

KEY OBJECTIVES

Alcoa of Australia Limited's ('Alcoa') goal for its Point Henry location is to complete environmental assessment work consistent with the requirements of the National Environmental Protection Measure 1999 (Assessment of Site Contamination) (as amended 2013) ('NEPM') and also consistent with the final end land use strategy as it develops.

Alcoa will also ensure compliance to the requirements of the Clean Up Notice 90005302 ('Notice') as issued to the location by the Victorian Environment Protection Authority ("Authority') on 25 March 2015 and amended on 30 November 2016. The Notice requires the submission of quarterly reports on the soil and groundwater assessment activities at the Point Henry location and to confirm if any unacceptable risk to the environment has been identified. In the event of identifying contamination posing an unacceptable risk to the environment, Alcoa must develop and implement an interim clean-up plan in response to such an occurrence.

KEY METRICS

	YTD (Q1 2018)
Non-Compliance with Laws and Regulations	0 (0)
Identified unacceptable risks to Human Health and Environment	0 (0)

NEPM

Activities since closure:

Alcoa has continued to work with suitably qualified consultants for the development and execution plan of Preliminary Conceptual Site Models (pCSM) and Work Plans for all zones across Alcoa's landholdings. The aim of these activities is to close out identified data gaps in the Preliminary Site Investigations. During the quarter, onsite drilling and sampling works as outlined in the Work Plans continued for the Grasslands Wetlands, the Industrial site primarily the Switchyard, the Industrial Landfills and the Moolap SPL/Salt Dross Landfill by specialised drillers and suitably qualified consultants.

As scheduled, the oil recovery system for the oil in groundwater plume under the Rolling Mill continued to operate throughout the quarter, demonstrating slow rebound, and limited recovery of the oil. A planned shutdown to observe recovery of the oil in groundwater commenced at the end of February. A groundwater monitoring event was completed in November on the Industrial Site with the results received during the reporting period. The information is currently being incorporated into the site environmental assessment report. It should be noted that no new Light Non-Aqueous Phase Liquid (LNAPL) was identified during the monitoring event. Auditor review comments on the site Sediment Investigation and Ecological Screening Level Development Report were received with the document further revised and resubmitted to the Auditor.

Approval from the Department of Environment, Land, Water and Planning (DELWP) and the City of Greater Geelong (COGG) was obtained during the quarter, issuing a Planning Permit enabling the sampling works on the eastern side of the Point outlined in the Industrial Landfills Work Plan. The revised sampling plan was submitted to the Auditor for review. Execution planning for these works was conducted in early 2018, with the sampling work now underway. This work is expected to continue for a further four weeks.

Soil gas bore drilling and installation works were completed during the quarter on the Industrial Landfills and the Moolap SPL/Salt Dross Landfill. A groundwater monitoring event, inclusive of both the existing wells and the newly installed wells was completed at the Moolap SPL/Salt Dross Landfill with the results currently being reviewed.

Execution of the work plan for the Grasslands was completed with all groundwater and surface water sampling conducted, inclusive of the remainder of soil samples where safe access could not previously be obtained. Analysis of the results and the development of the conceptual report is now underway. The draft ecological assessment by Ecology Australia, as part of the Grasslands Wetlands Work Plan was received during the quarter and is currently being reviewed.

A revised Work Plan for the Farmlands was reviewed by Alcoa and submitted to the Auditor for review. Approval to proceed with the sampling works has been provided.

In December 2017, the EPA-Appointed Auditor conducted an onsite inspection of the Industrial site.

Onsite decommissioning works have continued across site as previously advised to the Authority and consistent with the Environmental Aspects and Impacts registers associated with the major work packs.

Planned activities for 1 March 2018 – 1 June 2018:

Planning for the execution of the revised Farmlands Work Plan will commence with sampling works expected to be conducted in Quarter 2 / 3 2018.

Establishment of background metal concentration framework is complete with the Human Health Risk Assessment anticipated to be delivered to the Auditor for review in early Quarter 2 2018. Collation of the information from the monitoring across the Industrial site, the Industrial Landfills, Moolap SPL/Salt Dross Landfill and the Grasslands Wetlands and report development, ready for review, will continue during the quarter.

Sampling of soil gas at the Industrial Landfills and the Moolap SPL/Salt Dross Landfill will continue post the review of the initial results. Continued sampling of the onsite transformer pits and utility trenches within the switchyard is expected, along with the continued sampling works in the eastern side of the Industrial site. Implementation of the Concrete and Debris Management Plan for the onsite reuse of materials will commence for the Industrial site.

As previously reported, Regain operation ceased processing Spent Potlining onsite at Point Henry at the end of December 2017, with demobilisation/ decommissioning work now underway and expected to be completed during the next reporting period.

ENVIRONMENTAL PERFORMANCE

No environmental non-compliance issues have been identified during the reporting period.

IDENTIFIED UNACCEPTABLE RISKS & CLEAN UP PLAN

There have been no unacceptable risk issues identified in the draft pCSMs and the Work Plan sampling completed to date.

COMMUNICATIONS UPDATE

During this quarter, engagement continued with stakeholders from a broad range of sectors including community, neighbours, business groups, government, and community groups.

Alcoa is continuing its Community Advisory Board (CAB) meetings on a quarterly basis. This forum continues to enable community stakeholders the opportunity to ask questions and receive information on the decommissioning, remediation and future land use planning activities underway at Point Henry. The Quarter 4 Pt Henry CAB meeting was held on Monday 18 December 2017. An overview of the location's environmental, health and safety metrics and site activities were presented and discussed. Key discussion points included progress on the environmental assessment/remediation, progress of physical decommissioning works including the forthcoming transmission line removal, the oil in groundwater skimming recovery system, the landfill consolidation and Concrete and Debris Management Plan.

As previously reported, CAB dates have been aligned to coincide with the submission of the quarterly reports, so that reports are communicated efficiently to the CAB group. The next CAB meeting is scheduled for 26 March 2018.

Alcoa's website [www.alcoa.com.au/pointhentry] continues to be updated and is a key communication tool. After submission to the EPA, a copy of this quarterly report will be made available on the website.

Alcoa has continued to brief Government agencies on the status of the onsite activities.

CONTACT

If you have any questions regarding the project or this update bulletin, please feel free to contact;

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