

Disclosure notice for unlisted disclosing entity

**ANNEXURE " A"**

**Phosphate Resources Ltd**

**Industrial Disruption on Christmas Island**

The Board advises that it has received formal notice from the bargaining representative of the Company mining wages employees on Christmas Island extending the current strike action until 1 December 2011.

The Company has endeavoured, since the withdrawal of Fair Work Australia on the 19<sup>th</sup> October 2011, to negotiate directly with the bargaining representative of the employees and also participated in a mediation conference chaired by the Administrator of the Indian Ocean Territories last week.

All attempts to achieve a compromise at a level that would enable the mining operations to continue on a commercially viable basis have been rejected.

Accordingly, the Company has had no option but to issue today a notice of a lockout of all employees paid under our Enterprise Agreement. The lockout will commence on the 30<sup>th</sup> November 2011 and be of indefinite duration until the parties either reach agreement on the terms of a new Enterprise Agreement or the employees consent to final binding arbitration of those terms by Fair Work Australia. All settlement offers made by the Company have been withdrawn.

The Company gave the Minister for Regional Australia, Regional Development and Local Government advance notice in writing of our intention to issue the lock out notice on the 22 November 2011.

The Company is conducting ongoing discussions with the relevant Commonwealth Government Ministers to obtain their assistance to resolve the matter.

The Company is also in discussions with the Administrator of the Indian Ocean Territories to enable fuel supplies for the Island power station and food and essential supplies for the Island shops to be delivered by sea..

The Company continues to work closely with our customers and our ship owners to minimize the impacts on their operations.



Kevin Edwards  
Company Secretary  
24 November 2011