



20 December 2011

Company Announcements Platform  
Australian Securities Exchange  
Level 8, Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

**PHOSPHATE RESOURCES ANNOUNCEMENT**

CI Resources Limited (ASX code: CII) advises that the Board of Phosphate Resources Limited (PRL), in which CI Resources Limited holds a 50.49% stake, has issued a Disclosure Notice in respect to the settlement of the Industrial Action undertaken by employees of PRL on Christmas Island, which had the capacity to affect profitability.

Please see the attached disclosure notice by PRL.

Yours faithfully,

David Somerville  
Chairman  
CI Resources Limited

Disclosure notice for unlisted disclosing entity

**ANNEXURE "A"**

**Phosphate Resources Ltd**

**Industrial Agreement on Christmas Island**

The Board advises that a settlement of the lengthy industrial dispute with its employees at our Christmas Island phosphate mining operation was achieved at a conference chaired by Commissioner Cloghan of Fair Work Australia on Christmas Island on Saturday 17 December 2011.

The agreement reached was subsequently approved by employees at a mass meeting on Monday 19 December 2011.

The settlement has resulted in a 4 year Enterprise Agreement which will commence on 1 January 2012 with wage increases of 4.5% annually over the life of the agreement. In addition the company will provide employees with a new cost of living allowance of \$50 per week escalating by \$15 annually. This new living allowance recognizes cost of living increases and accordingly is not applied for all purposes of the enterprise agreement.

The Company Chairman Clive Brown has said: "The settlement reflects a sensible compromise between the legitimate desires of our employees to keep pace with other wage adjustments in the booming WA mining sector and the company obligation to maintain a stable and commercially viable operation whilst mineable ore reserves exist. The new cost of living allowance is an acknowledgement by the company of the food and rental cost increases that have occurred on the Island over the past year as a direct consequence of the large number of Commonwealth officers and their contractors now present on the Island dealing with the continuing influx of unauthorized boat arrivals."

The Board would again thank the management and staff, customers and local contractors for their support and assistance during this difficult period.



Kevin Edwards  
Company Secretary  
20 December 2011