

## **Press Release**

### **Anglesey Aluminium Metal**

**Thursday 13<sup>th</sup> August 2009**

Anglesey Aluminium Metal Limited ( AAM ) confirmed today that smelting activities will end at the end of September when the existing power contract expires. This announcement follows intense efforts by AAM, Unite the Union representatives and members of both the United Kingdom and Welsh Assembly Governments to conclude negotiations positively and secure a means by which primary aluminium production could continue.

A spokesman for AAM said” AAM and its joint venture partners Rio Tinto Alcan and Kaiser Aluminum have assessed a number of alternate solutions. Despite the best efforts of all involved, it has not been possible to reach a viable solution. AAM would like to recognise and thank all those who worked so hard to try and successfully resolve this difficult problem. “

AAM had been negotiating with the Nuclear Decommissioning Authority to try and extend the existing power contract which expires in September this year. Those negotiations failed to provide any breakthrough or agreement.

In the absence of a power contract extension, and in light of economic conditions, AAM announced a closure plan in January 2009. This plan foreshadowed terminating smelting activities in September, with an immediate transition to a remelt business using the casting facilities already at the site. This would preserve approximately 80 jobs.

In April this year, AAM formally entered into consultation with unions to consider the necessary changes moving to secondary remelt activities in September with the necessary changes in workforce numbers.

In July this consultation ended. At that time 140 people were accepted on to a voluntary redundancy programme. Shortly after, the workforce were advised of those who had been successful in securing employment in the remelt business, with the balance of approximately 250 people given notice of compulsory redundancy. Throughout July and early August, the workforce has been patient in understanding the last-minute negotiations with Governments that might have reversed or changed these redundancy notices. This notice today brings an end to that period of uncertainty.

To support employees, Careers Wales and DBM have set up a careers centre on site and are helping people through these difficult times. In conjunction with AAM staff, every effort is being made to help AAM employees in retraining and reskilling opportunities, all aimed at securing future employment.

AAM continues to work in collaboration with the Welsh Assembly Government and the Isle of Anglesey County Council to develop future economic activity

for the area. Recognising the infrastructure already in place, the skills of its people and the land available, AAM is attempting to minimise the impact of today's announcement.

Feasibility studies for a large scale renewable power project located on the site will continue. This is a long term project and key decisions about its application will be known next year.

AAM would like to thank its employees and their families and recognise the patience and resilience shown through this long and difficult period. Providing support and keeping everyone safe remains our highest priority.