



**McARTHUR RIVER MINE
COMMUNITY BENEFITS TRUST**



ANNUAL REVIEW 2019

FINAL

Executive Summary

In 2019 the MRM Community Benefits Trust marked its twelfth year of operation. Programs supported by the Trust in FY 2019 have seen the approval of 3 new grants valued at \$250k. The grant programs have supported two of the six focus areas of the Trust (Education and Art/Culture).

Project or Program	Grant recipient	Focus area	Value (ex GST)	Description
Breakfast Program	Borroloola School Council	Education	\$81,818.18	Breakfast provided to all students at Borroloola School every day
Indigenous Hip Hop Program	Borroloola School	Art and Culture	\$22,434.00	Empowering Students Through Indigenous Hip Hop Projects Song and Dance - Workshops and performance
John Moriarty Foundation Scholarships	John Moriarty Foundation	Education	\$142,500.00	Grant to fund continued scholarships for 2019
Total			\$246,752.18	

In addition to the projects funded above, the Trust is working on internally-led projects that bring immediate and longer-term benefit to the region that sit outside the grants program. Project Officers for the Trust have worked on the following projects during the financial year:

- Borroloola Lot 455 application
- Borroloola Community Bus Service EOI
- Borroloola Youth Services Scoping Study

The Trust Board met four times during the year in addition to the Annual General Meeting for the previous financial year held in November 2018.

In the 12 years to 30 June 2019, the Trust had committed \$15.9 million (ex GST) to 97 projects. During these 12 years that the Trust has been active, its supported programs have reached across the entire gulf region targeted. While the majority has centred around the town of Borroloola, programs have also supported the communities of the Sir Edward Pellew Islands, King Ash Bay, Robinson River and Kiana. Significantly, the benefits of these programs have also been shared among the four local Indigenous language groups that are represented on the Trust board - Gurdanji, Marra, Yanyuwa and Garrawa - and their representative organisations.

This Annual Review provides a summary of the Trust's activities during the 2018-19 financial year and its financial position.

The Special Purpose Financial Report prepared by Trust accountant, Deloitte, and audited by TDH Accountants is also provided. This demonstrates the Trust is in a strong financial position with:

- a surplus of \$1,175,216 to the year ending 30 June 2019
- low operating costs at less than 4% of total revenue

- cash and bank balances of more than \$8.3 million enabling the Trust to consider supporting major projects, honour commitments already approved and continue to allocate a high percentage of annual revenue to grant funding.

Table of Contents

Executive Summary

1. MRM Community Benefits Trust Overview	5
2. Trustee Board	7
- Directors	7
- Board Meetings	8
3. Trust Activities	9
- Management Services	9
- Strategic Planning	10
- Community Infrastructure Budget	12
- Grants - Ongoing Programs	12
- Grants - New Programs	14
- Grants - Allocation Against Focus Areas	19
- CBT-led Developments	21
4. Financial Report	22
- Financial Indicators	22
- Financial and Non-Financial Contributions	23
- Distributions	24
5. Impact on the Community	25
- Key Performance Measures	25
- Action Against Priorities	26
Appendix 1. Grant Reports	28
Appendix 2. Special Purpose Financial Report	48

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Cover Images

Participants of the Borroloola School Breakfast program and users of the Trade Training Centre all supported by grant funding committed by the Trust.

1. MRM Community Benefits Trust Overview

On 4 July 2007, McArthur River Mining (MRM) and the Northern Territory Government (NTG) entered into an agreement to establish the MRM Community Benefits Trust (the Trust) as a vehicle for delivering social and economic benefits to the Borroloola regional community.

Objectives

The Trust aims to:

- Facilitate ongoing sustainable development of the community and the region including community capacity building and local business enterprise development
- Build infrastructure within the community to a level that will facilitate the creation of local jobs, diversity of new enterprise, beneficial social activity and improved health outcomes
- Enhance the positive social and economic impact of MRM's mining operations on the community and the region as far as is reasonably practical
- Create jobs and training opportunities.

Commitments

The Trust is committed to supporting:

1. Employment, training and enterprise development generated both through MRM's mining operations and in the wider Borroloola economy including:
 - a. Fulfilling MRM's target to achieve 20% workforce participation by Indigenous people
 - b. The commitment to generate and support the establishment of one new local business per annum to supply a product or service to the mine
2. A community-based package of social and economic programs benefiting: enterprise and job creation; environment; education; social and community development; health; culture and art.

Charitable Purpose

The charitable purpose of the Trust is to provide:

- Grants, scholarships, bursaries and other assistance for education, vocational training and enterprise development
- Grants and other assistance for community infrastructure and community development, including the promotion of initiatives in the areas of health, law, arts, sport and culture.

This Report

This report covers the operations of the Trust for the financial year ending 30 June 2019.

As required under the Trust Deed, this Annual Review includes:

- A summary of the Trust's activities
- The financial position of the Trust
- Details of the distributions made by the Trustee during the financial year and the projects to which the distributions relate
- Impact on regional development, new jobs and community infrastructure.

Please note:

- All dollar values for grants committed are quoted excluding GST.
- All reporting is on a financial year basis with this report and its financials relevant to the year ending 30 June 2019.

2. Trustee Board

Directors

The Trustee Board comprises nine Directors whose roles are to manage the Trustee Company's business and affairs, authorise payments and appoint and oversee the supporting officers. The Board members during the 2019 financial year were as follows.

Trustee Directors, 2018-19

Constitutional requirement	Director	Changes
Two Directors nominated by MRM, including one independent	Greg Ashe Chief Operating Officer, Glencore Zinc Assets in Australia	Sam Strohmayr, General Manager MRM appointed as a proxy for Greg Ashe
	Paul Henderson Independent Director	
Two Directors nominated by the Northern Territory Government, including one independent	Mike Reed Independent Director	
	Jake Quinlivan Regional Executive Director, Big Rivers Region, Department of Chief Minister	Appointed July 2017
One Director elected by Community Members	Stan Allen	
Four Directors representing Indigenous Members	Tony Jack Mayor, Roper Gulf Shire Council, Garrawa Traditional Owner	
	Samuel Evans Marra Traditional Owner	Warren Timothy appointed a proxy for Samuel Evans
	David Harvey Yanyuwa Traditional Owner	Graham Friday appointed as a proxy for David Harvey
	Allan Baker Gurdanji representative	

The four Directors representing Indigenous Members are nominated annually by the Board of MAWA as the representative body for the four language groups within the region. Darrin Hepworth of MAWA, attends and participates in the Board meetings as an ex-officio member and adviser to the Indigenous Directors.

Board Meetings

A quorum for a meeting of Directors is five with at least two of the Directors forming the quorum having been nominated by each of the Foundation Members.

Attendance at Board Meetings, 2018-19

Director	26 September 2018	28 November 2018 (AGM)	20 February 2019	22 May 2019	Total meetings
Greg Ashe		✓	✓	✓	5
Paul Henderson		✓			2
Jake Quinlivan	✓	✓	✓	✓	5
Mike Reed	✓		✓	✓	5
Stan Allen	✓	✓	✓		4
Allan Baker		✓	✓	✓	5
Tony Jack			✓		2
Samuel Evans		✓	✓	✓	3
David Harvey	✓	✓	✓	✓	4
Graham Friday	✓	✓	✓		
Total attending	5	8	9	6	5

Term of engagement as Director

✓ In attendance

✓P Proxy in attendance

All meetings in 2018/19 had a quorum ensuring agenda items were able to be ratified at each meeting.

3. Trust Activities

Management Services

Project Officer

Plan C were the Community Benefits Trust Project Officers for the 2018-19 financial year. This is year one of a three-year contract for Plan C.

Marketing

Since the Trust began operations, all information relating to its activities has been available online through the MRM website. During 2017, the Board launched a new, dedicated website: www.mrmcommunitytrust.com. This has been successfully continued to be used in 2019 and a future review of the site is planned to ensure it is maintained up to date.

The website has been updated with most up-to-date projects funded by the CBT, contact details and project case studies. In 2018, Facebook and Instagram pages were created to further promote the activities of the Trust - @MRMCommunityBenefitsTrust. The **Facebook page** at the end of June 2019 had 443 followers, an increase of 421 followers or 1,915%. In the 2018-19 financial year, 65 posts were made on the Facebook page.

Project Visits

At the Board meeting on 22 May 2019, the community were invited to a community lunch at Borroloola School. In addition, the Board invited organisations that submitted an expression of interest or full application to present at the May Board meeting.

The Board has indicated a desire to increase their visibility in the community and as such, will increasingly combine engagement opportunities with the community at future Board meetings such as community lunches.

As part of developing the Three-Year Plan, the following engagement activities were undertaken:

- Idea sessions in Borroloola based on the six focus areas with stakeholders and community
- Young people's session at Borroloola School
- Malandarri Festival

As part of the Three-Year Plan engagement process, a total of 56 stakeholders participated.

Constitutional Review

A Board Paper into the proposed Constitutional Review was tabled in 2018 and has led the Board to commence a review to ensure the Constitution is clear and reflects the Board's activities. This work will continue until early 2020.

Financial Reporting

Deloitte together with Board Members have continued their work in improving financial reporting, ensuring clear reports are provided quarterly.

Strategic Planning

The 2019-2022 Three-Year Plan has been drafted based on review of the previous plan, community and stakeholder engagement, and review of other relevant documents.

A summary of the aspirations identified for each focus area are listed below:

Culture and Art

- Improving cultural awareness of non-locals
- Young men's groups and business
- Make sure the Malandarri festival becomes even more successful
- Culture camps for young people
- Improve the Borroloola Art Centre
- NT Film festival at Borroloola Arts Centre
- Community Arts Market
- Workshops with traditional and contemporary foods
- Aboriginal language teaching and language centre
- NAIDOC Week activities
- Art skills training opportunities to generate income streams for remote artists
- Production and event training
- Cultural tourism opportunities: dancing and damper, art centre development and bush medicine and tucker activities
- Employment and professional development opportunities for Borroloola Arts Manager and Project Officer
- An outdoor cinema
- Performance space
- Indigenous Hip Hop Projects

Social & Community Development

- A Men's space
- Improved local safety
- Youth service and activities
- Sport and recreation coordinator and activities
- Show and rodeo
- Streetlights in the camps
- Skate/BMX/mountain bike facility
- Improve town camp roads
- Juvenile diversion activities
- Community bus service
- Short-term accommodation for men returning from prison
- Fitness Gym
- A club for young adults
- Multiuse community hub
- Family picnic area/BBQ

Education

- Strengthen pathways
- Health and hygiene (e.g. get the "Healthy Houses" back)
- Support apprentices
- Funding for science, technology, engineering and mathematics
- Educational activities on country, e.g. culture camps
- Aboriginal language teaching
- Connect education to jobs in the region
- Deadly Treadlies - bike repair workshop - could train kids to repair bikes and make a business out of it.
- Workshop space so young people can learn a trade, e.g. carpentry, cabinet maker

- Focus on getting more young people into school
- Have a school formal to give young people something to aim for
- Vocational workshops in hairdressing, hospitality, music, singing, dancing and make up, nails and beauty.
- Families as First Teachers (FaFT)
- Books in Home for FaFT

Enterprise & Job Creation

- New positions for apprentices at MRM
- Increase diversity targets at MRM
- Tourism
- Scholarships
- Train local young people to work on building new houses in Borroloola
- A Business Hub through Mabunji
- Cattleman's workshop at Robinson River
- A bus service to transport workers to McArthur River Mine
- Financial support for small businesses
- Work experience with the mine - lots of young people want to work at the mine
- A community job expo at the high school
- Training opportunities

Environment

- Fix Bridge over McArthur River
- Need more bins in the community
- Tree planting in Borroloola
- Carbon farming
- Weed management
- Junior sea rangers
- Stabilise erosion at Black Rock - Important area for families to meet
- Plant for medicine and food - to keep them healthy for next and future generations
- Sacred sites remain sacred and Macassan sites remain intact and stories shared
- Safe environment for dugong, turtle and other marine animals
- Waterholes, estuaries and wetlands on Yanyuwa Country are in a healthy condition by 2030
- Permanent bins/recycling bins on outstations - Wandangula, Millie, Devil's Springs
- Families as First Teachers (FaFT) school garden beds and bush medicine

Health

- Support local health outcomes
- Dispensary
- Early detection and intervention
- Men's health program
- Community Liaison Officer
- Dialysis
- Health services outreach to remote and hard-to-reach communities
- Primary health care - empower people to take more control of their health
- Health education and awareness raising
- Mental health support
- Youth services with a focus on young people's health
- Drug and alcohol awareness and training

Community Infrastructure Budget

In 2015, \$4.2 million initially allocated for the Borroloola Multipurpose Centre development was reserved in a separate financial account held by the Trust. However, as the project didn't proceed, the Board resolved to allocate this investment for other community infrastructure projects.

A concept for this investment identified a wide range of community-based infrastructure needing funding support and which were either defined by the Roper Gulf Regional Council strategic plan or proposed by community members.

Grants - Ongoing Programs

Programs approved and contracted in prior years that continued to be active during the 2018-19 financial year, and where unexpended committed funds remained on these investments totalled \$2.9 million excluding GST (see table below).

While some programs concluded during the 2018-19 financial year, some were either planned to be concluded in, or delayed until the following reporting period. This trend is indicative of the time lag which can occur between when a grant is approved and when the ultimate outcomes are achieved.

The majority of unexpended funds are for two projects with Roper Gulf Regional Council. The **Borroloola Sports Court upgrade** has been delayed and a new design is required for the build. Current status notes on this project include:

- Project has been re-scoped to include engineered design and documentation to Importance Level 4 Cyclone Shelter
- Project Control Group NTG, RGRC and CBT via DIPL
- DIPL are Project Managing as in-kind to the project

Funding for the **Rocky Creek Bridge Project** was approved in 2017-18, however this project has also experienced delays, with the most recent updates including:

- Design has been completed and it will go out to tender in November 2019
- Tender assessment and contract award period 15 January to 3 March 2020.
- Construction period 6 April to 25 September 2020 (100 days estimate).
- Project Control Group includes RGRC CEO, Project Management DIPL and MRMCBT Rep.