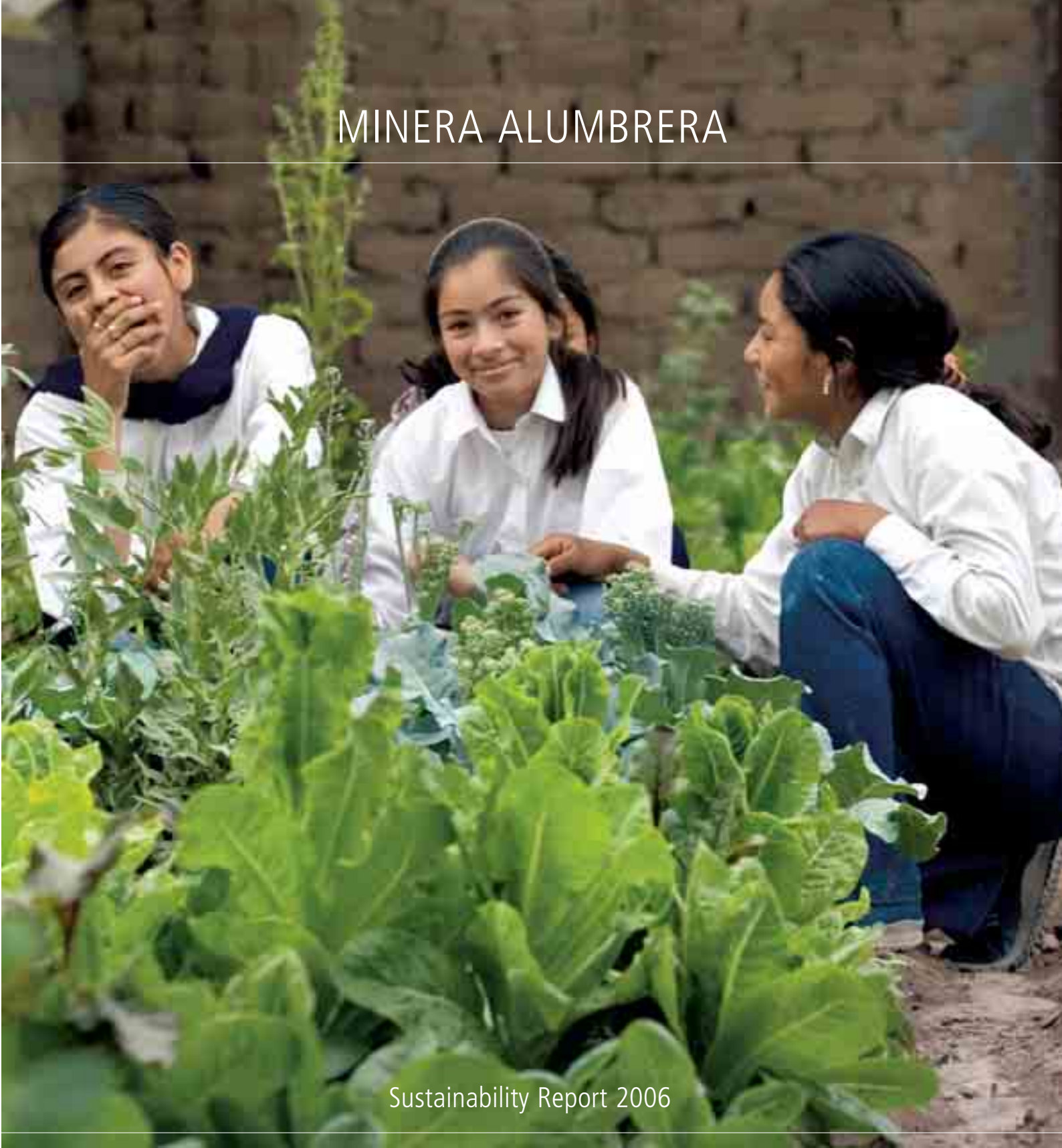


# MINERA ALUMBRERA



Sustainability Report 2006



*Led by*



Our mission is to contribute to Argentina’s development through open and genuine partnerships with our people, local communities and organisations, generating industry-leading returns on investments in a safe, sustainable and environmentally responsible way.

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Charlie Sartain

# CHIEF EXECUTIVE’S MESSAGE

Zero workplace fatalities were recorded in 2006, and the lost time injury frequency rates (LTIFR) improved by an impressive 48 % over the 2005 figures for the pre-existing Xstrata copper operations, to a figure of 1.3 injuries per million hours worked.

In 2006, Xstrata Copper became the industry’s fourth largest copper producer with operations spanning five countries and an annual managed production of over one million tonnes. This landmark year in our growth was the result of two major acquisitions. These comprised the Tintaya copper operations in southern Peru from BHP Billiton in June and then Falconbridge’s global copper assets through Xstrata plc’s acquisition of Falconbridge in August. These acquisitions doubled the size of our copper business and were a further demonstration of our determination to rapidly grow as a major part of the dynamic Xstrata Group.

Xstrata Copper now has significant ore mining and processing operations in Australia, Chile, Peru, Argentina and Canada as well as substantial shareholding in two major joint venture copper operations –Collahuasi in Chile and Antamina in Peru. We also now have an impressive project pipeline with projects in various stages of evaluation and development in South America and the Asia Pacific region. In addition, we have acquired a recycling business with plants in Canada, the United States and Asia.

As part of this extraordinary growth last year we established three new divisions, Xstrata Tintaya, Xstrata Copper Canada and Xstrata Copper North Chile, and directed significant effort toward integrating our new assets by commencing the alignment of key systems and management practices across the organisation.

We have now grown into an organisation of more than 13,000 people, and as the business grows we remain steadfast in our commitment to our strategic objectives in the areas of health and safety, environment, community and our people, namely:

- Injury free, safe work environments for our people.
- Demonstrated leadership in environmental performance.
- A reputation for social responsibility.
- Realisation of the full potential of our people.

Each of our five operating divisions has produced a comprehensive sustainability report for 2006 which provides performance information and describes how our people are working towards achieving these strategic objectives. The reports also give the divisional management an opportunity to demonstrate how our convictions about health and safety, environmental and social responsibility translate into the way we do business every day.

## Improving our safety and environmental performance

A strong management and organisational focus on health and safety during 2006 helped Xstrata Copper to continue its leadership role in the Xstrata Group with further significant improvements in safety performance.

Zero workplace fatalities were recorded in 2006, and the lost time injury frequency rates (LTIFR) improved by an impressive 48 % over the 2005 figures for the pre-existing Xstrata copper operations, to a figure of 1.3 injuries per million hours worked.

The total recordable injury frequency rate (TRIFR) also improved, by 22 % over the previous year, to 10.1 per million hours worked. However, safety management is relentless by nature and we must therefore continue to pursue further initiatives to improve safety performances, particularly in our newly acquired assets where safety standards and practices are being rapidly lifted to higher levels by our management teams.

As a result of maturing environmental systems and performance, Xstrata Copper revised its environmental strategic objective last year to reflect our goal to become an industry leader in environmental performance.

Examples of this leadership include the copper smelter at Kidd Metallurgical Site, Ontario Canada, where the capture of sulphur dioxide emissions exceeds 99 %. In north Queensland, the Mount Isa copper smelter is improving its capture of sulphur dioxide emissions from 80 to 95 % following a comprehensive emission reduction programme that will continue during 2007.



CHIEF EXECUTIVE’S MESSAGE

In Argentina, Minera Alumbrera committed more than USD6 million in a major new initiative in 2006 over three years for a series of health and education related projects in the Tucumán and Catamarca areas. The first project, the remodeling of two wards at Padilla Hospital, was completed in December last year. The upgrade involved major infrastructure works, including electricity, water, sewage, ventilation, interior fit-out, and landscaping.

Stormwater and groundwater management remained a priority for the Xstrata Copper divisions in 2006. In north Queensland, Mount Isa Mines and the Townsville Copper Refinery completed a series of stormwater improvements to mitigate discharge incidents associated with high rainfalls during the wet season.

At Alumbrera in Argentina, a unique ‘store and release’ capping system for waste rock dumps and tailing storage facilities has been successfully trialled to maintain water quality for downstream users. At Tintaya in southern Peru, water from tailing dams is being recycled and used to irrigate local vegetable farms and to provide water for cattle.

Further improvements to our environmental performance are expected following the implementation of a common Environmental Management System across the expanded copper business unit.

Extending our commitment to Corporate Social Involvement (CSI) and community engagement

Xstrata plc sets aside 1% of its pre-tax profits to fund Corporate Social Involvement (CSI) programmes. Xstrata Copper has again shown a strong commitment in this area during 2006.

Last year, Xstrata’s three commodity businesses operating in Queensland, Australia –copper, coal and zinc– launched the Xstrata Community Partnership Programme Queensland, a three year, AUD2.93 million programme in the areas of health, social and community development, and education. This State-wide initiative is a natural extension of the highly successful north Queensland programme which commenced in 2005.

Both programmes have achieved some exciting community outcomes and have served to strengthen Xstrata’s brand and reputation amongst our stakeholders, including our employees, communities and governments. New initiatives will commence in these programmes in 2007 bringing the combined value of both programmes to over AUD10 million to support Queensland communities.

In Argentina, Minera Alumbrera committed more than USD6 million in a major new initiative in 2006 over three years for a series of health and education related projects in the Tucumán and Catamarca areas. The first project, the remodeling of two wards at Padilla Hospital, was completed in December last year. The upgrade involved major infrastructure works, including electricity, water, sewage, ventilation, interior fit-out, and landscaping.

Similar works commenced at the Tucumán Children’s Hospital in June 2006 and are scheduled for completion in early 2007. And in December the construction of a new technical school commenced in Belén in Catamarca, which is scheduled for completed in early 2008. These infrastructure projects are being managed in addition to the ongoing comprehensive community programmes with communities in the areas surrounding Alumbrera.

Following our acquisition of the Tintaya operations in Peru, Xstrata Copper confirmed the company’s commitment to the pre-existing community programmes that had been established with communities surrounding the operation, and has subsequently extended community programmes and engagement processes to reflect an inclusive management style.

Following two years of extensive community consultation, the Las Bambas project in southern Peru published its Social Involvement Programme for 2006-2008. Las Bambas has committed USD 1 million per year towards initiatives focused on improving nutrition, health, education and income generation in local communities. These include a major irrigation and cattle management program, improvements to local school infrastructure, and the introduction of a guinea pig breeding program, hydroponic pasture farms, and development of the local crafts industry.

The Las Bambas project illustrates how Xstrata Copper manages community impacts prior to the start of its operations. It is intended that similar approaches will be developed at Xstrata Copper’s newly acquired operating divisions and projects as we seek to align our approach to community engagement and support.

Commitment to standards and excellent performance

Xstrata Copper is committed to the International Council of Mining and Metals (ICMM’s) principles for sustainable development. We are passionate about the pursuit of excellence in health, safety, environmental and socially responsible performance. I hope that this particular sustainability report provides you with sufficient information to allow you to judge our progress against targets during 2006 and to understand our goals for the coming year.

  
Charlie Sartain  
Chief Executive Xstrata Copper

# A WORD FROM MINERA ALUMBRERA'S GENERAL MANAGER

We, at Minera Alumbreira, understand that Corporate Social Involvement is a voluntary commitment also engaging our stakeholders, to contribute to sustainable development, with a view to improve the standard of living at neighbouring communities. It is a strategy that integrates our health, safety, environment and community standards across all company areas, based on open economic practices.



Jorge Montaldi

Even though our business strategy is focused on ensuring successful management and performance levels, Minera Alumbreira's goals include keeping a healthy and injury-free work environment, achieving continuous improvements in environmental performance and ongoing training to realise the full potential of our people.

This report marks the end of a comprehensive process of responsible operational management and describes our economic, environmental, safety and community performance. We believe that this information is an essential component of our commitment to local stakeholders.

We will use the case-study method to reflect company objectives translated into real outcomes. Furthermore, this report is based on the Global Reporting Initiative (GRI) guidelines for the mining industry dated Feb 1 2005.

As a result of the increasing demand from Asian markets, metals became highly attractive in international markets during 2006.

Catamarca and Argentina as a whole took advantage of this scenario. YMAD, a statutory corporation led by Catamarca provincial administration and Universidad Nacional de Tucumán, received a 20% share in profits amounting to USD 85.9 million during 2006. Moreover provincial royalties for an amount of Ar\$167 million have been paid during 2006. Bajo de la Alumbreira tax payments account for 70% of the provincial tax revenues.

In addition to YMAD's share in profits, Minera Alumbreira's tax payments to the national treasury include USD339 million income tax for 2006, and USD306 million income tax payments in 2004 and 2005.

Our operational performance was acceptable –even though it was slightly below budget. In late 2006, more than USD15 million was invested by Minera Alumbreira in a further grindline to increase our production capacity by 8%. Such sizeable investment clearly shows Minera Alumbreira's confidence in and commitment to Argentina.

In addition, I am pleased to announce that USD15.5 million will be invested by Minera Alumbreira in a molybdenum facility to be developed in Bajo de la Alumbreira. With commercial production expected for August 2007, producing an average of 4,400 tonnes of molybdenum concentrate per year.

Our molybdenum facility will provide additional benefits (including additional employment and supplier development) for Catamarca, in particular neighbouring communities.

Moreover, Alumbreira ranked among the safest miners in the world, with the lowest injury rate, a disabling injury frequency rate (DIFR) of 0.94 and a zero-fatality goal achieved. Five low-severity disabling injuries occurred over the 5,300,000 man hours actually worked in 2006 (including Minera Alumbreira employees and contractors).

Likewise, additional efforts have been made to demonstrate Minera Alumbreira's environmental management commitment. Our processes are continuously monitored and adjusted to meet and exceed the applicable environmental standards. Our main challenge for 2006 was a pipeline leakage that led to a copper and gold concentrate spill close to Andalgalá. Our early-warning system helped us contain the incident promptly, with no impact on the local population or water quality.

Every year, Minera Alumbreira ratifies its commitment to take a proactive community approach, including sustainable education, health and regional development programmes for neighbouring communities, which are carried out with local organisations.

We are proud to support the construction of a major technical school in Belén (Catamarca), at a cost of Ar\$4 million as well as the refurbishing works in Angel C. Padilla and del Niño Jesús hospitals and the Tucumán Health Centre. Minera Alumbreira also provided support to twelve small-sized ventures from Andalgalá, among many other self-sustainable initiatives.

Minera Alumbreira employs local manpower. Ninety per cent of Minera Alumbreira employees come from Northwestern Argentina. Minera Alumbreira's goal to gradually increase the number of Catamarcan employees, as set upon project commissioning, was also achieved during 2006.

Pleased with the goals achieved thanks to the support of our employees but focused on future challenges, I hereby present this report to you. Your feedback will be highly appreciated. Stakeholder engagement and discussions are highly valuable to ensure growth.

  
Jorge Montaldi  
Minera Alumbreira's General Manager



# PURPOSE AND VALUES

Minera Alumbrera management is strongly committed to sustainable development. This is clearly demonstrated by Minera Alumbrera’s ethical behaviour with stakeholders at the social, business, economic and environmental levels.

### Purpose

Contribute to Argentina’s development through open and genuine partnerships with our people, local communities and organisations, generating industry-leading returns on investments in a safe, sustainable and environmentally responsible way.

### Objectives

- Work in an injury-free, healthy environment.
- Achieve continuous and sustainable improvements in environmental performance.
- Realise the full potential of our people.
- Continuously improve the value of our business.
- Support local communities through our social involvement programme.
- Maximise in a consistent and reliable basis the capacity production of our plants and equipment.

### Values

Our actions and decisions demonstrate that we value:

- SAFETY AND HEALTH**
  - Above all.
- HONESTY AND RELIABILITY**
  - We work ethically and we meet our obligations.
- COURAGE**
  - We face our tests and challenge conventional thinking.
- EQUITY**
  - We treat our people the way we would like to be treated.
- PASSION**
  - We work actively and enthusiastically, pursuing excellence while encouraging positive initiatives.
- RESPONSIBILITY**
  - We are liable for our performance and behaviour.
- TEAMWORK**
  - We are committed to success through teamwork, open communication and involvement.
- RESPECT**
  - We value local communities and the environment.

Our challenge is to apply our values to everyday activities through specific actions that ratify our commitment to responsible work in order to improve our neighbours’ life quality.

Minera Alumbrera is committed to comply with the standards of Xstrata, its major shareholder. Alumbrera is a mining company that creates economic value and operates in compliance with ethical, eco-efficiency and social involvement principles to improve the local standard of living.

Like other leading companies in the industry, at Minera Alumbrera we consider the sustainability challenge as an opportunity to do business in compliance with eco-efficiency guidelines. Eco-efficient companies sell products and services at competitive prices, satisfy human needs and provide tools to improve life quality and gradually reduce environmental impacts.

As a member of the new generation of organisations that consider the preservation of resources and environmental leadership as a competitive advantage, Minera Alumbrera:

- Adjusts the use of materials and services in its products.
- Optimises consumption and cost of energy.
- Reduces and controls environmental impacts.
- Improves and increases recycling practices.
- Uses renewable resources in a sustainable way.
- Extends equipment life.
- Improves the supply of products and services.
- Increases capital efficiency.

### Corporate governance

- The achievement of Minera Alumbrera’s goals and mission is closely related to good corporate governance. Thus, shareholders and stakeholders can rely on Minera Alumbrera’s responsible management.
- Swiss Xstrata Group, Minera Alumbrera’s operator, holds a 50 % share, while Canadian Goldcorp and Northern Orion, hold 37.5 % and 12.5 % share, respectively.
- Minera Alumbrera is managed by a Board made up of four regular members, one of them being the chairperson. The Board sets the strategic guidelines for the company. The Board holds at least four meetings per year.
- In 1994, Minera Alumbrera entered into an unincorporated joint venture (UTE) agreement with Yacimientos Mineros de Aguas de Dionisio (YMAD) to mine the Bajo de la Alumbrera deposit.
- The UTE Management Committee is made up of eight members, three of them representing YMAD and five members representing Minera Alumbrera and is presided over by a chairperson. During the meetings, Alumbrera’s performance is analysed by YMAD.

### International agreements

In 2004, Minera Alumbrera executed an agreement adhering to the UN Global Compact, an initiative that promotes corporate social involvement among private companies. This is a voluntary initiative that pursues a global framework suitable to promote sustainable growth and responsible management practices.

This initiative, which is an integral part of our business strategy, invites the companies to respect and promote ten human rights, labour, environmental protection and non-corruption principles.

Minera Alumbrera is also involved in other initiatives of the mining industry to promote sustainable development such as the International Council on Mining Metals (ICMM).

Likewise, it is involved in the local branch of the World Business Council on Sustainable Development (WBCSD), namely the CONSEJO EMPRESARIO ARGENTINO PARA EL DESARROLLO SOSTENIBLE (CEADS).



# WORK SCOPE

Minera Alumbrera’s third Sustainability Report describes our management actions and results for 2006 as well as the challenges under our social commitment.

This stakeholder report reflects our business practices in line with our economic, social and environmental responsibilities.

As in previous reports, this document highlights our sustainable development commitment, translated through long-term community support programmes.

Information is presented in case-study format. The examples illustrate Minera Alumbrera’s Community Programme initiatives as well as the safety and environmental aspects of the overall production process.

Based on our commitment to provide transparent and objective information, the Global Reporting Initiative (GRI) guidelines –as applied by a number of industries worldwide– have been used in this report, including some management indicators, in accordance with Minera Alumbrera’s views and goals. Our performance in several aspects inherent to the organisation can be measured using such quantity and quality variables.

Furthermore, our Sustainability Report for 2006 has also been prepared in accordance with the guidelines of the Argentine Business Council for Sustainable Development (CEADS), the local network of the World Business Council for Sustainable Development (WBCSD), an international business organisation that promotes economic progress based on environmental and social development.

As to external supervision, a monitoring and assessment system for community development projects was designed at the end of 2006 in line with the United States Agency for International Development’s (USAID) Logical Framework method. This tool is widely used by

local and international organisations, including the World Bank and the United Nations.

Following completion of the monitoring and evaluation stages, key information about the performance of community programmes will be available to Minera Alumbrera to identify not only the changes required and the lessons learned but also the successful experiences that may be replicated.

## Stakeholder engagement

To attain the goals included in our Corporate Involvement Policy, it is essential to identify the requirements and expectations of our stakeholders –i.e. those who are directly or indirectly associated to Minera Alumbrera’s activities. The following considerations will be applicable to our stakeholder relations.

MINERA ALUMBRERA	
I SPONSORS	
To maximise the return on investments, through successful management and leadership in the copper industry. We are committed to open and appropriate corporate governance practices.	
I CUSTOMERS	
To ensure reliable and continuous supply of the raw materials required for growth.	
I EMPLOYEES, SUPPLIERS AND CONTRACTORS	
To ensure a respectful, flexible and efficient organisation, through professional development and compliance with reciprocal duties.	
I GOVERNMENT	
To comply with and enforce laws, as well as to support supervisory agencies in the achievement of their mission.	
I TRADE UNION	
To support employee organisations.	
I LOCAL COMMUNITIES	
To provide development opportunities through training, employment and sustainable growth programmes.	
I MINING CHAMBERS AND INDUSTRY ASSOCIATIONS	
To support industry initiatives to ensure mining development in Argentina.	
I NGOS AND SIMILAR ORGANISATIONS	
To liaise with organisations that strive for a better social, technical and institutional scenario at the domestic and regional levels.	
I THE MEDIA	
To provide clear and timely information, in a truthful and complete manner, through open and genuine contact with local media.	

### Communication

To facilitate access to this document, a contact name has been provided. Should you want to have access to a digital version of this Report or Minera Alumbrera’s previous two Sustainability Reports, please log on to Minera Alumbrera’s website at <http://www.alumbrera.com.ar>. Please give us your feedback by filling out the form at the end of this Report.

Verónica Morano  
Public Relations  
[informe2006@alumbrera.com.ar](mailto:informe2006@alumbrera.com.ar)





# COMMUNICATION & OPENNESS

The awakening of a large-scale mining industry in Argentina and Minera Alumbra’s leadership since 1997 entail the responsibility of leading in terms, not only of open actions and attitude and strict compliance with the laws, but also with the prompt provision of proper information to stakeholders.

Under Minera Alumbra’s communication policy, an engagement process has been undertaken to report the social and economic impact of our project, such as regional investment, increased employment and support to community initiatives. Likewise, our experience will serve as learning process and growth opportunity for others.

Given Minera Alumbra’s sizeable operation, our liaison with employees, contractors, suppliers, local communities, authorities, unions and shareholders –among others– must be based on reliable and open day-to-day actions.

The slurry pipeline<sup>1</sup> incident of June 2006 led us to take the following three simultaneous communication initiatives. Firstly, the incident was promptly reported to the local people personally by company management. Then, an information release was distributed to local media and to employees over the intranet as well as in daily work briefings.

We believe that, like other initiatives aimed at reporting Minera Alumbra activities to stakeholders, these are essential tools to take a proactive communication approach and get stakeholder feedback.

Under Minera Alumbra’s policies, we are committed to provide timely information about our management practices.

- Our communication tools include:
  - Clear and positive corporate identity.
  - Demonstrate Minera Alumbra’s **VALUE** to local communities.
  - Sound working practices.
  - Demonstrate Minera Alumbra’s earnest, thorough, experienced, professional and heedful **CONDUCT**.
  - Minera Alumbra’s sizeable and meaningful investment.
  - BELONGING**: identify community benefits and beneficiaries.

## Code of conduct

Minera Alumbra has developed and implemented its own Code of Conduct to ensure that company activities are reported openly, under the highest ethical standards. Minera Alumbra’s Code of Conduct is applicable to all company employees and sets out the ethical guidelines for each position.

It sets out baseline procedural practices such as compliance with the laws, permits and agreements in force, proper asset utilisation, business expenditure, confidential information and conflict of interest. Minera Alumbra’s reputation at the local and international levels relies on individual employee actions. Thus, employees are required to work honestly for the benefit of Alumbra, while striving to improve their work and in compliance with Alumbra’s Code of Conduct.

## Communication objectives

Our communication goal is to consolidate and reinforce Minera Alumbra’s reputation as an earnest and responsible company that provides social and economic benefits –i.e. as a good and socially– accepted neighbour. To this end, we strive to provide timely information to our stakeholders, including:

- OUR EMPLOYEES**
  - Reinforce their rational and emotional bond to make them feel understood and valued:
  - 1) For their work in a lawful, essential and profit-sharing industry and in a responsible and supportive company.
  - 2) From the human stand-point.

- MUNICIPAL, PROVINCIAL AND NATIONAL AUTHORITIES**
  - Show regard and respect for competent authorities.
  - Maintain constructive liaison to report project developments as industry achievements.

- LOCAL COMMUNITIES**
  - Improve the current and future standard of living.
  - Gain, be qualified for and retain social consent.
  - Report community initiatives through an engagement process to identify local needs.
  - Respect the local culture, traditions and expectations.

- TRADE UNIONS**
  - Liaise openly to ensure fair bargaining.
  - Work jointly subject to mutual respect.

- LOCAL MEDIA**
  - Keep timely and ongoing liaison based on mutual respect in order that Minera Alumbra:
    - 1) Is recognised and repected as an earnest business.
    - 2) Is a source of information and reference.
  - Arrange additional site visits for journalists.

- MINING CHAMBERS AND INDUSTRY ORGANISATIONS**
  - Develop joint actions to report the benefits of the mining industry.
  - Support renowned value-adding organisations for the mining industry, Minera Alumbra, our suppliers and contractors.

## Communication tools

Our goal is to provide the latest accurate information to stakeholders. Therefore, we use a number of communication tools, which are continuously updated and renewed.

IN-HOUSE COMMUNICATION	EXTERNAL COMMUNICATION
Intranet	Community inserts (Catamarca)
A CIELO ABIERTO house organ	Minera Alumbra magazine (Tucumán)
Intranet	Production insert in
Notice boards	Catamarca papers

Bajo de la Alumbra’s Native Vegetation Guidebook was published in 2006. It includes the results of a two-year survey in the area<sup>2</sup>.

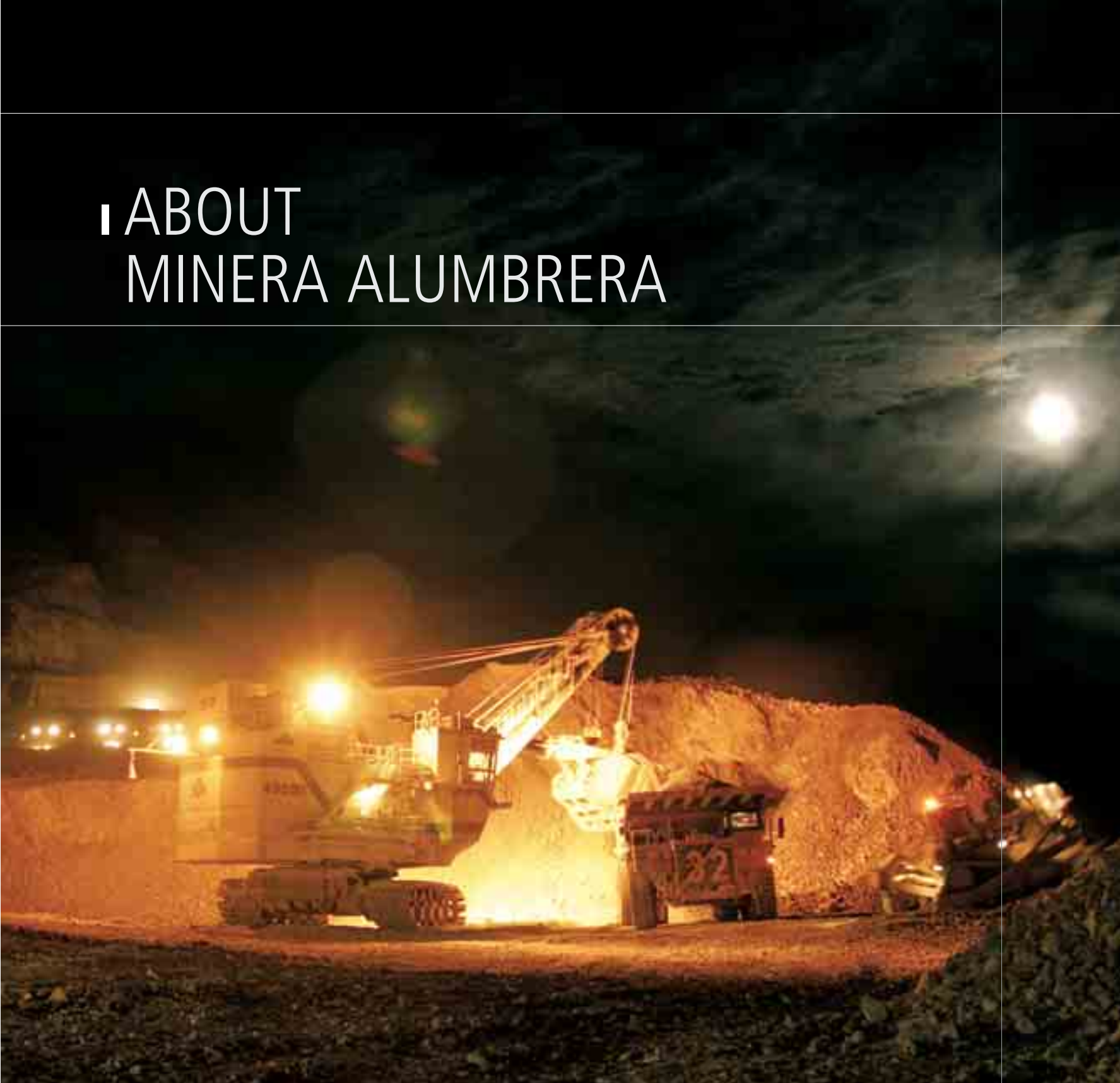
The results of Bajo de la Alumbra’s responsible initiatives and contributions are reported through corporate advertorials and information releases to the media.



(1) Additional information is included in the Environment section of this report.  
(2) Additional information on Minera Alumbra’s revegetation programme is available in the Environment section of this report.



# ABOUT MINERA ALUMBRERA



Bajo de la Alumbreira is the largest copper and gold deposit in Argentina. It is located to the NW of the province of Catamarca, at an altitude of 2,600 metres above sea level. Project commissioning required USD 1.2 million investment in 1997.

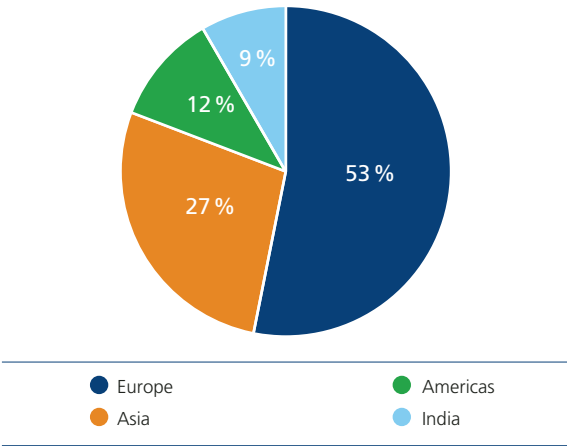
Minera Alumbreira is operated by Swiss Xstrata, a company having a 50 % share in the project, with Canadian Goldcorp and Northern Orion Resources having a 37.5 % and 12.5 % share, respectively.

Mining rights are held by Yacimientos Mineros de Agua de Dionisio (YMAD), a statutory corporation owned by the Catamarca provincial government (60 %) and Universidad Nacional de Tucumán (40 %). YMAD has entered into a joint-venture agreement with Minera Alumbreira to mine the deposit, subject to a 20 % share in Bajo de la Alumbreira net proceeds.

### Exports

Minera Alumbreira’s development launched mining exports to non-traditional markets. Concentrate is sold to countries such as Germany, Finland, Spain, Switzerland, Brazil, Bulgaria, Canada, India, Japan, Korea, China and the Philippines.

#### Destination



Source: Based on Minera Alumbreira data.

### Concentrator expansion

During 2005 and 2006, some major initiatives were researched and developed, which then turned into actual projects. Some of them are being implemented. The importance of such projects required specific Expansion Project management.

The first project was the commissioning of the fourth grind line in the ore processing plant. This will allow a 40 Mtpa expansion to the concentrator as from 2007.

This expansion was completed earlier than expected at a cost of USD 15.2 million. This expansion helps increase the grinding capacity of the processing plant by 8 %, from 37 to 40 Mtpa. Therefore, copper and gold concentrate throughput will be increased, for subsequent refining in international markets.

A number of expansions to the concentrator have been planned since project commissioning, based on the gradually declining ore grades. By late 2006, project investment totalled USD 45 million for the last four years, increasing ore processing capacity by 54 %.



Port facilities in Puerto General San Martín, Santa Fe.

### PROJECT DESCRIPTION

Term	10 months
Project services and goods	119
Manpower	450
Companies involved in civil construction, mechanic, metal, piping and electrical systems	14
Project engineering	by Minera Alumbreira's staff
Construction and assembly	Local contractors



Molybdenum flotation plant project

The increasing molybdenum content in Bajo de la Alumbrera ores, coupled to favourable market conditions, encouraged us to undertake the economic and technical feasibility study for a molybdenum processing facility on site. Such feasibility study was completed in July 2006. It includes a thorough technical analysis. Total project investment is estimated at USD 15.5 million.

SCORECARD 2006

Income Tax	Ar\$1.04 billion
Other national taxes	Ar\$33.5 million
Provincial and municipal taxes	Ar\$108.4 million
Mining royalties	*Ar\$167 million
YMAD royalties	Ar\$266.3 million
Domestic Procurement	Ar\$839 million
Local procurement	Ar\$20.9 million
Local Suppliers	839
Salaries	Ar\$78.6 million
Exports	USD 1,584 billion

PRODUCTION

Copper	180,144 tonnes
Gold	641,158 troy ounces

SOCIAL INVOLVEMENT

Employees <sup>1</sup>	1,262
Community programme	Ar\$3 million
Local infrastructure works	Ar\$9.73 million for Tucumán and Catamarca

SAFETY

Zero fatalities	Objective achieved
Disabling injuries <sup>2</sup>	5

ENVIRONMENT

Incidents <sup>3</sup>	4
ISO 14001	ISO accreditation for our slurry pipeline, filter plant and port facilities and we are pursuing ISO certification for the minesite and the concentrator.
Waste recycling	20 tn of paper, 10,000 kg of bottles, 100 tn of rubber.
Waste dump design	26 hectares have been rehabilitated to date.
Native vegetation survey	98 species, 87 genera and 38 families have been identified.

Concentrate production

BLASTING

Once the open pit geology is ascertained, boreholes are drilled and filled with explosives for controlled rock implosion.

OPEN PIT

Ore is mined using four large scale electric shovels and then hauled by forty 220-tonne trucks.

CONCENTRATOR

Rock is crushed, ground and milled in industrial-scale facilities to segregate ore from waste rock and obtain concentrate slurry containing 28 % copper and most gold.

SLURRY PIPELINE

Copper and gold concentrate is pumped through a 316 km slurry pipeline from the minesite to the filter plant in Tucumán.



TAILINGS DAM

Tailings –i.e. waste rock– are disposed of in a dam especially designed to store solids and recycle water back to the concentrator process.

FILTER PLANT

At the filter and concentrate storage facility, concentrate is dewatered to obtain a product with 7 % moisture content.

RAIL OPERATIONS

Concentrate is railed from Tucumán to the port facilities in Puerto General San Martín (Santa Fe) using the company’s own rolling stock –including four locomotives and 182 wagons.

PORT FACILITIES

Concentrate is stored and shipped to international markets for refining purposes.

EFFLUENT TREATMENT

Process water is treated at our effluent treatment facility and discharged into the DP2 canal.

(\*) Including new calculation and final price adjustment for 2006 at USD 50.8 million.

(1) In addition to 757 employees under CBA.  
(2) Additional information is available in the Safety and Health section.  
(3) Additional information is available in the Environment section.





# OUR PEOPLE

Professionalisation and continuous training for employees through education programmes and technological tools are the strategic foundations of Human Resources, Training and Development sectors, together with an ongoing commitment to our local manpower recruitment policy.

Within our Development Management System, Human Resources helps the other management areas to apply corporate policies and standards directly, and coordinates reviews. Training updates are key tools in this supportive function and is achieved by:

- Helping meet job descriptions and individual Action Plans according to corporate standards.
- Matching Action Plans, Business Plan objectives and employees' Annual Plan.
- Using tools such as coaching for the ongoing assessment of people's performance, which is completed upon final assessment.
- A final performance assessment.

## Human Resources objectives

OBJECTIVES FOR 2006	PERFORMANCE	OBJECTIVES FOR 2007
Qualify staff with effective training, involvement and communication.	Achieved	Review and negotiate the Collective Bargaining Agreement under the best terms for both parts.
Manage individual performance effectively.	Achieved	Review and implement a performance review model suited to Minera Alumbrera's salaries and compensations model.
Provide career development opportunities through succession planning.	Achieved	Create an integrated training plan and ascertain its impact on the global organisation.
Recognise and develop future leaders through the Leadership programme.	Achieved	Implement a training programme for supervisors and managers aimed at a strategic overview.
Support good ideas and ensure that staff gets involved in all the organisation areas.	Achieved	Design a strategy to attract local talents to make the company one of the major employers nationwide.
Acknowledge personal achievements and ideas.	Achieved	Devise a comprehensive training plan for all areas according to the continuous improvement model recommended by the ISO 14001 accreditation process.
Transfer identified candidates to other Xstrata operations.	Achieved	
Objective fully achieved      Objective partially achieved      Objective not achieved		

## Summary achievements for 2006

Our aim of managing individual performance effectively was achieved within the expected timeframe and has gone beyond all our employee performance expectations for all areas.

Moreover, organisational growth for 2006 has opened up key areas for development and promotion of our people. For example, Xstrata Copper, the copper division of Xstrata plc and Minera Alumbrera operator, decided to transfer several local employees to other company projects in Latin America. In some cases, temporary staff training support was required; meanwhile, facilitators continue working in other mining claims on an ongoing basis. The professionalism, experience and skills of our talented local people are renowned within the Xstrata Group. Within Alumbrera's organisational structure, human capital needs have been self-supplied.

The objectives previously established under our Leadership Development programme have been achieved through special workshops aimed at reinforcing managerial skills in inter-personal relationships.

Another key issue was the exercise of initiatives to encourage creative ideas in induction<sup>1</sup> and re-induction workshops. Both activities reinforce proactive and positive attitudes to achieve specified goals.

In this regard, personal achievements and ideas were recognised when promoting employees to leading positions in the organisation; besides, formal acknowledgements have been made.

During 2007 Human Resources will continue developing individual employee skills and reinforce his/her commitment to his/her job. To continue the procedure adopted in previous years, Human Resources will be focused on operating areas and on assisting employees in their workplaces.

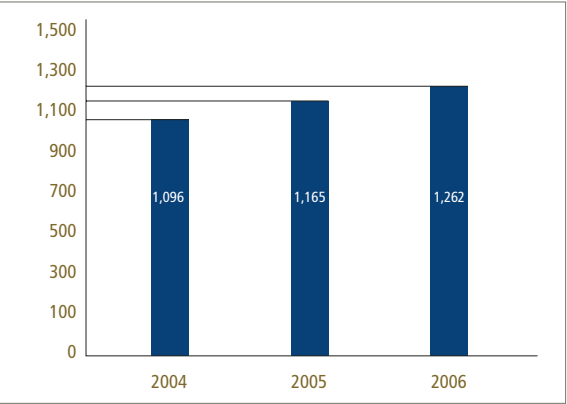
(1) It is a process to help new recruits get acquainted with the organisational culture and grasp the company's mission, vision, policies, values, structure, environment and safety guidelines, as well as the company's management practices.

Local manpower

Minera Alumbreira promotes local community development through employment opportunities. To achieve this goal, potential candidates are identified at the local level in order to gradually increase the number of local employees.

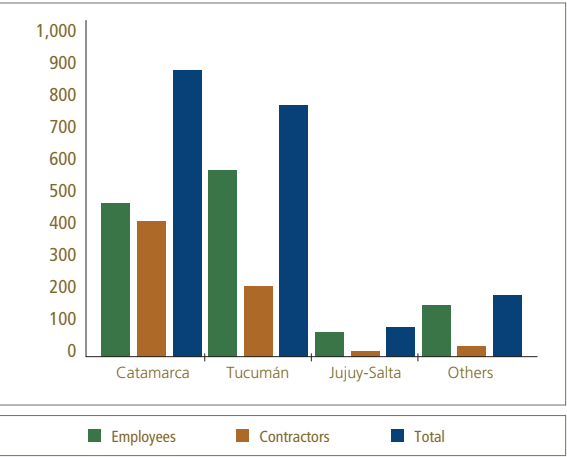
Minera Alumbreira employed 1,271 direct employees in 2006, which implies a steady 30 % growth over 2002 levels. The company created 129 jobs during 2006 in Northwestern Argentina; 65 % of recent recruits come from Catamarca.

Employee trend 2004-2006



Source: Minera Alumbreira

Distribution by origin



Scenario

The working conditions offered by the company are very competitive in the market, in terms of training, professional development, higher responsibilities,

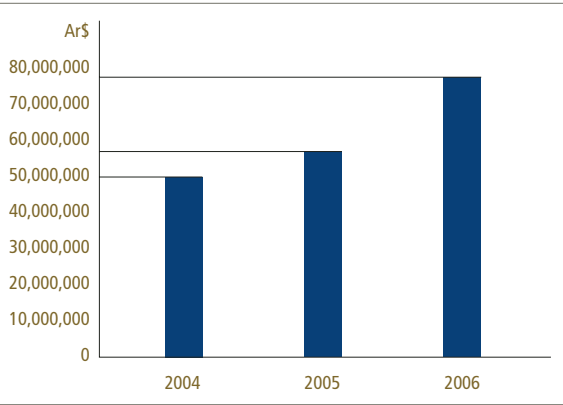
opportunities in other projects within the group and good salaries. In this context, employee turnover is very low.

Employee turnover for 2006

I DECEMBER 2006 RATES		TOTAL YEAR 2006
18	New hires	207
21	Terminations	78
0	Regional skilled recruits	18
0.24%	Turnover	-0.99 %
3 (16 %)	Employees from Catamarca	79 (38 %)

Although there is no formal survey on the work atmosphere, engagement is undertaken to identify the concerns of our people. Daily meetings<sup>2</sup> and informal assessments on individual performance are conducted. This upward and cross communication trend reaches higher levels and provides exchange opportunities, since this model is also implemented for senior managers. Final decisions follow a downward trend through the corporate structure and provide grounded responses in all cases.

Competitive salaries 2004-2006 (total annually)



Source: Minera Alumbreira

Equal opportunities

While Minera Alumbreira does not need to ensure a specific quota of jobs per gender, female employees, like their male counter parts, are recruited across all works areas. Currently, 43 % of women employees perform operational duties both in the open pit and the concentrator, from truck drivers to mechanics. A number of female employees work in junior and senior management positions.

I Blasting superintendent

Born in Jujuy, Noemí became a Construction Engineer at Universidad Tecnológica de Tucumán. She lived in Tucumán until graduation and came back to Catamarca in 2000, when she joined Minera Alumbreira as Mine Supervisor.

Two years later, she was promoted to Blasting Supervisor. When she joined Minera Alumbreira, she did not expect to work for Minera Alumbreira for a long time, since mining operations were a totally new industry for her professional career. While she became acquainted with the mining industry, she was subject to intensive safety training and personally maximised her learning experience with her co-workers.

Minera Alumbreira’s explosives contractor, Orica, provided additional training including courses and workshops –both on site as well as in Chilean mines– mainly focused on blasting design, explosive types and handling, electronic firing systems and other specific topics. In February 2006 Noemí was selected for her current position as Blasting superintendent. “I think that I’ve been promoted in Minera Alumbreira for my efforts to meet all the required standards and my commitment to undertake responsibilities, the pleasure to work in such position and, above all, the support of many co-workers, managers and site people”, she says. She works together with all the operating and planning areas. Noemí is part of a group with four Blasting and Planning engineers and a team of 35 people from Orica. Although this task can be popularly associated with male practices, Noemí does not think rudeness is necessary for this job, since liaison with other areas and the professionalism of her co-workers help her perform her role successfully.

At Minera Alumbreira, Noemí has mainly learned the “skills to solve the situations involved in a high-risk job, and coordinate different points of view to achieve the expected final result”.



Elizabeth Vilca, from Catamarca, drives one of the 40 CAT 793 trucks, that can carry 220 tonnes.

I A truck driver

In the pit, no man argues how to drive a truck with Elizabeth Vilca, the driver of one of the 40 CAT 793 trucks, not only because her skills are highly regarded by her colleagues, regardless of the gender, but also because this 22-year lady does not ask for driving advice. “These are very delicate operations that require maximum concentration, since we handle very heavy weights”, seriously summarises Elizabeth. Each truck can carry 220 tonnes of rock, which are loaded in three shovelfuls. A satellite tracking and monitoring system shows Elizabeth the stockpile area to unload the material. Her keen attitude and work style led her to take a Mining Technological Course, because she thinks this will help her have better tools to materialise her dream: operate a shovel, a machine that is 5 times the size of a truck.

She also devotes her spare time to her daughter, who lives in Belén. They have a good relationship in spite of the requirements of her job: “Ximena is used to this and knows we cannot be together all the time. She understands that joining Minera Alumbreira has been a major success for both of us. I’ve bought my own house, I have a motorcycle and she goes to school”, she says enthusiastically.



Noemí Burgos, Blasting superintendent: “Working at Minera Alumbreira is a unique experience. Things are different everyday”.

(2) Minera Alumbreira adopted the Positive Attitude Safety System (PASS™), as a tool to improve communication lines and operational safety. Meetings are held in each area early in the morning, to plan day-to-day actions and review the safety issues of the preceding day in order to minimise risks and avoid accidents.



Union relationship

Minera Alumbraera respects the right of individual employees to freely join a union, as provided in Labour laws. This ensures communication with stakeholders on a confident and respectful basis. Human Resources highly regards liaison with unions.

This relationship was built on engagement for the mutual benefit of both parties, within the current socio-economic situation that fosters industrial negotiations.

Management seeks to report to employees Minera Alumbraera’s working advantages in terms of good management practices, competitive salaries and best-of-class working conditions, while ensuring compliance with the applicable collective bargaining agreements as well as political support to union leaders. In 2006 845 employees were covered by the Collective Bargaining Agreement.

The following union initiatives have been undertaken:

- 1

A plan to arrange monthly meetings with union leaders was fully implemented; bi-monthly meetings were held with the Safety Committee. Union leaders, Human Resources management and specialists from different areas achieved a very positive outcome as to participation and consensus.
- 2

Collective Bargaining Proposals for May 2007 have been further analysed and adjusted to the current situation of the local mining industry.
- 3

A national review of the salary clause was agreed with the Argentine Mining Workers Union (AOMA) in June 2006.
- 4

Regional AOMA leaders were contacted to help open Farallón Negro union branch through open discussions with local representatives and AOMA’s approval.
- 5

Union petitions to the competent authorities, the Labour Minister and Belén Labour Secretary have been answered.
- 6

Joint initiatives with union leaders to ensure support to ill workers and/or workers’ relatives.
- 7

Collective Bargaining involves a major challenge for both parties, due to the complex political and union situation in Argentina.



High school students of the neighbouring communities perform internships at the minesite.

Joint initiatives with the Labour Minister

In early 2006, Minera Alumbraera was invited by the Labour and Social Security Minister to include public and private Social Involvement practices. This initiative is aimed at ensuring socially responsible work policies among the 80 companies involved as well as the Public Administration. Minera Alumbraera, as the only representative of the mining industry, is a member of value-chain committee. Good employment practices in inland territories was especially fostered by the value-chain committee.

Some of the proposals made by the group included the dissemination of good employment practices in the country. Each company will provide additional information about employment provisions to companies in the second and third value-chain levels, as well as the necessary support to join the regular and official job market. The first of a number of Job Conferences in Mendoza was jointly held. In addition to representatives of the wine industry, managers from different companies attended this conference, led by Labour Minister Carlos Tomada, who welcomed provincial authorities, attendees, and national representatives. The results of this conference led the authorities to arrange further conferences in other provinces during 2007. It was a major invitation and the outcome of the seminar encouraged attendees to discuss and make proposals.

Minera Alumbraera committed to arrange a conference in Northwestern Argentina during 2007.

MINERA ALUMBRERA’S ORGANISATIONAL CULTURE

Corporate business practices covering human rights, equal opportunities, diversity, promotion, training, safe and healthy working conditions, among others, have been included in corporate policies that have been distributed to all employees.

Performance management system

- Commitment: continuous business improvement is ensured by good employee performance.
- Objectives: implement our individual performance management system.
  - Develop a performance-based compensation system.
  - Maximise the potential of individual employees in their position.
- Scope: applicable to all Minera Alumbraera employees, even those subject to collective bargaining agreement.
- Policies: management and review of employee performance are based upon the expectations and individual objectives set annually through formal action plans. Employee performance levels relative to the objectives and expectations are regularly reviewed by supervisors, who provide feedback and advice based on results. A Personal Effectiveness Review (REP) is also arranged by each Supervisor for every direct report at least once a year. The key results of these REP include:
  - Employees will clearly understand what they are doing well, the areas for improvement and the actions required to bring about these improvements.
  - A performance rating will be used to fix salaries for the next year.
  - The actions to improve achievement will focus on helping employees to enhance performance in their current position.
  - Employee training and/or work experience actions will be assessed in line with business requirements.

Continuous learning

- Commitment: support employees who want to improve their skills to enhance their performance in their current and future jobs through formal education.
- Objectives: establish corporate responsibility to support employee training and performance.
- Scope: all employees
- Policy: Minera Alumbraera will provide financial support to employees who want to enhance their academic skills with part-time courses during their spare time, provided that said course is associated to their current or future job.

Non-harassment

- Commitment: harassment is unacceptable at Minera Alumbraera. Minera Alumbraera is committed to provide a harassment-free work environment.
- Objectives: protect employees, contractors and visitors and ensure consistent practices.
- Scope: all employees, contractors and visitors.
- Policy: Minera Alumbraera employees must not follow harassment behaviour. Once harassment is reported, an investigation is started by the Human Resources representative, also keeping the name of the claimant and defendant in strict confidence to avoid victimisation. Once harassment at the workplace has been demonstrated, the relevant disciplinary actions are taken. Similarly for ungrounded claims.

Selection and recruitment

- Commitment: highly skilled people are required to achieve company management objectives. To this end, positions should be filled with in-house staff. Otherwise, a rigorous process of external recruiting should follow.
- Objectives: ensure consistency in selection and recruitment processes.
  - Ensure that these processes are conducted under the principles of Equal Employment Opportunities.
- Scope: applicable to all recruiting processes.
- Policy: the annual Human Resources budget is approved by the general manager. Then, recruitment initiatives are agreed with the managers of the relevant areas. Expatriate and non-local appointments are managed only by the chief executive. In-house candidates meeting all the requirements for the position are prioritised over external candidates. By virtue of Minera Alumbraera’s commitment to foster community development, local residents meeting the requirements for the position will be prioritised.

Equal opportunities

- Commitment: ensure that all employees are aware of Minera Alumbraera’s commitment to equal recruitment opportunities.
- Objectives: protect employees and ensure consistent practices.
- Scope: all employees.
- Policy: all the professional development decisions, including recruitment, training, promotion, transfer and general working conditions are based on personal merits. Discrimination is unacceptable.

Definitions

- Discrimination: includes the denial of credit to an applicant based on personal characteristics (such as gender, race, complexion, religion, age, marital status, political views, etc.), affecting equal opportunities or bringing about ill-treatment at work.
- Merit: basis for decisions on employment and professional development opportunities, including traits and abilities, experience, knowledge, background, professional skills and capacity to acquire additional work skills.

Training programmes

The training courses for 2005 were successfully provided again during 2006 with good employee performance. Moreover, the 100,000-hour training goal for employees was achieved in 2006, at a cost of USD803,063. Minera Alumbraera focuses on in-house training and external education:

■ INHOUSE TRAINING	■ EXTERNAL EDUCATION
■ MANAGERIAL SKILLS	■ EDUCATION PROGRAMMES FOR *COMMUNITIES
■ Leadership Development programme	■ Interns
	■ Apprentices
	■ Graduate and post-graduate papers
■ ENSURING COMPANY POLICIES AND VALUES	
■ Operating Workshop - Induction and re-induction	
■ INDUSTRIAL HEALTH AND SAFETY	
■ Operational safety	
■ Medical assistance	
■ Industrial safety	
■ Fire brigade	
■ TECHNICAL SKILLS FOR SPECIFIC AREAS	
■ Technical maintenance and operation training	
■ Language	■ Language

\*Based on agreements with universities and technical schools

Internship

This programme is applicable to university or high school students from neighbouring areas who work on site for six months under the supervision of a tutor. Fifty-six vacancies will be opened under this training programme in 2007, relative to the 42 positions filled in 2006; 12 will be filled with high-school graduates and 44 with university graduates.

Apprenticeship

Apprentices are selected from neighbouring polytechnics for 1 or 2-year lab and field specialist learning programmes (including mechanical maintenance, concentrator and port operations).

Leadership

Developed and led by in-house facilitators, one-day workshops were provided to all employees in supervisory or managerial positions. This programme will be continued in 2007 with updates and workshops for new leaders.

Staff development programme and talent identification system

One of the critical factors for Minera Alumbraera’s success is to ensure the people with the necessary skills, knowledge and abilities to develop and implement organisational plans. This programme is intended to assess the existing and potential capabilities of Minera Alumbraera individual employees. It consists in reviewing and adjusting potential capability estimates based on the survey data.

Graduate and post-graduate programmes

We continued working in the programmes with Universidad Nacional de Catamarca.

Workshop for supervisors

A Workshop for Operational Supervisors was conducted in 2006 to provide supervisors with practical tools for their day-to-day tasks. It will be conducted in 2007 too.



Apprentices receive both theoretical and practical training to work at the minesite, the concentrator or port facilities.

Minera Alumbraera’s regional talent programme case study

**Date and place:** Bajo de la Alumbraera, 2005-2006.

**Beneficiaries:** six Electrical, Mechanic and Civil Engineering undergraduates and eight university and high school apprentices from Catamarca.

**Objectives:** recruit regional talent from neighbouring communities to ensure their career development in the labour market.

**Company contributions:** young regional talent training including the development of their skills on site, based on their interests, needs and field of specialisation.

**Other organisations involved:** the secondary schools from Andalgala, Santa Maria, Belen, Hualfin listed below, as well as the Catamarca and Tucuman universities.

**Changes:** these students have been really helpful for Minera Alumbraera, especially for expansion projects, including the fourth grinding line and the feasibility study of the molybdenum plant.

- Eight former apprentices became regular employees under Minera Alumbraera’s recruitment strategy.
- This policy consolidates and ensures liaison with local universities.
- It also helped local students to complete their final university papers and gain additional skills.
- A similar number of positions is expected to be filled in 2007.

Both students and officials from the Education Department commended safety procedures throughout Alumbraera operations. These lessons are valuable in the labour market and have a multiplying effect on Minera Alumbraera’s responsibility to follow safety procedures in day-to-day activities.

Minera Alumbraera’s commitment to train local people has been clearly demonstrated.



Students repairing at the minesite truck workshop.



Minera Alumbra’s arrangements with local education centres

Minera Alumbra’s internship programme has been pursued, including undergraduates and graduates from Universidad Nacional de Catamarca, neighbouring technical and secondary schools and Universidad Nacional de Tucumán.

THE EDUCATION CENTRES FROM CATAMARCA INVOLVED IN THIS PROGRAMME INCLUDE:

Secondary school # 32	Andalgalá
Secondary school # 69	Belén
Secondary school #12	Santa María
Professional Education Centre	Santa María
Secondary school # 13	San José
High school	Hualfín
Secondary school # 40	Hualfín
Secondary school #29	Catamarca, capital city

Additional arrangements the Universidad Tecnológica de Tucumán and Santo Tomás de Aquino institute will be pursued in 2007.

Number of training hours

YEAR	2004	2005	2006
Employees	1,096	1,165	1,262
Programmes	Hours	Hours	Hours
Leadership and managerial practices	1,138	1,194	1,230
Company values	2,281	9,107	22,884
Technical skills	37,893	35,571	52,789
Regional school talent	15,120	24,004	78,168
TOTAL TRAINING HOURS	88,199	120,350	155,071
Annual goal in hours	75,000	100,000	100,000
Budget in US dollars	362,049	460,290	803,063



Camp facilities

It provides employees with comfortable rooms. Minera Alumbra’s permanent camp includes 480 rooms and Minera Alumbra’s temporary camp site includes 600 rooms. Although Minera Alumbra’s temporary camp was expected to be used for a period of three years, it has been used for ten years now due to the increasing manpower requirements derived from expansion projects. Major improvements have been made to enhance our employees’ well-being, such as extensions to the permanent camp.

Entertainment

The company provides employees with modern and comfortable sports and entertainment facilities. After the work shift, our employees play board games, listen to music at the pub, watch videos at the movie theatre, get fit at the gym, play soccer either at the indoor court as well as outdoor field equipped with natural grass, play tennis at the tennis court or just gather at the meeting room. There is also a kiosk and three barbecue areas.



Transportation

Site transportation services are provided by Parra, a bus company from neighbouring Santa María. Their site fleet is made up of seven 40-seat buses, a 24-seat mini-bus and three 10-seat vans. They travel about 500 km everyday.

Off-site transportation services to neighbouring areas include 1,500 km/day on average, provided by Aconquija and Parra companies. By May 2006, five incident-free years had elapsed and 4 million km had been travelled by company staff. Offsite buses used are required to be no more than three years old.

About 2,500 passengers/month fly back home. Nineteen-seat aircraft flies three times a day from Minera Alumbra’s own airstrip in Campo Arenal to Tucumán and Catamarca airports. Aircraft is registered with the United States Federal Aviation. Aircraft maintenance follows the most demanding standards as well as the national aeronautic regulations.



Messing room

1,000 people/day on average are provided accommodation at camp facilities through an agreement executed with E.S.S, the division of Servicio Compass de Argentina, that provides food and support to companies operating in remote areas.

Thanks to Minera Alumbra’s support, ISO 9000 accreditation was certified by our catering contractor in August 2006. It was the first accredited remote catering service in Argentina.

Regular food and health audits are undertaken to ensure food quality and higiene standars are maintained. Accreditation included Contractor’s obligation to provide renowned brand food and raw materials from the local market.







# HEALTH AND SAFETY

In 2006, Minera Alumbreira’s performance in terms of safety met the expectations. In December, MINERA ALUMBRERA achieved a DIFR<sup>1</sup> (Disabling Injury Frequency Rate) of 0.93 at the end of the year –a major achievement based upon worldwide standards.

The DIFR remained constant compared to the previous year, bearing in mind that there were 0.93 disabling injuries per one million man hours worked. The result was 5 disabling injuries in 5,300,000 man hours worked in 2006, including own staff and contractors.

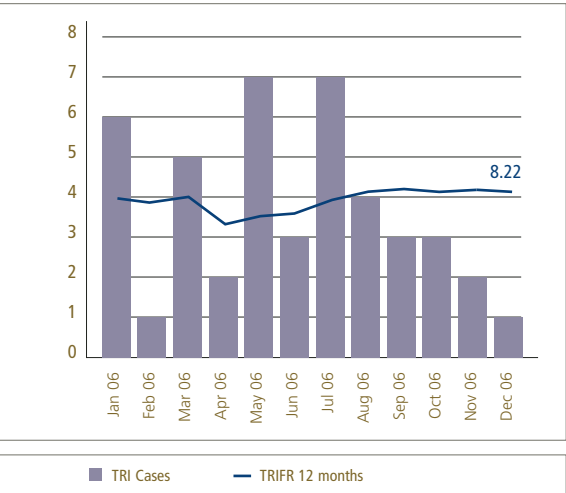
Another objective achieved by Minera Alumbreira was 8.22 injuries, as per the Total Recordable Injury Frequency Rate, that may have occurred.

Year after year, Alumbreira ratifies safe operation in compliance with the strictest international standards. One of the reasons of this achievement is that employees are fully aware of the procedures to avoid occupational accidents and diseases and they have changed their attitude towards proactive safety and self-care. Assuming their own responsibility in every day activities and their consequences in their environment is clearly reflected in better results.

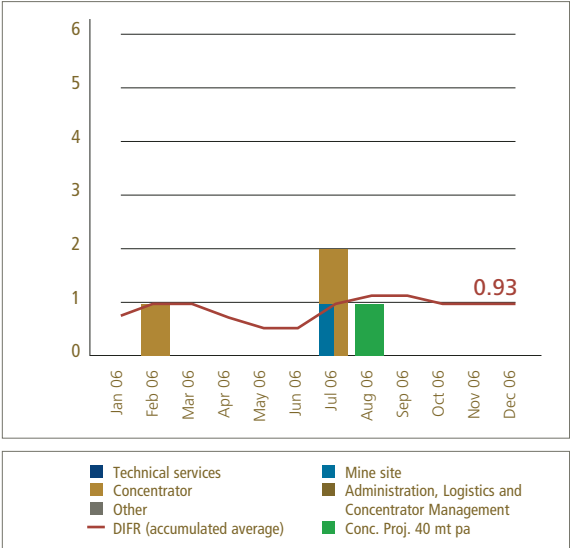
### Safety performance records

Every incident, injury and risk, follow-up schedule, simulation and statistical analysis are recorded in the company’s own data base. In order to evaluate Minera Alumbreira’s safety performance, the relevant authorities record statistical indexes on a monthly basis.

TRIFR<sup>2</sup>: Total Recordable Injury Frequency Rate: 2006 12-month average



DIFR: Disabling Injury Frequency Rate: 2006 12-month average



### Achievements and goals

GOALS FOR 2006	STATUS 2006	GOALS FOR 2007
DIFR < 2.2	achieved and exceeded: 0.93	< 1.5
LTIFR < 1.5	achieved and exceeded: 0.93	< 1.5
TRIFR < 12	achieved and exceeded: 8.22	< 10
DISR < 58	not achieved: 81.79	< 52
MTIFR <sup>3</sup>		< 15

Objective fully achieved

Objective partially achieved

Objective not achieved

(1) DIFR: it includes injuries that prevent a worker from performing his/her regular duties during the following shift. It includes lost-time accidents.  
(2) TRIFR: it is the aggregate number of lost time injuries (including fatalities), injuries resulting in restricted duties and medical treatment cases.  
(3) MTIFR: Medical Treatment Injury Frequency Rate added among the safety objectives for 2007. They include injuries that require more serious treatment than first aid.



Functions

An outstanding feature of Alumbreira’s safety performance is that it is not centralised. Each area has its own employees permanently devoted to daily operations. From this point of view, the main objective of the Human Resources and Industrial Safety management is to provide guidelines to achieve the goals set and optimise the available systems. Medical care and emergency response services are included among the major responsibilities of this management.

Likewise, every area of the business sets its goals through the management of the following resources:

- Leadership, responsibility and ethics
- Planning, resources, objective and goals
- Skill and behaviour
- Communication and commitment

Minera Alumbreira has a manual of Health and Safety Standards that has been devised to provide the framework necessary to develop and comply with the company’s safety plans and policies, following the company’s strategic business objectives. Likewise, it is an administrative tool that allows to measure regularly each employee’s performance in terms of safety.

In 2007, the Human Resources and Industrial Safety management will focus on:

- Offering training on safe work standards.
- Keeping the audit programme in all business areas, and with contractors.
- Reinforcing Industrial Health monitoring programmes and the follow-up of corrective measures, if required.
- Maintaining the training offered by the medical staff to employees related to fatigue, food tips, etc.
- Continuing with the analysis of operating risk at the workplace, before any critical activity.
- Developing new courses on attitude behaviour and preparing in-house training videos.
- Verifying the active participation of contractors in the application of our safety standards.



Protection equipment for mechanical maintenance workers at the minesite.

Safety policies
<ul style="list-style-type: none"><li>An essential issue of the continuous improvement process implemented at Minera Alumbreira is related to the development of a culture that promotes critical and open thinking, and ensures the understanding of roles and duties at every level of the organisation. Employees participate actively and share their experiences and best practices.</li><li>The performance of Minera Alumbreira’s workers is essential to successful management. The staff skills, streamlined by the training received, allow to plan a future professional career, based upon specific safety standards.</li><li>In this sense, the need to generate synergies with suppliers led to the introduction of a Contractor Management system to ensure a consistent approach in all business areas.</li><li>Thus, workshops and meetings have been held with carriers. Every year, around 8,000 trucks from other provinces and from foreign countries enter the minesite. Such number is exponential in terms of the possibility of accidents. However, these workshops organised by the Administration management three years ago, allowed companies to join in the effort to apply controls aimed at reducing risks to avoid road accidents.</li><li>To ensure a safe work environment every day, the system implements some internal guidelines and, for contractors:</li><li>The design, construction and acquisition of equipment has to comply with well known codes, standards, and practices.</li><li>The potential risks of new and existing facilities are systematically identified: risks are assessed through specific techniques to reduce them as much as possible, through suitable administrative and engineering methods.</li><li>Equipment and plant operation is controlled through the maintenance and management of assets that goes from monitoring to modification of the facilities.</li><li>Safe operations at Minera Alumbreira are controlled through inspections and audits, depending on the risk level. Self-regulation is performed at every level and then, independent firms execute regular audits.</li><li>When any of the policies or procedures are not suitable, the situation is recorded to apply the necessary measures. Likewise, the said system identifies schedules, priorities and responsibilities that need to be modified.</li></ul>

Risk management development

Pursuant to Xstrata Copper’s risk management policy, aimed at identifying, reviewing and continuously monitoring risks, Minera Alumbreira started to apply different management practices and tools to identify the nature of the risks related to the activity, their potential consequences and control measures to minimise such risks.

A Risk engineer, trained in the University of Queensland, Australia, was engaged in order to implement in our facilities the theoretical and practical tools recommended for programme development.

Likewise, by early 2006, Minera Alumbreira introduced the CURA system, a programme worldwide used by large companies to monitor risk management.

At that time, multi-discipline teams evaluated major risks through the use of analysis tools (fault tree, cause tree). The conclusions reached allowed to implement more and better control measures.

Implementing such measures contribute to support a controlled, transparent and responsible workplace and benefit the neighbouring communities, suppliers and, moreover, Minera Alumbreira’s staff.

Awareness

Since the first day they start work at Minera Alumbreira, employees receive a general induction course, where they learn the company policies in terms of health and safety and safe work standards, among other issues.

Contractors also participate in these workshops. Every attendee is evaluated to ensure they understand the information and training received. If they do not answer 70 % of questions properly, they must take the course again.

Once in their sector, a safety instructor trains the new employees in the induction course of the specific area where they will work. At that time, they receive more information on the risks and hazards related to their tasks, and how to prevent accidents.

Mining employees –like workers of other industries– may be faced to dangerous situations since they may be exposed to electricity, hydraulic or pneumatic power, heights or chemicals. In this sense, prevention measures are taken to minimise the consequences from malpractice. For instance, proper signage, checking equipment and tools before starting an activity and the use of personal protection elements are some of the measures to consider.



COMMUNICATION TOOLS	PADLOCKS	TAGS
<ul style="list-style-type: none"><li>Clear instructions, through signage and posters to inform properly employees and visitors.</li></ul>	<ul style="list-style-type: none"><li>The interlocking procedure aims at avoiding the risk that the equipment starts working accidentally. Before operating a piece of equipment, the ignition key is locked and a padlock with a card is installed. Such card informs the name of the person operating the equipment, his/her file and area where he/she belongs. Thus, there is full guarantee that nobody will start the equipment improperly and thus produce a serious accident.</li></ul>	<ul style="list-style-type: none"><li>This system is used to identify the chemical containers, pursuant to international standards. Since fuels diesel oil, oils, solvents, degreasers are handled, it is necessary to guarantee their safe transfer to other containers. Container identification allows to warn the people who will handle such products on their content.</li></ul>



I Training cases

Expansion of the emergency Rescuer training

Minera Alumbra has 48 emergency rescuers.

**Date and place:** minesite, 2006.

**Direct beneficiaries:** 24 employees.

**Objectives:** increase the number of emergency rescuers in an organised and joint way.

**Sectors involved:** Medical Service and Fire Department of the minesite.

**Changes:** 24 rescuers completed their 1-year theoretical and practical training. At present, the company has 48 rescuers distributed across the minesite.

- Works at the training site of fire fighters and rescuers were completed. The construction of different modules allows to execute drills, including rescues in confined sites, at heights, vehicles, works with ropes, and emergencies with chemicals.
- The infrastructure improvement works included lighting of the training site for night practices.
- Since the creation of the emergency brigade in 1998, no injury occurred.

Emergencies with chemicals

Theoretical and practical courses on emergencies with chemicals were given.

**Date and place:** minesite, 2006.

**Direct beneficiaries:** 41 employees, including fire fighters and rescuers.

**Objectives:** train employees in chemical handling to minimise risks.

**Institutions involved:** the course was given by instructors of the Fire Department of Río Tercero, province of Córdoba.

**Changes:** several drills were executed in different scenarios where the performance of rescue teams was evaluated. Instructors prepared a very positive report on the rescuers' performance.

I Equipment optimisation cases

Acquisition of fire pump for emergencies

Minera Alumbra optimised emergency equipment in 2006.

**Date and place:** minesite, 2006.

**Direct and indirect beneficiaries:** workers at the minesite.

**Objectives:** ensure access to any place at the mine site in the case of fire.

**Areas involved:** all.

- Changes:** the fire engine was installed in a 310 HP and 6x4 Scania truck.
- After buying this engine, water reserve increased four times and foam twice.
  - Some of the advantages include higher autonomy to fight fire at those points where no fire network exists.
  - The crew cab of the truck allows to transport rescuers and facilitate the installation of structural equipment in the cab.



Up: 24 rescuers joined the emergency team.  
Down: new fire pump purchased in 2006.



Gustavo Villanueva, at the fire department of the minesite.

Tagging system for chemicals

Minera Alumbra has adopted the American system of the National Fire Protection Association<sup>4</sup> to identify chemical containers.

**Date and place:** minesite, 2006.

**Beneficiaries:** all staff.

**Objectives:** reduce risks when handling chemical containers.

**Sectors involved:** all.

**Changes:** this system allows to identify the risk level of a product, which is labelled with a tag describing its features. The risk type is known after reading the product safety sheet, that describes the potential damage to health: flammability, reactivity or any other specific care. All staff has been trained in reading and identifying the risks and has a card for inquiries in the case of doubts.

Health

In 2006, the regular examinations required by the existing laws were carried out by a contractor supervised by La Caja ART. Medical studies were performed based upon the results of the Occupational Health measurement plan which were used to prepare the company's risk map.



Medical care is provided all day long, apart from executing preventative medicine programmes.

Occupational health

In order to control the risk agents that could cause an occupational disease, a major environmental measurement plan was carried out, together with, La Caja ART, a work risk insurer. Environmental measurements of different risk agents such as noise, total and respirable dust, fumes, heavy metals and inorganic acids have been performed. The research allowed to evaluate the work environment and take the prevention measures necessary to minimise workers' exposure.

Ergonomics

Skeletal muscle disorders caused by unsuitable postures when performing every day activities are very common. Therefore, an ergonomic study of different activities in the operating areas of the minesite and the concentrator was carried out. Through the application of several techniques, the study allows to evaluate how activities are performed. The ergonomic research was executed by a professional of Occupational Safety specialised in this issue, who prepared a report of the disorders detected and the recommendations for each case in particular.

(4) National Fire Protection Association (NFPA).



# ENVIRONMENTAL

## Environmental responsibility

Minera Alumbrera is committed to the highest environmental standards across its operational facilities. Not only does Minera Alumbrera meet and exceed the applicable standards under the Argentine laws in force but it also operates under the strictest international regulations.

Through responsible management practices, Minera Alumbrera works on a daily basis to limit the impact of mining operations through efficient resource utilisation, pit rehabilitation, waste disposal and biodiversity practices. Minera Alumbrera’s environmental management policy sets out the applicable legal and technical standards as well as the environmental performance guidelines.

Minera Alumbrera employees and contractors are fully aware of the environmental standards applicable to their day-to-day activities with a view to:

- Minimise operational impacts.
- Monitor the potential impacts of mining operations on an on-going basis.
- Improve environmental performance on an on-going basis.
- Report and educate environmental issues to in-house and external parties.
- Provide the necessary resources to ensure compliance with the company’s environmental policy as well as the applicable laws.

OBJECTIVE 2006	PERFORMANCE	OBJECTIVE 2007
Management system: ISO 14001 standard implementation at the minesite.	Partially achieved. Internal audits of mine operations, Technical Services, and Human Resources have been conducted, 50 % completed.	ISO 14001 standard implementation at the minesite.
Disturbed land and rehabilitation: recalibration of tailings dam and waste dump capping model considering the data gathered from field testing (2003-2005 period).	Fully achieved. During 2006, both models have been recalibrated by Canadian consultant Mike O’Kane using three-year monitoring data. He confirmed that capping designs for waste dumps and tailings dams perform as planned.	A further field trial site will be developed in a waste dump in order to test the impact of various final design morphologies.
Biodiversity: the first annual survey of the local fauna, soil structure, water quality and sediments is being conducted.	Fully achieved. Throughout this year, 3 seasonal surveys were conducted during the autumn, spring and summer seasons. These surveys were undertaken jointly with Argentine Intergeo consultants.	The seasonal survey of local vegetation and wildlife for autumn will be undertaken.
Soil management: native vegetation germination trials started at our nursery garden to supplement our Tailings Dam and Dump Capping programme.	Partially achieved. The local native vegetation survey was completed and a manual was developed for distribution to local communities and education centres.	INTA Catamarca was requested advice on germination trials during 2007.  A carob tree pilot-scale forestation trial will be conducted in Campo Arenal area.
Water: drilling of 2 new monitoring wells and replacement of 2 pumpback wells in the Vis Vis Valley.	Fully achieved.	A pumpback well will be replaced and an additional monitoring well will be drilled.
Waste: paper and cardboard were included in our recyclable waste programme.	Fully achieved. - Over the past 18 months 10,000 kg of plastic bottles have been recycled. - Our paper and cardboard recycling programme was launched in May 2006 for the benefit of Garrahan Hospital Foundation. 20 metric tons of paper and cardboard materials have been recycled.	Bottle and cardboard recycling will be increased by 5%, with the support of our Tucumán and Buenos Aires offices.
Metal and rubber recycling programme.	Partially achieved. During 2006 various rubber recyclers have been contacted. By the end of 2006, 1,300 meters of conveyor belts (totalling 100 metric tons) had been recycled for use in other industries.	Our rubber recycling programme will be expanded to include metal recycling too.

Objective fully achieved      Objective partially achieved      Objective not achieved

Environmental management system

Minera Alumbreira’s environmental strategies, guidelines and objectives have been established under Xstrata’s global Health, Safety, Environment and Community (“HSEC1”) standards.

Minera Alumbreira’s ISO 14001 accreditation in late 2005 was a key management tool to standardise company processes, while ensuring the achievement with strategic environmental goals. Minera Alumbreira’s compliance with environmental commitments is verified during internal and external audits, thus enhancing our continuous improvement processes.

Monitoring

Monitoring programmes have been implemented since project commissioning to ensure compliance with statutory requirements and to gather information for closure planning projects.

ON-GOING PROGRAMMES INCLUDE:
Surface and ground water quality at Campo del Arenal, Vis Vis river basin –including the slurry pipeline river crossings– and DP2 canal.
Ground water levels at Campo del Arenal.
Surface water flows in Vis Vis river basin.
Weather data survey (including temperature, rainfall, pressure, wind and evaporation rates).
Air quality (sedimentable dust) at the minesite, filter plant and port facilities.
Industrial and residential waste.
Acid rock drainage kinetic tests.
Pit water flows and quality.

Depending on the programme, monitoring activities are undertaken on a daily, weekly, monthly or semi-annual basis. The quarterly monitoring programme of Campo del Arenal and Vis Vis water quality is undertaken jointly with the technical experts from the Provincial Mining Department. Water monitoring programmes follow the international EPA standards in line with the provincial government requirements.

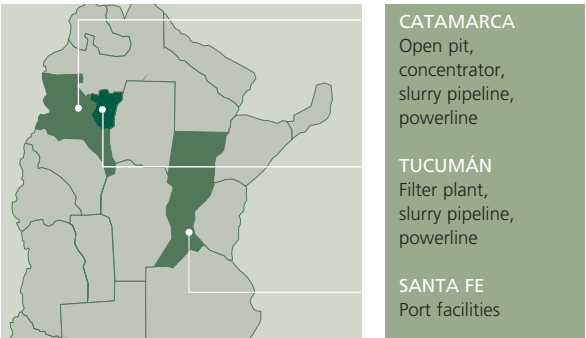
Environmental awareness and training

Both initiatives are essential for the successful implementation of Minera Alumbreira’s Environmental Management System. Induction sessions and awareness sessions have been organised for Minera Alumbreira’s employees and contractors to ensure environmental awareness and environmentally responsible work practices.

Training sessions are focused on Minera Alumbreira’s management policy, statutory aspects, waste disposal practices, environmental incident reporting and the initiatives of our Environment Department. Updating our environmental programmes calls for ongoing employee awareness and environmental announcements are posted in notice boards.

Regulations and agreements

Company facilities are regulated by the following jurisdictional authorities:



Environment Official Lorena Chirivella taking field samples during a water monitoring exercise.

(1) Health, Safety, Environment and Community (HSEC).

AT THE PROVINCIAL LEVEL, MINERA ALUMBRERA IS ALSO SUBJECT TO ON-GOING REVIEWS BY:

Catamarca’s Mining Department
EIA approval.
Compliance with permit conditions.
Catamarca Environment and Water Secretary
Ground water rights over Campo del Arenal.
Tucumán Mining and Energy Department
EIA approval.
Filter plant effluents.
The Environment Division under Tucumán Health System
Effluent quality.
Annual permit for liquid effluents.
Power, Transport and Communication Secretary
Approval of the Powerline EIA.
Semi annual update of the Environmental Management programme.

In addition to provincial regulations, the national environment laws are applicable to the interprovincial transport and disposal of dangerous waste (such as used oil).

OPERATIONAL PERMITS INCLUDE:

Environmental Impact Assessment (EIA) and Updates
Minera Alumbreira’s EIA has been lodged with the Catamarca and Tucumán authorities prior to project commissioning. In accordance with the Mining Code and the Environmental Protection Law <sup>2</sup> (Act 24,585), Minera Alumbreira’s biannual reports have been duly <sup>3</sup> approved by the competent authorities. Minera Alumbreira has satisfied its commitments under the relevant reports and this has been duly verified by the local authorities.
Permit
To draw fresh water from Campo del Arenal aquifer and pump it through a pipeline to the minesite (Catamarca).
Filter plant discharge permit
Renewal of the permit to discharge effluents into DP2 canal (Tucumán) and registration in Tucumán liquid effluent registry.

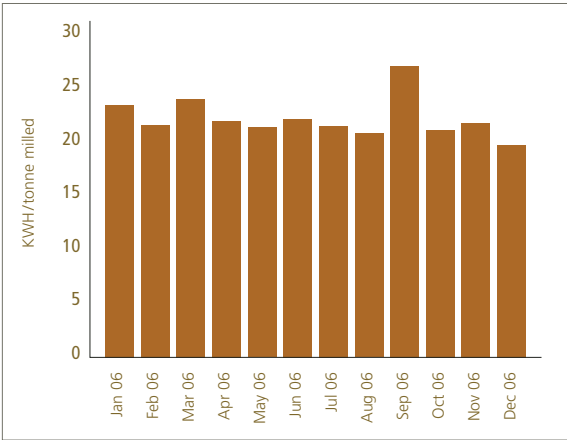
(2) The mining industry was the first industry subject to environmental protection provisions.

(3) Under Act 24,585 of 1996, local miners are required to lodge an environmental impact assessment in advance of project commissioning. Minera Alumbreira’s EIA was duly lodged in 1995, even though such law became effective after project commissioning.

Resources

One of Minera Alumbreira’s environmental objectives is to make the most of natural resources. Aware of the need to ensure a sustainable environment both for current and future generations, resource utilisation levels are strictly monitored by company management, who also work actively to push them down or recycle resources.

Energy requirements/tonne milled



Even though the total energy requirements grew in late 2006, energy requirements per tonne milled finally fell to a level below 20 KWh/tonne milled.

Water

Campo del Arenal fresh water requirements are being constantly minimised. The number of litres required is in proportion to the tonnage milled and to the applicable evaporation rate (as water returns to the environment).

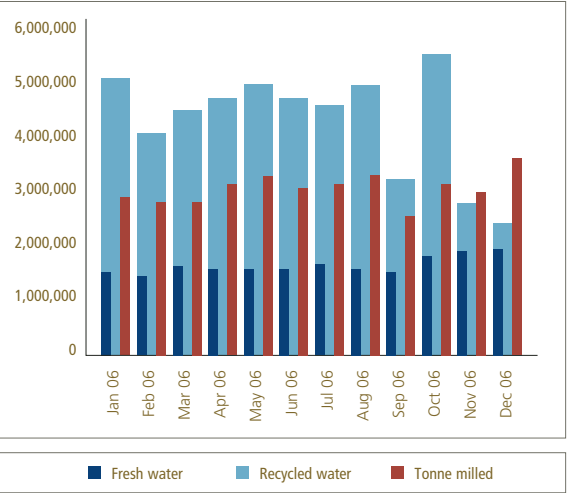
The improvements for 2006 include the commissioning of an additional tailings dam water recycling system to recycle up to 8,200 m³ of water/hour.

The current water recycling rate is 7,600 m³/hour. In order to push this level up to 9,000 m³/hour, Minera Alumbreira decided to lay additional pipelines and install three new pumps in addition to the five pumps currently in operation.

YEAR	2005	2006
Fresh water m³	18,276,238	19,584,756
Tonnes milled	36,607,985	36,349,723
Recycled water m³	56,365,012	47,940,082

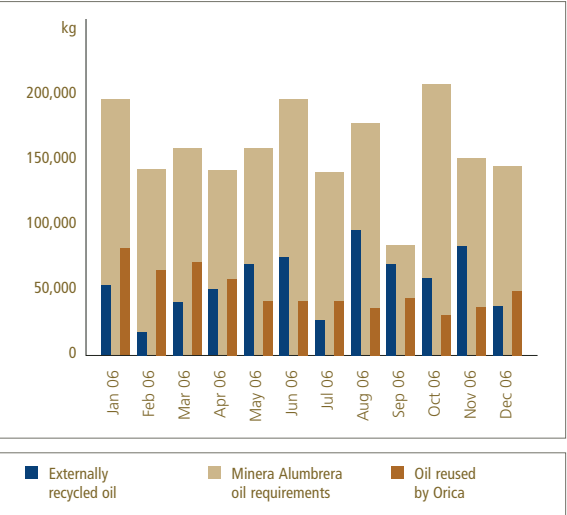


Fresh and recycled water requirements per tonne milled



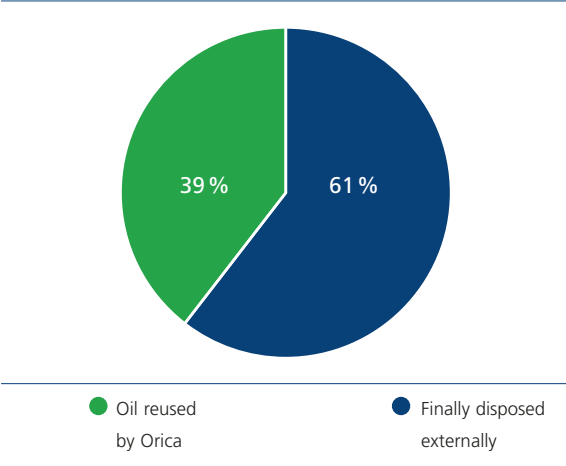
Oil

Total oil requirements were in line with historic levels. However, a significant percentage of oil is being reused by Orica operators with the authorisation of the competent authorities. Additionally, the use of oil additives in explosives was reduced to increase the explosive capacity of the mixture, given the harder ores.



One of the key environmental achievements for 2006 was the 39 % reused oil rate in Orica explosive operations. In this way, oil is not subject to final disposal with the resulting cost savings and the mitigation of potential impacts to the environment.

Recycled oil



Source: based on Minera Alumbreira data.

Effluents

Filter process water is treated at Minera Alumbreira’s filter plant in Tucumán and then discharged into the rainwater drainage canal DP2. Discharge quality is governed by Resolution 1,265 from the Tucumán Health Department (locally known as “SIPROSA”). Minera Alumbreira’s discharge permit was issued by the Provincial Mining and Power Department (the regulator of the mining industry).

During 2006, sedimentable dust monitoring stations were installed at the filter plant and perimeter tree curtains were improved in order to update air-quality data.

Mine closure planning

Responsible mine operations means operating under the laws in force while ensuring a healthy and sustainable environment for the local communities.

Successful mine closure planning includes targets in line with our commitments, cost estimates and a research programme including field and lab testing.

The key environmental management components include the ground water model for the Vis Vis basin, the research and development programme for our waste dump and tailings dam capping system as well as the waste treatment and revegetation programmes. The best mine closure methods will be determined through research and testing programmes.

Weather and environmental monitoring and field capping tests are the activities worthy of note for this year.



Concentrator Manager Pablo D’Agnillo at the tailings dam water recycling system.

ENVIRONMENTAL PROGRAMMES

I Surface and ground water

Campo del Arenal ground water model

Fresh water for mining operations is supplied from Campo del Arenal –a major basin to the north east of the deposit. This programme is intended to enhance water utilisation in order to minimise any eventual impacts on other aquifer users.

Minera Alumbreira’s ground water model, as lodged with the provincial authorities in 2002, was recalibrated during 2005 by Australasian Groundwater and Environmental (AGE) Consultants, the model developer. Based on this model, monitoring activities continued during 2006.

Water flow, chemistry and quality will continue to be monitored at the well field during 2007. The goal for next year is to gather additional data for Campo del Arenal water balance (recharge-discharge) to gain in-depth knowledge of hydrological surface variables, as they are closely related to the underground aquifer.

Ground water model for the Vis Vis basin

Following the completion of the Vis Vis ground water solute transport and flow model in 2002, the model was recalibrated three years later using the latest water level and quality data.

Monitoring activities including isotope studies were undertaken during 2006. In 2007, Minera Alumbreira will continue to use isotope tools to identify the ground and

surface water connection as well as water cycles, ground water age and potential connection to associated basins.

Drilling programme at the Vis Vis river canyon

Minera Alumbreira is committed to preserve downstream surface and ground water quality at the Vis Vis river canyon. The current pumpback system configuration keeps tailings dam process water within the mining claim, as indicated by the updated model results of March 2006.

Water quality monitoring results from the pumping wells and the Vis Vis monitoring network have shown that the current pumpback system configuration is effective. The advantages of this system include enhanced water utilisation by recycling water and pumping it back to the process, with reduced fresh water requirements. Since the monitoring network will be expanded as planned, additional wells will be installed at the sites to be recommended by ancillary studies.

Monthly monitoring practices will continue during 2007 and throughout the project life in order to ensure updated system reports.





Geologist Ramón Chaile doing pit stability monitoring activities.

I Soil

Acid Rock Drainage and capping system

Acid rock drainage or “ARD” means drainage resulting from the natural oxidation of sulphide ores contained in rocks, waste dumps and tailings resulting from their simultaneous exposure to air and water. This natural process occurs in fractured sulphide rocks.

Acid rock drainage potential may be eradicated from waste dumps and tailings dams by encapsulating potentially reactive materials. The conditions at Bajo de la Alumbrera enable ARD removal using a capping system designed on the basis of the weather conditions prevailing at site: high evaporation rate and low rain fall levels.

Thus, water is stored at the surface capping system during the rainy season and released during the dry season. This method prevents rainfall water from seeping into underlying materials, while reducing erosion and allowing successful revegetation.

Ongoing research work on the characterisation of materials with differing acid generation potential includes pond, cell and column tests. Based on existing water models, the pit is expected to become an enclosed area that will collect nearby ground water without affecting water quality at the regional aquifer.

The field data survey is expected to continue during 2007 in order to ensure input data for future model recalibrations.



Environment Official Gabriel López Vazques manually measuring temperature and moisture levels in tailings and capping material.

I The slurry pipeline case

**Abstract:** gold and copper concentrate spill resulting from a slurry pipeline failure.

**Date:** June 10, 2006.

**Location:** the slurry pipeline failure and spill took place at El Carrizal, Andalgalá, close to Minera Alumbrera’s pump station #3.

**Summary:** a concentrate pipeline failure was identified by the continuous monitoring sensors. Concentrate is pipelined from the minesite in Catamarca to the filter plant in Tucumán. It was a 15 cm pipe cracking.

- Once the failure was identified, it was reported to the authorities and the company’s emergency procedure was started to neutralise potential spill impacts.
- Pipeline operations were immediately stopped.
- Concentrate removal was promptly undertaken and monitored by the Catamarca Mining Department, as per the technical industry procedures.

**Outcome:** the pipeline crack resulted in a 25 m³ concentrate spill.

- The cracked pipe segment was fully replaced.
- Then, the concentrate pipeline was operationally tested to avoid risks to local communities.
- Progress reports were continuously provided to local communities by Minera Alumbrera management to ensure incident resolution.

- No damage to the local people or pollution of local water resources resulted from the incident. Since the incident had no impact on drinking water supply to Villa Vil community, no bottled drinking water was alternatively supplied to the local people.
- Concentrate did not flow into the river.
- Samples were taken by Minera Alumbrera at the inlet of Villa Vil water treatment plant. Sample results matched the standards under the Argentine Food Code, as shown in the following table:

I Standard	Unit	*m³	CAA
I Chlorine (Cl-)	mg/l	16.5	350.0
I Filtrable Copper (Cu)	mg/l	< 0.005	1
I Conductivity	µS/cm	590	-
I Filtrable molybdenum (Mo)	mg/l	< 0.0015	**NL
I pH at 20°C		7.7	6.5 - 8.5
I Filtrable zinc (Zn)	mg/l	< 0.2	5
I Sulphate (SO4=)	mg/l	53	400.0

(\*) June 13, 2006  
(\*\*) Not regulated  
Source: Minera Alumbrera

No hazard is involved in concentrate handling since it is a harmless product consisting of ground rock with the following chemistry:

Copper (Cu)	28 %
Gold (Au)	0.0025 %
Silver (Ag)	0.006 %
Iron (Fe)	28 %
Sulphur (S)	32 %
Alumina (Al2O3)	2 %
Silica (SiO2)	8 %
Miscellaneous traces	1.99 %

**Conclusions:** Minera Alumbrera follows the strictest environmental standards both at the local and international levels. However, like any other industrial operation, it is subject to operational risks. In this case, emergency response procedures have been promptly activated.

Prompt and efficient repair works, ongoing liaison with local community leaders and competent authorities minimised potential risks and clearly demonstrated that Minera Alumbrera operates in compliance with environmental rules and the highest safety standards.



Minera Alumbrera’s 310 km slurry pipeline.



Waste recycling programme

Minera Alumbraera has successfully implemented a residential, industrial and dangerous waste management programme.

Location and date: minesite, 2006.

Objectives: reduce operational impacts  
- Minimise waste levels and maximise responsible waste disposal, through improved waste sorting practices and waste recycling programmes.

Residential waste management

Objective: to encourage individuals to reduce the amount of waste throughout his/her life.

Company contributions: launch the following residential waste recycling programmes:

1- PAPER AND CARDBOARD RECYCLING PROGRAMME

Minera Alumbraera’s paper and cardboard recycling programme was launched in May 2006. Waste paper and cardboard was donated to a foundation that supports the Garrahan Hospital (a hospital treating the most complex health issues affecting children from all locations throughout Argentina). Above 20 mt of paper and cardboard have been donated.

- This programme is basically intended to:  
Obtain financial support for Garrahan Hospital development.
- Ensure environmental protection.

The following should be taken into careful consideration:

For every ton of paper or cardboard that is recycled, 17 middle-sized trees, with a growing period ranging from 10 to 20 years, are saved. 340 trees have been saved from forestation by Alumbraera in a six-month period.

A paper mill’s water and power requirements are reduced by 70 % and 45% respectively by recycling paper, with reduced air pollution too.



10.000 kg of plastic bottles have been recycled under Minera Alumbraera’s employee awareness programme.

2- PLASTIC-WASTE RECYCLING PROGRAMME

A special plastic waste disposal system was developed by Minera Alumbraera employees. It consists of the installation of white bins. Furthermore, Minera Alumbraera’s awareness programme for all site employees was reinforced.

Outcome: over the last 18 months 10,000 kg of plastic waste was recycled and donated to Cottolengo Don Orione in Tucumán, a shelter for people suffering from mental disorders.  
- Minera Alumbraera reduced the amount of plastic waste finally disposed at landfills, taking into consideration that plastic waste takes 150 years to degrade and that plastic recycling helps save non-renewable natural resources such as petroleum.

Changes: 2.5 kg of residential waste per person per day was measured at Minera Alumbraera from 2003 to 2005, with such rate decreasing to 2.1 kg/day during 2006.  
- Reduced landfill area.  
- Reduced power requirements.  
- Preservation of natural resources such as wood, water and other natural materials.

Industrial waste management

The amount of industrial waste (including batteries and toners) increased in 2006, as a result of the site expansion projects and to the improved waste sorting and final disposal practices.

1- METAL AND WOOD RECYCLING PROGRAMME

Every week, people from nearby communities pick up these materials at site for recycling purposes. They are also used to repair local houses and public areas. Whereas 510 metric tons of metal and wood were disposed in 2003, this amount gradually increased to 940 metric tons this year.

2- RUBBER RECYCLING

1,300 meters of conveyor belts (totalling 110 tons) were recycled. This material will be recycled into smaller-size conveyor belts for use in other industries. This avoids rubber incineration and disposal at landfills.

Hazardous waste management

The final solid waste disposal of cloth, filters, overalls and soil containing hydrocarbons increased during 2006 as a result of additional equipment maintenance activities for the site expansion projects. The amount of liquid hazardous waste such as used oil and diesel fuel was decreased due to improved mine equipment maintenance practices, including special systems.

Residuary oil is disposed as prescribed by the national and/or provincial authorities. However, Minera Alumbraera is authorised to reuse it at Orica’s magazine. Such facility reuses 40 metric tons of oil per month to manufacture explosives.



More than 20 mt of paper and cardboard have been recycled for the benefit of the Garrahan Hospital Foundation.



Flourensia tortuosa, a resinous bush from Catamarca, Salta and Tucumán.

Native vegetation survey

Minera Alumbraera put in place an intensive native vegetation survey and research programme in order to develop the mine-closure landscape restoration design.

Location and date: minesite, 2006.

Beneficiaries: local communities.

Objectives: restore and ensure revegetation at the tailings dam and waste dump upon mine closure. Local species are surveyed to ensure seedling for successful revegetation –i.e. seeds growing rapidly.

Other organisations involved: experts from Instituto Miguel Lillo (under Universidad Nacional de Tucumán) were also involved in the research work by Minera Alumbraera’s Environment Department.

Company contributions: a thorough vegetation survey was undertaken at six different stations from 2004 to 2006.  
- Lab tests included a site greenhouse for field seedling.

Changes: 98 species, 87 genera and 38 families have been identified. 13 species and 5 classes have been identified at tailings dam phytoplankton.  
- The uninhibited germination of various species was identified during lab tests. Therefore, propagation material was gathered for some species.  
- A nursery was also developed on site. Furthermore, Bajo de la Alumbraera’s native vegetation guidebook (including a description of all local species) was developed for record purposes and distribution to local universities, schools and professional associations during 2007.





# COMMUNITY PROGRAMME

Relations with the community are an essential element of Minera Alumbra management. Consequently, Alumbra's strategic programme includes Xstrata's Health, Safety, Environment and Community initiatives<sup>1</sup> within the framework of social involvement.

Since the beginning of operations, Minera Alumbra has implemented Community Development Programmes (PDC) involving the support of production, education, health, culture and sport organisations to contribute to family welfare and competitive local businesses.

Minera Alumbra considers social development as the voluntary commitment to contribute to sustainable development, with the participation of stakeholders, in order to improve the life quality of the society as a whole. It is Alumbra's philosophy to create liaisons and maintain the dialogue between the company, the government and the institutions representing the community.

Establishing a mining company involves benefits for the neighbouring communities from the economic and social point of view: infrastructure development, improved communications, job creation, training, supplier promotion, payment of provincial taxes, royalties.

The real challenge is that the wealth resulting from the business contributes to local and regional development, through programmes executed based upon the alliance of three sectors: the government, the mining company and the society. Thus, the skills and capacities of each of the parties involved in social development, as well as the allocated

resources, supplement each other to lead a collective action of shared responsibilities. The participation of the society in the generation of projects focused on the development of the area and its people, reduces expectations and demands so that each of the stakeholders assumes their own responsibility, thus eliminating their dependency on the mining company.

## ROLE OF THE PARTIES

### ALUMBRERA

Spurring community development: job creation, improved infrastructure, supply chain, training.

### GOVERNMENT

Regulating and establishing rules: participation in the creation, preparation and implementation of a strategic development plan agreed with the community.

### SOCIETY

Receiving the benefits and disadvantages involved in the productive process: leading participant<sup>2</sup> in this development process for the area.

The involvement of each party will allow to generate consensus to reach agreements on short, medium and long term objectives.

## MINERA ALUMBRERA'S COMMITMENTS:

Maintaining continuous, open and honest relationships with the communities, governments and institutions.

Improving the life of the neighbouring communities by encouraging communities to develop their own sustainable projects.

Strengthening Alumbra's presence in the communities affected by the project.

Keeping the staff aware of community actions.

## OBJECTIVES FOR 2007

- Organise a foundation to satisfy the education and health needs of the community in a more organised way.
- Prepare a monitoring and evaluation system of the community programmes supported by an academic institution.
- Support the municipalities through the participation in infrastructure development projects, mainly focusing on irrigation.
- Inform and train employees and the communities on environmental issues.
- Train teachers and school principals in high priority issues.
- Contribute to maintain popular traditions.

Fundación Alumbra is one of the objectives for 2007. It aims at the promotion, encouragement and participation in any kind of initiatives and works in health and education areas, mainly in the promotion of scientific research and technical and professional training in industry and mining issues.

To execute the proposed projects, the entity will work with third parties, such as institutes, schools, laboratories and research centres. It may organise contests and prizes for the sciences and arts, give courses and seminars and grant scholarships.

(1) Health, Safety, Environment and Community (HSEC).  
(2) It must be a legitimate representative of the local communities to be able to participate.



Social Development programme extension

In 2006, Minera Alumbrera invested Ar\$ 3 million in the development of community programmes, in addition to the Ar\$ 9.73 million allocated to infrastructure, health and education works, in Catamarca and Tucumán, under the Social Involvement (RS) programme. To select the works, the priorities specified by the governments of both provinces were considered.

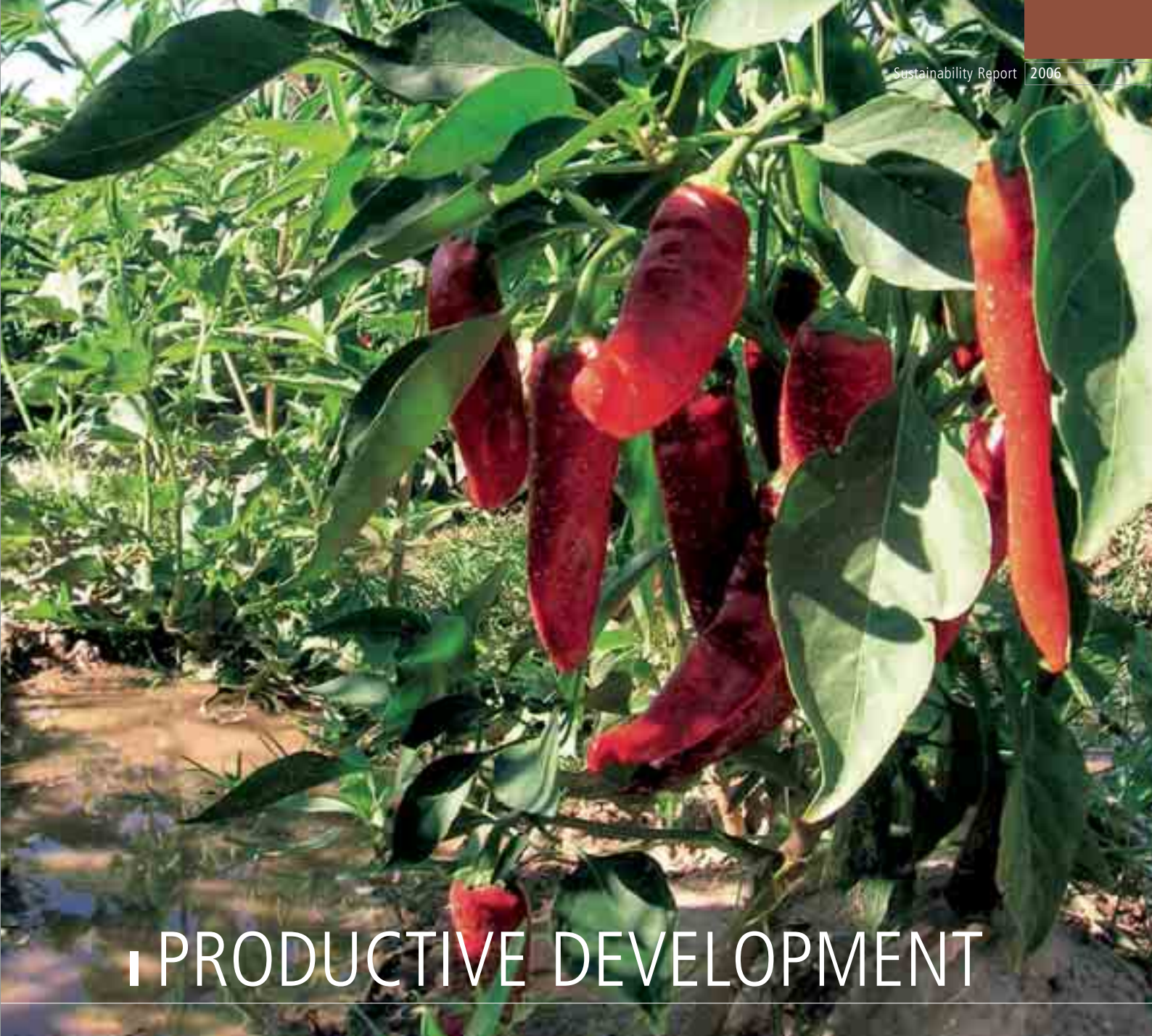
Within the Social Involvement programme, in 2004 Minera Alumbrera committed to invest Ar\$ 29.5 million in health and education for Tucumán and Catamarca.

WORK	LOCATION
Construction of the first stage of the largest technical school in the department.	Belén
New restructuring of the historical sector and sport facilities for school # 995.	Andalgalá
Contributions for technological equipment of intermediate care sectors in local hospitals.	Santa María, Andalgalá and Belén
Donation of 7 4x4 ambulances <sup>3</sup> .	Santa María, Andalgalá and Belén
Contributions to water laboratory equipment.	Province of Catamarca
Channelling water for irrigation purposes.	Hualfín
Construction of a health care centre.	Hualfín
Construction of a trades school.	Hualfín
Completion of a sports centre.	Hualfín
Completion of thermal water resort.	Hualfín
Improvements to major hospitals: Hospital Padilla, del Niño Jesús, Centro de Salud, O' Barrio, Del Carmen, and southern hospitals.	Tucumán

Community development programmes

Promoting sustainable development in the neighbouring communities to improve productive activities and their active participation in social and institutional development are the objectives to be achieved by Minera Alumbrera through the Community Affairs management.

COMMUNITY DEVELOPMENT PROGRAMME	
AREAS OF SCOPE:	
PRODUCTIVE DEVELOPMENT	
EDUCATION	
HEALTH	
INSTITUTIONS	
INTA, local farms, irrigators consortia, schools, universities, health care centres.	
BENEFICIARIES	
Belén	CATAMARCA
Santa María	
Andalgalá	
Catamarca capital	
Antofagasta de la Sierra	
Cruz del Norte	TUCUMÁN
Towns near the slurry pipeline	
Towns near the power line	
Puerto General San Martín	SANTA FE



PRODUCTIVE DEVELOPMENT

Minera Alumbrera encourages initiatives related to sustainable programmes that go beyond the mine life and, to a lesser extent, sponsorships or programmes to provide welfare.

Objectives

- Partner with the Instituto Nacional de Tecnología Agropecuaria and local agribusiness organisations, mainly in remote areas.
- Continue our Pro-Huerta programme for school orchard, greenhouse and farm projects through a formal agreement with INTA, in Belén, Santa María, Andalgalá and Antofagasta de la Sierra.
- Consolidate the Belén and Hualfín greenhouse programmes to ensure seedlings self-supply.
- Support municipal infrastructure development projects, in particular irrigation development projects and execute studies to optimise water resources.
- Participate in small production projects.

(3) Donated in 2005 and delivered in January 2006.





With the new mud oven, Javier Portales has optimised his production of bread.



Pablo Nieva has generated new jobs through his small project.



Minera Alumbra has cooperated in the expansion of the cultivated area of grapevine in Hualfin and Hualfin Canyon.

ANDALGALÁ

I Case of small production projects<sup>4</sup>

Minera Alumbra has promoted the execution of 12 small production projects in Andalgala. With the advice of an expert in SMECs, the feasibility of all the projects filed by producers was analysed. Producers started to manufacture from sweets and home bread to engine repairing.

**Date and place:** 2006, Andalgala.

**Direct beneficiaries:** 46 persons.

**Objectives:** facilitate the outplacement of community workers.  
- Promote social inclusion.  
- Strengthen the cooperative philosophy of the community.

**Participation of other institutions:** E.S.S., Alumbra’s current food provider, specialised in providing catering services to remote sites, offers the necessary training –6 month courses– and logistics: technical and legal management, technical equipment. Sometimes, they try to find markets for local products.  
- Andalgala Municipality: offers the workforce to execute the works.  
- Secretary of Production: participates in the organisation of the structure to file projects.

**Company contributions:** Alumbra coordinates the Project, performs the preliminary review of the submitted projects, provides the technical management for building improvements and the construction materials or basic equipment.

Some implemented projects

- The Portales, a family of bakers, work hard with a single clay oven and are exceeded by the demand. The machines for the manufacturing, conservation and sale of bread provided by Minera Alumbra and ESS, in addition to training, allowed to organise and streamline family economy. Minera Alumbra helped to install a kiosk and reached and agreement with a local school to offer them a new market, to generate a sustainable project.

- Pablo Nieva, responsible for maintenance and cleaning of power generators, has been a subcontractor of Minera Alumbra for 6 years in PS2. Thus, the company now requested his services to repair the engines of CAT 793 trucks, after being trained by the company. Through his firm, Electro Andalgala, Nieva wants to develop a company to provide corrective maintenance services to the mining industry. His small company has already generated two jobs.

- The contribution of new tools and the construction of Omar Bellido’s deposit allowed to improve his workshop and promote his blacksmith activities. At present, these services are requested not only by Andalgala inhabitants but also by those of the neighbouring towns.

- The Sánchez family joined the criollo food training courses given by E.S.S. Once they completed the course, they cooked for the Second Meeting of Mining Providers of Andalgala. Nine persons coordinated the team work to offer the best traditional dishes. The next step is to open a food store.

(4) The cases described in this report were selected as examples of Minera Alumbra community activities, among many other community projects executed by the company.

HUALFÍN

I Case of Hualfin grapevine

In 2006, 14 hectares of grapevine were planted in Hualfin and 8 hectares in Hualfin canyon. The varietal reengineering of grapevine in this area was first started in 2001 and it is improved year after year. Traditional plum and torrontés grapevines were re-engineered to higher value varieties: Malbec and Syrah.

**Date and place:** 2006, Hualfin y and Hualfin canyon.

**Beneficiaries:** 29 small local producers.

**Objectives:** expand cultivated areas.  
- Increase employment levels.  
- Promote joint work.

**Participation of other institutions:** Asociación de Viñateros de Hualfin producers: establish new plantations.  
- Agencia de Extensión Rural of INTA Belén: provides technical assistance  
- Municipality of Hualfin: provides workforce and posts.

**Company contributions:** in 2006 it provided the wire necessary for the vineyards, all Malbec and Syrah varietal plants, fumigation equipment and the agrochemicals necessary to ensure a successful production.

**Changes:** the strains replaced through this programme are better quality, what allowed to improve market competitiveness.  
- They also modernised crop techniques and work tools.



22 new hectares of grapevine have been implanted.

In early 2006, several local producers were called by Minera Alumbra to provide the grapes to produce “Testimonio 2006”, Alumbra’s wine. Produced over 1,900 metres over the sea level, the wine has wonderful features since grapevines receive many sunshine hours per day what rarely occurs in other parts of the world. Under the supervision of an enologist, 5,000 Malbec bottles were filled with the wine produced from this vineyard. Minera Alumbra delivered such wine to stakeholders to promote the community activity.



The Malbec wine specially produced for Minera Alumbra from local producers.





The community of Belicha works in the recovery of traditional crops.



Traditional pepper drying in San Fernando del Valle de Catamarca.

BELÉN

I Case of Andean crops promotion

Minera Alumbraera worked with 30 families of the Catamarca Puna to recover traditional Andean crops to generate a new marketing space in the local market.

**Date and place:** 2006, Belén and Antofagasta de la Sierra.

**Beneficiaries:** 30 families of Belén and Antofagasta de la Sierra.

- Objectives:** recover crops of regional species.
- Improve the technical conditions to cultivate traditional crops.
  - Optimise the trading capacity of families.
  - Promote and strengthen community organisation.

2006 was the second period of the “Andean Crops” project. The production of species adapted to the area –Andean potato and corn, quinoa– aims at self-supply and trading of surplus crops in local markets.

In the Puna, there are major restraints to local growth, what generates the need to develop simple technologies for the communities. The highest efficiency in the use of the natural resources and technological training of families are critical when implementing this project.

Taking into account the fragile ecosystems of the Puna, all the change process protects and respects natural resources, such as soil reasonable management that leads to higher fertility. Species with good yields are preferred. Production of some of these species stopped some years ago.

**Participation of other institutions:** Instituto Nacional de Tecnología Agropecuaria through the Pro-huerta programme, provided technical training and follow-up.

**Company contributions:** the transportation and logistics to take producers and INTA technicians to Universidad Nacional de Jujuy to receive training in height crop management. Likewise, Minera Alumbraera bought supplies such as seeds for Andean potatoes, quinoas and Andean corn.

**Changes:** to trade Andean crops it is necessary to create conditions to establish local markets. The first experiences included trading in local and provincial exhibitions, to contact supply and demand, get informed and communicate needs.



Andean crops started to be traded in local fairs.

I Case of pepper producer training

300 producers of pepper for páprika in Belén were trained in new production and drying techniques to adapt to the current market demands.

**Date and place:** 2006, department of Belén.

**Beneficiaries:** 300 producers.

**Objectives:** provide training to satisfy the current market demands.

Aromatic herbs are traded as products of excellence and, in this sense, producers have to update their knowledge, through the adoption of new production and drying technologies.

**Participation of other institutions:** Minera Alumbraera, INTA of Belén, the Association of Producers and many municipalities of the area generate the training in field demonstration units.

Issues such as green manure, the right transplant of seedlings, fertilisation, chemical treatments, obtaining quality seeds and new drying infrastructure to reach the current productive standards were discussed.

Los Nacimientos, Hualfín, Hualfín Canyon, San Fernando, El Eje, Puerta de San José and Belén, traditional regions of pepper production, participate every year in this productive project.

**Company contributions:** construction materials to establish drying places, apart from providing agrochemicals, fumigation equipment and transportation of technicians.

**Participation of other institutions:** INTA has trained producers and is responsible for the programme follow-up.

**Changes:** the quality of the production improved because industrial drying facilities optimise drying times and the product is cleaner. Likewise, associations of producers started to be created in Belén.



Above: Belén producers are trained in new production and drying techniques.  
Below: Minera Alumbraera has provided materials to construct industrial pepper drying facilities.





Cleaning Los Zazos dam improved the provision of water for irrigation and drinking purposes of several towns.

AMAICHA DEL VALLE

Los Zazos dam was full of sediments that reduce their storage capacity and damaged the communities of El Remate, Los Zazos, Villa de Amaicha, La Fronterita and La Banda. After 10 years, it was cleaned in two months, thanks to an Ar\$ 80,000 investment.

**Date and place:** 2006, Santa María.

**Beneficiaries:** 3,500 beneficiaries use water from the dam for drinking and irrigation purposes.

**Objectives:** recover the dam volume that supplies water to the neighbouring towns, also improving water supply for an area destined to animal pasture (alfalfa, barley and oat); stone fruit trees (peach) and vineyards; corn (for fodder and food) and wheat (for bread).

**Company contributions:** 4,500 litres of diesel oil for two digging machines.

**Participation of other institutions:** the irrigation boards of Los Zazos and Amaicha raised Ar\$ 20,000 for travel expenses, food, management and maintenance of machinery. The rest was provided by Dirección de Recursos Hídricos and Dirección Provincial de Vialidad.

**Changes:** 5,500 cubic metres of sediments were removed (3,500 truck loads, between 10 and 12 tonnes).

The dam was 2 metres deeper compared to the depth it had when work started.

The joint work of the irrigation boards should be stressed. Such boards carried out a technical review and calculated the amount of soil to be removed. Based on such data, expenses were estimated in Ar\$ 80,000.

Members of the community tried to look for solutions. Roberto Rios, president of the irrigation board of Los Zazos, stated: “We wanted to assume responsibility for the problems to be able to produce. This work has been delayed for a long time. Through former tribal leader Dante Quiroz, who had already got materials from Minera Alumbra to execute Works in the area of El Infiernillo, we got in touch again”.

According to Carlos Segura, project agent of INTA’s Rural Change and president of the irrigation board of Amaicha, after completion of the work, the plan continued with an improved irrigation distribution in parcels through a piping system. “The first stage included the pressurisation of 60 hectares, since water leakage amounts to 60 %. Now we expect the government will do what is necessary in the collection area, since they are more critical activities”.



Before the dam cleaning, 60% of the water was wasted while being transported.



EDUCATION

Education plays a major role to achieve sustainable human development and more equitable societies that allow decent life for everybody.

The quality of education systems is closely related to the proper use of new opportunities and impacts on the optimisation of the social, economic and cultural relations of the population.

One of the factors that contributes to improve education quality is teacher training. For this reason, teaching involves the continuous learning of teachers committed to school processes.

Within the community programme, the need to train professionals to hold competitive positions in the work market, and particularly, in the mining industry, encourages us to strengthen education programmes. Likewise, the skill development of the students of the area of scope of the mining project is a goal present in Alumbra’s actions since they first started operations.



In this sense, the joint work with educational institutions of Catamarca and Tucumán allows us to provide support to kindergartens, schools –including mountain schools– and universities. Projects include the supply of educational materials and elements and consumables to improve school infrastructure, and internship and apprenticeship programmes, in addition to scholarship<sup>5</sup> granting. Likewise, the support of teachers to increase knowledge through new methodologies, is also one of the major educational objectives of Minera Alumbrera.

Certainly, the support to cultural activities that reflect and respect the traditions of the Catamarca and Tucumán people is another issue of this area of interest as well as the interaction between the communities and Minera Alumbrera.

PRESENT AND FUTURE PLANS IN THE THREE DEPARTMENTS INCLUDE:

- Continue supporting educational institutions in the area of scope through the supply of school elements or construction improvements, based upon specific needs.
- Continue with the apprenticeship and internship programme, thus favouring students from Catamarca and Tucumán.
- Sponsor an exchange scholarship programme with any foreign university for Mine Engineering students of Universidad Nacional de Catamarca.
- Continue supporting the teacher training workshops of UNSAM.
- Start an environmental awareness and training programme for teachers.
- Extend Fundación Leer’s “Leer es fundamental” programme to other towns.
- Maintain the existing internship programme for Tourism students to match future tourist development in the area.
- Extend the school brigade training plan.
- Promote projects for Archaeological and Mineral museums.
- Assist public libraries.
- Cooperate in the promotion of sports, cultural and religious activities in the region.

BENEFICIARIES

ANDALGALÁ<sup>6</sup>

Kindergarten	28
Primary schools	25
Polytechnics & secondary schools	6
Number of students	5,830

BELÉN

Kindergarten	35
Primary schools	62
Polytechnics & secondary schools	12
Number of students	9,100

SANTA MARÍA

Kindergarten	15
Primary schools	34
Polytechnics & secondary schools	7
Number of students	8,000

TUCUMÁN<sup>7</sup>

Kindergarten	4
Primary schools	6
Polytechnics & secondary schools	*1
Number of students	1,830

(\*) Agrotécnica



Remodelling aisles and classrooms of Technical School EPET #5 of Santa María.

(5) More information on the programmes in the chapter “Our People” of this report.  
(6) Includes Aconquija.  
(7) Tafí del Valle, Amaicha and Colombres.  
(8) 65 interviews to members of the Andalgalá community directly or indirectly related to the local education system.  
(9) Total number of teachers amounts to 813, according to the Provincial Authority of Statistics and Census (Dirección Provincial de Estadísticas y Censos) (2001).



At the courses, a new school model was devised, through the development of projects to promote the community of Andalgalá.

Case of teacher training

A survey<sup>8</sup> of the education sector of Andalgalá, carried out between May and June 2006, showed the need to update teacher training. Training courses in three major areas such as: reading and writing in the first and second cycle, school management, learning and new technologies were organised.

**Date and place:** September/November 2006, Andalgalá.

**Direct and indirect beneficiaries:** 172 teachers<sup>9</sup> took the courses. Likewise, the students of the schools whose teachers attended the courses, benefited from their teachers’ training.

**Workshop objectives:** offer better learning opportunities to students.

- Develop theoretical and methodological knowledge of primary school teachers in terms of language learning.
- Promote school principals’ focusing on pedagogical activities, through the design of institution improvement projects, based upon team work.
- Build-up a culture in the strategic use and acquisition of languages of IT and communication, looking for a new school model that develops projects related to their social and cultural context.

**Company contributions:** total funds for the workshop.

**Participation of other institutions:** Minera Alumbrera and Universidad Nacional de General San Martín entered into an agreement so that a group of teachers made up of multiple discipline specialists organised the courses.

**Methodology:** attendees also carried out tutoring in schools. Participants had to prepare three assignments showing their progress. Such assignments were an example of a specific action towards improved education.



Teachers have found practical solutions to class problems with good short-term results.

PARTICIPANT FEEDBACK

- “I feel more confident to do my job and obtain better results.”
- “I could soon notice the results and the excitement of students for learning.”
- “The new strategies allowed that children with serious learning problems could improve a lot.”
- “The strategies allowed the participation of the more introvert students of the group.”
- “I got new strategies, an excellent theoretical framework and updating training.”
- “I have a new vision as a teacher for situations where I used to have no solutions.”

**Results:** 80 % of teachers that participated in the meeting completed the training course after three weeks of work. Attendance to courses and preparation of assignments is an indicator of satisfaction.

- The modifications introduced to class work methodology allowed to overcome the difficulties of students that showed problems with initial education. The problem was tackled and outstanding results were obtained in a couple of months.
- The authorities that participated in the School Management course prepared the projects that contributed to concrete improvements at schools.
- The use of information technology in the curricula through the execution of a project integrating different disciplines<sup>10</sup> was welcomed.
- Team work allowed to compare different views of a specific issue. Attendees discussed on work methodology, the search for information and the quality necessary to issue reliable opinions to students.

(10) Although only 15 % of those attending the course of new technologies had some IT knowledge, all teachers learns how to browse in Internet and look for reliable information and how to use word processing software.





Minera Alumbraera participates in the construction of the largest boarding school in the province of Catamarca.

New secondary school for Catamarca

The cleaning activities of the site where Secondary School #19 of Belén will be constructed have started. Such school will provide three specialties related to the activities of the area to avoid young people’s emigration. Such school will be the largest boarding school in Catamarca.

**Date and place:** 2006, Belén.

**Beneficiaries:** the school will have 2,000 students plus boarding facilities for 400 students.

**Objectives:** foster education in the province and the development of professionals that work in their place of origin.

**The school will have three specialties:** technical, agrotechnical and mining studies. Belén’s mayor, Daniel Ríos, explained that “the basic areas for the development of Belén are mining, farming and tourism, that is, the school has been devised to provide the tools necessary to develop any of these activities in the department; we will not teach students so that they migrate to other places”.

**Company contributions:** Ar\$4 million for the construction of the first stage<sup>11</sup>.

**Participation of other institutions:** the municipality of Belén will provide Ar\$1 million from mining royalties, and the Catamarca government will disburse Ar\$2.2 million.

I Case of Fundación Amauta

Fundación Amauta promotes the development of sustainable projects for the town through a school-museum.

**Date and place:** 2006, Amaicha del Valle.

**Direct and indirect beneficiaries:** 120 children and adolescents of Los Zazos and Amaicha.

**Objectives:** preserve the identity of native communities through artistic, cultural and education activities.  
- Educate children for their inclusion in the society in an active, creative and responsible way.

The foundation is presided by Balbín Aguaysol, a young man of Amaicha del Valle that was granted a scholarship from the business school of Harvard University. Ten years ago, he created Fundación Amauta (teacher in quechua), an organisation that strives to find their identity as people and recover the “calchaquí” culture.

The activity started in 1995 and it continued two years later with the creation of Escuela Cultural Eco-Museo to promote the art and culture of the native people of Amaicha del Valle. This place provides supplementary activities to primary school. It organises puppet workshops, design courses, traditional dancing, agriculture, Andean roots, and IT courses. The foundation has a digital technology centre and is oriented to children and adults.

**Company contributions:** purchase of materials to manufacture the furniture of the kindergarten of the Amauta school. They involve ethnic furniture made of local wood tied with ropes. Alumbraera’s support usually involves the supply of fuel, the execution of sports activities, construction materials and transportation.



“We want to generate social capital, establish the idea that a town as Amaicha may generate its own projects and be really competitive. Value and develop what we have is essential but we do it as much planned as possible. I stress the real social commitment of Minera Alumbraera and their prompt response when needs are urgent”.

Balbín Aguaysol - Fundación Amauta President

(11) Contributions include schools, professional technical workshops, radio and television, an education unit made up of a library, IT laboratory and multiple use room.



I HEALTH

In 2006, Minera Alumbraera continued supporting the health care system through direct actions related to improvements to infrastructure works, the supply of critical consumables and technological equipment, to contribute to the service quality offered to Catamarca and Tucumán people.

The actions performed by Alumbraera and the priority assigned to each of those actions are based on the dialogue with representatives of the Health area of the provinces, including provincial and municipal authorities, heads of course curricula and hospital directors.





Caries prevention methods were introduced through puppets shows.



Children receive fluorine application and toothbrushes.



Minera Alumbra executed a structural reform of the Padilla hospital pursuant to the infrastructure works agreed with the government of Tucumán.



Minera Alumbra executed major building and service improvements in the Niño Jesús hospital.

I OBJECTIVES

- Assist regional and local hospitals and health centres.
- Extend the supply of medicines and equipment.
- Assist remote towns of the area of scope through the “Aprendiendo a ser solidarios” programme started with technical schools.

Beneficiaries

I ANDALGALÁ

Local health centres	*23
Local hospitals	**1
Regional hospitals	1

(\*) Including Aconquija  
(\*\*) In Aconquija

I BELÉN

Local health centres	46
Local hospitals	9
Regional hospitals	1

SANTA MARÍA

Local health centres	19
Local hospitals	1
Regional hospitals	1

I CATAMARCA CAPITAL

Local health centres	-
Local hospitals	-
Regional hospitals	2

I Case of cavity prevention and dental health

In 2006, work was focused on the campaign “Una sonrisa sana, una vida feliz” to prevent cavities and promote teeth health. This campaign will continue in 2007.

**Date and place:** 2006, Andalgalá and Aconquija.

**Direct beneficiaries:** 3,500 students of Andalgalá and Aconquija.

**Objectives:** reduce the caries statistics among the children of the department.

**Participation of other institutions:** E.S.S., a company specialised in food and support to companies operating in remote sites, Alumbra’s suppliers: provides brochures for participants, all supplies for the puppet theatre and coordination of events with local and provincial health authorities.

- OSDE (private health care provider): supply of toothbrushes and fluorine application.
- Municipality of Andalgalá, with the ministries of Education and Health, is responsible for obtaining the relevant authorisations from schools and the staff to provide event support.

**Company contributions:** engagement of dentists, supply of infrastructure and technological equipment.



Remodelling of hospitalisation area and chapel of Santa María hospital.

- Changes:** children seemed very interested in the proposal since the information was clearly exposed through a film, puppets and explanations about how to clean teeth and eat healthy food.
- Toothbrushes were given to students and fluorine applications were provided in such schools where fluorosis indexes in water had previously been surveyed.
  - The programme was welcomed by children, parents and teachers.
  - Training will continue in other schools of the department during 2007.

I Works in Hospital Angel Padilla

Through an agreement with the government of Tucumán, a structural reform of the centennial building of Hospital Padilla was performed, apart from improvements to the services.

**Date and place:** 2006, Tucumán.

**Objectives:** contribute to improve the province health system.

**Beneficiaries:** population of Tucumán and NOA.

**Company contributions:** Ar\$2,575,945 to remodel, expand and repair an annexe of rooms 3 and 7 of cardiology, pneumonology and rheumatology.

- Details of completed works:** integral and structural works in the annexe of rooms 3 and 7. The external area of the 1,600 m² building was also expanded. The building is one hundred years old and works included supporting structures and roofs.
- In the ground floor and first floor, the supporting structure was fully reinforced and restored and the floor structure slab was also fully reinforced.

- 40 % of the wood structure supporting the roof metallic cover was fully replaced.
- All plumbing, electricity, natural gas, storm water, telephone, data and medicine gases systems are new.
- 36 new air conditioners were installed in the building and fans were installed in the ceilings of rooms and laboratories.
- It should be stressed that the vitraux of the south façade was repaired using crafted methods. Thus, the main lobby of the building recovered the atmosphere of the original design.
- The elevator was also repaired. The original forge was maintained but the operation mechanism was replaced with state-of-the-art components.
- Outside, a new access ramp was constructed and the area was landscaped. The façade mouldings were fully recovered and thanks to the copper finish of the ventilations the building could recover the image of the original construction.

I’m very pleased to briefly comment on this unique experience: the direct cooperation between the government and a company that firmly believes in the importance of social and community involvement, such as Minera Alumbra. The support given by this company to my office explains some of the achievements obtained by the public health sector of Tucumán. I am extremely thankful to Minera Alumbra’s executives and employees.

Dr. Juan Luis Manzur  
Ministry of Public Health  
Province of Tucumán





# VALUE CHAIN

## Objectives

- Contribute to the development of regional economies. Minera Alumbrera has supported chain value development since the beginning of operations, both in Catamarca and in other provinces in the country. Thus, Minera Alumbrera fosters a strong and positive economic impact on the communities, both directly and indirectly.
- Replace imported consumables with domestic ones and foreign services with local ones. Every year major progress is achieved in this sense, supported by Minera Alumbrera policies.
- Develop local suppliers for the mining sector and for other industries and markets, thus generating sustainable growth going beyond Minera Alumbrera's life.
- In the medium term, the achievement of this objective will allow training and orientation of suppliers with potential –according to the requirements of our industry– as well as through the identification of opportunities of purchasing edible and regional products in neighbouring communities.
- Continue supporting the close relationship with Mining Suppliers Chambers, within a long term plan. This close relationship will contribute to maintain and increase purchases from the communities they represent. Likewise, it will allow to set good relationships between suppliers and encourage regional exchange.

## Supplier development

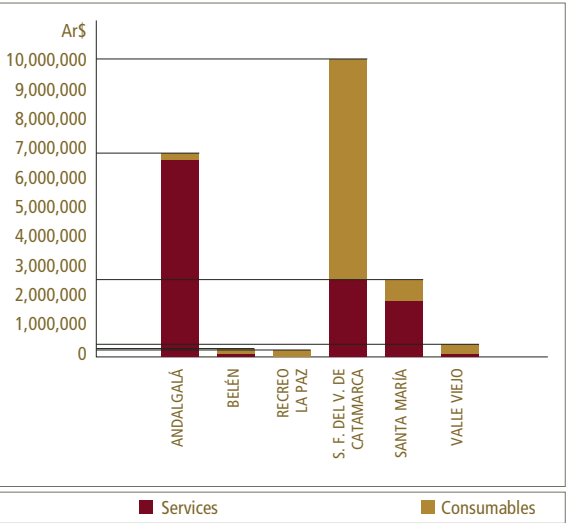
We are committed to the development of local suppliers of goods and services in order to increase purchases in Argentina. At present, Minera Alumbrera trades with approximately 900 suppliers. This involves identifying business lines and areas in general, and communicating and disclosing the specific needs of mining, mainly in the province of Catamarca.

80 % of our suppliers are Argentine and we will continue searching for local alternatives to reduce costs, delivery times and stock levels.

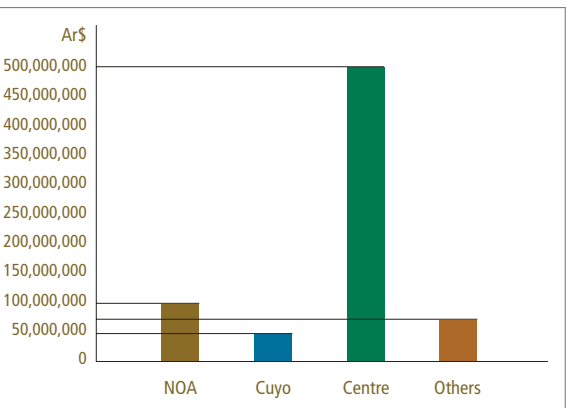
In 2006, our presence in the neighbouring communities has increased. The organisation of workshops to explain Minera Alumbrera procurement policy has provided attendees with tax and legal advice that will allow potential suppliers to sell their products to Minera Alumbrera.

For this purpose, we are working closely with the department of Provincial and Community Affairs, since its members are in direct contact with neighbours. The purpose is to prioritise local suppliers for purchases related to community projects, mainly for repairs in the community.

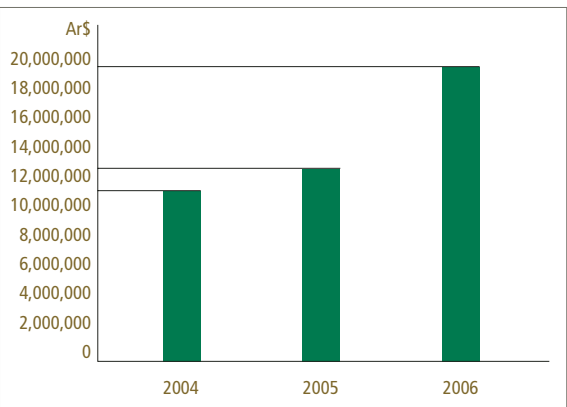
Procurement in Catamarca per town-Year 2006



Procurement at national level-Year 2006



Catamarca procurement trends



Values reviewed by the end of 2006. They include all goods and services purchased by Minera Alumbrera in the province.

## CHALLENGES FOR 2007

- Increase gradually local and national purchases through the definition of common strategies with the authorities to improve the commercial and industrial development of the region.
- Re-launch the programme of site visits to suppliers of Catamarca only, so that they get to know our safe work philosophy, and our operating and functional needs.
- Identify consumables that are likely to be purchased from local suppliers.
- Increase the transport of both consumables and spare parts through San Francisco Pass.
- Organise meetings in Catamarca office with local suppliers in order to improve the business relationship.
- Keep suppliers aware of our requirements, service quality policies and delivery times, since this strengthens the commitment with our suppliers who daily operate at Minera Alumbrera and improves both service and communication channels.



Policies for Suppliers

- SAFETY AND HEALTH**  
Once we start a business relationship with our suppliers, we make them aware of our Health and Safety policy. Special safety conditions for contractors are established. Such conditions apply to work performed in the minesite and outside it.
- The main objective is to generate and maintain a healthy and accident-free work environment. This is achieved by establishing the highest safety and health standards, complying with the existing Argentine laws and introducing any practices within the scope of Minera Alumbrera and that allow to comply with or supplement the requirements established by law.
- Prevention is critical for a safe and accident-free environment. Therefore, Minera Alumbrera organises obligatory workshops and courses for contractors, to transfer knowledge of the most significant issues of safety at work. This involves the use of personal protection elements and the preparation of contingency plans for high risk activities.
- ENVIRONMENT**  
Minera Alumbrera is committed to achieve the highest environmental performance levels. The company performs every activity in a responsible way to minimise the impact of the operations, protect employees, contractors and the community, always showing respect for the environment.
- This commitment is achieved through the strict compliance with laws, the approval of procedures for activities with potential exposure to environmental risks, the responsible handling of waste and the preservation of water resources. In this sense, Minera Alumbrera has adopted an Environmental Performance Policy and informs it to contractors. Such policy applies to contractors since the beginning of the business relationship.
- EMPLOYMENT**  
Minera Alumbrera strictly controls compliance with the existing laws and employment agreements, and requires all suppliers to provide the documentation giving evidence of such compliance.
- The documentation to be checked by Minera Alumbrera includes employees' pay slips, evidence of payment of social security charges, Work Risk Insurer, insurance coverage –depending on the activity performed, safety programmes, etc. Besides, Minera Alumbrera establishes the process to select technical workers living in the province of Catamarca and makes them aware of the company's fraud control policy.
- Minera Alumbrera does not accept and rejects children's work, discrimination and corruption.

Fraud control policy

- Through Xstrata's policies, we are committed to the highest standards of ethical behaviour, both personal and professional. We do not accept any fraud committed by employees or third parties, both in and outside the Group, and we will take serious and immediate measures against any people committing or trying to commit fraud.
- This policy applies to all Xstrata's subsidiaries and any person having access to Xstrata's information and facilities.
- Any fraudulent act, including suspicion, shall be immediately reported by the employee to his/her supervisor or manager who, in turn, shall report it to their direct manager and the general manager of the operation to carry out an investigation.

Training workshops

Minera Alumbrera acknowledges that contractors' good performance contributes to the success of the business, and their responsible performance in each operation contributes to ensure environment sustainability, thus creating and maintaining a healthy and accident-free work environment.

The objective is to generate integration between the different companies and exchange experiences to achieve proactive participation. Therefore, Minera Alumbrera organises training workshops for contractors and carriers including:

- Safety, health and environment
- Relationship with the community
- Emergency procedures for environmental incidents
- Road emergency systems
- Failure tree for transport

ISO 9001/2000 Certification of the minesite catering service

In 2006, Minera Alumbrera's catering service obtained the ISO 9001/2000 certification, through E.S.S., which turned the minesite canteen into the first remote site in Argentina to receive the international standard. Minera Alumbrera's high standards and the experience of many workers who had been working at the company for 10 years, were very useful to achieve such goal.

**Date and place:** Minera Alumbrera's catering service, April 2005 - August 2006.

**Direct and indirect beneficiaries:** 60 persons working in the canteen feeding around 1,000 people every day.

**Objective:** two years ago, Minera Alumbrera entered into an agreement with E.S.S., the division of Servicio Compass of Argentina specialised in food and support to companies operating in remote sites. Such agreement required that, after one year of operation at the minesite, the company should obtain a quality management certification. Thus, the supplier ratified its real commitment to the consumer's health and Minera Alumbrera's standards.



Most workers of the food service live in town near the minesite.

**Company contributions:** Minera Alumbrera has adapted the infrastructure and equipment –which has always been top quality– to some standard specifications: modify the floor of cold stores, paint some areas, install air curtains in the kitchen entrance, repair baseboards, adapt catering store, and add another cold store.

**Participation of another institution:** E.S.S. has systematised the process and developed it.

**Changes:** even before the certification, Minera Alumbrera was already working under the strictest standards in terms of safety and environment protection. However, some changes were necessary such as the creation of new procedures for goods storage, apart from the infrastructure modifications previously mentioned.

One of the measures requested by suppliers was to include a thermograph in refrigerator trucks carrying food to the minesite to check the temperature of the goods while in transit, thus preserving the cold chain.

As to the internal process of the kitchen, the existing records were adapted to comply with requirements such as measuring the temperature regularly while cooking and meal preparation. Likewise, training courses in good manufacturing practices, standardised health and housekeeping procedures and work safety have increased.

Since the certification was obtained, the company has been audited by Bureau Veritas Quality International (BVQI) on a 6-month basis.

Workers –most of them living near the minesite– were very proud and satisfied with the objective achieved by the group. Keeping the same standards achieved for the certification is part of Minera Alumbrera's new daily challenge.

Transporte Parra case

The garage installed by Rodolfo Parra in Santa María 38 years ago was the origin of the transport service provided by this person to Minera Alumbrera for over 6 years. His experience in mechanics allowed him to study the possibility of providing freight services, first with the sugar cane in Tucumán, and then with arid materials for YMAD. The company grew slowly but steadily. Parra started to provide passenger transportation and tour services to different places in the country. By then, the company has ten buses and experience enough to become a competitive firm.

The turning point was the execution of the agreement in 2000 with Minera Alumbrera to transport workers inside the minesite. Soon it added an external service that transported workers to the minesite and back to their homes. For this purpose, 6 new buses were purchased, as required by Minera Alumbrera.

“Minera Alumbrera helped us organise better in administrative and strategic terms. The result of the assistance and regular training received by our staff was that in over 6 years, there were no road accidents”explained Rodolfo Parra, the proud owner of the family business.

“They are responsible for the care taken by our drivers, always trying to keep the buses in good condition for the better fulfilment of services, both in terms of efficiency and punctuality”, he added.

At present, Transporte Parra has 37 employees, all living in Santa María. Between the first bus bought in 1992 for their first trip to San Fernando del Valle de Catamarca and the 19 buses of today, there is a history featured by enterprising spirit.



To demonstrate their interest in keeping growing, Transporte Parra have renewed their fleet of buses to offer a more reliable and comfortable service.



## I SCORECARD

GRI INDICATOR	GLOBAL COMPACT PRINCIPLE	AS HEREIN REPORTED	PAGE
VISION & STRATEGY			
Sustainable development vision and strategy	Principle 8: promote greater environmental responsibility	<span>●</span>	8 and 9
Chief Executive Statement including key report components	Principle 8: promote greater environmental responsibility	<span>●</span>	2 to 5
ORGANISATION PROFILE			
Organisation name		<span>●</span>	14
Products, services, brand names		<span>●</span>	16 and 17
Operational structure		<span>●</span>	16 and 17
Business units, subsidiaries and affiliates		<span>●</span>	15 and 16
Countries in which operations are located		<span>●</span>	14
Nature of ownership; legal form		<span>●</span>	14 and 15
Nature of markets served		<span>●</span>	15
Scale of the reporting organisation		<span>●</span>	16
List of stakeholders, key attributes of each		<span>●</span>	
Report Scope			
Contact person		<span>●</span>	11
Reporting period		<span>●</span>	10
Date of most recent previous report		<span>●</span>	10
Boundaries of report and limitations on the scope		<span>●</span>	10
Significant changes in size since previous report		—	
Previous report nature and impact		<span>●</span>	10 and 11
Report profile			
Decision not to apply GRI principles		<span>●</span>	10
Internal policies and practices to enhance and provide assurance about the accuracy, completeness and reliability of report data		<span>●</span>	11
Independent assurance policies and practices		<span>●</span>	11
GOVERNANCE STRUCTURE AND MANAGEMENT SYSTEMS			
Governance structure		<span>●</span>	9
Supervisory structure and members		<span>●</span>	
Policy implementation and review		<span>●</span>	
Mission, and value statements, internally developed principles and code of conduct		<span>●</span>	8 and 13
Stakeholder engagement			
Basis for identification and selection of major stakeholders		<span>●</span>	
Approaches to stakeholder consultation		<span>●</span>	
Management policies and systems			
Application of the precautionary principle		<span>●</span>	
Voluntary commitments or other initiatives endorsed		<span>●</span>	9
Principal membership in local and international industrial and business associations		<span>●</span>	11
Management of existing and resulting operational impacts		<span>●</span>	34 to 43
Indirect management of social, economic and environmental impacts		<span>●</span>	
Major decisions regarding the location of operations		<span>●</span>	
Social, economic, environmental performance programmes and procedures		<span>●</span>	34 and 44
Certification of management systems		<span>●</span>	36 and 62
GRI CONTENT INDEX			
Global Compact & GRI table		<span>●</span>	64 and 65
ECONOMIC PERFORMANCE			
Net sales		<span>●</span>	16
Geographic breakdown of markets		<span>●</span>	15
Providers of capital		<span>●</span>	
Tax payments		<span>●</span>	16
Subsidies received		—	
Donations to community, civil society and other groups		<span>●</span>	44 to 59

I GRI INDICATOR	GLOBAL COMPACT PRINCIPLE	AS HEREIN REPORTED	PAGE
ENVIRONMENTAL PERFORMANCE			
Total raw materials (other than water)		●	
Percentage of raw materials turning into waste from external sources		●	
Direct energy use	Principle 8: promote greater environmental responsibility	●	37
Indirect energy use		●	
Total water use	Principle 8: promote greater environmental responsibility	●	38
Location and size of land in biodiversity-rich habitats		●	
Major impacts on biodiversity	Principle 8: promote greater environmental responsibility	●	43
Greenhouse gas emissions		—	
Use and emissions of ozone-depleting substances		—	
NOx, SOx and other significant air emissions		—	
Total amount of waste	Principle 8: promote greater environmental responsibility	●	16 and 42
Significant discharges to water	Principle 8: promote greater environmental responsibility	●	38
Significant spills of chemicals, oils and fuels		—	
Significant environmental impacts of principal products and services	Principle 8: promote greater environmental responsibility	●	41
Percentage of products reclaimable at the end of their life	Principle 8: promote greater environmental responsibility	●	
Incidents and fines for non-compliance with environmental rules		●	
Initiatives to use renewable energy and to increase energy efficiency		●	
Total water reused and recycled	Principle 8: promote greater environmental responsibility	●	38
Native ecosystem protection and management	Principle 8: promote greater environmental responsibility	●	43
Suppliers’ environmental performance	Principle 8: promote greater environmental responsibility	●	62
SOCIAL PERFORMANCE			
Net employment and turnover rates		●	20
Percentage of employees represented by independent trade union organisations	Principle 3: uphold the freedom of association and the effective recognition of the right to collective bargaining	●	22
Policy involving information, consultation and negotiation with employees over changes in operations	Principle 3: uphold the freedom of association and the effective recognition of the right to collective bargaining	●	22
Practices on recording and notification of occupational accidents and diseases	Principle 3: uphold the freedom of association and the effective recognition of the right to collective bargaining	●	29
Description of joint health and safety committees	Principle 3: uphold the freedom of association and the effective recognition of the right to collective bargaining	●	28 to 31
Standard injury, lost day and absentee rates	Principle 3: uphold the freedom of association and the effective recognition of the right to collective bargaining	●	29
Average training hours per year per employee	Principle 3: uphold the freedom of association and the effective recognition of the right to collective bargaining	●	26
AIDS Policies and programmes		—	
Equal opportunity policy and programmes	Principle 6: ensure the elimination of discrimination in respect of employment and occupation	●	23
Compliance with ILO health and safety standards	Principle 6: ensure the elimination of discrimination in respect of employment and occupation	●	28 to 31
Continuous training policies	Principle 6: ensure the elimination of discrimination in respect of employment and occupation	●	24
Policies on human rights relevant to the operations	Principle 1: respect the protection of internationally proclaimed human rights	●	23
Evidence of consideration of human rights impacts as part of investment and procurement decisions	Principle 1: respect the protection of internationally proclaimed human rights	●	62
Policies and procedures to evaluate and address human rights performance within the supply chain/contractors	Principle 1: respect the protection of internationally proclaimed human rights	●	62
Policies and procedures preventing all forms of discrimination	Principle 1: respect the protection of internationally proclaimed human rights	●	23
Freedom-of-association policies	Principle 3: uphold the freedom of association and the effective recognition of the right to collective bargaining	●	22
Policy excluding child labour	Principle 5: abolition of child labour	●	62
Policy to prevent forced and compulsory labour	Principle 4: elimination of all forms of forced and compulsory labour	●	
Policies to manage impacts on local communities		●	44 to 59
Policy and compliance mechanisms addressing bribery and corruption	Principle 10: work against all forms of corruption	●	62
Social, ethical and environmental performance acknowledgements		●	59
	● Reported      ● Partially reported      ● Not reported		



READER’S FEEDBACK

We will appreciate your feedback to streamline our activities.

How did you find the report in general?

Uninteresting ☐      Somewhat interesting ☐      Interesting ☐      Very interesting ☐

It reported on Minera Alumbreira Corporate Social Involvement initiatives in ... detail

No ☐      Little ☐      Sufficient ☐      Great ☐

How would you rate the information included in the following chapters:

	Insufficient <input type="radio"/>	Sufficient <input checked="" type="radio"/>	Superior <input type="radio"/>
CHIEF EXECUTIVE’S MESSAGE	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A WORD FROM MINERA ALUMBRERA’S GENERAL MANAGER	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
PURPOSE AND VALUES	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
WORK SCOPE	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
COMMUNICATION & OPENNESS	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
ABOUT MINERA ALUMBRERA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
OUR PEOPLE	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
HEALTH AND SAFETY	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
ENVIRONMENTAL	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
COMMUNITY PROGRAMME	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
PRODUCTIVE DEVELOPMENT	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
EDUCATION	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
HEALTH	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
VALUE CHAIN	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Your comments and/or suggestions:

Name:  City:   
Full address:   
District:  Country:   
E-mail:  Telephone:

Your relationship with Minera Alumbreira:

Customer ☐      Shareholder ☐      Employee ☐      Supplier ☐

From neighbouring communities ☐      Other (pls specify) ☐

Reader’s opinion

- Liaising with our stakeholders is one of Minera Alumbreira’s key priorities.
- You can send us your comments or suggestions to improve this Sustainability Report. We will appreciate your opinion on our responsible management initiatives.
- Please write down your opinion in the attached form and:
- Fax it to: (54-11) 4316-8399 or
- Post it in our website at: [www.alumbreira.com.ar](http://www.alumbreira.com.ar) or
- Mail it to: Apartado Especial N°140  
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**MINERA ALUMBRERA**



*Led by*

