



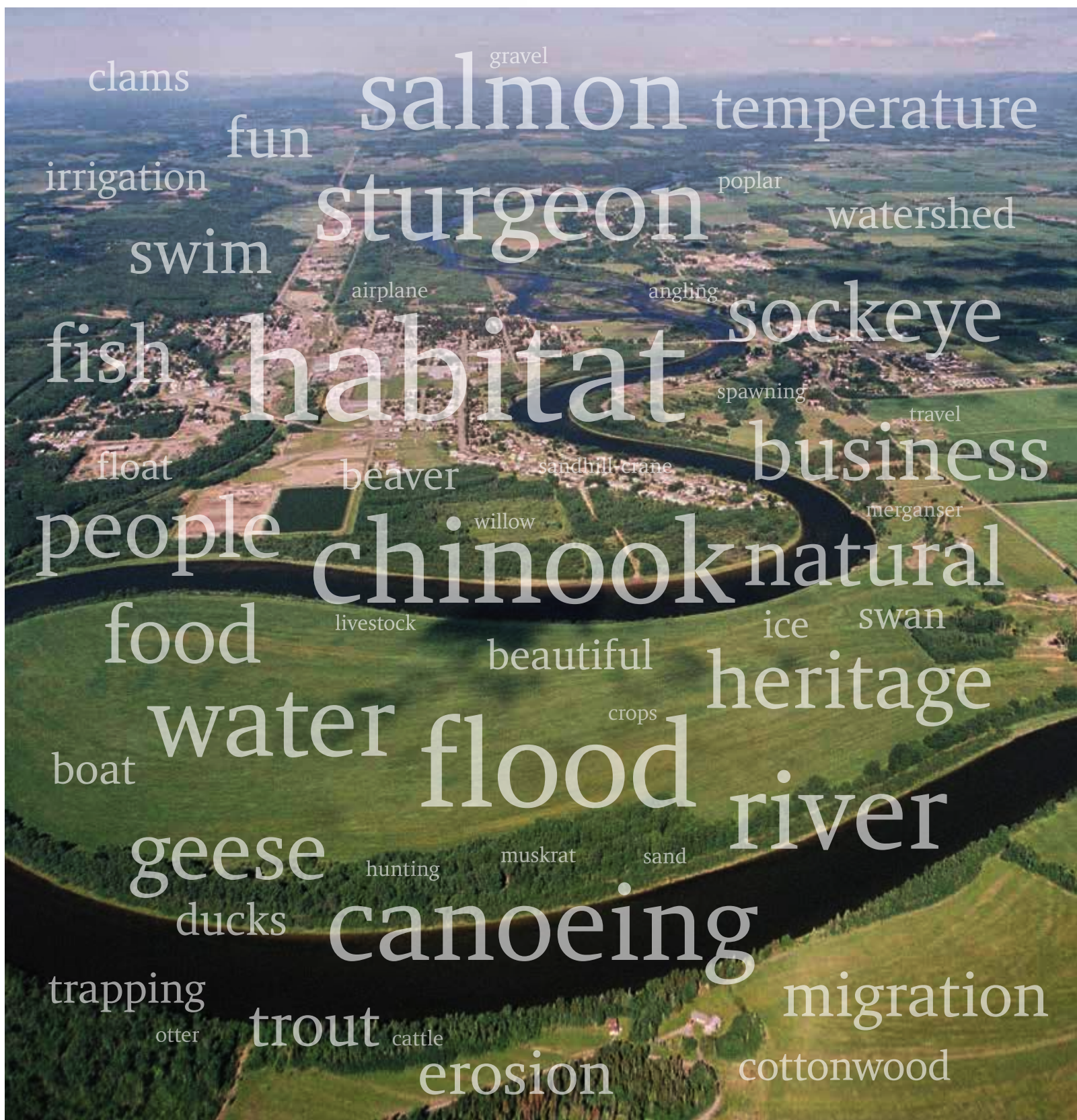
The Nechako Watershed

An important part of our world

The Nechako Watershed has been an integral part of people's lives and livelihood in the region since time immemorial.

At Rio Tinto we are launching a renewed focus on engaging with watershed communities about our operations and related interests. The objective of this engagement process is to identify options for enhancing our operations and in doing so, achieve an improved balance that reflects what matters most to all of us.

We invite you to get involved to make sure your interests are considered well into the future.



The Nechako Reservoir: A complex history

The formation of the Nechako Reservoir

In the 1940s, the BC provincial government invited Alcan to develop an aluminium industry in BC. This led to the construction of the Kenney Dam on the Nechako River and the formation of the Nechako Reservoir to power an aluminium smelter that was being built in Kitimat in the early 1950s. The Kenney Dam, located approximately 90kms southwest of Vanderhoof, and an additional nine other smaller dams now form the Nechako Reservoir. Over the course of time, agreements and a water licence have been put in place specific to the Nechako Reservoir, along with regulatory requirements that govern all reservoirs and dam structures.

Social and environmental effects

The decisions made more than sixty years ago, and operational choices over the years, have changed the Nechako landscape and the environment, impacted ways of life, as well as the relationships we all share. Upstream of the Kenney Dam, the creation of the Nechako Reservoir joined together what used to be a chain of lakes and rivers, into one large lake. Downstream of the reservoir there are impacts in the Kemanu River, the Nechako River, and in particular the Cheslatta watershed.

One example of social and environmental effects is that while the Nechako Reservoir was filling for the first time in the early 1950s, the Cheslatta Watershed was used as a temporary reservoir to provide water into the Nechako River to protect salmon stocks. This decision was not part of the original project plan and required the relocation of Cheslatta Nation families, with very short notice. Additionally, Skins Lake Spillway discharge into the upper Cheslatta River has changed that river and lake system, which contributes to social and environmental impacts today.

Our operations: A careful balance

The unpredictability of the weather is one of the greatest challenges in operating the Nechako Reservoir. Our current decision-making framework considers the full range of historical weather patterns, and continually monitors for any indications of abnormal trends, including the impacts of climate change.

The Nechako Reservoir has a relatively shallow storage capacity. This means that the reservoir fills up quickly in times of high inflow and stored water cannot compensate for consecutive years of low inflow.

In operating the reservoir, water must be carefully managed for safety reasons, to protect fisheries, and to ensure smelter operations in Kitimat are secure. A shortage of water can put the business at risk, while too much water can result in flooding in downstream communities.

A new way of doing business

Rio Tinto is committed to operating a sustainable business that reflects the world around us and the conditions of today. Our new smelter in Kitimat incorporates leading technology that produces one of the lowest carbon footprint aluminiums in the world. We are also investing in improvements to our assets in the Nechako region to ensure our operations deliver benefits to our host communities for many decades. We are striving to be world-class in all that we do, and that includes the way we engage with communities about our operations.

How we manage water

From the time the Nechako Reservoir began operating until 1980, there was no flow management plan specific to the protection of fisheries. In 1980, a temporary flow schedule was developed in response to concerns over salmon, and was eventually adopted as part of the water license. While studies indicate the original objectives of protecting salmon have been met, this water management plan was determined without public input and with a focus on salmon. As we look towards the future, Rio Tinto wishes to engage First Nations, stakeholders, the public and government to identify options for enhancing reservoir operations.

Ongoing monitoring and research

As part of our operations, we monitor and report on a range of topics – from fisheries to weather to snow pack levels. We also contribute to important research to benefit fisheries and the environment. As part of our new way of doing business, we are interested in developing a research and monitoring program that reflects the areas that matter most to you. As such, we want to work with you to help define our future monitoring, research and reporting activities.

Information sharing and engagement

We want to hear from you about your interests regarding our reservoir operations. We encourage you to provide us with your suggestions about what we can do better, including what kind of information you want to have access to, and how we can improve our communications and engagement efforts.



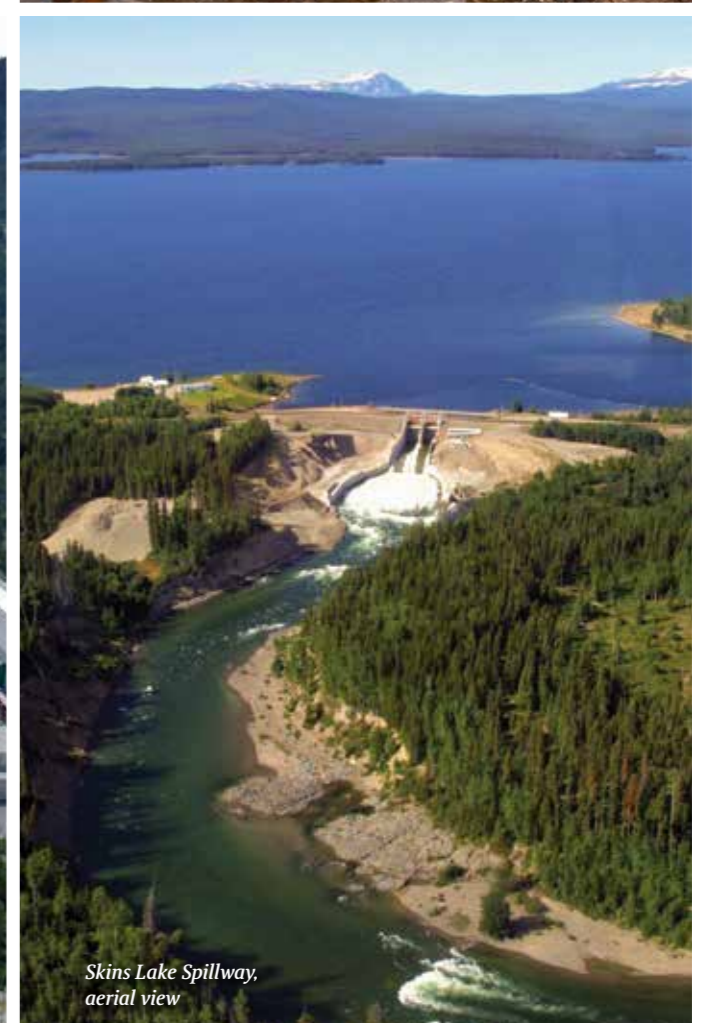
Nechako Reservoir monitoring and Climate Change Research
Rio Tinto collaborates with climate researchers and stakeholders to support long-term planning and studies on the impacts of climate change.



Nechako Fisheries Conservation Program
The Nechako River is jointly monitored by Rio Tinto, Fisheries and Oceans Canada and BC Ministry of Environment. Monitoring includes a summer temperature management program for the benefit of migrating Sockeye.



Nechako White Sturgeon Recovery Initiative (NWSRI)
Rio Tinto is a founding member of the Nechako White Sturgeon Recovery Initiative, which conducts research and monitoring of the endangered Nechako White Sturgeon.





Get involved today

STEP 1 Provide your feedback. We believe that by working together we can make better decisions about our operations.

The first step is to get your feedback about what our engagement process should consider to make sure it meets your needs and reflects your interests – from how you want to be engaged, to what you want to be engaged about. As part of this first step, we invite you to complete a feedback form to help us develop a plan for the future. Once we have received your feedback, we will share what we heard and what the next steps are in the process.

We have established the following tools to obtain your feedback and to make sure you have access to the latest information from us along the way:



Feedback Form: Visit www.surveymonkey.com/r/nechakowatershed to complete a feedback form.



Visit us: If you prefer to complete a feedback form in person, visit one of our local offices to chat over coffee and complete a form.

- **Vanderhoof** – 158 Stewart Street / 250-567 5105
- **Burns Lake** – Evergreen Mall - Unit 3B, 321 Highway 16 / 250-692-4144



Facebook: Follow us on Facebook at [@BCOperations](https://www.facebook.com/BCOperations) to get the most up-to-date information about our operations.



Email us: If you have questions about our operations, email us at NechakoReservoirUpdates@riotinto.com



Website: You can learn about our operations by visiting the Nechako Reservoir page at riotinto.com/bcworks

Learn about our operations:

In 2016 we launched the **Nechako Reservoir Flow Facts**, an interactive web tool that provides real-time data about reservoir activity.

Through this tool, you can access real-time information about how flows are managed to support important safety, environmental and fisheries requirements.



Visit riotinto.com/bcworks/flowfacts to access up to date information about the Nechako Reservoir



Email us at NechakoReservoirUpdates@riotinto.com to register for weekly reservoir updates