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## **Rio Tinto Alcan awards USD 200 million contract to Bechtel**

*Friday, 11 Jul, 2008*

Rio Tinto Alcan announced that it has awarded a contract to Bechtel, worth approximately USD 200 million to conduct the complete engineering, procurement and construction management of the planned approximately USD 2.5 billion Kitimat Modernization Project in British Columbia, Canada. The project would increase production capacity at the smelter by 40%, taking it up to 400,000 tonnes per year.

According to the released, Bechtel received an initial contract in June 2007 for preliminary engineering, feasibility and construction pre-work activity which has already begun. It will have construction site offices in Kitimat as well as engineering offices in both Vancouver and Montreal. Final Rio Tinto Board approval of the Kitimat Modernization Project is expected before end of fourth quarter this year.

The release added that the project would upgrade the existing 54 year old smelter using state of the art AP technology and increase its aluminum production capacity by 125,000 tonnes using hydroelectric power from Rio Tinto Alcan's Kemano power station. It would also reduce greenhouse gas emissions by more than 40% per year. First metal from the modernized smelter is expected in 2011.

Mr Dick Evans CEO of Rio Tinto Alcan said "Rio Tinto Alcan is pleased to announce the signing of this contract, a critical step towards the realization of the Kitimat project. Bechtel brings together a strong combination of aluminum smelting expertise, worldwide presence, and large project experience."

Ms Jacynthe Côté president & CEO of Primary Metal, Rio Tinto Alcan said "This contract with Bechtel will ensure that a state of the art plant with leading edge technology is efficiently installed at Kitimat within a rigorous execution schedule, and is respectful of our high health, safety and environmental standards of performance."

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