

Western Desert Resources Indigenous Employment Strategy Roper Bar Iron Ore Project

5 April 2012

Vision Statement

To deliver an Indigenous recruitment, training and employment strategy that acknowledges and respects the cultural requirements of Indigenous Australians, while presenting real job opportunities that promote long-term

personal and professional growth and learning.

Employment goals

1. To maximize the number of Indigenous workers employed by Western Desert Resources' Roper Bar Iron Ore

project.

2. To develop the skills, qualifications and experiences of Indigenous employees so that they are better equipped

for long-term employment in connection with the Roper Bar Iron Ore project.

3. To identify potential barriers to employment of Indigenous Australians living within the project's footprint and develop mentor and training opportunities to overcome such barriers and facilitate transition into long-term

employment at the Roper Bar Iron Ore project.

Purpose

The purpose of this document is to outline the high level, overarching commitment Western Desert Resources (WDR) has to implementing a robust and equitable Indigenous Employment Strategy – a commitment that will

continue for the life of the mine.

At the heart of the Strategy is an Indigenous training and employment framework that begins with pre-work readiness and moves through the stages of entry-level opportunities to apprenticeship and trainee packages and

finally, career development opportunities. While there is a clear focus on unskilled worker opportunities, scope remains for skilled workers to source employment and career development on the Roper Bar Iron Ore project.

Background

The proposed project involves the development of an iron ore mine in the Roper Bar area of the Northern Territory, approximately 60 kilometres south of Ngukurr, and 50 kilometres from the Gulf of Carpentaria coast.

The project will also include the development of support infrastructure facilities such as a workers

accommodation, administration buildings and ore processing facilities.

The proposal involves an open pit operation where initially 1.5Mtpa of ore will be produced in the first year,

increasing to 3Mtpa by the third year of production.

Once mined, the ore will be put through a primary crushing circuit and the Direct Shipping Ore (DSO) will be loaded onto large trucks. These trucks will travel along a new, purpose built 164km private haul road from the

mine to a loading facility where the DSO will be transported by barge to awaiting ships.

WDR has established mutually respectful relationships with community members within the Roper Bar and Gulf regions through 10 months of engagement and consultation work (this engagement will continue for the life of

the mine and a Stakeholder Engagement Strategy has been developed to guide and formalise this process).

This communication has allowed WDR representatives to gain a first-hand understanding of the areas of interest

for these communities, and employment and training opportunities ranked as top priorities, both immediately and

for the future.

As a potential major employer for the communities within the Roper and Gulf regions, WDR recognises the importance of implementing a robust Indigenous Employment Strategy and takes this responsibility seriously. The

development of an Indigenous Employment Strategy goes beyond the basic employment of workers, it becomes a catalyst for delivering long-term benefits to the wider community, the individual, and the project.

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This Indigenous Employment Strategy provides an initial framework for an evolving document that will grow and adapt as the Roper Bar Iron Ore project progresses. WDR recognise that flexibility and adaptation are central to the establishment and success of this Strategy moving forward, as is continuous consultation with relevant communities to ensure their feedback is acknowledged and incorporated where required/appropriate.

Ongoing consultation regarding the Strategy

Ongoing community consultation will play a fundamental role in the development and continuous evolution of the Indigenous Employment Strategy. WDR will undertake engagement as part of their ongoing commitment to communication and recognises this is critical to ensure relationships with communities, Native Title Holders and other Indigenous representatives continue to grow.

The community consultation will aim to ensure:

- Key representatives and Native Title Holders from the communities of Borroloola, Minyerri, Ngukurr and Numbulwar are involved in the development of the Indigenous Employment Strategy and have a sense of ownership over the document
- Community expectations around Indigenous training and employment are understood and where appropriate, included in the development and implementation of the Indigenous Employment Strategy
- WDR can demonstrate a two-way approach to the development of a critical document that has the potential to shape the short and long term futures of specific communities within the project's footprint
- The relationships between WDR, the Roper and Gulf communities, Native Title Holders, and other Indigenous representatives are further strengthened.

Consultation with the Northern Land Council

WDR has worked closely with the Northern Land Council (NLC) as the representative body of Native Title Holders within the region in the development of the Indigenous Employment Strategy. Both the NLC and WDR recognise that the proposed Roper Bar Iron Ore project represents a major development in the region with the potential to provide significant employment benefits to Native Title Holders together with other members of the Aboriginal community.

It is with the input and agreement from the NLC that WDR present this draft framework.

Moving forward, WDR's relationship with the NLC will continue as the Indigenous Employment Strategy is further refined and enhanced to ensure it delivers the best outcomes for all Indigenous representatives within the region.

Company Policy

WDR company policy on its Indigenous Employment Strategy will be developed based on the outcomes of community consultation and engagement to ensure it reflects the expectations of potential workers and meets the requirements of the NLC and WDR.

Site Policy

The Roper Bar Iron Ore Project site policy on Indigenous Employment will be finalised following the lodgement of the Environmental Impact Statement (EIS).

Key result areas

As part of the development of a robust and comprehensive Indigenous Employment Strategy, WDR have developed the below Key Result Areas which will drive performance and set a clear line of sight for success.

- Key Result Area 1 Develop relationships with Indigenous communities
- Key Result Area 2 Facilitate an effective Indigenous recruitment process
- Key Result Area 3 Enhance retention rates of Indigenous employees
- Key Result Area 4 Support Indigenous career development

Implementation

The development and implementation of a successful Indigenous Employment Strategy rests with all levels of management at WDR.

WDR are committed to the success of the Roper Bar Iron Ore project and the sustainability of communities within its footprint. To achieve this, a major priority is to develop a training and employment Strategy that will deliver mutual benefits and real opportunities for personal and professional growth.

WDR will demonstrate this commitment to potential Indigenous employees and the project by employing the expertise of a Darwin-based Indigenous employment consultancy firm to undertake a peer review of the draft Strategy once it is developed.

This independent peer review will follow a best practice approach to the development of Indigenous employment strategies and identify areas for future improvement and growth. The independent review will be performed on a regular and proactive basis to ensure emerging social changes are incorporated and that a robust, fair and equitable strategy is delivered.

Reporting and evaluation

On finalisation of the Roper Bar Iron Ore project's Indigenous Employment Strategy, WDR managers will report quarterly on progress according to set performance parameters – these will be outlined in the key result areas they are established and completed.

The Indigenous Employment Strategy will operate for the life of the mine and will be evaluated annually to ensure objectives and initiatives progress with the changing environment of employment in the Roper and Gulf regions.

The NLC will play a role in the annual review of the strategy and its achievements to ensure it meets agreed goals and Indigenous employment commitments. WDR's independent verifier will also play an ongoing role in the annual review and evolution of the Strategy to ensure a best practice approach is maintained.

Key Principle Result Areas

To achieve a best practice approach to a robust and equitable Indigenous Employment Strategy, WDR's full time Community Liaison and Indigenous Employment Coordinator will vital to ensuring Key Result Areas are achieved. As the project progresses, the Coordinator will provide support to more senior Company Employment Office (see Key Result Area 2) who will be responsible for the management and implementation of the Strategy and Indigenous recruitment.

Key Result Area 1

Develop relationships with Indigenous Communities.

Background

Community consultation and engagement will play a fundamental role in maintaining the already established relationships WDR has with Native Title Holders, Indigenous representatives and communities within the project's footprint. The success of these relationships will underpin the success of the Indigenous Employment Strategy.

There are three key elements to this key result area:

- 1. Trust relationships are built on trust and through a commitment to timely and ongoing communication, WDR will work to ensure Native Title Owners and other Aboriginal people within the Roper Bar and Gulf regions have trust in the company, the project and the people, and vice versa.
- 2. Awareness through previous consultation with communities, WDR recognises there is a heightened sense of awareness about the Project and its potential to deliver real training and employment opportunities to Indigenous workers. This level of awareness and enthusiasm needs to continue, and it will be WDR's responsibility to drive this momentum by ensuring timely information regarding the Indigenous Employment Strategy is made available to these communities.
- 3. Involvement for WDR's Indigenous Employment Strategy to be successful, communities (including Native Title Holders) must have some involvement in its development to ensure there is a sense of ownership and pride in the document.

Actions

The below actions outline the preliminary framework for meeting this Key Result Area 1 and will be refined across the life of the project.

- a. WDR to ensure a suite of communication to ensure communities are made aware of the Indigenous Employment Strategy and about upcoming training and employment opportunities at the Roper Bar Iron Ore project. Communication tools should include:
 - Community meetings with WDR's Community Liaison and Indigenous Employment Coordinator to talk about training and employment opportunities
 - Posters advertising opportunities in key community locations
 - Advertising opportunities on the WDR website and promoting this site in *The Roper Report* (WDR's project newsletter).
- b. WDR to participate in local events to promote the range of training and employment opportunities at the Roper Bar Iron Ore Project.

- c. Facilitate events within the key communities of Borroloola, Minyerri, Ngukurr and Numbulwar such as open days, cultural days and discussion groups between Indigenous community members and relevant WDR representatives to develop relationships, listen to feedback from Indigenous representatives and encourage involvement. These events could include:
 - The establishment of WDR employee awards that are presented annually by the Managing Director of WDR during NAIDOC week to recognise the achievement(s) of Indigenous trainees and employees.

Key Result Area 2

Facilitate an effective Indigenous Recruitment Processes.

Background

WDR recognises it is essential to ensure a flexible and respectful approach to Indigenous training and employment. Key considerations around Indigenous employment policy development must reflect cultural sensitivities to promote a stable, long-term Indigenous employment base on the Roper Bar Iron Ore Project.

Fundamental to achieving success in this key result area is the employment of a Company Employment Officer. This role will be filled by a qualified person who will have a senior role in the Project and will have the principal day to day responsibility for managing WDR's Indigenous recruitment process.

There are a number of considerations that should be taken into account which highlight key differences between Indigenous and non-Indigenous employees. While there are some similarities between the employees, it is critical Indigenous employees are provided with support and encouragement to ensure their transition into the workplace is smooth and respectful.

When developing the Strategy, key policies will be established to ensure the expectations of both the Indigenous employees and WDR are managed. Considerations include:

- 1. Cultural expectations and duties these are important and different to non-Indigenous workers and include cultural practices of significance such as ceremony
- 2. Employment history for some Indigenous employees, a position at the Roper Bar Iron Ore Project will be their first job and may require mentoring and further training on managing a successful work-life balance.

Actions

The below actions outline the preliminary framework for meeting this Key Result Area 2 and will be refined across the life of the project.

- a. WDR will work with external service providers to ensure:
 - > Employment opportunities at the Roper Bar Iron Ore Project are clearly communicated
 - ➤ The pre-employment program meets the needs of WDR and sets the right expectations with new Indigenous staff.
 - > WDR will use a number of initiatives to achieve an agreed level of Indigenous employment over the life of the project, such as the development of a recruitment assistance package for prospective Indigenous applicants to help them through the application process.
- b. WDR will develop an induction package for Indigenous employees that will include information on a range of topics such as, roles and responsibilities of support staff (Human Resources Personnel) and the Indigenous Employment Coordinator.
- c. WDR will establish a robust Human Resources data collection system to ensure employee statistical information can be captured and reported accurately.

d. WDR will undertake an annual review of existing Indigenous recruitment approaches to ensure activities reflect the needs of both WDR and potential Indigenous employees.

Key Result Area 3

Enhance retention rates of Indigenous employees.

Background

Once an Indigenous employee accepts a position with WDR on the Roper Bar Iron Ore Project, it is WDR's goal to ensure that employee develops a long-term commitment to the project. The benefits of this are twofold:

- 1. For the employee: a long term commitment delivers job security for the employee and provides a clear career path whereby career development opportunities can be identified and capitalised on, building both professional and personal growth and pride.
- 2. For WDR: a long term commitment delivers a stable workforce.

WDR recognises that key to building retention rate of Indigenous employees is the adoption of reasonable and flexible working conditions for Indigenous employees, including consideration of cultural practices of significance.

Actions

The below actions outline the preliminary framework for meeting this Key Result Area and will be refined across the life of the project.

- a. WDR will ensure HR Policies reflect the cultural diversity of the workforce and the cultural needs of all staff including Indigenous staff.
- b. WDR will establish an internal corporate program to support and coach WDR Superintendents and Supervisors on how to effectively work with new Indigenous workers, promoting a culture of two-way understanding, respect and positive work ethic.
- c. WDR will engage external consultants to investigate the development of programs that enhance the recruitment of Indigenous people into non-traditional roles within the mining industry.
- d. WDR will ensure ongoing staff awareness and understanding of Indigenous issues through the delivery of cultural diversity training and/or workshops for all employees. This again will help develop a workplace culture of mutual understanding, respect and a positive work ethic.

Support Indigenous Career Development

Background

This Key Result Area is focused on ensuring all Indigenous employees at WDR's Roper Bar Iron Ore Project are provided with opportunity to undertake real and meaningful work, and furthermore, are supported to further their career within WDR and the mining industry.

Actions

The below actions outline the preliminary framework for meeting this Key Result Area 4 and will be refined across the life of the project.

- a. Through the Projects HR function (and supported by the Company Employment Officer and Indigenous Employment Coordinator) ensure all employees, including Indigenous, have a career development plan. This plan should detail the aspirations and interests of the employee and be used when conducting annual training needs assessments. This plan will be reviewed annually as part of the WDR performance management process.
- b. To ensure a best practice approach to Indigenous employment and retention, undertake an annual review of Indigenous employment objectives at an industry, federal and NT government level to consolidate and align initiatives.
- c. Proactively encourage Indigenous employees to undertake further education (e.g. tertiary and certificate education) where appropriate through the ongoing support from the Company Employment Officer, Indigenous Employment Coordinator and other management staff.

Formally recognise outstanding work by all employees (including Indigenous employees) through a recognition process where management and peers nominate other employees, including Indigenous employees.