ABOUT THE PROJECT
Aluminium Pechiney, a French company listed on the French Commercial Register, is proposing to construct and operate an aluminium smelter, in the Coega Industrial Development Zone (north east of Port Elizabeth) in the area identified as the metallurgical cluster.

Aluminium Pechiney is the fourth largest primary aluminium producer in the world and the world leader in design and supply of aluminium production technology. Aluminium Pechiney is one company within the Pechiney Group, focussed on the production of primary aluminium and aluminium products. The site at Coega has been short-listed by Aluminium Pechiney in response to market analysis that is anticipating a rise in the demand for aluminium by an average of 2,5% per annum to the year 2010.

WHAT DOES THIS DOCUMENT TELL YOU?
This document provides you, as an Interested and/or Affected Party (I&AP), with background information on the proposed project, as well as information regarding the Environmental Impact Assessment (EIA) process that will be implemented. It further indicates how you can become involved in the project, receive information and raise issues that may concern and/or interest you. The sharing of information forms an important component of Public Participation and provides you with the opportunity to become actively involved in the process from the outset. Public Participation is an important component of the EIA process and together with the scientific studies being undertaken assists in decision-making by the responsible authority.

HOW WAS THE COEGA INDUSTRIAL DEVELOPMENT ZONE IDENTIFIED?
Aluminium Pechiney undertook an international site selection study that identified 11 potential sites for an aluminium smelter. Ongoing negotiations and investigations are underway to source additional information to enable the company to select their preferred site. This analysis led to more detailed investigations of three of the preferred sites, these being Coega in South Africa, and sites in Australia and Argentina. Due to recent economic instability in Argentina, the more detailed studies for this site were stopped. At present, engineering, planning and environmental studies are underway at the South African and Australian sites, with the intention of reaching a decision on the preferred site as soon as strategic agreements are reached. Provision of port facilities and commercially available electricity are important factors in the selection of the Coega site.

WHAT DOES THE PROJECT ENTAIL?
Aluminium is made in a series of large electrolytic cells generally known as “pots”. It is intended that the smelter will operate with new generation smelting technology (AP50) and produce approximately 485 000 tons per annum of aluminium metal. Aluminium ingots (bars) will be the primary product that will mainly be produced for shipment from the proposed port facility to international markets.

The smelter, consisting of an 80 hectare plant area, has three major process components:

1 potline with 336 pots
   The potline will consist of two elongated potrooms measuring 1200m x 30m. Each potroom will house 168 pots, connected electrically in series.
1 Carbon Plant and Rodding Shop
The carbon plant and rodding shop is used for the production of anodes, which are used to conduct electricity into the smelting pots. The expected life of anodes is 640 - 770 hours, requiring them to be replaced on a rotating schedule.

1 Casthouse
Molten aluminium is extracted from the pots and transported to the casthouse. Prior to being cast into ingots, various alloying elements may be added to the metal to attain specific qualities and strengths for different customer requirements.

The major raw materials required for the smelting process are fresh alumina, calcined petroleum coke, aluminium fluoride and liquid coal tar pitch. All of these materials will be transported by ship to dedicated port facilities within the proposed Port of Ngqura. From there, the raw material will be transported via conveyor, truck or possibly a pipeline (in the case of the liquid pitch) to the smelter site. The final product will be stacked and trucked to the port from the smelter, loaded onto ships and exported.

PECHINEY’S PROJECT IMPLEMENTATION PROCESS
Aluminium Pechiney proposes to begin feasibility studies and the approvals process in early 2002, commencing construction by early 2003 and operation in early 2005, as shown in the proposed project schedule below (Table 1).

Table 1: Proposed Project Schedule.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred site confirmed</td>
<td>2002</td>
</tr>
<tr>
<td>Environmental Impact Assessment and Approvals</td>
<td>2002</td>
</tr>
<tr>
<td>Construction</td>
<td>2003 / 2004</td>
</tr>
<tr>
<td>First metal</td>
<td>Early 2005</td>
</tr>
<tr>
<td>Full metal capacity reached</td>
<td>End 2005</td>
</tr>
</tbody>
</table>

It is planned that construction will take 26 months leading to the first metal production early 2005 and full capacity production 8 months after first metal. The duration of the project from beginning of the construction to operation at full capacity is expected to be 34 months. The life of the project is expected to be 30 to 40 years.

ENVIRONMENTAL IMPACT ASSESSMENT (EIA) PROCESS
The EIA is conducted in terms of the EIA regulations under Section 21 of the Environmental Conservation Act (Act no 73 of 1989). The EIA is a good planning and decision-making tool designed to identify the environmental consequences of a proposed project up front in order to minimise potential negative impacts and maximise positive benefits.

An EIA needs to show the responsible authority and the project proponent (developer) what the consequences of their choices will be in bio-physical, social and economic terms. Public involvement forms an important component of this process, by assisting in the identification of issues to be evaluated by the specialist consultants. The environmental studies will follow a two-phased approach to run concurrently with the Public Participation Process.

Phase 1: Issues Based Environmental Scoping Study (ESS) - April to July 2002
The ESS is undertaken in order to identify environmental issues associated with the proposed project and determine which issues require further investigation during the EIA phase. Issues raised are captured in a Draft Scoping Report that is made available for public review. Comments on the report are encouraged to ensure all potential impacts are considered within the EIA process.
Phase 2: Environmental Impact Report (EIR) - April to December 2002
Specialist studies are undertaken to investigate issues of concern identified during Scoping. The following specialist studies have been identified for investigation: Air Quality (including effects of emissions on human health, plants and agriculture), Materials Handling and Waste Management, Water Discharges to the Marine Environment, Socio-Economic Effects, Traffic and Transportation, Environmental Economics, Water Quality (including surface water and stormwater), Noise, and Visual Assessment. These specialist studies were identified based on the CSIR's experience in undertaking EIAs for aluminium smelters in southern Africa, as well as for similar industries; and Pechiney's worldwide aluminum industry experience.

The specialist studies will be initiated in parallel with the Scoping process. This will enable the specialists to analyse baseline information and set-up model studies that will assist the EIA team in understanding the issues raised during the Scoping phase. The findings of the Scoping process will inform the specialist studies, which will only be completed after the Scoping process is finalised.

Findings of the Specialist Studies are integrated into a Draft Environmental Impact Report that is made available for comment. Comments received will be forwarded together with the Final EIR to the Provincial Department of Economic Affairs Environment and Tourism for their decision-making.

THE PUBLIC PARTICIPATION PROCESS
To ensure effective public participation in both the Scoping Phase and Environmental Impact Assessment Phase of the project the following process will be implemented in stages:

Stage 1: Identify and Consult I&APs
The Identification of I&APs and consultation with stakeholder groups to identify issues and concerns for inclusion in the Draft Scoping Report. Networking meetings and a Public Meeting are to be held.

Stage 2: Draft Scoping Report for Public Review
During this stage I&APs will be provided with 21 days to make comments on the Draft Scoping Report and identify any additional issues. Stakeholder meetings, Public Meetings and Open Days are to be held.

Stage 3: Draft EIR for I&AP Comment
The Draft EIR will be released for a 28 day period of Public Comment. Public Meetings and Open Days are to be held.

Stage 4: Focus Group Meetings
The purpose of these meetings will be to facilitate feedback from I&APs on the Draft EIR.

Stage 5: Final Report
The Final EIR and public participation report will be submitted to the Provincial Department of Economic Affairs, Environment and Tourism for their decision-making.

The entire public participation process will be supported by regular communication with I&APs in the form of Public meetings, Open Days, Networking Meetings, written as well as telephonic communication, newspaper advertisements, the distribution of information documents, a question and answer book and Draft Reports for comment. Documentation will also be made available from an EIA website hosted by the CSIR.

WHAT IS YOUR ROLE AS AN I&AP?
If you consider yourself an I&AP in terms of the proposed project we urge you to make use of the opportunities created by the Public Participation Process to raise issues and concerns which affect
and/or interest you and about which you would like more information. Your input forms a key element of the EIA process.

Should you not yet be registered as an I&AP on the Coega Public Participation database we urge you to submit your contact details (name, address, phone numbers) to the public participation consultants indicated at the end of this document. Registering your interest will ensure that you receive regular information on the project, are invited to attend meetings and are informed of the availability of Draft Reports for review and comment.

HOW CAN YOU GET INVOLVED?

1. By responding to our invitation for your involvement which will be advertised in local newspapers.
2. By mailing or faxing a comment form to the public participation consultant indicated below.
3. By attending the meetings/open days to be held.
4. By telephonically contacting the public participation consultant if you have a query, comment, or require further project information.
5. By reviewing the Environmental Scoping Study report within the 21-day period in mid-May to mid-June 2002.
6. By attending the public feedback meetings which will be held during this review period. Should you be registered as an I&AP you will be invited to attend these meetings and the meeting dates will be advertised in local newspapers.
7. By reviewing the Draft Environmental Impact Assessment which will be released in about mid-September to mid-October 2002 for a 28 day comment period. You will also be invited to attend public meetings/open days during this period. The meeting dates will be advertised in local newspapers.

WHO SHOULD YOU CONTACT?

<table>
<thead>
<tr>
<th>Sandy &amp; Mazizi Consulting c/o PAS2005</th>
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<tbody>
<tr>
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<td>, PO Box 23088, Port Elizabeth, 6000</td>
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<td>Phone: 041 – 374 8426</td>
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<tr>
<td>E-mail: <a href="mailto:sjwren@iafrica.com">sjwren@iafrica.com</a></td>
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EIA process information is available on the following website: smelter.csir.co.za