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ALUMINA LIMITED

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Attached are the Chairman's, Chief Executive Officer's and Chairman of the Compensation Committee speeches to be delivered at the Annual General Meeting of the Company today.

Stephen Foster
Company Secretary

7 May 2009

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CHAIRMAN'S ADDRESS

Mr Don Morley

Good morning ladies and gentlemen.

My name is Don Morley and as Chairman of Alumina Limited, it is my pleasure to welcome you to the 39th Annual General Meeting of the Company.

There is a quorum present, so I now declare this seventh annual meeting of Alumina open.

I propose that the notice of meeting, which was sent to shareholders in March, be taken as read.

The Minutes from the last Annual General Meeting are available at the registration desk for any interested shareholders.

Before moving to the agenda, I would like to introduce you to my fellow directors.

On my far right is Mr John Pizzey, a non-executive Director.

Next to John is Mr Peter Hay, a non-executive Director.

Next to Peter is Mr Ron McNeilly, a non-executive Director.

Next to Ron is Mr John Bevan, our Chief Executive Officer who was appointed CEO of Alumina, effective 16 June last year.

And finally on my immediate right is Stephen Foster, Alumina Limited's General Counsel and Company Secretary.

The Company's auditor, PricewaterhouseCoopers, is represented by Mr Chris Dodd, who is seated in the front row.

Mr Dodd is available to answer any questions regarding the conduct of the audit and the content and preparation of the Audit Report during the meeting.

This morning I will discuss how Alumina is responding to changing global markets and the outlook for the Company.

Our CEO, John Bevan, will then review the performance of the AWAC business, in which the Company has a 40 per cent interest.

After this, there will be five resolutions to be considered.

First, the 2008 year.

In 2008, underlying earnings declined by 50 per cent to 201 million dollars.

The first half of 2008 experienced a continuation of the strong demand for aluminium and a robust pricing environment that characterised 2007. However, rapid increases in input costs placed significant pressure on margins and profitability.

In the second half of 2008, aluminium prices and demand deteriorated sharply.

This weakness has persisted into this year.

In light of these developments and the uncertain outlook, the Board decided not to pay a final dividend for 2008, consistent with other cash conservation measures. The 2008 interim dividend was 12 cents per share, fully franked.

The Board will review the dividend at each half year in light of current and expected business conditions.

I would now like to comment on the changes that have occurred in global markets and Alumina's response to those changes.

The global banking system in 2008 was affected by the sub-prime debt crisis, the collapse of Lehman Brothers, and bank failures, amongst other issues. This led to declines in bank lending activity, major weaknesses in capital markets and a significant contraction in world economic activity.

The impact of these developments on the aluminium industry was significant. In the second half of 2008, end-user demand for aluminium dropped in major economies. Activity in the key aluminium consuming industries of construction and automotive contracted quickly.

Customers in the aluminium industry also reduced stock levels to improve their working capital position.

Our partner Alcoa, announced a reduction in its aluminium production by 850,000 tonnes per annum. AWAC responded quickly to the decline in aluminium demand, announcing in November 2008 that it would reduce its alumina production by 1.5 million tonnes per year. AWAC has since increased its production curtailment to over 2 million tonnes per year and will continue to optimise production to match demand.

A number of other actions have been undertaken by AWAC and Alumina to reduce expenditure. John Bevan will outline these later in his address.

Shareholders are well aware world equity markets have fallen dramatically. Directors are disappointed in the decline in your Company's share price over the last year. The Board and management are certainly working to change that and achieve an increase in the Company's stock market value.

These changing market conditions have required the Company to undertake a number of capital management initiatives to maintain the Company's financial strength.

In May 2008, 350 million US dollars was raised in an issue of senior convertible bonds, currently convertible at 6 dollars and 75 cents per share. This helped diversify the Company's funding sources.

In mid 2008, our partner, Alcoa, advised that the estimated capital costs for AWAC's Brazilian growth projects had increased, due to the appreciation of the Brazilian currency and higher construction costs.

In August 2008 the Company announced a rights issue to meet our share of these growth projects. The rights issue raised 910 million dollars.

The Brazilian assets are world class and long life, and will further reduce AWAC's average cash cost of production once they are fully commissioned. The projects remain on track for completion this year within the advised cost.

Management started negotiations in 2008 to renew bank facilities well in advance of maturity dates.

In January, the Company extended 229 million US dollars of bank facilities that were due to mature later this year. The Company has also recently obtained agreement on the extension of a 100 million US dollar bank facility that was due to mature next year.

Global capital markets deteriorated significantly in late 2008 and 2009 and remain difficult, with credit markets particularly tight.

Since September 2008 there has been a significant decrease in global prices for alumina and aluminium.

While we have confidence in the quality of the AWAC assets and their resilience during this recession, we cannot predict when conditions in aluminium and debt and equity markets will improve. Directors concluded in the light of such uncertainty it was prudent to raise additional equity. As you know, we announced a 7 for 10 rights issue last week.

In making this decision, the Board was very conscious that shareholders provided funding last year for Alumina's contribution to the completion of its growth projects in Brazil.

However, by raising additional capital now and reducing our debt levels, we are placing Alumina in a position to withstand this recession and be soundly capitalised when market conditions improve.

Alumina has raised approximately 737 million dollars under the Institutional Entitlement Offer which closed on 1 May 2009. The institutional offer has been strongly supported, which is further evidence of the underlying value of your Company's assets and confidence in the longer term future of the business. The Prospectus for the retail entitlement offer will be forwarded by 11 May and the offer closes on 25 May. The Retail Entitlement Offer could raise up to 285 million dollars if fully taken up.

These measures will strengthen Alumina's financial structure during this period of economic uncertainty and volatility.

Finally a comment on the near and medium term outlook.

World capital and commodity markets continue to experience substantial volatility and uncertainty.

Most major western economies, and also China, have eased monetary policy and introduced economic stimulus packages to boost consumer spending, and the housing, construction and infrastructure sectors. The impact of these policy responses on the global economy is still uncertain.

Although the aluminium and alumina market conditions and the outlook have weakened, AWAC has a world class network of low cost refineries, long life bauxite resources, and leading market position. We have confidence in the quality of the AWAC operations and their resilience throughout this current period of downturn. Your Company is soundly capitalised and we are well placed to take advantage of opportunities when the market recovery comes, which it inevitably will.

Finally, I would like to recognise the contribution of all Alumina's management and staff for their work during the past year.

I now invite John Bevan to outline highlights of AWAC's operational performance.

CEO'S ADDRESS

Mr John Bevan

Good morning ladies and gentlemen.

Thank you for your support and your attendance at the 2009 Annual General Meeting today.

This morning, I will discuss AWAC's operating performance and the outlook.

2008 was a year of two quite different circumstances.

In the first 8 or 9 months, demand for aluminium was high in a global economy that was growing strongly. Prices for aluminium were well over 3,000 dollars per tonne. In many ways the market was overheated.

And while prices were high, costs were moving even faster. Costs for alumina rose very dramatically, including oil prices, caustic soda and freight. This suppressed our margins. Added to this was a very strong Australian Dollar which meant that our revenue stream was lower in Australian dollar terms.

During this period the AWAC operations ran smoothly with record production from many of the refineries in the AWAC system, including Wagerup, Sao Luis and San Ciprian. This is even more remarkable, given the Varanus Island gas explosion that disrupted gas supply to our Western Australian refineries in the middle of last year.

The market situation however, changed dramatically in the last third of the year.

Demand for aluminium fell dramatically as the Global Financial Crisis impacted. Prices for alumina and aluminium fell quickly from a high of over 3,300 dollars per tonne to under 1,550 dollars per tonne at year end.

AWAC moved quickly to react to these changed conditions. We curtailed high cost operations, looked to suppliers to support significant cost reductions, reduced the work force and drove the business for cash conservation.

These measures put us in a better position leading into 2009.

The outcome for 2008 was therefore significantly impacted by the volatility of the markets and rapid movements in costs.

The overall result for 2008 for AWAC was an after tax net profit of 592 million US dollars, which was 38 per cent below the prior year.

As part of the cash conservation analysis, we reviewed all capital expenditure. We resolved to put on hold all new growth projects and critically reviewed sustaining capital. Every project was re-examined.

We concluded that the two projects in Brazil were at a stage where they needed to be driven to completion rather than stop. I can advise you that these projects will be completed in 2009 for both the bauxite mine in Juruti and the expansion at the Alumar refinery.

The two projects are also on track to be completed below the 1.4 billion US dollar estimate provided in July 2008.

Construction of the 2.1 million tonnes per annum expansion at the Alumar refinery at Sao Luis is now 96 per cent complete and is now being commissioned.

AWAC has an entitlement of 1.1 million tonnes of alumina from this expansion, adding new low cost production capacity.

The Juruti bauxite mine involves the development of mining and crushing facilities approximately 60 kilometres from the Juruti township, the construction of a rail link for bauxite transportation, and a new port and bauxite handling facilities on the Amazon River.

The initial investment in the 2.6 million tonne per annum bauxite project includes the cost of this infrastructure to support future capacity expansions. This project is largely complete and being commissioned.

These assets are world class. They will further reduce AWAC's average cash cost of production and will serve AWAC well for many decades ahead.

Now lets turn to the markets.

The AWAC Joint Venture made a profit in the first quarter of 2009 of 27 million US dollars. This reflects the fact that AWAC moved early and quickly in 2008 to preserve cash and reduce output from our higher cost refineries.

However, the market remains uncertain….

Global demand for aluminium is expected to contract by a further 7 per cent in 2009. Most of this contraction will occur in the western world where demand for aluminium is expected to decline a further 10 per cent this year, offset by Chinese consumption of aluminium, which is projected to be flat.

Aluminium supply has not yet responded sufficiently to this contraction in demand. As a result, aluminium stocks on the LME have increased threefold to 3,700,000 tonnes. We expect curtailments will continue during the year.

During this time the LME price has declined and today is approximately 1,500 US dollars per tonne.

The alumina market has responded more quickly to this changing demand, partly due to its inherent characteristics, which limits storage.

For smelter grade alumina, AWAC is forecasting that the market will be in balance in 2009.

We remain confident that demand for aluminium, and therefore alumina, will continue to grow strongly over the long term at a rate above GDP. Demand will be driven by its light weighting properties and its suitability for use in construction and transport vehicles.

Now let's turn our attention to Climate Change.

We recognise that the risks of significant climate change are an issue of vital importance requiring action.

As a response to climate change, the Australian Government has proposed an emissions trading scheme, known as the Carbon Pollution Reduction Scheme or CPRS.

Alumina supports the introduction of measures to limit carbon emissions in Australia.

However, the Government must ensure that the export industries do not suffer international competitiveness reductions that lead to carbon and job leakages to other countries.

Whilst there has been constructive consultation as part of the CPRS introduction, Alumina believes that a number of key changes to the scheme are critical to the competitiveness of the Australian alumina and aluminium industries.

AWAC's Point Henry and Portland smelters are energy efficient operations, with greenhouse emissions levels among the best in the world. They are well managed, very cost competitive and valuable assets for AWAC and for our shareholders.

We continuously strive to improve direct carbon emissions from our operations.

The Victorian smelters, like many other Victorian industries, rely on the supply of electricity generated from brown coal. There are only very limited large scale energy supply alternatives here in Victoria. The proposal in the White Paper on how electricity supplies are to be treated, could impose a significant unnecessary additional cost burden on the smelters, and weaken their competitive position.

In addition to the CPRS, there is added potential for additional significant cost impact from the Australian Government's expanded renewable energy target.

In our industry, we have made large reductions in emissions over the last 20 years.

However the incremental improvements that can be made with the existing technology are much smaller.

We must look to innovative solutions to supplement our efforts.

We are concerned that having a narrow range of permissible offsets or credits might stifle innovation.

We welcome the proposed amendments to the original timetable and other changes made by the Government this week. However, there is still a lot of work to do to get the regulatory framework right. We look forward to ongoing dialogue.

So, in conclusion.

The markets we operate in are challenging and uncertain.

Your Company, however, is well placed to withstand the current market downturn. We have world class, low cost assets that will provide strong upside to an improvement in market conditions when it occurs.

I would like to thank the staff of your Company for their commitment and hard work over what has been a very volatile year.

Thank you.

REMUNERATION REPORT

RON McNEILLY

Good morning.

As Chairman of Alumina's Compensation Committee, I wish to comment briefly on Remuneration Policy and specific decisions made by the Committee during 2008.

The Chairman will answer questions on the Remuneration Report and propose a resolution to adopt the Remuneration Report for the year ending December 2008.

Remuneration Policy –Executives

Our remuneration policy has been designed to establish a clear link between Company performance and executive remuneration.

We are committed to ensuring that executive remuneration is aligned with shareholder interests, designed to reward and recognise superior executive performance and retain high quality executives and managers to achieve long term results for Alumina shareholders.

Executive remuneration is reviewed annually by the Compensation Committee.

Executive rewards are determined by three factors: individual performance; company performance; and market position.

Individual Performance – remuneration reflects individual performance based on the Executive's performance and results achieved against specific goals and personal objectives, set for each Executive for the year under review.

Company Performance – share-based remuneration for Executives is based on the relative performance of the Company measured against peer group companies' Total Shareholder Return for long term incentive awards.

Annual short term incentive awards are measured partly against targets for earnings per share and return on capital.

Market Position – Alumina Limited is an international business and remuneration levels need to be competitive with comparable Australian organisations to ensure that the Company attracts and retains high-performing employees.

Let me now comment on remuneration decisions in 2008.

Firstly, I note that we have not changed the remuneration policies that were endorsed at last year's meeting of shareholders.

Mr Bevan commenced as the Company's Chief Executive Officer on 16 June 2008.

Mr Bevan's fixed annual reward, short term incentive and long term incentive arrangements were the same as our previous Chief Executive Officer. In addition, Mr Bevan's fixed annual reward was unchanged for 2009.

Mr Marlay, the Company's previous Chief Executive Officer, provided 12 months' notice of his resignation from that position and ceased employment with the Company in July 2008.

Mr Marlay received a payment in lieu of part of the 12 months' notice period in accordance with his contract of employment.

The Chairman has discussed the challenging global economic and market conditions facing the Company.

It is in that light that non–executive directors determined that non–executive directors' fees and the Chief Executive Officer's fixed annual reward for 2009 should be frozen at 2008 levels.

We have also endeavoured in 2008 to produce a Remuneration Report that is more easily understood by the reader.

I trust shareholders will agree that our executive remuneration policy is competitive, fair, and fully aligned with shareholders' interests.

Thank you.