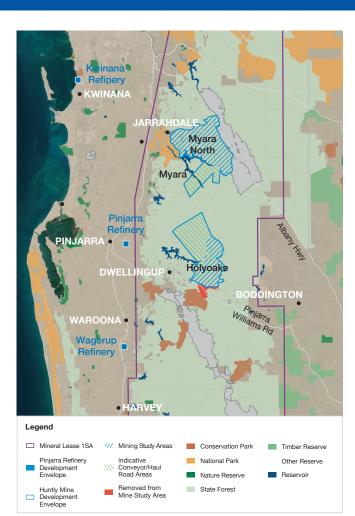
Environmental Assessment

Huntly Bauxite Mine & Pinjarra Alumina Refinery





Overview

Who we are

Alcoa Australia has been operating as an integrated bauxite miner and alumina producer in the south-west of Western Australia since 1963. Our bauxite mines (Huntly, Willowdale) and alumina refineries (Kwinana, Pinjarra, Wagerup) are among the world's best operations of their kind and add considerable value to the nation, state, and local economies. Our operations produce about 45% of Australia's alumina, the feedstock for aluminium. We value our place in the communities where we operate and where we directly employ about 3,900 people.

What we are proposing

As part of our desire to keep adding value and meet contemporary expectations, we are seeking to modernise the environmental approvals for our Huntly Bauxite Mine and Pinjarra Alumina Refinery. In doing so, we have submitted the following plans for environmental assessment by both the State and Commonwealth:

- Increase alumina production at Pinjarra refinery by 5% to 5.25 million tonnes per annum (Mtpa)
- 2. Transition Huntly mine into the Myara North and Holyoake regions (see map)
- 3. Increase the rate of mining to supply up to 2.5 Mtpa of bauxite for export

Since lodging our proposal in June 2020, we have been undertaking extensive studies into relevant environmental, social and engineering factors and have consulted widely with stakeholders and communities.

On the back of this ongoing work, we have varied our proposal with approval granted by the State and Commonwealth. The Holyoake Mine Study Area has been reduced by 1,012 hectares (ha) primarily to address potential amenity impacts on private properties, the Bibbulmun Track and Pinjarra Williams Road. Two study areas covering 299 ha in total have been added at Pinjarra refinery for water storage and associated facilities.

The potential maximum clearing area at the refinery has increased from about 10 ha to up to 89 ha. The potential maximum clearing area for mining has been reduced by the corresponding amount, so from 6,700 ha to 6,621 ha. This is in addition to the 200 ha per year cleared for the operation of the Kwinana refinery.



Pinjarra refinery

Pinjarra refinery currently produces about 4.7 Mtpa of alumina and has approval to produce up to 5 Mtpa.

Production is expected to reach 5 Mtpa in coming years due to efficiency and operational improvements.

Approval to produce up to 5.25 Mtpa would enable continued improvements over time.

There are no plans for a major refinery upgrade.



Huntly mine

Huntly currently mines about 27 Mtpa of bauxite with more than 90% supplied to the Pinjarra and Kwinana refineries.

Bauxite forms in shallow pods, which means a constantly moving mining footprint followed by progressive rehabilitation. Studies are undertaken prior to mining to identify, and where appropriate, protect important environmental, cultural and social values.

Less than a quarter of the Myara North and Holyoake mine and transport study areas would be cleared under our proposal. This would produce enough bauxite to enable Pinjarra and Kwinana refineries to continue to operate for about 10 years along with a small amount for ongoing export. No additional approvals are required for the Kwinana refinery.

Under current plans, the proposed next mining areas would operate from between around 2025-2035.



Bauxite exports

We have approval to export up to 2.5 Mtpa of bauxite until the end of 2021. This is about 7% of the total bauxite we mine in WA each year. The rest is processed at our WA refineries.

Bauxite export improves our productivity and provides additional revenue that is important for the viability of our business. We want to extend the current approval so we can continue to export up to 2.5 Mtpa.

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Our environmental performance and ongoing commitment

Inherent to our values is the protection of the environment and our commitment to the highest standards of performance.

We acknowledge and respect the privilege of operating in an area of Western Australia characterised by jarrah forest, native flora and fauna, and waterways. Over decades, we have acquired considerable expertise in operating sustainably and successfully in this unique ecosystem.

research, with government to develop a comprehensive reserve system in the northern jarrah forest, and with other land users to ensure we can continue to sustainably and successfully coexist.

To date, we have cleared less than 4% of our mineral lease. Over the entire life of our WA operations, we expect to clear less than 8% of our lease. We do not mine in gazetted national parks, nature conservation reserves, old growth forest, or other areas of high conservation value.

We have worked collaboratively on key Of the areas we have cleared, 77% have been rehabilitated and this work is ongoing. We pride ourselves on a rehabilitation program acknowledged globally as leading practice and are proud that self-sustaining jarrah forest ecosystems thrive where we once mined.



Fast facts about our Western Australian operations



3,900 people directly employed in the south-west of WA



\$4.3 million in community contributions in 2020



\$1.6 billion invested with 814



rehabilitated to date



\$641 million paid in wages, salaries and associated benefits in 2020



of our bauxite mineral



\$110 million paid in state and local taxes and royalties in 2020



of our bauxite mineral lease of our operations

Assessment process and opportunity for comment

Our plans for the Huntly Bauxite Mine and Pinjarra Alumina Refinery are being assessed under the State Environmental Protection Act 1986 and the Federal Environmental Protection Biodiversity Conservation Act 1999.

The WA Environmental Protection Authority has set the level of assessment at a Public Environmental Review, the highest level possible. This is the level of assessment we requested as part of our desire to modernise our approvals and be more transparent. The Federal Department of Agriculture, Water and the Environment's assessment is running in parallel.

We are undertaking a range of detailed studies into potential impacts on flora and fauna, water, air quality, greenhouse gases and social surrounds, which includes heritage and recreation. These studies will feed into a detailed Environmental Review Document that will be subject to an eight-week public review period likely in early to mid 2022. The entire EPA assessment process is expected to run until around early 2023. More information about the EPA process can be found at www.epa.wa.gov.au.

Alcoa is committed to being open and transparent about our operations generally and throughout this assessment process for our Huntly mine and Pinjarra refinery. We are continuing to consult widely with interested stakeholders and community members. Contact us via the options listed below if you would like to find out more.