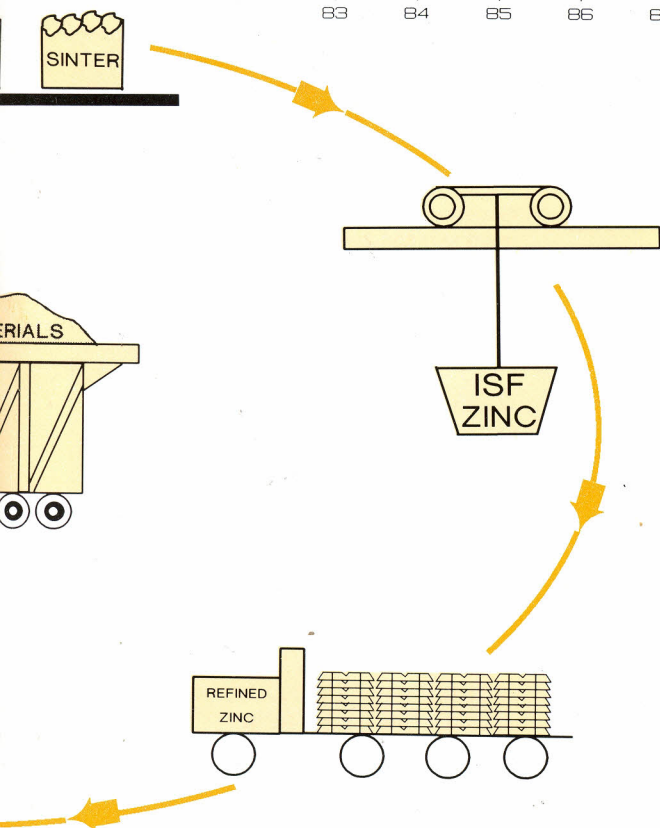
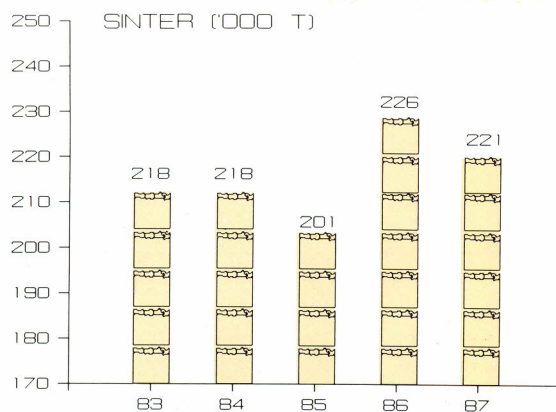


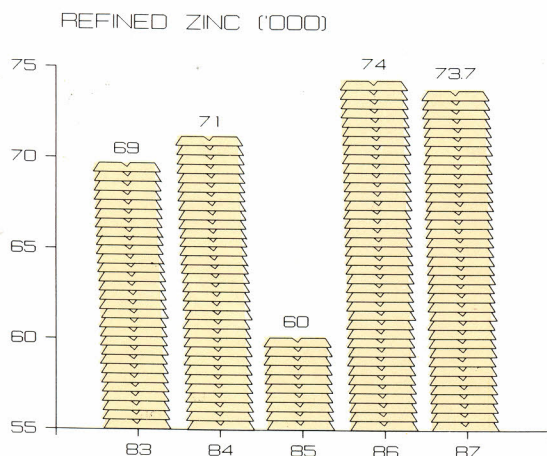
PERFORMANCE



REFINED ZINC

Marketing has enabled us to continue with our preferred production ratio of three tonnes of GOB to one tonne of high grade zinc.

We are closely examining proposals to extend the Refinery building and reorganise baths and equipment within the GOB section. It is anticipated that we will increase production capacity, and efficiency, as well as improve operating conditions for employees.



ENGINEERING

In addition to our routine maintenance work, Engineering personnel responded to a number of major problems. In the ISF the year commenced with a furnace roof burn-down, and later in the year two condenser tiles were replaced with castable units. Towards the end of the year a series of hearth breakouts placed greater demands on our people. A final solution was found in an idea from Kevin Clifford for copper hearth blocks and underhearth forced cooling.

Maintenance personnel in the Sinter Plant responded to a number of urgent repair jobs. The tip end scrubber fan failed and a short time later the spare motor also failed. 63 screen required significant attention, and in the Acid Plant acid leaks continued to recur.

On a more positive note most of the problems that occurred are being tackled to provide long term solutions. Expenditure proposals totalling \$14.25 million were approved during the year and an even larger application of funds will be sought in 1988.

The revised tradesman's training and grading scheme was put into place in the middle of the year.

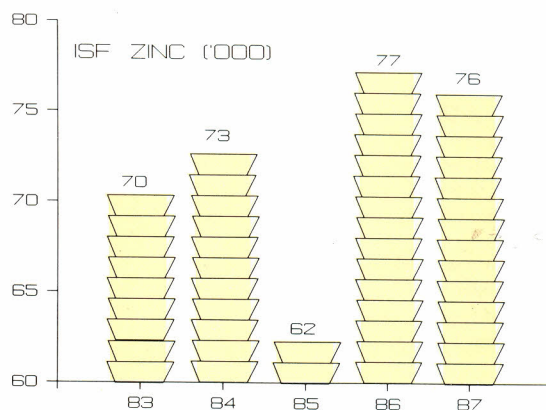
Engineering looks forward to a very full and productive year in 1988.

ISF ZINC

Although an achievable target of 79 000 tonnes of furnace zinc was set for the year, only 76 000 tonnes were produced. The shortfall was largely attributable to limited availability of feed stock, the necessity to shut down to replace the condenser roof tiles and an industrial dispute.

Despite these setbacks furnace production rates during August and September exceeded the 84 000 tonnes per annum rate.

These results are encouraging and enable us to set a target for 1988 of 81 500 tonnes.



SAFETY

During the year we were able to maintain the accident frequency rate at the same commendable level of 1986. Unfortunately, the severity of accidents showed an increase from eighteen to twenty-seven days per accident.

This overall result has been achieved because of the additional emphasis that has been placed on safety in recent years. It also reflects greater awareness and an improved attitude to safety by employees and has been helped by the involvement of the Occupational Health and Safety Committee.

