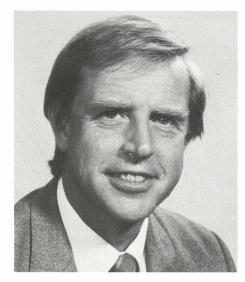
REPORT TO EMPLOYEES ON 1983 PERFORMANCE

"Employee dedication and enthusiasm are critical to our success"



Nick Stump General Manager.

Our recently announced profit of \$4.2 m for 1983 was heartening news, after a loss of \$4.8 m in 1982. The reversal of our fortunes has been substantially due to people working together more efficiently, and has been achieved without retrenchments.

Productivity improvements involving all of you, and a sharp eye on wastage of human effort, have - with the assistance of improved zinc prices and exchange rates set us on a new path. How we manage the course of this revitalisation could well determine the future of Sulphide.

In order to secure our future, one of the major initiatives undertaken in 1983 was a deeper commitment to a better and more efficient use of Sulphide's manpower. Employee dedication and enthusiasm are critical to our success, and our moves have been to change the climate and culture to be more supportive of new ideas and a "go-ahead" attitude at all levels.

During the year we have been encouraging a style to broaden your participation in the making of decisions and allow a greater spread of authority. A key to this approach has been efforts to develop and maintain an open climate of two-way communications with employees regarding policies and practices, and to seek your views on matters of concern.

The initiative taken in 1983 to conduct an Attitude Survey of your views on the way Sulphide is managed, was part of this process.

What is emerging with varying degrees of intensity and success, is an approach to managing which encourages a fruitful and unrestricted flow of employee ideas, involvement and initiative.

Yes - we still have a long way to go, but our aim should be to have highly-motivated employees who identify with Sulphide's objectives and who will reach a higher degree of personal fulfilment by achieving these objectives.

You may well ask: What ARE Sulphide's objectives? Your managers have given this a great deal of thought over the last 18 months and the proposed objectives are printed below for your information and comment.

It is our plan to continue on full production, selling all our products, and to progress our technical and organisation skills to help raise our productivity and the international competitiveness of our smelter.

Nich Stop

MEMBERS OF THE TEAM



Chemist Leonie Richards analysing dam water on the Spectrophotometer.



Product bay operator Trevor Watson palletizing G.O.B. zinc from the Sheppard machine

SULPHIDE'S OBJECTIVES

The business of SULPHIDE CORPORATION PTY LIMITED is to produce non-ferrous metals and related chemical products, and the objective is to maintain long term viability as a CRA Group Company for the benefit of shareholders, employees, and the community, and to be a reliable supplier of quality products.

OUR TASKS ARE:

- 1. TO ACHIEVE ECONOMIC EFFICIENCY AND PROFITABILITY by:
 - Ensuring cost-effective operations and a strong cost-competitive position.
 - Improving productivity.
 - Aiming for technical excellence and advancement of technology.
 - Providing open communication and developing understanding of clearly-stated objectives.
 - Developing effective teamwork.

2. TO IMPROVE QUALITY OF WORK-LIFE by:

- Aiming to provide long term employment.
- Providing a safe and hygienic work environment and supporting the health and well-being of employees.
- Providing opportunity for job development and individual growth.
 - Respecting the dignity and rights of the individual.
 - Encouraging co-operation and trust between all employees.
 - Encouraging initiative and creativity and recognising performance.

3. TO FULFIL COMMUNITY RESPONSIBLITIES by:

- Continuing to work towards improvement in the environment surrounding the works.
- Being involved in and supporting local community affairs.
- Promoting recognition of SULPHIDE CORPORATION'S value to the community.