

IN THIS ISSUE:

Hail Creek wins award	1
CNA places 2 and 4 at Mines Rescue	2
From the MD	2
RTCA supports SES this Christmas	2
Clermont begins recruitment	3
Space age solution breathes new life into silos	3
Open days held across RTCA	4
Hail Creek integrates technical systems	4
HVO roof restored	5
Kestrel drives home support for young drivers	5
Trust and Funds celebrate successful year	6
Kestrel fires up safety	7
Safety Calendar winners	7
MTW pilot coal bed methane project	7
Employee profiles	8

M A T T E R S

Hail Creek wins award

The Hail Creek Mine team has won a major national award for boosting female employment in non-traditional roles.

The mine was awarded the 'Outstanding Equal Employment Opportunity Practice for the Advancement of Women in a Non-Traditional Area/Role' by the Equal Opportunity for Women in the Workplace Agency.

The award caps off the mine's win of the inaugural Queensland Resources Council Resources Award for Women in March.

General Manager Operations Andrew Woodley congratulated the entire Hail Creek Mine team.

"Hail Creek Mine took a very proactive approach to encouraging women with no mining experience into non-traditional roles when Hail Creek Mine began compiling its operating workforce in 2002," Andrew said.

"It resulted in women making up 23 per cent of the operation's initial workforce, a move which opened doors and provided new employment opportunities for local women.

"It is now at 15 per cent, but we have also recently trialled job share arrangements in the mining operations area, which we have now rolled out.

"These changes didn't happen through business as usual – they needed a proactive and progressive approach by the mine's management team, in particular former General Managers Ross Hannigan and Tom Palmer, and Mining Manager John Coughlan, to pave the way for these changes to become part of the mine's culture and day to day operations."



Mark Nolan from Exxon Mobil, Anna McPhee from EOWA and Hail Creek Mine's Andrew Woodley at the award ceremony in Sydney.

Rio Tinto CEO Tom Albanese visited HVO recently to officially award the site the 2007 Chief Executive Safety Award.

Pictured: (from left to right) Steve Foster (HVO Capital Project Officer), Neil Smith (HVO Maintenance Manager), Geoff Pittman (HVO Trucks Superintendent Acting), Tom Albanese (Rio Tinto CEO), Rick Fairhurst (HVO General Manager), Neil Archibald (HVO Reliability Officer)



From the MANAGING DIRECTOR



This is my last column, as I have now started in my new role as Managing Director – Strategy for Rio Tinto, with responsibility for key strategic activities.

I have thoroughly enjoyed my time with RTCA. This period may well be recorded as one of the most exciting times in the history of the Australian resources industry and being able to work with Rio Tinto Coal Australia during this eventful time has been a great experience.

BHP BILLITON

The approach by BHP Billiton last month to combine with Rio Tinto came after much speculation. The approach was subsequently rejected by the Rio Tinto Board. As Mine Matters went to print, BHP Billiton had flagged that it wished to meet the Rio Tinto Board to discuss their offer.

I understand the uncertainty that these events have for our workforce, and encourage everyone to focus on performing and delivering on our plan next year. It is not certain whether this proposal will go any further. If it were to, there would be considerable lead time before anything would eventuate.

BHP Billiton's interest in Rio Tinto is strongly focussed on the quality of our assets, and the quality of our people.

SAFETY

The end of the year is always a time to stop and reflect, and when we look at our safety performance over the past year there is some considerable improvement that needs to be made.

At the time of going to print, our Lost Time Injury Frequency Rate (LTIFR) was slightly lower than the same time last year, largely due to the significant safety achievements made by Kestrel Mine this year.

Clearly, we all need to refocus on the importance of safety, and ensure that we do not lose this diligence as we approach the end of year holiday season.

Please take this opportunity to re-educate yourselves and your colleagues on safety procedures,

such as Take 5 and the Golden Rules.

Congratulations also to all employees and contractors working on the Clermont Mine Project for upholding high safety standards and achieving no injuries to date.

END OF YEAR

Thank you all for your efforts and valuable contributions to the business this year. It has been a challenging year, with escalating costs and reduced port allocations in both Queensland and New South Wales.

It is important that our commitment as a team is continued, and that we also pat ourselves on the back for our many successes. Despite these constraints, our business is very well positioned for growth. The decision to proceed with the Clermont Mine Project was well received in the local community and the mine is well into the construction process.

RTCA's climate change action plan was also launched this year, providing details of how we will continue to work to reduce our impact, raise awareness and provide support to the development of clean coal technologies.

2008 FORECAST

The infrastructure issues that have impacted the business in 2007

are likely to continue in 2008, but this should start to be relieved by additional capacity coming onstream at Dalrymple Bay in Queensland in the second half of 2008, and increasing capacity at Port Waratah Services in NSW expected by the final quarter of 2009. The NCIG terminal in NSW has also publicly said it expects to load its first ship from its new facility in the second half of 2009.

As we head into 2008, there are many climate change activities planned that will work towards reducing our greenhouse gas emissions. One of these projects is a coal bed methane project trial which will be held at Mount Thorley Warkworth. If successful, this trial has the potential to be a project used at all RTCA sites. For more information see the full story on page 7.

We also have a number of interesting prospects and projects underway, such as the feasibility study into Mount Pleasant, the construction of the Clermont Mine, the Lower Hunter Lands Project, and the Kestrel Mine Extension.

I would like to take this opportunity to wish you and your families a happy holiday season and a safe new year.

RTCA supports SES this Christmas

It's Christmas time again, and RTCA has given generously to the local branches of the State Emergency Services (SES) in recognition of their work in our communities.

The donation is part of RTCA's tradition of contributing to a charity instead of mailing Christmas cards. The donation is a total of \$15,000 across regional Queensland and the Upper Hunter Valley.

The funds will go towards better equipping the teams with devices such as GPS, generators and training equipment.

CNA places 2 and 4 in Mines Rescue

Bengalla and Hunter Valley Operations (HVO) have showed their passion and commitment to safety, finishing second and fourth at the recent NSW Mines Rescue Competition.

The teams competed in simulated exercises such as mass casualty, environmental, heavy vehicle and theory at the Mount Owen mine.

Bengalla's Emergency Response Team won the confined space category and HVO's team won both the individual practical and heavy vehicle extraction categories.



The team from Bengalla, (left to right) Back Row – Troy Power, Daniel Benefer, Gavin Wilks, Anthony Hamson and Nick Glenn. Front Row – Phil Dalessandro and Tim Barnes



The team from HVO (left to right) Back Row - Scott Symons and Mark Elkins, Middle Row - Dale Hall, Todd Brooker, John Spiteri and Peter Scoope. Front Row - Greg Butler (Capt), Terry Archbold, Brendan Connor and Ian Evans.

Clermont begins recruitment

The Clermont Mine Project has started recruiting its first operational employees with advertisements appearing around the country.

Initially, experienced mine operators and maintenance employees will be hired, with work commencing from February 2008.

Clermont Mine Project General

Manager – Construction, Dave Lamb, said the recruitment marked an important new phase in the life of the mine.

“An initial 55 employees are being sought to start mining by May 2008. A total of 200 employees will be required during next year, with an additional 100 expected in 2009,” Dave said.

Clermont Mine will offer flexible lifestyle options through the choice of residential living in Clermont, or commute arrangements (known as Fly In, Fly Out or FIFO) from Mackay or Brisbane.

“It is likely the majority of employees will initially be on a commute basis but as accommodation becomes

available in Clermont, the number of employees who live and work locally is expected to rise,” Dave said.

Positions available are posted online through the RTCA website at www.riotintocoalaustralia.com.au under Job Opportunities.

safety
SHARE

Christmas Lights

The holiday season is upon us again and Christmas decorations are a great way to spread cheer. Some simple precautions can keep everyone safe when installing decorative lighting:

- Turning off outdoor decorative lights if it starts raining
- Supervising children around Christmas lights
- Turning off Christmas lights when going out or going to bed
- Avoiding using cords that have damaged insulation or exposed wires
- Avoiding lying extension cords across driveways, and covering those across walkways
- Reading instructions before using outside lights and ensuring they are specifically designed and approved for outdoor use
- Using power boards fitted with overload protection, not double adaptors or piggyback plugs

Space age solution breathes new life into silos

Formula One technology is helping Mount Thorley Warkworth (MTW) improve the safety of two onsite silos while saving millions of dollars.

Carbon fibre, a strong, lightweight material used in building racing cars and aviation components, is replacing steel supports on silos, increasing their life for an additional 20 years.

A structural analysis of all train loading facilities at the site found parts of the two clean coal silos

for the MTW preparation plant were cracking and the concrete was coming away.

“Instead of rebuilding the silos, we are using high pressure water to blast out the deficient concrete, before pumping in new concrete in its place,” MTW Contract Supervisor Les Smith said.

“The carbon fibre is then secured around the perimeter in place of the steel supports.”

Local company Izzat Engineering

worked alongside MTW to develop the procedure, with Sydney Building Services performing the work, which will save up to \$9 million for each of the silos when compared to rebuilding.

Les said safety was a high priority, with the team working to reduce the project's major risks of working at heights by using mast climbers in lieu of scaffolding and using high pressure water blasting controlled by a specialist in lieu of jack hammers.



Silo one has been completed with no lost time injuries.

Hail Creek integrates Technical Systems

Hail Creek Mine will find it easier to see shipment and production forecasts, and tailor stock accordingly to available infrastructure, thanks to an RTCA-wide technical systems integration programme currently underway.

The Operations Systems Programme will bring together numerous computer programs currently used on site into one integrated, more effective system for all to use.

General Manager Commercial Ian Poole said to achieve this representatives from all sites will be involved in the activities to ensure the systems are effective at their site.

"The Operational Systems Programme supports the short term planning and control activities of functions across the supply chain such as mining, production and logistics," Ian said.

"The programme improves decision making by providing accurate, real-time information - for example greater supply chain visibility and better heavy mobile equipment management - and complements the Aligning Business Systems and Improving Performance Together programmes.

"This enables RTCA to respond to business challenges by providing the right information, to the right people, at the right time, helping people perform their jobs more efficiently."

In 2008, the programme will deliver the integrated set of systems and reporting to Hail Creek Mine. It will also continue to fill key gaps in the current systems landscape at other sites in preparation for a wider RTCA roll out of the integration programme at the completion of the successful pilot.

For more information about the Operational Systems Programme contact Dan Lyons or Ian Poole.

Open days held across RTCA

Children and jumping castles are not what you'd normally expect to see at RTCA sites, but they were popular attractions at recent open days attended by employees, families, and the public.

A total of almost 2,500 visitors came to events held at Mount Thorley Warkworth, Bengalla, Hail Creek Mine and Blair Athol Mine in October and November.

Visitors toured the operations, watched safety demonstrations and were given an insight into the workings of our coal mines.



More than 220 people attended the Blair Athol Mine open day. Pictured: from left, Nick and Rohnan Lynch and Andrew and Milo Hamilton.



A safety response exercise, which involved one of the visitors, demonstrated Blair Athol Mine's high safety standards.



Bengalla's family day was attended by 300 employees and family members.



Three lucky winners were given a haul truck ride.



1,220 people attended MTW's open day on 20 October.



Players from the Newcastle Knights development squad were at MTW, and guests were also serenaded by country music singer Lee Forster.



The Hail Creek Mine event culminated in a sit down dinner with entertainment provided by Sydney band Peter Morgan and Bump City.



More than 750 people turned out to Hail Creek Mine's family day at the Mackay Turf Club. Pictured: The Mousset family with Santa.

HVO roof restored

Hunter Valley Operations' (HVO) coal handling and preparation plant (CHPP) is now well prepared for the next storm season, with a new 2,100m² roof.

HVO CHPP Mechanical Projects Engineer Will McGuinness said the 12 month project required rigorous risk assessment and evaluation of options.

"All work methods were engineered to eliminate any potential hazards. A specially designed work platform was constructed which had crane attachment points and a fall restraint rail system was used as a work platform on top of the

roof," Will said.

"The roof purlins were treated with a zinc, aluminium and magnesium surface protection system to make it four times more corrosion resistant than colourbond steel."

Interaction issues were constantly managed and roof work was suspended when necessary to prevent any impact on production.

"The Hunter Valley Project Group and Rio Tinto Procurement helped coordinate the work which was successfully completed without a lost time injury, a great milestone for the entire team," Will said.



Kestrel drives home support for Young Drivers

School's out and Year 12 students in Emerald and Capella have taken to the road with greater skill after taking part in defensive driver training funded by the Kestrel Mine Community Development Fund.

More than 100 Year 12 students from Marist College, Emerald State High School and Capella State High School participated in the \$50,000 programme and

were rewarded with invaluable driving experience.

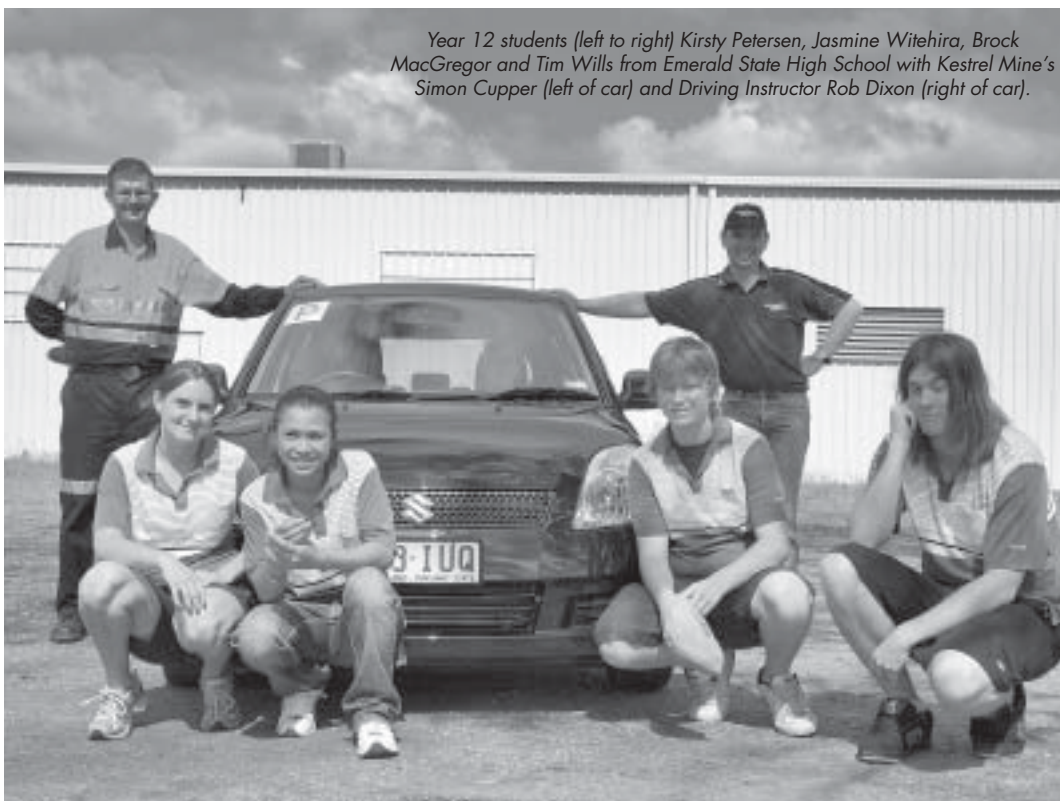
Emerald State High School Deputy Principal Moya Mohr said the students found the programme fun and educational.

"On behalf of our students, I commend Kestrel Mine on such a fine community initiative," Moya said.

Kestrel Mine General Manager Operations Tony Lennox said the road safety campaign was designed to improve safety for all road users.

"Road safety is a significant issue in central Queensland and this programme will go a long way in promoting the importance of safety on the road as well as at work," Tony said.

Year 12 students (left to right) Kirsty Petersen, Jasmine Witehira, Brock MacGregor and Tim Wills from Emerald State High School with Kestrel Mine's Simon Cupper (left of car) and Driving Instructor Rob Dixon (right of car).



ABS tradeshows showcase the Business Solution to Sites

More than 400 employees have attended the Aligning Business Systems (ABS) tradeshows held recently in QLD and NSW, as the ABS project team showcased the Rio Tinto Business Solution to sites.

The ABS programme is a world wide initiative undertaken by Rio Tinto to consolidate its position as a leading global business, and is a key enabler of the Improving Performance Together programme.

Project Manager Graham Willetts said the tradeshows were designed to build understanding and momentum toward the go live date scheduled for March 2008.

"Employees who attended the ABS tradeshows were provided with information and demonstrations about how the Business Solution will affect them, and key preparation activities," Graham said.

For more information about the ABS programme, please see the RTCA page on the portal, contact your local Site Implementation Manager, or email the project team direct on projectfeedback@riotinto.com

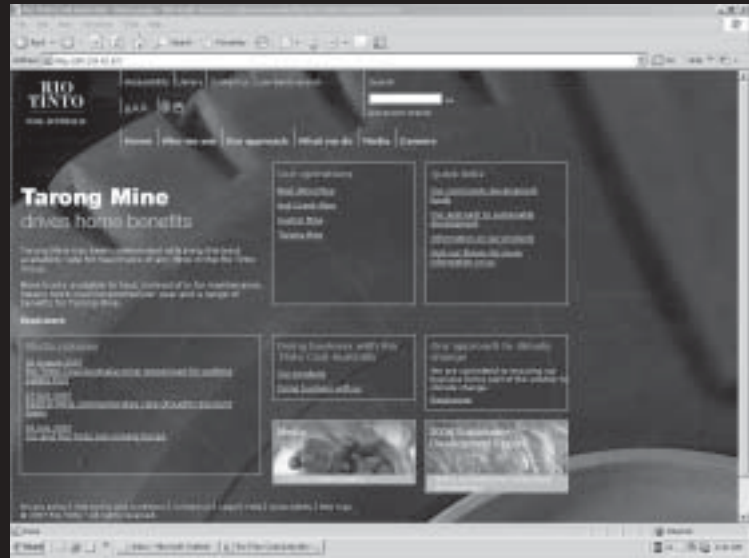
New websites come Online

Those of you who have logged onto www.riotintocoalaustralia.com.au or www.coalandallied.com.au recently will have noticed some changes to our websites.

The upgrade is part of the One Rio Tinto programme, designed to provide consistency in the communications for every Rio Tinto Business Unit.

RTCA General Manager External Relations Fiona Nicholls said the new websites are easier to navigate, and feature four rotating news features on the home page which are updated regularly.

"The websites have improved functions to help showcase our latest news, employment information and publications and videos," Fiona said.



Grader training brings Hunter mines together

Coal & Allied's mines have again shown the benefits of working together, improving training opportunities and minimising lost production time as a result.

The three mines recently joined together for training on Caterpillar graders, given by Hastings Deering who provided an experienced operator trainer.

Bengalla Production Superintendent James Davison said by getting ten operators together from the three mine sites, each of the employees could improve their skills, learn from each other and take valuable information back to their workmates.

"All of the guys got a lot out of it," James said.

"It was refreshing, seeing it from the manufacturer's point of view and from an experienced Caterpillar grader trainer.

"The guys can see the benefit of being part of a group."

It is the latest example of working together, after the June flooding, Mount Thorley Warkworth and Hunter Valley Operations assisted Bengalla with pumping equipment to empty its flooded pit.

"Had we not been able to do that it would have been quite expensive for Bengalla and it would have delayed what we wanted to do," James said.

"We were able to react very quickly... it had a lot of value to us."

Trust and Funds celebrate Successful Year

Students, landholders, small business and even midwives are among the thousands who have benefited from this year's Queensland Community Development Funds and the Coal & Allied Community Trust funding initiatives.

The annual reports for both funding programmes are now

available electronically on the portal and websites.

This year the four Queensland Funds provided almost \$1 million to 60 projects. The Coal & Allied Community Trust has supported 15 partnership initiatives this year, totalling more than \$1.5 million.

The reports showcase the projects undertaken by local groups in 2007 and demonstrate the social, economic and environmental benefits generated for the communities in which we operate.

Students from Clermont State High School benefited from funding in 2007.



MTW pilot coal bed methane project

Mount Thorley Warkworth (MTW) is helping RTCA look for ways to reduce greenhouse gas emissions from our mine sites by piloting a coal bed methane (CBM) project next year, which could be rolled out across other RTCA sites.

Methane (CH₄) is produced when vegetation decays during the coal formation process. Methane remains attached to the coal and is released into the atmosphere during mining. As a greenhouse gas, methane is 21 times more potent than carbon dioxide. CBM released from the coal during open cut mining makes up more than 60 per cent of RTCA's greenhouse gas emissions.

Project Manager Chris Lauritzen said the CBM pilot programme, to degas coal seams ahead of mining, has been designed to identify the viability of full scale developments.

"The pilot testing will take approximately 12 months. If further work is supported by the modelling, up to four pilot wells will be drilled into the coal seams in advance of the open cut mining area," Chris said.

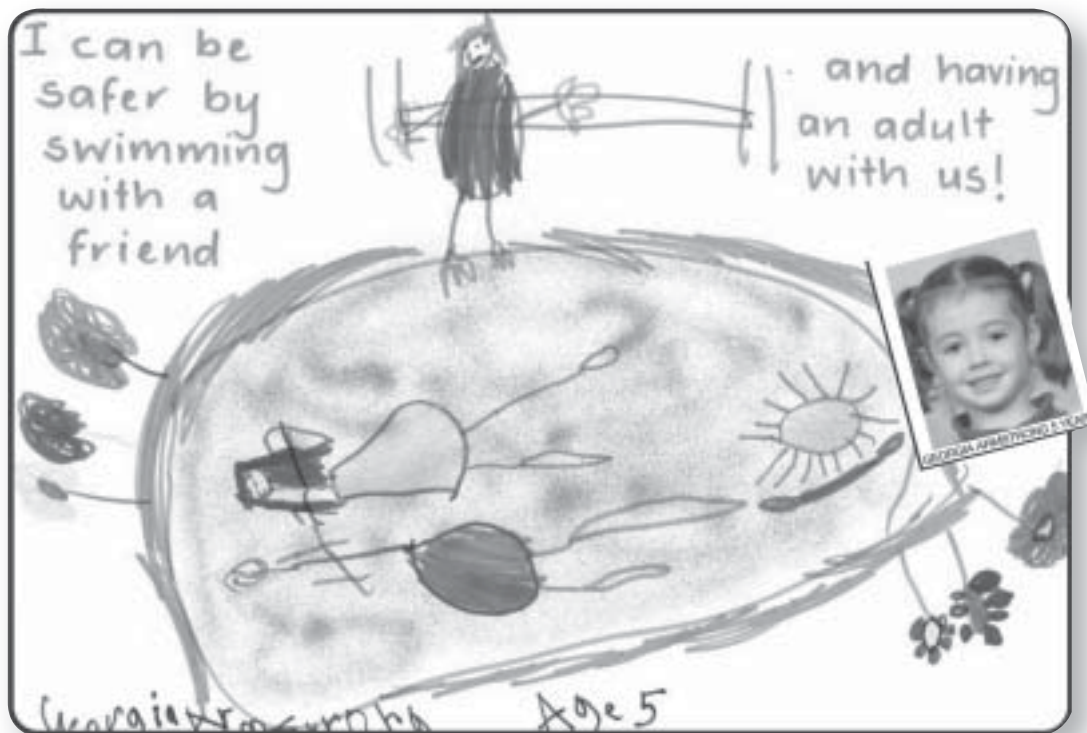
Chris said in addition to its impact on our greenhouse gas emissions, the project has potential value to develop methane as a saleable product through its use as an alternative energy source for electricity generation.

"CBM as an industry has come of age in Australia. It currently supplies 40 per cent of Queensland's gas needs and is gaining momentum in NSW," Chris said.

Safety Calendar *Winners*

Safety can be fun – just ask the winners of this year's safety calendar competition.

Thanks to all entrants and parents for their involvement this year and congratulations to our 12 winners, whose drawings will feature in the 2008 calendar:



I can be safer by....

- Clayton Lonergan . . . 10 Months . . . Mum and Dad storing chemicals out of my reach
- Henry Walker 11 Months . . . Crossing the road at the crossing
- Molly Wills 4 Years Holding an adult's hand when I cross the road
- Georgia Armstrong . . . 5 Years Swimming with a friend and having an adult watch us
- Keeley Fishlock 5 Years Not playing with my ball near the road
- Angeline Mendham . . . 6 Years Turning off the hot water tap before the cold water tap
- Chloe Jackson 7 Years Having an adult watch me in the pool
- Neve Munro 8 Years Swimming between the flags
- Meghan Dansie 8 Years Not going in to chat rooms
- Abby Hay 9 Years Being sunsmart
- Madeline Bourke 11 Years . . . Crossing the road where there are no objects or trees obstructing my vision
- Angela Martin 15 Years . . . Wearing a hat when outside

Kestrel fires up *Safety*

Construction work has started at Kestrel Mine on a new safety measure - an onsite fire station which will soon be complete with its own fire truck and squad of 30 mine workers trained in fire fighting skills.

Manager Health, Safety and Environment Simon Cupper said the new facility will significantly reduce the 45 minute response time needed for the local Emerald fire brigade to travel to Kestrel Mine.

"Safety is our first priority and

so we looked at how we could improve our response if we are ever faced with a major fire situation," Simon said.

The station is currently being built at the mine entrance across the road from the main car park, with a fire truck expected onsite by March 2008.

It's the latest safety initiative to be rolled out at Kestrel Mine. In October the site's coal handling and preparation plant achieved 18 months all injury free.



The Kestrel fire station will be completed in 2008

RTCA's Queensland mines scoop the MRAEL awards

Hail Creek Mine, Blair Athol Mine and Kestrel Mine received a total of 11 awards at this year's MRAEL apprentice and trainee awards night.

Congratulations to Hail Creek Mine's Marie Cameron and Nikita Sauney (pictured); Kestrel Mine's Sam Timmins; and Blair Athol Mine's Darren Hartland, Rachael Doyle, Michael Ede, Amberley Thompson, Lyndon Thrupp and Christopher McCann.

Kestrel Mine and Blair Athol Mine were both awarded Host Trainer Awards for their continued efforts to take on and support trainees and apprentices.

Blair Athol Mine's Rachael Doyle and Christopher McCann were also finalists for the Apprentice and Trainee of the Year awards.



Bernie Pegrem Manager Development at Tarong Mine

The side burns and bell bottomed trousers may have gone, and you're unlikely to see him in a tie these days, but Bernie Pegrem has been a part of Tarong Mine since this photo was taken in 1972. In fact, he's the mine's longest serving employee.

Trained as a geologist, Bernie Pegrem set up the first Brisbane based Rio Tinto coal exploration office (then known as CRA), investigating major coal deposits in Queensland, including the Tarong and Bowen Basins.

In December 1972, Bernie told the then Minister for Local Government and Electricity (also pictured) "there is enough coal here to support a large power station."

Bernie was spot on – the Queensland Government made the decision to build the Tarong Power Station in 1978 and since 1983 Tarong Mine has provided five to seven million tonnes of coal per year.

"One of my biggest achievements has been playing a part in the development of Tarong Mine and seeing it succeed," Bernie said.

"I have been around for a lot of great things, including the Environmental Performance Category One in 1996 and the national MINEX Safety Award in 2000."

With the management of Tarong Mine and the Kunioon deposit passing to new owners Tarong Energy Corporation (TEC) in February 2008, Bernie has another achievement under his belt – seeing the Kunioon deposit developed.

Celebrating 40 years with the Rio Tinto Group in February this year, Bernie has been involved in many of Rio Tinto's deposits in Eastern Australia, and spent some time in Bougainville in Papua New Guinea. What does the future hold for life after Tarong?

"Currently I'm not thinking of retirement; the goal now is to keep working as long as possible. After rising at 0445 hours every working day for the past quarter of a century and performing challenging work each day, it's not easy to just stop – in fact it's downright dangerous," Bernie said.

Outside of work, Bernie likes to keep active: "Riding my bike is still an activity for me, in September I rode in Bicycle Queensland's big bike ride 'Miles to Mooloolba', a distance of 530 km."

Tarong Mine General Manager Operations Cam Halfpenny said: "Tarong's outstanding community and environmental performance over the years is largely due to Bernie's leadership. In fact the model for the Community Development Fund was instrumental in setting the standard for these Funds across Rio Tinto. I would like to take the opportunity to thank Bernie for his years of excellent support."

Brett Harris HVO Apprentice

Innovation comes from a variety of sources at Hunter Valley Operations (HVO) and so does recognition.

After an operator was hit in the mouth by a hammer, Maintenance Apprentice Brett Harris looked for ways to reduce the risk of injuries when performing regular maintenance on dozer rippers – something which won him an engineering award in November.

The maintenance task requires two people to remove dozer ripper boots and ripper shin guards with a hammer and short handled punch. One maintainer knocks the keeper pins out while the second holds the short handled punch – introducing a potential line of fire risk.

"Using the tool that was already there, I lengthened the punch handle by welding a longer piece of pipe over the handle to double its length," Brett said.

"A bow shackle is fitted to the handle, to maintain its position, and two large washers are welded on either side."

A magnet is placed on the machine to provide stability to the tool. The invention also features an adjustable lanyard, which further supports the punch.

The benefits to both operators have

not only reduced the risks with line of fire, but have also reduced potential injuries from kneeling on uneven, rocky or muddy ground.

"Improving the safety of tasks we do regularly is as important as introducing new, safer practices," General Manager Operations Rick Fairhurst said.

The Mining Electrical and Mining Mechanical Engineering Society recently recognised Brett's work with the Albert Weeks award. The award is named after an icon of the local mining industry.



THIS IS YOUR NEWSLETTER

Send your story ideas, feedback and suggestions for Mine Matters to newsletter@rtca.riotinto.com.au or via the internal mail to Amy Oldfield or Eleanor Nichols, RTCA. Mine Matters can also be accessed electronically on the homepage of the RTCA Portal.