to permitting, BSOC could be in operation in late 2027 or 2028.

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## 3. Mount Isa Copper Smelter and Townsville Refinery

### Overview

The Mount Isa copper smelter is one of only two copper smelters in Australia and is the only copper smelter which processes third party copper concentrates.

Glencore currently accepts third party copper concentrates from the surrounding region supporting mid-tier and junior mineral miners and is also processing copper concentrates from BHP's mines in South Australia.

Anodes produced at the smelter are railed to Townsville where they are refined in the Townsville refinery to 99.995% pure copper cathode.

Our copper smelter and Incitec Pivot (IPL) Phosphate Hill operations are codependent. Glencore currently supplies sulphur dioxide (SO<sub>2</sub>) containing smelter offgas to IPL for conversion into sulphuric acid which in turn supports their phosphate hill fertiliser production. Together our smelter, refinery and IPL operations represent around 1,000 jobs.

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The rapid growth in global smelting capacity, particularly in China has resulted in a dramatic drop in TCs. Wood Mackenzie historical data shows that 2024-25 was the largest year on year drop in treatment and refining charges over the last 25 years.

While Wood Mackenzie are predicting a slow recovery to sustainable TC/RC levels as the market corrects over the next 5 years, this may come too late and at the expense of Australia's ability to retain domestic critical mineral processing, smelting expertise and capability.

In addition to the negative cost impact of the drop of TC/RCs is the high energy costs in Australia s 47G(1)(a)  
s 47G(1)(a)

On top of energy costs, is the impact of the Safeguard Mechanism and while Glencore is actively looking to decarbonise our operations (renewable energy project with APA, investigation of Green Gravity) this comes at additional high capital cost and is not yet at a scale to make a material difference.

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## Other Critical Factors

The copper smelter and refinery also have a number of codependencies which are relevant to mention.

The first is the continued operation of the IPL acid plant at Mount Isa. Glencore currently supplies SO<sub>2</sub> containing smelter offgas to the adjacent IPL acid plant at no cost. This is converted into sulphuric acid which in turn supports their Phosphate Hill fertiliser production. s 47G(1)(a)

s 47G(1)(a)

## **4. Government Support for Mount Isa Copper Smelter and Townsville Copper Refinery**

Glencore is one of Australia's largest producers of strategic and critical minerals and we support both the Federal and Queensland Government's policies in relation to promoting and retaining Australia's critical minerals sector.

We note in recent weeks a number of instances where both State and Federal Governments have been prepared to work together to consider providing financial support to protect jobs and ensure continued operation of key industrial operations such as Tomago Aluminium smelter and Whyalla steelworks.

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We do acknowledge that our copper smelter and refinery are strategic commercial assets that play an important role in Queensland and Australia more broadly.

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## 5. Summary

I want to reiterate Glencore's commitment to Mount Isa.

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Glencore has been investing and operating in Australia for over 25 years. We are proud of our diverse, dedicated and driven workforce who make a major contribution to the prosperity of Australia. The purpose of this letter is to be as transparent as possible, to invite your feedback and participation in the future of these operations while also signalling that as a responsible corporation we also need to make some decisions this year.

I would welcome the opportunity to have a phone call or meeting with you both to discuss these issues.

Yours sincerely,  
s 22(1)(a)(ii)

s 22(1)(a)(ii)

Gary Nagle  
CEO  
Glencore plc

Suresh Vadnagra  
Industrial Lead – Global Zinc Assets  
Glencore plc

CC  
The Hon Dr Jim Chalmers – Treasurer  
The Hon Madeliene King – Minister for Resources  
The Hon Tim Ayres - Assistant Minister for Trade, Assistant Minister for a Future Made Australia  
Senator Anthony Chisholm - Federal Assistant Minister for Regional Development

The Hon Jarrod Bleijie - Deputy Premier of Queensland  
The Hon David Janetzki – Treasurer of Queensland  
The Hon Dale Last – Minister for Natural Resources and Mines

07/07/2025 08:55:00 PM

s 47F

s 47F @glencore.com

PM Correspondence - ATT:239090 Glencore's \$19.6 billion socio-economic contribution in Australia

Dear Prime Minister

Glencore has released its Australian economic contribution report which shows its operations directly contributed \$19.6 billion to the national economy in 2024.

The resources and mining sector underpins Australia's economic resilience — and continues to deliver jobs, investment and stability at a time when it is needed most.

We're very proud of our people and the positive contribution our operations make to the livelihoods of individuals, local businesses and communities in Australia, while delivering critical minerals and resources to customers all over the world.

In Australia, Glencore operates 20 mines which last year made a direct socio-economic contribution of \$19.6 billion to the nation. This contribution included:

- 17,420 direct employees and contractors paying \$2.5 billion in wages
- \$13.5 billion annual spend on goods and services\*
- Support for 6,810 suppliers, many of which are based in the communities in which we operate
- \$3.6 billion in taxes and royalties paid to federal, state, territory and local governments.

Glencore is also Australia's largest producer of coal, cobalt, zinc and lead, and second-largest producer of nickel, copper and silver.

As one of Australia's largest producers of the coal, metals and minerals required for the global transition to a low carbon future our operations are meeting the energy needs of today while also providing the commodities for tomorrow.

You can find the full Economic Report on our website and we have enclosed a factsheet on our contribution to Australia which we hope you will find informative.

Please contact me or s 47F on s 47F or at s 47F @glencore.com.au should you have any further questions or wish to discuss our socio economic contribution to the nation.

FOI/2025/363

# Glencore's contribution adds up for Australia

Document 2

# 2024

## Direct contribution

**17,420** Direct jobs

**\$13.5 billion** Annual spend on goods and services\*

**6,810** Suppliers

**\$2.5 billion** Paid in wages

**\$3.6 billion** Taxes and royalties paid



**\$19.6 billion**  
Total direct

To see how our contribution advances everyday life,  
visit [glencore.com.au/contribution](https://glencore.com.au/contribution)

## Glencore sites

- Collinsville Coal
- Hail Creek Coal
- Clermont Coal
- Oaky Creek Coal
- Rolleston Coal
- Mangoola Coal
- Ulan Coal
- Hunter Valley Operations<sup>1</sup>
- Mount Owen Glendell Coal
- Ravensworth Coal
- Integra Coal<sup>2</sup>
- United Wambo
- Bulga Coal
- Mount Isa Mines
- Copper Refineries Ltd
- Townsville Port Operations
- Lady Loretta Mine
- McArthur River Mine
- Murrin Murrin Operations

## SUPPORTING NOTES

All dollar figures are in AUD and relate to the 2024 calendar year. Glencore's total direct economic contribution includes our payment of wages and salaries; spend on goods and services; payment of taxes and royalties to federal, state, territory and local governments; and support for community partnerships. The federal income tax figures represent Glencore's share of our operations. All other figures, including royalties, represent 100% of the operations that Glencore manages, or participates in, in Australia and include any joint venture partners' interests.

\* This number includes both domestic and overseas supplier spend. Note the majority of the total spend of \$13.5 billion on goods and services occurs in Australia, however there is a spend of \$1.6 billion with overseas suppliers. For more detail see the *Economic contribution of Glencore in Australia 2024* report at [glencore.com.au/contribution](https://glencore.com.au/contribution).

<sup>1</sup> Hunter Valley Operations is an independently operated Joint Venture in which Glencore owns a 49% stake.

<sup>2</sup> Our Integra mine reached the end of its scheduled life in 2024 and is in the process of rehabilitation and closure.