

Rosebery Mine revenue, profit drop as MMG's tailings solution quest continues



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The Rosebery Mine. File picture.

The national worker squeeze has hit Rosebery miner MMG Limited as it gears up for a crucial period in keeping the veteran West Coast operation alive.

MMG said increased competition for skilled mining labour was one of the reasons zinc and lead production fell at Rosebery in the first half of the calendar year, compared with the first half of 2021.

The mine's financial performance also weakened in the first half of the year.

Its earnings before interest, tax, depreciation and amortisation fell by 47 per cent, from \$162.6 million to \$85.6 million.

Revenue dropped from \$275.8 million to \$217.7 million, a decrease of 21 per cent.

Zinc in concentrate and lead in concentrate production fell by 37 per cent and 32 per cent respectively.

"Mine productivity was negatively impacted due to lower workforce availability as a result of COVID-19 impacts and increased competition for skilled mining labour nationally," MMG said in its interim report.

"Ore grades also fell, due to mining activity temporarily focused on lower grade stopes."

The revenue drop was influenced by lower sales of zinc, lead and other by-products, although higher zinc prices helped.

MMG maintained its calendar year Rosebery production guidance of 55,000-65,000 tonnes of zinc in zinc concentrate.

MMG is continuing to work towards federal environmental approval for a new tailings storage solution for Rosebery, and for works aimed at helping determine if its preferred South Marionoak site is suitable.

The development is opposed by the environmentalist Bob Brown Foundation and the outcome is uncertain.

MMG says it [needs a tailings storage solution](#) if the mine is to continue past 2024.

The company's focus for the rest of the year would include "securing the future for Rosebery", chairman Jiao Jian said.

"We are proud of our portfolio of future-focused metals, which are essential to creating a more sustainable world," he said.

The company's overall result for its global operations was a \$137.5 million profit, down from \$894 million in the corresponding period of 2021.

Revenue fell sharply, largely because of the effects of road blockages stemming from community protests affecting MMG's big Las Bambas copper mine in Peru.