

Alcoa World Alumina Australia is the global leader in alumina production and Australia's sixth largest resources sector exporter. Alcoa is an integrated business comprised of bauxite mining, alumina refining, aluminium smelting, rolling and canned sheet products, with operations in Victoria, Western Australia and New South Wales.

Alcoa Pinjarra Efficiency Upgrade

UPGRADE UPDATE No.#1

THE PROCESS OF COMMUNITY CONSULTATION BEGINS

Alcoa World Alumina Australia believes that meaningful and effective community consultation is a critical part of the future success of the newly proposed \$440 million upgrade of the Pinjarra alumina refinery.

The Pinjarra alumina refinery Efficiency Upgrade involves a wide range of issues that will be progressed within a sustainability framework. Alcoa understands this can only be addressed through genuine consultation with the broader community.

This important process of community consultation was initiated at a workshop held on Wednesday, 3 September 2003 in Pinjarra.

COMMUNITY WORKSHOP

The purpose of the workshop was to bring together a broad cross section of the community who had a direct interest in the Pinjarra refinery Efficiency Upgrade.

The community workshop consisted of over 40 stakeholders involved in the project, and included representatives from the local community, neighbours, residents, local business owners, local and state government as well as the Alcoa Project Team and management.

The main purpose of the community workshop was to establish a Stakeholder Reference Group (SRG) to work with the Alcoa team on environmental, social and economic aspects of the proposed Efficiency Upgrade Project.



THE SRG IS DEFINED

Workshop participants agreed that the SRG would play an important role in representing the views of the local community on an ongoing basis during the proposed Efficiency Upgrade at Pinjarra. In particular, the SRG would:

- Be a major consultation point for the company to discuss and refine details of the proposal with stakeholders
- Review the various parts of the project that are important to stakeholders
- Advise Alcoa on how the stakeholders believe environmental, social and economic issues should be recognised, managed and supported
- Review the draft Environmental Protection Statement that will be submitted to the Environmental Protection Authority
- Advise Alcoa on how best to provide information to the broader community
- Help provide information on the project to the local community and community groups



To achieve broad community representation on these significant local issues, the workshop agreed that the SRG would comprise of twelve people representing Pinjarra residents, refinery neighbours, Landcare groups, local businesses, the Community Consultative Network, local schools, indigenous community, refinery workforce, Shire of Murray Council, Department of Industry & Resources,

Department of Environment and Alcoa Management.

The workshop selected these members of the SRG and it was agreed that this group would meet every two weeks to provide a regular forum where the community could have a direct input into the development of the Efficiency Upgrade.

The workshop also identified a wide number of important community issues that would be addressed by the SRG which were raised by different stakeholder groups representing neighbours, residents, local businesses, the workforce and Landcare. The issues raised ranged from environmental to employment, transport and local business matters.

Overall the workshop achieved broad stakeholder engagement and support for the ongoing progress of community consultation through the SRG.

FURTHER INFORMATION:

If you would like further information on the community consultation process relating to the Efficiency Upgrade, then please contact the Project Team on (08) 9531 6986 or send your contact details to pinjarraupgrade@alcoa.com.au.

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Pinjarra Efficiency Upgrade

UPGRADE UPDATE

No.#2

A NEW WAY OF DOING BUSINESS – ALCOA BEGINS EXTENSIVE COMMUNITY CONSULTATION

STAKEHOLDER REFERENCE GROUP IS FORMED

The recently formed community based body – the Stakeholder Reference Group (SRG) – will play an important role in representing the views of the local community on an ongoing basis during the proposed Efficiency Upgrade at the Pinjarra Refinery.

The SRG was established during a recent community workshop of people representing the Pinjarra community, neighbours, residents, local business owners, local and state government and Alcoa.

The first meeting of the SRG was held in Pinjarra on Wednesday, 10 September 2003.

The priority for the SRG is to discuss and understand the major issues raised at the community workshop. The SRG agreed to initially commence addressing the issues that form the basis for the Environmental Protection Statement (EPS) to be submitted to the Environmental Protection Authority (EPA).

The community workshop was independently facilitated by professional consultant, Roberta Mead. Roberta has been appointed by the group to facilitate debate and encourage them to put forward their opinions, whilst maintaining control of the time in which these issues are to be discussed.



SRG FIRST MEETING OUTCOMES

- Update and overview on the Pinjarra Efficiency Upgrade.
- Member's interests and expectations in the SRG process.
- An agreed process by which to conduct the SRG meetings.

- Discussion and development of a framework for Terms of Reference for the SRG.
- Decision to collate an Issues Register for future meetings and to share this with the representative's interest groups and other interested stakeholders.
- The SRG members were presented with an Environment Assessment framework, which outlines issues to be discussed according to the Environmental Protection Authority guidelines.
- Additional attendance at SRG meetings will be through invitation.
- Organise field trip to Alcoa's Pinjarra Refinery to see first hand the Refinery process and proposed changes to be implemented with the Pinjarra Refinery Efficiency Upgrade, for all interested SRG members.

MEMBERS OF THE SRG AND STAKEHOLDER GROUPS THEY REPRESENT:

| Name | Stakeholder group represented | Contact Details |
|---------------------------|--|------------------------|
| Peter Rozentals | Pinjarra refinery workforce | |
| Mark Stephens | Alcoa Pinjarra Efficiency Upgrade Project | |
| Wally Barrett | Community Consultative Network | |
| Morris Bessant | Landcare | |
| Louis Bursztyn/Mike James | Department of Industry & Resources (State Govt.) | |
| Mike Faro / Leonie Hansen | Local business | |
| Glenys Fawcett | Refinery neighbours & farmers | |
| Paul Morrison | Local indigenous community | |
| Noel Nancarrow | Murray Shire Council | |
| Ron Robertson | Residents | |
| Paul Rosair | Department of Environment (State Govt.) | |
| Glenn Edwards | Schools | |
| Roberta Mead | Independent facilitator | |

FURTHER INFORMATION:

Contacts for further information or to make comment on the consultation process relating to the Efficiency Upgrade:

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Alcoa Pinjarra Efficiency Upgrade

UPGRADE UPDATE
No.#3

STAKEHOLDER REFERENCE GROUP MEMBERSHIP DETAILS

Alcoa's Pinjarra Refinery establishes a Stakeholder Reference Group for the proposed \$440 million Efficiency Upgrade

A community workshop was held in Pinjarra in September 2003 to bring together a broad cross section of the community who have a direct interest in the Pinjarra refinery Efficiency Upgrade.

The community workshop consisted of over 40 stakeholders involved in the project from the Shire of Murray and included representatives from the local community, neighbours, residents, local business owners, local and state government as well as the Alcoa Project team and Alcoa management.

A group of 13 members was selected by the community workshop attendees as members of the local community who best represent the stakeholder interest groups to form the Stakeholder Reference Group (SRG).

The SRG will play a key role in the community consultative process for the proposed \$440 million Efficiency Upgrade at the Alcoa refinery in Pinjarra.

Members of the SRG will advise Alcoa on how stakeholders believe important environmental, social and economic issues relating to the proposed project should be managed, and how to best provide information to the broader community. SRG meetings take place regularly in Pinjarra.

A brief outline of the members of the SRG and the interest groups they represent are outlined below.



Morris Bessant (Landcare)

Morris owns a 300-hectare property in Nambeelup and has passionate views about land care issues. He is an active member of a number of Landcare groups in the local area including deputy chairman of the Peel Harvey Catchment Council, a committee member of the Dandalup Murray Land Conservation District Committee and the Corio Landcare Group. Morris actively promoted land care issues as a past councillor on the Murray Shire Council and he hopes his membership of the SRG will ensure that land care issues are carefully considered as part of the Efficiency Upgrade.



Glenn Edwards (Schools & Training)

Glenn is the Principal of Carcoola Primary School in Pinjarra. He became Principal of Carcoola Primary School in July 2001 after spending 10 years as Deputy Principal of Waroona District High School. Glenn has taken an active part in many community groups and was chairman of the planning committee for the aquatic centre in Waroona. He believes the Efficiency Upgrade should take into account important community, environmental and educational issues and hopes that his involvement in the SRG will assist the process of dialogue between Alcoa and the local community.



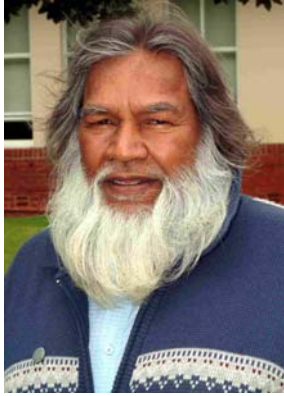
Mike Faro (Local Business)

Mike is the current President of the Murray Districts Business Association and the owner of a local restaurant. A former policeman from Helensborough in Scotland, Mike moved to the Pinjarra area three years ago as a business migrant. He says it is important the local business community develops a productive relationship with Alcoa and hopes that his membership of the SRG will assist in this process.



Glenys Fawcett (Neighbours & Farming)

Glenys and her husband Adrian have a large beef cattle property which borders the western side of the Alcoa refinery. They have worked the farm for over 30 years and their family has held the property since the 1850's. Glenys said it is important that views of property owners neighbouring Alcoa are properly represented during discussions on the Efficiency Upgrade process and believes Alcoa has to take a more active approach in listening to the views of the local community.



Paul Morrison (Indigenous community)

Paul has been a resident of Pinjarra for 20 years after he met his wife, Lesley, who was born in Pinjarra. For the past eight years Paul has been employed as an Aboriginal Education Officer by the Department of Education. He has worked in this capacity in a number of schools in the Murray districts area and is currently based at the Pinjarra Senior High School. Working with children, Paul appreciates the importance of employment opportunities for young people and he hopes his involvement in the SRG will assist young people in the area to gain work experience so they can obtain useful employment.



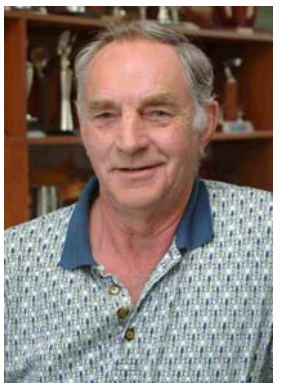
Noel Nancarrow (Shire of Murray)

Noel has been a member of the Murray Shire Council for the past 16 years and has represented the township of Pinjarra during the period. He was born in Pinjarra and is the third generation of his family to live in the area. Noel works a farm in Coolup and has a strong concern for the environment as well as the people of Pinjarra. He believes there should be benefits flowing from the Efficiency Upgrade for the township and hopes his membership of the SRG will help deliver a positive outcome for the local community.



Wally Barrett (Community Consultative Network - CCN)

Wally first came to Pinjarra at the end of 1988 when he was appointed a police sergeant for the area. He says he fell in love with the area and decided to stay when he retired in 1993 and now operates a local bus charter company. Wally is an active member of the community serving on the Murray Shire Council and he is also a member of the CCN committee, which is a community group that liaises between Alcoa and the Pinjarra township. Wally believes the SRG should carefully consider environmental issues related to the Efficiency Upgrade and that local businesses should benefit from the new investment.



Ron Robertson (Shire of Murray Residents)

Ron has been a long term resident of Pinjarra and began working at the Alcoa refinery in 1971. He worked for Alcoa for 25 years as a production supervisor at the refinery. Over the past 30 years Ron and his wife Edris have experienced many changes in the Pinjarra township and they both feel very strongly about protecting the future of Pinjarra. Ron believes his membership of the SRG provides an opportunity for him to ensure that Pinjarra gets a better deal from Alcoa as a result of the Efficiency Upgrade.



Peter Rozentals (Alcoa Workforce)

Peter is one of Alcoa's longest serving employees with 28 years service at the Pinjarra refinery. He says that since he joined Alcoa in 1975 as an electrician, there has been a major change at the refinery, which has more than doubled in size during that time. Peter, who lives in Mandurah, is concerned about protecting the future employment prospects of permanent staff at the refinery and said the Efficiency Upgrade should benefit the workers as much as the shareholders of Alcoa. He is a member of the electrical trades group at the refinery and hopes that his membership of the SRG will help protect the long-term interests of the workers.



Louis Bursztyn (Department of Industry and Resources)

Louis is employed as a project officer with the State Government's Department of Industry and Resources and has been with the department since 1988. He works in the operational client services section of the department which liaises with major resource companies such as Alcoa to ensure they can smoothly progress with their investments and exports in Western Australia. Louis believes the SRG represents a new era in community consultation for major investment projects such as the Efficiency Upgrade and hopes the overall process will prove productive for all stakeholders.



Mark Stephens (Alcoa - Pinjarra Refinery)

Mark is the Sustainability and Planning Services Manager for the Pinjarra Refinery Efficiency Upgrade project. Mark has worked at Alcoa for the past 25 years and during that time has held a number of positions in the company. Prior to working on the Efficiency Upgrade Mark was the Engineering Manager at the Pinjarra refinery. A resident of Mandurah, Mark hopes the SRG process will give the broader community a better understanding of the Efficiency Upgrade and Alcoa's longer term commitment to sustainability covering environmental, social and economic issues.



Roberta Mead (Facilitator)

Roberta has been a professional facilitator for nine years. A professional facilitator is a person who assists dialogue and debate between people by encouraging them to put forward their ideas. During the past 3 years Roberta has worked on a growing number of community consultation projects from the citing of a waste treatment facility in Mindarie to a community forum to decide the future of the ground zero site in New York. Roberta views her position on the SRG as independent of all parties and believes her role is to assist the local community to clearly express the issues and concerns related to the Efficiency Upgrade and for these views to be taken into account by Alcoa in its decision making process.

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Alcoa Pinjarra Efficiency Upgrade

UPGRADE UPDATE

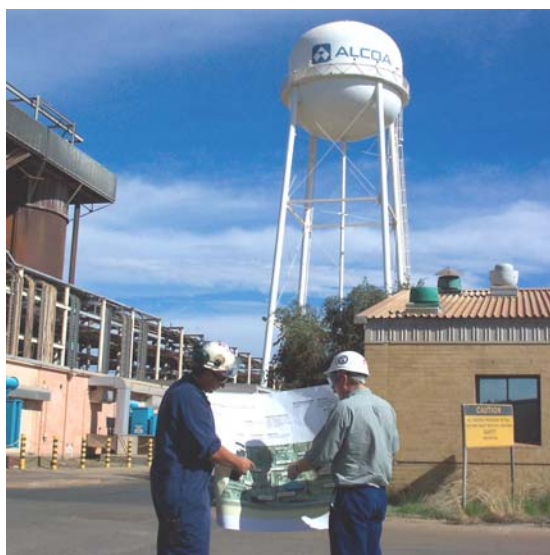
No.#4

SRG CONSIDERS PROPOSED PINJARRA REFINERY EFFICIENCY UPGRADE ENVIRONMENTAL ISSUES

Alcoa recently briefed the Efficiency Upgrade Stakeholder Reference Group (SRG) on a number of environmental issues relating to the proposed refinery Upgrade.

RESIDUE

Workshop briefings included the long-term management plan for the refinery's bauxite residue areas. Members of the SRG were advised that whilst the footprint of the residue area would not change during the life of this project, new residue storage locations would be identified by 2006 as part of ongoing refinery operations. These new drying areas will become part of the residue drying cycle and replace completed residue drying areas, which are then rehabilitated. It is planned that the overall height of the residue areas will rise to 60 metres.



Environmental Team Leader Gordon Baird and SRG member Peter Rozentals viewing areas at the refinery where air emissions will be reduced following the

The SRG endorsed a proposal that the wider community be formally included in the long term planning process for the residue areas, which currently involves representatives from Alcoa and the Local and State Government. It is planned that the community will play a more direct part in the decision making process for the citing and environmental management of the residue areas.

DUST

Along with presentations on residue, the SRG also discussed dust control at the Pinjarra refinery, including the types and frequency of dust from the refinery as well as Alcoa's programme for monitoring and reducing the dust.

The SRG recommended that Alcoa needed to do further work to manage the impact of dust on the local community, as it is a priority community issue. The group also advised that Alcoa needed to undertake a more focussed approach to communications so the issues of most concern to the local community such as dust can be more clearly clarified.

AIR EMISSIONS

The group also discussed air emissions. The SRG was briefed on current refinery emission levels, types of emissions that occur as a result of the refining process and the ways Alcoa planned to reduce emissions through the use of new technology as part of the proposed Efficiency Upgrade process.

Odorous Volatile Organic Compounds (VOC's) are just one compound that will be significantly reduced following the installation of new emissions control equipment.

The SRG members considered that air emissions initiatives were heading in the right direction and also proposed the appointments of an independent air emissions expert who would make further presentations to the SRG on this issue. Members of the SRG believed that the independence of air emissions monitoring was a critical issue for the community.

In addition, the SRG also proposed the appointment of an independent expert for health who would also make a presentation to the workshop on health issues related to the Efficiency Upgrade.

GROUND WATER

In addition to the above information, the SRG was also briefed on groundwater. This presentation outlined the current needs and use of water at the Pinjarra refinery along with future requirements following the proposed Efficiency Upgrade. Alcoa is reviewing a number of options to secure additional sources of water. One option is to use recycled water from the Water Corporation to meet the increased demand for water following the Efficiency Upgrade.

On behalf of the workers at the Pinjarra refinery, a SRG member also presented a list of employee issues to the SRG for consideration.

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UPGRADE UPDATE
No.#5

'OPEN DAY' GIVES LOCAL RESIDENTS BETTER UNDERSTANDING OF PROPOSED EFFICIENCY UPGRADE

As part of the ongoing consultation with local residents in the Pinjarra area, a special Open Day was recently held on the proposed Pinjarra Refinery Efficiency Upgrade.

The Open Day was held at Twigz Function Centre on Wednesday 22 October 2003 and was organised to give the local community a better understanding of the wide range of issues relating to the proposed \$440 million project.

Alcoa representatives and Stakeholder Reference Group (SRG) members attended the Open Day to talk to community members about the proposed project and answer questions about the Upgrade.



Project Team Leaders Mark Stephens and Gordon Baird discuss the dust monitoring machine with SRG member Glenn Edwards and local resident Barry Saunders at the Efficiency Upgrade Open Day.

Information about the environmental, economic, social and other general aspects about the project were on display at the Open Day.

SRG CONSIDERS MORE ENVIRONMENTAL ISSUES RAISED BY COMMUNITY WORKSHOP

The Open Day followed an SRG workshop on Wednesday 15 October 2003, the fourth time the group has gathered over the past month. This meeting focused on four environmental issues raised at the community workshop - noise, environmental reporting, refinery lighting and feral animals.

NOISE

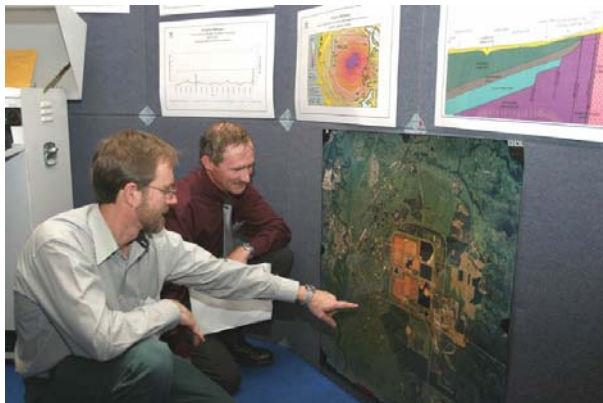
A presentation was delivered by Gordon Baird, Alcoa's Environmental Team Leader, on Pinjarra refinery initiatives to reduce noise levels. The SRG was advised Alcoa has a noise-monitoring program and adheres to Western Australian noise regulations which are as tough as anywhere in the world and can be difficult to achieve. At the refinery, noise levels after 10pm at neighbouring residences, cannot rise above 35 decibels. The group was told Alcoa recently spent about \$1.8 million on noise reduction projects to make sure the refinery didn't exceed this requirement, and Alcoa is committed to maintaining its noise record.

As an illustration of noise levels, background noise in an office is around 40 decibels and Alcoa's night time limit of 35 decibels at the nearest residence can be exceeded by natural background noise such as the rustling of leaves or the sound of frogs.

As part of the proposed Efficiency Upgrade, the noise contours of equipment will be modelled and any new equipment installed will be required to achieve specified noise levels. Additional enclosures and/or silencers will be used to ensure Alcoa achieves its target noise levels.

RAIL SCREECH

Members of the SRG were briefed on initiatives to reduce rail 'screech' noise by bauxite trains when they run along a curve of the railway track near the Pinjarra townsite. Whilst current



noise levels are within accepted government guidelines, noise tests indicate that the noise from the wheels of the specially designed bauxite wagons is much higher because of the distance between the wheels of these wagons compared to other rail wagons.

The SRG was advised that a significant amount of work has already been undertaken to reduce the rail "screech"

and the latest initiative being considered involves realigning the railway track since it is now believed the shape of the track may contribute to this rail 'screech.' The railway track is operated and controlled by Westnet rail, whilst its parent company – Australia Railroad Group hold the contract to move freight in and out of the Pinjarra Refinery.

Related transport issues were discussed by the SRG including the frequency and routing of lime trucks. The predicted change to the current truck transport system will see one additional lime truck per day and the Main Roads Department will retain authority on designating the route.

ENVIRONMENT AND SUSTAINABILITY REPORTS

An overview of the Environmental Protection Statement (EPS) was provided to the SRG. This is the main document that will be presented to the State Government as the basis for the environmental approval of the proposed Efficiency Upgrade. The SRG viewed the contents page of the report to examine the comprehensive nature of the report and that it, for example, covered social impact matters relating to environmental issues.

As part of the discussions on the EPS, members of the SRG raised two issues:

1. There would be a broad geographic interpretation of the term community ie - that it would refer to areas such as Mandurah. Instead, it was proposed that the term community should be specifically applied and defined as the Pinjarra area.
2. Alcoa had recently committed to ensuring a sustainable future for the Waroona community in its 2002 Sustainability Report. It was recommended that a similar commitment on sustainability by Alcoa should be given to Pinjarra and this issue should be included in the Issues Register so it can be considered by a future meeting of the SRG.



LIGHTING

A presentation was given on background lighting at the Pinjarra refinery during night hours. The plant lighting is projected to increase by around 7% following the proposed Efficiency Upgrade however, any light spill increase (nightly glow) is not likely to be noticeable.

The SRG was informed about measures Alcoa had undertaken to reduce light spill including the use of lower wattage lights and more directional lighting. Members of the SRG suggested there should be 'before and after' light readings to determine the exact increase in light spill following the proposed Efficiency Upgrade and measures such as movement activated lighting, should be investigated.

FERAL ANIMALS

There was also a discussion on the problem of feral animals and the need for Alcoa to take a good farmer's approach in controlling feral animals on its Pinjarra land holdings.

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