

Press Release



FOR IMMEDIATE RELEASE

ALCAN PLEASSED WITH BRITISH COLUMBIA SUPREME COURT DECISION

Alcan calls for renewed cooperation with District of Kitimat

Vancouver, British Columbia, Canada – March 29, 2007 – Alcan is pleased with the decision rendered yesterday by the Supreme Court of British Columbia dismissing the District of Kitimat's 2005 petition. The judgement concludes that there are no restrictions on the Company's use or sale of Kemano power in the legislation or agreements with the Province of British Columbia.

"Alcan is very encouraged with yesterday's decision, and we invite the whole northwestern community to join us in building a climate for economic prosperity through the Kitimat modernization project. We must still meet the conditions required for final approval of the US\$1.8 billion project, but the court's decision is a step forward in ensuring the sustainability of our operations in British Columbia", said Michel Jacques, President and CEO of Alcan Primary Metal Group.

Alcan has sold clean and renewable power generated at the Company's Kemano power plant since the 1950's and BC Hydro recognizes Kemano power as an important resource to support the electricity needs of the BC northcoast region. In dismissing the District's court petition, Chief Justice Donald Brenner of the B.C. Supreme Court stated that, "I conclude that neither the *Industrial Development Act* nor the 1950 Agreement contain language that would restrict Alcan in the decisions it chooses to make with respect to the sale of hydro-electric power generated at Kemano. Specifically, there is nothing in either instrument that would require Alcan to maintain any specific production level at the Kitimat smelter. Alcan is not restricted by either instrument from selling its Kemano power or using it for the Kitimat smelter as it considers appropriate."

Alcan has been consistent in saying that it is in full compliance with all of its legal agreements and permits including the 1950 Agreement. The Attorney General of British Columbia concluded in 2003 that Alcan's activities are consistent with its legal obligations under the various arrangements that led to the development and operation of the Kitimat smelter and the related hydro-electric facilities. The Haisla First Nation, who asserts that the Kitimat-Kemano region is part of their traditional territories, intervened in the court proceedings to support the position taken by Alcan and the Province.

"The legal proceedings and public debate surrounding this issue have created uncertainty for local investment and have been challenging for Alcan's employees and the community as a whole. We now look forward to more constructive pursuits with the District of Kitimat to ensure the realization of this important investment together," added Jean Simon, President, North America, Alcan Primary Metal Group.

Alcan Inc. (NYSE, TSX: AL) is a leading global materials company, delivering high quality products and services worldwide. With world-class technology and operations in bauxite mining, alumina processing, primary metal smelting, power generation, aluminum fabrication, engineered solutions as well as flexible and specialty packaging today's Alcan is well positioned to meet and exceed its customers' needs. Alcan is represented by 68,000 employees, including its joint-ventures, in 61 countries and regions, and posted revenues of US\$23.6 billion in 2006. The Company has featured on the Dow Jones Sustainability World Index consecutively since 2003. For more information, please visit: www.alcan.com.

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