

KEY OBJECTIVES

Alcoa of Australia Limited's ('Alcoa') goal for its Anglesea Power Station and Mine 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 90006380 ('Notice') as issued to the location by the Victorian Environment Protection Authority (EPA) on 10 October 2015. The Notice requires the submission of quarterly reports on the soil and groundwater assessment activities at the Anglesea 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 (Q2 2017)
Non-Compliance with Laws and Regulations	0 (0)
Identified unacceptable risks to Human Health and Environment	0 (0)

NEPM

Activities since closure:

During the quarter, further work on the draft preliminary Conceptual Site Model (pCSM) and Work Plan progressed for the Power Station site. The draft pCSM was submitted to the Auditor for review and feedback, with Alcoa completing its review of the draft Work Plan developed by EHS Support, and submission of the draft Plan to the Auditor occurring late in the quarter.

As previously noted, in late 2016, on behalf of the Department of Land, Water and Planning (DELWP), Barwon Water assumed control under a lease agreement of the Water Storage Pond (Ash Pond 2) for the purpose of controlled release of water to support the departments Anglesea River management strategy over the Summer period. During this period, Barwon Water maintained control of the Water Storage Pond. Consistent with historical practises, ash material above the water line of the Water Storage Pond was recovered and placed back in the Mine.

Onsite decommissioning works have commenced with submission to the Authority of the Environmental Aspects and Impacts registers associated with the Power Station work pack.

A regulatory inspection by EPA was conducted on 1 March 2017. No issues were identified.

During the quarter, EPA issued Alcoa an amended site Licence to better reflect the current activities onsite. In preparation for onsite decommissioning and demolition works commencing, product and waste removal activities were completed during the quarter.

Planned activities for 1 June 2017 to 1 September 2017:

Feedback on the draft pCSM and Work Plan for the Power Station from the Auditor is anticipated during the next quarter, along with a review with the consultant and the Auditor to review the feedback on the draft documents. Subject to demolition activities, and Auditor approval of the Work Plan, elements of the Work Plan are expected to commence in 2017.

As a result of discussion with EPA in relation to the third party use of the Water Storage Pond (Ash Pond 2) and potential impact to timing of Clean Up Notice requirements, a path forward will be determined with the Auditor on the basis that the immediate area of the Storage Pond and the surrounding area will not be accessible during the third party usage period, preventing any sampling work to be undertaken outlined in the Work Plan.

ENVIRONMENTAL PERFORMANCE

There have been no non-compliance incidents since the cessation of operations.

IDENTIFIED UNACCEPTABLE RISKS & CLEAN UP PLAN

There have been no unacceptable risk issues identified.

COMMUNICATIONS UPDATE

During this quarter stakeholder engagement continued with representatives from a broad range of sectors including environment, commerce, tourism, education, community, recreation, local residents, holiday home owners, and government.

Alcoa continued to engage with the Anglesea community and key stakeholders through regular Community Consultative Network (CCN) meetings. Held bi-monthly, the meetings provide the opportunity for attendees to discuss the location's environmental, health and safety metrics as well as updates on the decommissioning and remediation activities underway. This forum continues to enable community stakeholders the opportunity to ask questions and receive information about Alcoa. Meeting snapshots are posted on the [Alcoa website](#).

During this quarter, the first CCN meeting for 2017 was conducted on 13 February, and the second meeting conducted on 10 April with 30-35 people in attendance at both meetings. The next scheduled CCN meeting in June will be replaced with a series of community engagement opportunities to gather feedback on the Mine Rehabilitation and Closure Plan, prior to its submission to Government. Alcoa will be hosting "Drop in" sessions where the community can view the plan and provide feedback to Alcoa and an online engagement platform will again be used.

Two "Community Update" advertorials were published in the quarter in March – in the Surf Coast Times and Newsangle.

The Alcoa Anglesea website [www.alcoa.com.au/anglesea] continues to be updated. After submission to the EPA, a copy of this quarterly report will be made available on the website. Previous reports have been uploaded.

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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