

Minutes from Community Forum / QAL Board Meeting
 4.30pm, 23 February 2011
 Bob Druitt Training Centre



Forum attendees: Kelvin Banks, Col Chapman, John Feddersen, and Frank Bowen

QAL Board Representatives: Demian Reed – Rio Tinto, Geoff Blatch – Rusal, Armando Torres - RTA Bauxite & Alumina Chief Operating Officer,

QAL Representatives: Phil Campbell, Ross Greenhalgh, Michelle Hunter

Apologies:

Andrey Schmelenko (Rusal), Paul and Ros Tooker, Bruce Hunt, Sam Ricciu, Duclie Benn

Agenda:

- Welcome and Introduction – Ross Greenhalgh
- QAL Board views – Board
- Forum discussion points – John Feddersen
- Questions and answers
- Meeting close at 5.30pm

| Minutes / Action | By Whom | By When |
|--|----------------|----------|
| Feedback information from the Forum meeting will be provided to QAL Community Forum Members and published on the QAL website. | Courtney Brown | 11 March |
| Welcome and Introduction – Ross Greenhalgh | | |
| Meeting commenced with a welcome to all community forum members and introduction to the Board members present. This meeting was to provide forum members an update on the business and an opportunity to raise questions in an open discussion. | | |
| QAL Board Views – Demian Reed | | |
| The Board provided community forum members with an overview of the purpose of the day's meeting at QAL and topics discussed with QAL Management. | | |
| Demian Reed: As this was Demian's first meeting with the QAL community forum he provided the group with information on his background and experiences. He introduced Armando Torres, RTA Bauxite & Alumina Chief Operating Officer for Pacific who also shared his background. | | |
| 2010 saw a re-bounce on the global commodities market with industrial demand in double digit growth. This strong demand has been reflected in commodity pricing. | | |
| Safety at QAL during 2010 had improved which was very pleasing, although the all injury frequency rate was higher than | | |

we would like. Alumina quality continued to be constant but production and costs could have been better. Management recently faced challenges with impacts from the flooding in Central Queensland and kept the plant running through an extraordinary time.

QAL currently is focusing on boiler issues and working strategically to maintain a skilled workforce during the current liquefied natural gas industry activity in the local area.

Geoff Blatch:

Rusal has been impressed by the way QAL staff dealt with the recent flooding challenges.

Community agenda items/discussion

1. *Community Forum members stated that whilst odour, dust and alkali issues remain constant it was good that no major alkali incidents occurred. Dust at the wharf remains an issue with odour still a nuisance in near suburbs.*

The forum reported that there were some people in the community who believe raising complaints with QAL will get them no-where.

The Board requested forum members encourage community members to continue formally reporting their issues. The business continues to work towards projects which will lessen impacts on community.

2. *The forum was interested in impacts for QAL on the skill workforce shortages expected with the current LNG projects. They were interested in how QAL will manage this challenge.*

This will be a difficult issue to manage however QAL will be looking at attracting employees to stay to further their careers in the aluminium industries. Construction jobs will entice some of our employees and those from other local industries. We will continue to work on retention strategies however turnover in our contractor workforce may cause greater challenges especially on safety.

3. *Of interest to the Forum were the numbers of 457 visa employees QAL have. How are they housed and where they were from.*

In response to these queries the board explained that QAL has a small number of people from Jamaica working at the plant who are being housed in rental accommodation. A refinery closed in

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| <p>their country and these skilled people were transferred or seconded to QAL.</p> <p>4. <i>An update on developments of Rusal and Aurukun bauxite project was requested by the Forum.</i></p> <p>The Chinalco lease option is in limbo with the Aurukun project not viable in current economic climate. Rio Tinto Alcan's Weipa expansion project is in the feasibility phase and it will be a few years before a decision is finalised. The project will require major infrastructure expenditure.</p> <p>5. <i>The forum was interested to hear about the thermal Oxidiser performance and future development.</i></p> <p>There had been improvement in availability. This topic would be discussed at the next forum meeting.</p> <p>6. <i>The forum requested an update on the boiler performance and the package boiler project.</i></p> <p>The \$9million second package boiler is installed and commissioning commences during March. QAL have been keeping the community informed of impacts during the project with advertising of the delivering to site causing traffic interruptions and steam purging of gas lines to clear any debris. Number 6 boiler is currently under repair and will have asbestos removed during that time.</p> <p>7. <i>Would there be an opportunity to use gas as an energy source at the plant.</i></p> <p>Gas has always been an option for QAL's energy however there is insufficient pipeline capacity to supply the plant's needs.</p> | | |
| Board response: | | |
| <p>Members of the Board again thanked the Community Forum for their contribution and participation.</p> | | |
| Meeting schedules: | | |
| <p>To be Advised.</p> | | |

Meeting closed: 5.30pm