ALUMINA LIMITED

ASX Announcement 3 November 2015

Curtailment of AWAC's Point Comfort Refinery Operation

Attached is a release by Alcoa Inc stating that production at Alcoa World Alumina and Chemicals' Point Comfort, Texas alumina refinery will be reduced by approximately 1,200,000 metric tons per year. The partial curtailment of the Point Comfort refinery is expected to result in a post tax charge of approximately US$4 million for AWAC.

AWAC is a joint venture between Alumina Limited and Alcoa Inc. AWAC is 60% owned and managed by Alcoa Inc and 40% owned by Alumina Limited.

Forward-looking statements

Neither Alumina nor any other person warrants or guarantees the future performance of Alumina or any return on any investment made in Alumina securities. This document may contain certain forward-looking statements, including forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. The words "anticipate", "aim", "believe", "expect", "project", "estimate", "forecast", "intend", "likely", "should", "could", "will", "may", "target", "plan" and other similar expressions (including indications of "objectives") are intended to identify forward-looking statements. Indications of, and guidance on, future financial position and performance and distributions, and statements regarding Alumina's future developments and the market outlook, are also forward-looking statements.

Any forward-looking statements contained in this document are not guarantees of future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Alumina and its directors, officers, employees and agents that may cause actual results to differ materially from those expressed or implied in such statements. Those risks, uncertainties and other factors include (without limitation): (a) material adverse changes in global economic conditions, alumina or aluminium industry conditions or the markets served by AWAC; (b) changes in production or development costs, production levels or sales agreements; (c) changes in laws, regulations or policies; (d) changes in alumina or aluminium prices or currency exchange rates; (e) Alumina Limited does not hold a majority interest in AWAC and decisions made by majority vote may not be in the best interests of Alumina Limited; and (f) the other risk factors summarised in Alumina's Annual Report 2014. Readers should not place undue reliance on forward-looking statements. Except as required by law, Alumina disclaims any responsibility to update or revise any forward-looking statements to reflect any new information or any change in the events, conditions or circumstances on which a statement is based or to which it relates.

This presentation contains certain non-IFRS financial information. This information is presented to assist in making appropriate comparisons with prior year and to assess the operating performance of the business. Where non-IFRS measures are used, definition of the measure, calculation method and/or reconciliation to IFRS financial information is provided as appropriate or can be found in the Alumina Limited's ASX Half-Year Report for the period ended 30 June 2015.

Stephen Foster
Company Secretary

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For investor enquiries:

Chris Thiris
Chief Financial Officer
Phone: +61 3 8699 2607
chris.thiris@aluminalimited.com

Charles Smitheram
Manager – Treasury & Investor Relations
Phone: +61 3 8699 2613
charles.smitheram@aluminalimited.com

For media enquiries:

Nerida Mossop
Hinton and Associates
Phone: +61 3 9600 1979
Mobile: +61 437 361 433

FOR IMMEDIATE RELEASE

Investor Contact
Nahla Azmy
(212) 836-2674
Nahla.Azmy@alcoa.com

Media Contacts
Sonya Elam Harden
(864) 357-1258
Sonya.Harden@alcoa.com

Monica Orbe
(212) 836 -2632
Monica.Orbe@alcoa.com

Alcoa to Curtail Smelting and Refining Capacity To Further Drive Upstream Competitiveness

Production curtailments of 503,000 metric tons of aluminum and 1.2 million metric tons of alumina

NEW YORK, **November 2, 2015** – Lightweight metals leader Alcoa (NYSE:AA) today announced that it is taking decisive action to curtail uncompetitive smelting and refining capacity to ensure continued competitiveness amid prevailing market conditions. The Company will reduce aluminum smelting capacity by 503,000 metric tons and alumina refining capacity by 1.2 million metric tons. Alcoa will begin the curtailments in the fourth quarter of 2015 and will complete them by the end of the first quarter of 2016.

The reductions will further improve the cost position of the Upstream business and ensure competitiveness in a lower pricing environment, including a 30 percent drop in the Midwest transaction aluminum price year-to-date. Alcoa has been aggressively reshaping its Upstream portfolio as part of a successful multi-year strategy to position itself as a low-cost global leader in alumina and aluminum production. Once today's actions are complete, Alcoa will have closed, divested or curtailed 45 percent of total smelting operating capacity since 2007.

"Alcoa has consistently taken decisive actions to create a commodity business that is positioned to succeed throughout the cycle," said Klaus Kleinfeld, Chairman and Chief Executive Officer. "We have closed or curtailed unprofitable capacity, repowered key assets at lower energy prices, built-up a profitable value-add casthouse network, established the foundation for a strong commercial bauxite business, and made substantial productivity improvements. In the face of continued adverse market forces, we are once again not standing still. These difficult, but necessary measures will further strengthen our Upstream portfolio, reducing our cost position and driving greater resilience as we prepare to launch this business as a strong standalone company in the second half of 2016."

In its aluminum business, Alcoa will idle the Intalco and Wenatchee primary aluminum smelters in Washington State, and the Massena West smelter in New York. The Company will not modernize the New York Massena East smelter and will permanently close the facility; potlines at Massena East have been closed since March 2014. The casthouses at Intalco and Massena West, which produce value-add shaped products, will continue to operate. The Alcoa Forgings and Extrusions facility in Massena is unaffected.

In its alumina business, Alcoa will partially curtail refining capacity at its Pt. Comfort, Texas facility by about 1.2 million metric tons.

"Across the globe, we have been taking measures to curtail smelting and refining capacity that is not competitive to improve our cost profile," said Roy Harvey, Executive Vice President and President, Global Primary Products. "Alcoa has a long, proud history at the affected locations and our dedicated employees have worked hard to keep our facilities competitive in the face of challenging market conditions. Unfortunately, today's pricing environment necessitates very difficult decisions. We recognize how deeply these decisions affect our Alcoa family and communities and are committed to working closely with our employees and unions and local stakeholders to support them through this transition."

Once these actions are implemented, Alcoa will have curtailed or closed 673,000 metric tons of uncompetitive smelting capacity and 2.5 million metric tons of uncompetitive refining capacity since its announced review of 500,000 metric tons of smelting capacity and 2.8 million metric tons of refining capacity in March 2015.

Total restructuring-related charges in the fourth quarter of 2015 associated with today's announcement are expected to be between $160 million and $180 million after-tax, or $0.12 to $0.14 per share, of which approximately 30 percent would be non-cash.

As previously announced, Alcoa will separate into two, industry-leading publicly-traded companies in the second half of 2016 – an Upstream-focused company including its Mining, Refining, Smelting, Energy and Casting businesses, and a Value-Add company including its Global Rolled Products, Engineered Products and Solutions, and Transportation and Construction Solutions businesses.

About Alcoa
A global leader in lightweight metals technology, engineering and manufacturing, Alcoa innovates multi-material solutions that advance our world. Our technologies enhance transportation, from automotive and commercial transport to air and space travel, and improve industrial and consumer electronics products. We enable smart buildings, sustainable food and beverage packaging, high performance defense vehicles across air, land and sea, deeper oil and

gas drilling and more efficient power generation. We pioneered the aluminum industry over 125 years ago, and today, our more than 60,000 people in 30 countries deliver value-add products made of titanium, nickel and aluminum, and produce best-in-class bauxite, alumina and primary aluminum products. For more information, visit www.alcoa.com, follow @Alcoa on Twitter at www.twitter.com/Alcoa and follow us on Facebook at www.facebook.com/Alcoa.

Forward-Looking Statements

This release contains statements that relate to future events and expectations and as such constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those containing such words as "estimates," "expects," "goal," "plans," "should," "target," "will," "would," or other words of similar meaning. All statements that reflect Alcoa's expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, statements regarding Alcoa's goal to create a globally competitive commodity business, the expected timing for completing the curtailments, and the expected financial impact of the curtailments. Forward-looking statements are subject to risks, uncertainties and other factors, and are not guarantees of future performance. Important factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements include: (a) material adverse changes in aluminum industry conditions, including global supply and demand conditions and fluctuations in London Metal Exchange-based prices and premiums, as applicable, for primary aluminum, alumina, and other products, and fluctuations in indexed-based and spot prices for alumina; (b) Alcoa's inability to successfully realize goals established in each of its business segments, at the levels or by the dates targeted for such goals (including moving its alumina refining and aluminum smelting businesses down on the industry cost curves and increasing revenues and improving margins in its Global Rolled Products, Engineered Products and Solutions, and Transportation and Construction Solutions segments); (c) Alcoa's inability to realize expected benefits, in each case as planned and by targeted completion dates, from acquisitions, divestitures, facility closures, curtailments, or expansions, or international joint ventures; (d) political, economic, and regulatory risks in the countries in which Alcoa operates, including unfavorable changes in laws and governmental policies, tax rates, civil unrest, or other events beyond Alcoa's control; (e) changes in preliminary accounting estimates due to the significant judgments and assumptions required; (f) the outcome of contingencies, including legal proceedings and environmental remediation; (g) uncertainties as to the timing of the separation and whether it will be completed; (h) the possibility that various closing conditions for the separation may not be satisfied; (i) the impact of the separation on the businesses of Alcoa; (j) the risk that the businesses will not be separated successfully or such separation may be more difficult, time-consuming or costly than expected, which could result in additional demands on Alcoa's resources, systems, procedures and controls, disruption of its ongoing business and diversion of management's attention from other business concerns; (k) the potential failure to retain key employees while the separation transaction is pending or after it is completed; and (l) the other risk factors summarized in Alcoa's Form 10-K for the year ended December 31, 2014, and other reports filed with the Securities and Exchange Commission. Alcoa disclaims any obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law.