

## **BILLET CASTER ENVIRONMENTAL LICENCE EXCEEDENCE**

- In late 2010 MM Kembla commissioned a new billet caster.
  - The new billet caster is regulated for conformance with the strictest environmental standards. At a recent licence audit and review, the billet caster failed to meet one environmental standard – namely dioxins.
  - Since this slightly elevated test reading of 0.41 nanograms per normal cubic metre collected earlier in the year we have been working closely with the EPA.
  - The test results we have received are of concern to us as they exceed our licence limits.
  - The most recent test results (preliminary at this stage) indicate readings of 17.2 and 12.9 nanograms per normal cubic metre during operations for testing purposes only. However, we are questioning the validity of these results. The billet caster was not operating when we received the results and has not operated since.
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- While we understand the word dioxin is an emotive word and will be of concern to our employees and the community, it is useful to put the figures into context. A nanogram is one billionth of a gram. A grain of sand weighs around 300,000 nanograms.
  - People can come into contact with low concentrations of dioxins in everyday activities like filling the car with petrol or barbequing.
  - It has been estimated that bushfires may contribute at least 20-30% of the total release of dioxin-like compounds to the Australian environment.
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- The billet caster is currently stopped for a five-week maintenance program while we consult with the EPA, to better understand whether this higher than usual reading is an anomaly and identify the actions required to bring the process back within limits.
  - We have purchased and will fit a new set of filters and frames for the bag house to improve capture and filtration of particulate emissions prior to the resumption of operations.
  - Normal production will not recommence until further test results verify we are back within licence limits.
  - MM Kembla is committed to minimising the environmental impact of our activities on our employees and the community. This will be achieved through the adoption of environmentally sound technologies, and the implementation and maintenance of our Environmental Management Plan. We will continue to apply this policy to the issue at hand.
  - We will continue to communicate with our employees, neighbours and the community.
  - At the present time MM Kembla has adequate stocks of billet and there should be no immediate impact on the supply of product to the market or impact on other parts of the operation.

Colin Weatherstone  
CEO

24 April 2013

For Information 9.00am – 5.00pm Weekdays

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