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## Media Release

# Hydro Kurri Kurri site to formally close

The Hydro aluminium smelter at Kurri Kurri will be formally closed, allowing for remediation and redevelopment options for the site to be progressed.

The site was placed into 'care and maintenance' in late 2012.

The full closure decision was based on the overall market situation for aluminium, such as the continued weak macro-economic environment, with low metal prices, uncertain market outlook and strong Australian dollar (AUD) relative to the US dollar (USD).

Hydro has been preparing for a possible closure situation and has been working on plans for the future of the site. These plans will be further developed in consultation with the local community and other stakeholders.

The formal closure decision now marks the start of a long term planning process with no changes to the area likely for at least two years.

The redevelopment of the site will bring a range of opportunities to the local area, including land for businesses to set up close to the new Hunter Expressway, the development of new residential areas, and the preservation of more than 700 hectares of conservation lands.

Hydro Aluminium Kurri Kurri's Managing Director, Richard Brown said the closure decision brings great opportunity to the area.

"The smelter was a significant employer in the region and part of the local culture and identity of Kurri Kurri. The site retains great potential as an important employment centre for the Hunter region, due to its size, existing infrastructure and proximity to the new Hunter Expressway." He said.

"We also believe that portions of the site will be ideal for residential development, close to existing residential areas and in obvious population growth areas."

"We will continue working with Government at all levels and with other stakeholders so that the land can be repurposed for maximum benefit."

Mr Brown stressed that no noticeable changes to the site would happen in the short term.

"We will be taking a planned approach to this project, and will be providing opportunities for input from all stakeholders" he said.

“We expect it will be at least two years before any significant changes start to occur on the site.”

Given the potential for the redevelopment of the Kurri Kurri site, last year Hydro made a submission to the Lower Hunter Growth Plan.

This was to ensure that possible site use alternatives were included in future planning for the Hunter Region.

The aim is to create a balance of employment, residential and environmental opportunities on the 2000-hectare site, with around 1200 hectares earmarked as conservation and rural land.

A large proportion of the land to the North West of the buffer zone holds considerable biodiversity value. It is envisaged that this land will be conserved through a biodiversity offsetting agreement.

In recent months there have been a range of environmental and technical studies undertaken at the site, which includes the buffer zone, and these studies, such as heritage and geotechnical investigations, are continuing.

Hydro is committed to working closely with regulators such as the NSW Environmental Protection Authority in locations where remediation is required,

Hydro is committed to maintaining our good relationship with stakeholders and the local community, and to understanding their views, values and concerns and to keeping them informed and involved throughout the phases of the project.

To this end, Hydro has put together a plan to keep stakeholders informed and will be seeking broader community input.

**Media note:** Richard Brown is currently in Norway and contactable by telephone for further comment.

Please contact Michael Ulph (below) in the first instance.