

**Date: 11 May 2013**

### **MM Kembla Environmental Incident Update**

Over the last two weeks, MM Kembla has undertaken a comprehensive investigation into the cause of the recent high dioxin readings from the Horizontal Billet Caster. As a result of this investigation we believe the cause of the high dioxin readings was the failure of the baghouse.

The baghouse is currently undergoing a complete overhaul, including replacement of all 255 filter bags and thorough cleaning of the ducting and shell. We have also installed additional monitoring equipment.

We have been working closely with the EPA during this time to develop an appropriate strategy for bringing the Billet Caster back into operation and have committed to continuous monitoring of baghouse operations and a program of more frequent testing for dioxin emissions.

As part of this program, it is planned that the Horizontal Billet Caster will resume operations for emissions testing from 27 May 2013, as agreed with the EPA.

We will keep the community informed regarding the results of this testing.