

To: The Manager  
Announcements  
Company Announcements Office



### **Public Announcement 2003 – 17AWC**

Attached is a copy of a media release concerning the seeking of State Government approval for an efficiency upgrade to the Pinjarra alumina refinery located in Western Australia, an asset of the Alcoa World Alumina and Chemicals (AWAC) global joint venture between Alumina Limited and Alcoa.

A handwritten signature in black ink, appearing to read "Stephen Foster".

**Stephen Foster**  
**Company Secretary**

3 July 2003

Alumina Limited

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▶ 3 July 2003

## For Immediate Release

### Efficiency upgrade for AWAC Pinjarra alumina refinery

Alcoa of Australia Limited, part of the Alcoa World Alumina and Chemicals (AWAC) global joint venture between Alumina Limited and Alcoa, today announced that it will seek State Government approval for a 600,000 tonne per annum efficiency upgrade of its Pinjarra alumina refinery. A copy of the announcement is attached.

“The Pinjarra efficiency upgrade is part of AWAC’s low cost and low-risk growth strategy,” says John Marlay, CEO Alumina Limited. “Brownfield expansions, such as the Pinjarra efficiency upgrade, are less costly, produce better returns and have less risk, compared to new greenfield projects.”

AWAC has more than 3 million tonnes of low-cost alumina capacity for future development within its existing global operations.

AWAC, the world’s largest alumina producer with a 25% share of world alumina production capacity, is a global joint venture between Alumina Limited (40%) and Alcoa (60%).

#### **For further information:**

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Alcoa World Alumina Australia is the global leader in alumina production and Australia's sixth largest resources sector exporter. Alcoa World Alumina Australia is part of Alcoa World Alumina and Chemicals (AWAC), a global alliance between Alcoa Inc and Alumina Limited. Alcoa World Alumina Australia is an integrated business comprised of bauxite mining, alumina refining and aluminium smelting, with operations in Western Australia and Victoria. Alcoa Inc's other businesses in Australia include aluminium recycling, rolling mills and canned sheet operations, wheel products and fasteners in Victoria and New South Wales.

3 July 2003

# Media Release

## Efficiency Upgrade for Pinjarra Alumina Refinery

Alcoa World Alumina Australia today welcomed the State Government's support for its future growth in Western Australia.

The company will be seeking State Government approval for an Efficiency Upgrade of its Pinjarra alumina refinery (90km south of Perth) – already one of the world's most successful and cost efficient.

The Pinjarra refinery already produces 3.4 million tonnes of alumina per annum, representing about 7% of the world's alumina refining capacity.

Managing Director Wayne Osborn said the AUS\$400 million Efficiency Upgrade of Pinjarra would further improve its global market competitiveness.

"This Pinjarra Efficiency Upgrade will improve yield and represents a highly cost effective means of increasing production capacity by 600,000 tonnes of alumina per annum," Mr Osborn said.

"The Upgrade will increase export revenue for Australia by up to AUS \$160 million per annum and enhance the substantial financial contributions Alcoa World Alumina already makes to the Australian and Western Australian communities each year.

"As a low cost producer, and with secure access to bauxite reserves, our Pinjarra refinery is well positioned to capture future market opportunities and enhance WA's position as the world's leading alumina producer."

Alcoa World Alumina contributes economic and social benefits in the Peel and South West region, spending AUS \$1.1 billion in Western Australia each year.

The engineering study for this Pinjarra Efficiency Upgrade will take about six months. The construction phase will take approximately two years, so the work could be complete by the end of 2005, if government approvals are forthcoming and market conditions warrant. The project will require a construction workforce of up to 1000 people.

Mr Osborn said the company would seek State Government environmental approval and progress the project within a sustainable development framework.

"We will work with our communities to support the economic, social and environmental aspects of the project and ensure the benefits are consistent with the community's vision for the future. Subject to appropriate government approvals, this efficiency Upgrade of Pinjarra could lay the foundation for the company's future growth in WA," he said.

The Pinjarra Efficiency Upgrade would deliver a substantial reduction in energy intensity per tonne of alumina produced. Combined with the co-generation partnership with Alinta, Alcoa World Alumina will achieve significant reduction in greenhouse gas emissions per tonne of alumina produced at Pinjarra.

Mr Osborn said a key driver for the partnership with Alinta was the additional environmental benefits of co-generation.

"These projects will consolidate Pinjarra as AWAC's leading edge and most cost competitive refinery. They will deliver significant additional improvements in efficiency, better use of natural resources, lower energy costs and reduce greenhouse gas emissions intensity," Mr Osborn said.

- Ends -

#### Further Information

Meg McDonald

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Note to editors: "Alcoa World Alumina" should not be contracted to "AWA." This acronym is the registered name of another company.
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**Alcoa World Alumina Australia is a trading name of Alcoa of Australia Limited, ACN 004 879 298**