



SUNDAY 18 OCTOBER 2009

Media release: Update on Century pipeline

As announced on Thursday 15 October, MMG commenced water pressure testing on the pipeline connecting its Century mine to the Karumba port facility. This was done following the incident experienced the week prior in which a failure and uncontrolled discharge from the pipeline occurred.

Water pressure testing to test and clear the line continued through Thursday afternoon and into the weekend, however during this testing some water was released yesterday from the pipeline in the vicinity of the repairs. This occurred within the fenced and bunded area so controlled the spread of this water.

The captured water is currently being pumped out and as previously mentioned a bypass will be installed in the coming weeks. The bypass will allow the section around the repair area to be taken off line and further testing in the region of the repairs to be undertaken.

MMG is not anticipating it will be able to restart processing plant operations and the production of concentrate until the bypass is installed.

The testing was undertaken under standard pipeline operating procedures and with the knowledge of the Department of Environment and Resource Management who have been subsequently notified of this incident. Only water was used during these tests and no zinc concentrate slurry has yet been sent through the line.

"We are still uncertain as to the cause of these issues and will conduct full metallurgical testing and an investigation into the incident," said MMG Century General Manager Mr John Lamb.

"Right now we are focused on the clean up, repair work and getting the bypass in as soon as possible."

MMG remains in regular contact with the pastoralists on whose property this incident has occurred and has consulted with them over the weekend on this issue.

Significant work has already been undertaken at the site including the removal and transportation of contaminated soil to the mine site. Following further consultation with the pastoralists the clean up plan may include backfilling excavated areas with clean material, revegetation, weed management and ongoing environmental impact monitoring of the area.

For further information:

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