PLAINTIFF'S EXHIBIT
RMC-307

REYNOLDS PLANS SECOND PLANT HERE

Reynolds Metals Co. announced from Washington today that an alumina plant for production of 1,000 tons of alumina daily will be built adjacent to the $80 million aluminum reduction plant in San Patricio County.

Only Layout of Kind

It will be the only alumina plant in this country adjacent to a reduction plant, Keen Johnson, vice president and spokesman for the company, told The Times by telephone from Washington this morning. (An alumina plant processes bauxite into alumina, the reduction plant processes the ore into pigs.)

Construction of the plant makes more imperative the dredging of a proposed deepwater channel along the north shoreline of Corpus Christi Bay, Johnson stated. He was in the capital to consult Rep. John E. Lyle on the channel project.

Johnson said Rep. Lyle "has been most cooperative and agreed to initiate action immediately."

Construction of the alumina plant is contingent upon arranging its financing, Johnson said. He added that construction would start as soon as financial arrangements were made.

"We are hopeful we can get started soon and complete the plant in 10 to 12 months," he said.

Construction of the aluminum reduction plant is scheduled for completion by Jan. 1.

Would Employ 750

Johnson gave no estimate of cost on the alumina plant. He said it would employ approximately 750 persons.

Construction of the alumina plant was contemplated by Reynolds Metals Co. when the 1,700-acre site on Corpus Christi Bay was purchased early this year. The site is sufficiently large for the new project and engineering for it is virtually completed.

The alumina plant would process bauxite shipped directly from Reynolds mines in Jamaica, necessitating a portside site. The U.S. Corps of Engineers has surveyed the channel project and at a public hearing held here in March indicated it would be recommended.

Until the alumina plant and channel are completed, the aluminum reduction plant will process bauxite from mines in Arkansas.