

Alumina Limited

John Bevan
Chief Executive Officer

Ken Dean
Chief Financial Officer



17 June 2008

ALUMINA
LIMITED

Disclaimer

Some statements in this release are forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. Forward-looking statements also include those containing such words as “anticipate”, “estimates”, “should”, “will”, “expects”, “plans” or similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual outcomes to be different from the forward-looking statements. Important factors that could cause actual results to differ from the forward-looking statements include: (a) material adverse changes in global economic, alumina or aluminium industry conditions and the markets served by AWAC; (b) changes in production and development costs and production levels or to sales agreements; (c) changes in laws or regulations or policies; (d) changes in alumina and aluminium prices and currency exchange rates; (e) constraints on the availability of bauxite; and (f) the other risk factors summarised in Alumina’s Form 20-F for the year ended 31 December 2007

Forward-looking statements that reference past trends or activities should not be taken as a representation that such trends or activities will necessarily continue in the future. Alumina Limited does not undertake any obligations to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements which speak only as of the date of the relevant document.

Alumina Limited – Present and Future

- Alumina Limited – Strong earnings record
- Market Outlook – Fundamentals are positive
- Aluminium – Confidence in the future
- AWAC Growth – New capacity in 2009



Alumina's Core Strategy

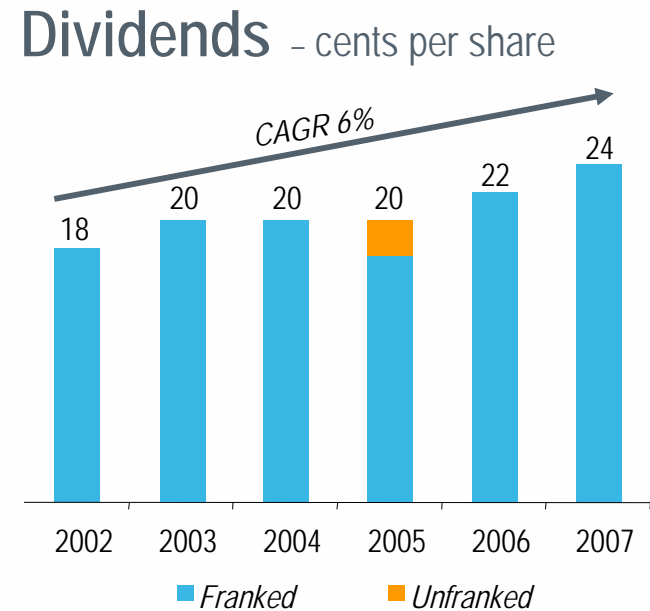
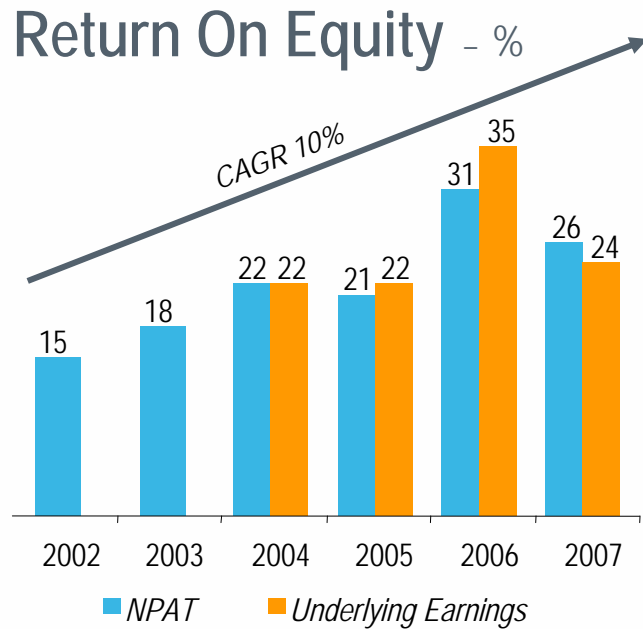
Strategy

- Long term capital growth, with substantial dividends
- Profitable business growth from AWAC expansion

Delivering Value

- 2007 Underlying Earnings – A\$405m
- Dividend up 9% to 24cps
- A\$250m share buy-back
- 24% ROE (underlying)
- Pinjarra and Jamalco – 800ktpa new AWAC capacity
- Juruti – greenfield mine upgrading long term bauxite resources
- Alumar – brownfield refinery expansion on line 2009
- Strong AWAC dividend flow

Shareholder Returns – Growth Scorecard



- 2007 ROE (underlying) – 24%
- Significant investment in new production capacity

- Dividend – grown at 6% CAGR to 24 cps fully franked

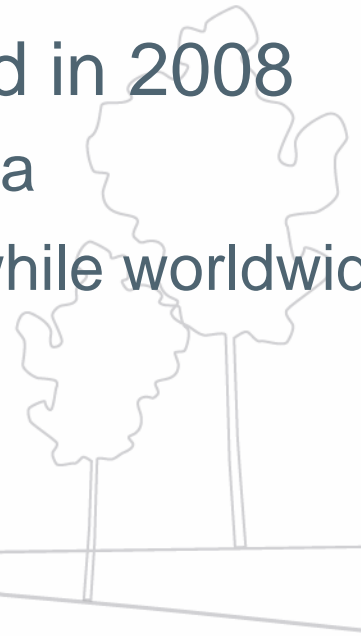
Alumina Limited – Funding Our Future Growth

- 2008 Funding:
 - AWAC 100% dividend payout
 - Underwritten DRP
 - US\$450 million maturing bank facilities extended
 - New funding arranged
 - US\$150 million, 3 year bank facility
 - US\$350 million 5 year convertible bond



Aluminium Market – Strong Fundamentals

- Global demand growing strongly
 - Consumption doubling by 2020 – China the main driver
 - Capacity – more than twice growth rate of past 20 years
- Aluminium market trending to balanced in 2008
 - Smelter curtailments in China, South Africa
 - Developing economies' demand strong, while worldwide demand slowing

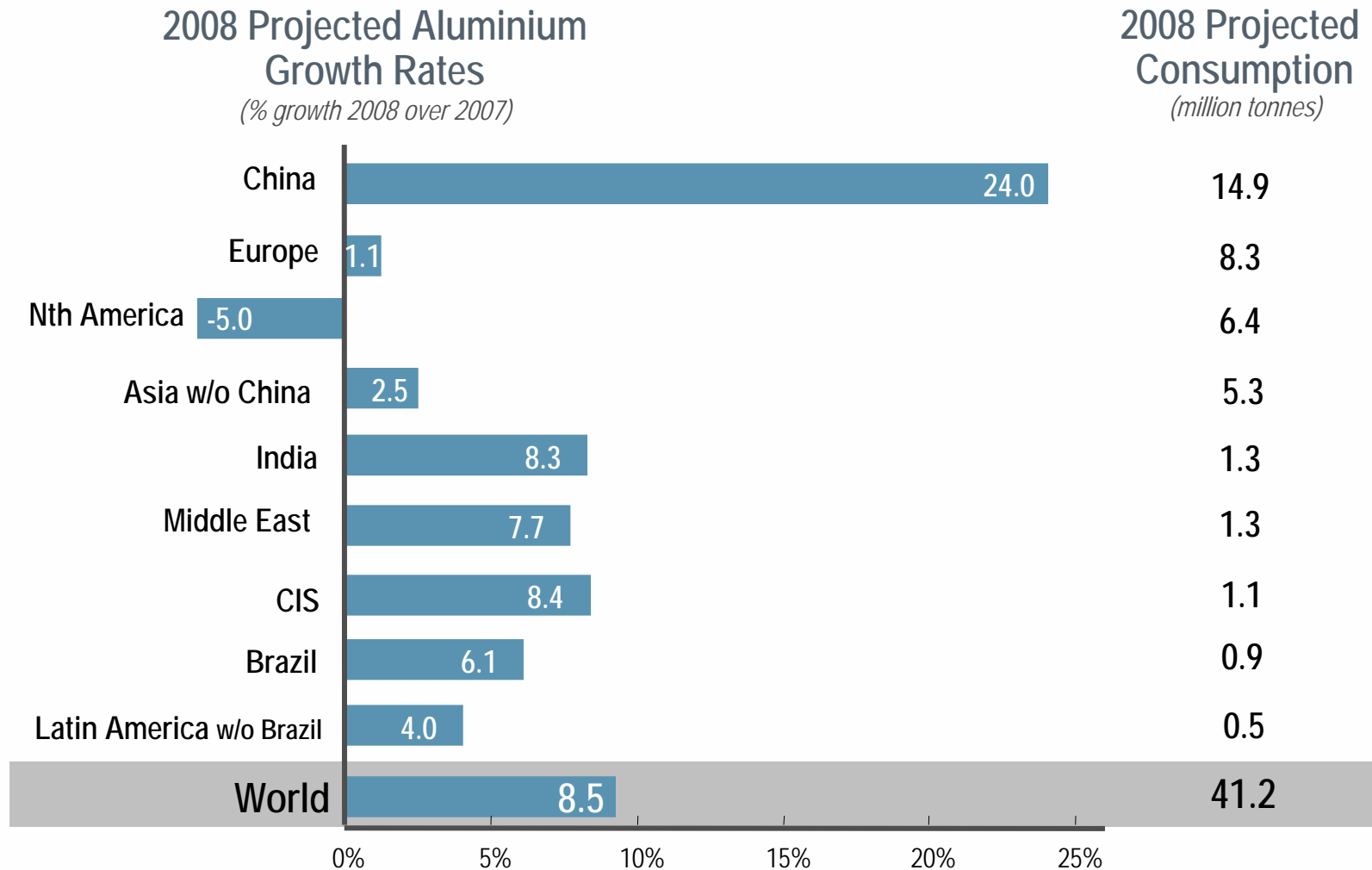


Aluminium Market – Strong Fundamentals (cont'd)

- LME prices higher
 - Power disruptions impacting short term supply
 - Medium term demand growth is strong, with higher marginal cost
- Smelting and refining – a new cost environment
 - Raw material costs higher
 - Energy prices driven by world oil prices
 - Currency appreciation at producer locations
 - Impact of ETS in Australia and globally from 2010
 - Construction cost escalation continues

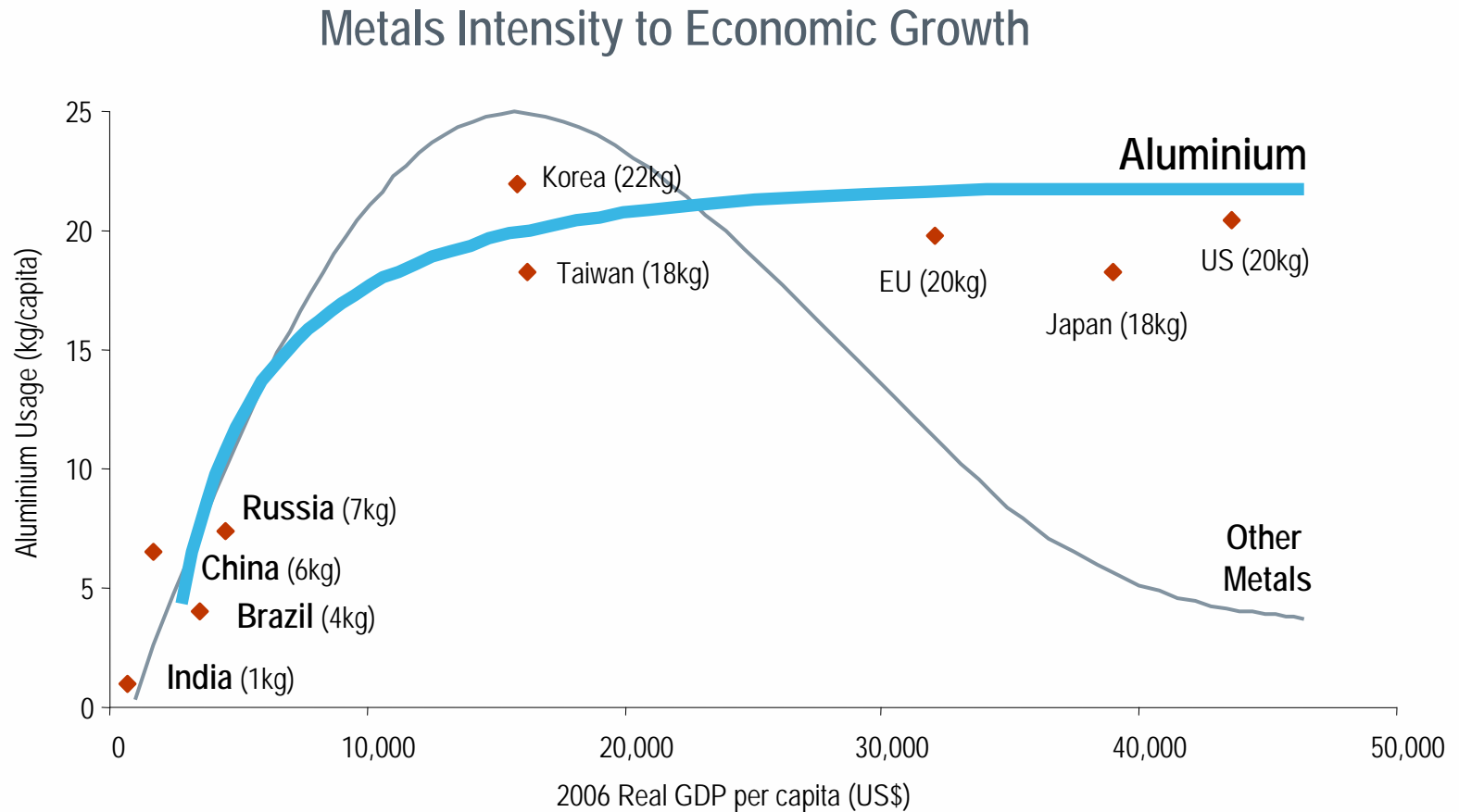


Aluminium – 2008 Consumption Growth



Source: Alcoa – April 2008

BRICs Driving Strong Long Term Growth



Source: ANZ Bank, Datastream WMBS

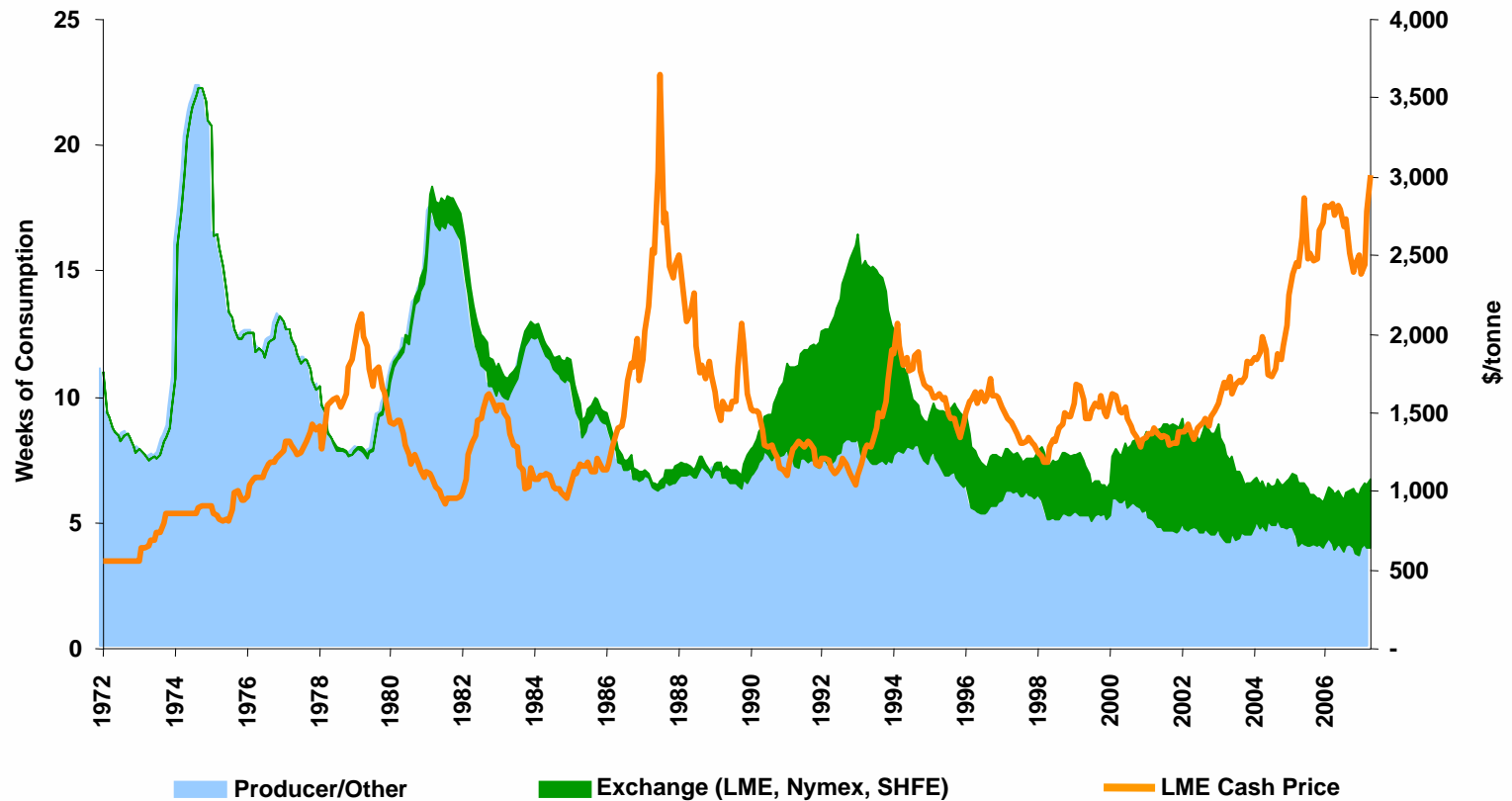
Alumina – Tight Global Supply

- Global market close to balanced in 2008
- Chinese refining capacity additions
 - China alumina imports are stable
 - High production costs of new capacity
- Higher energy and weaker US\$ are major drivers of 2008 industry costs
- Western Australian gas supply uncertainty
- Spot prices – trending higher



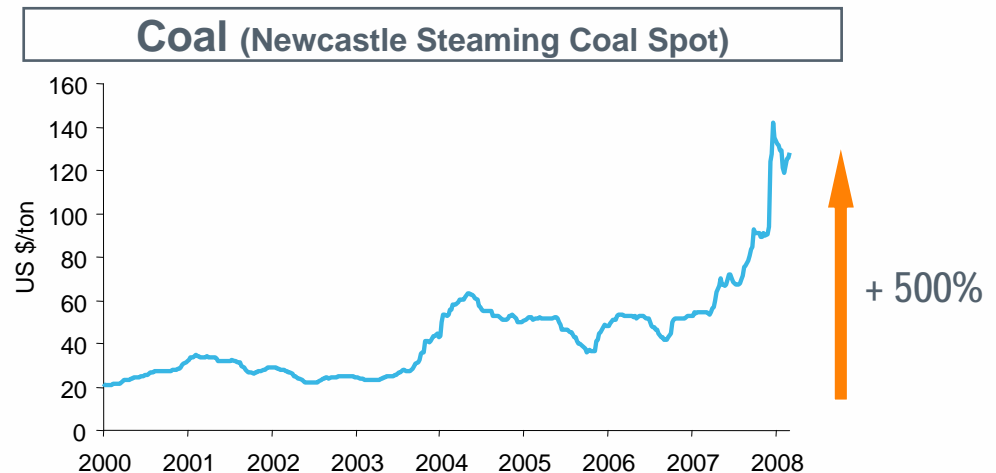
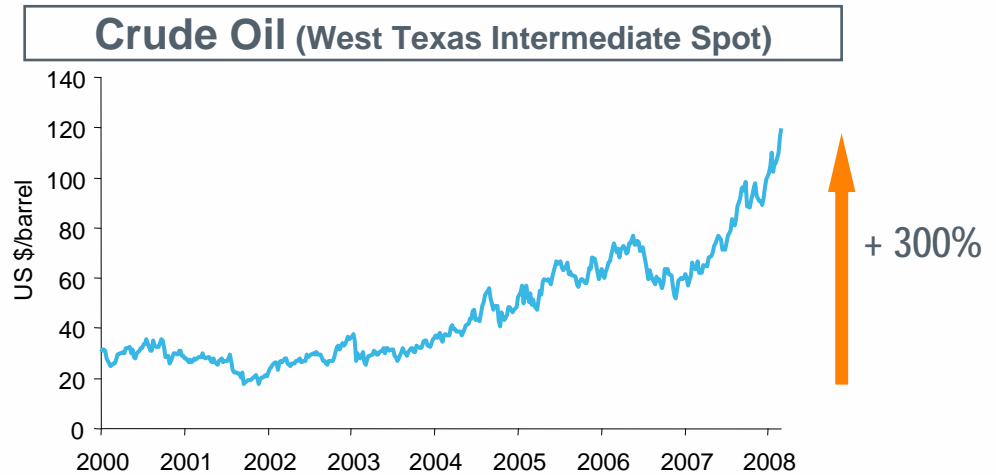
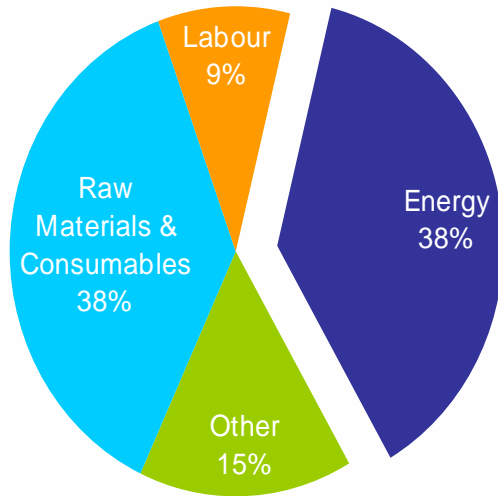
Higher LME Prices, Lower Inventories

Aluminium Prices and Reported Stocks



Source: LME, Macquarie Research April 2008

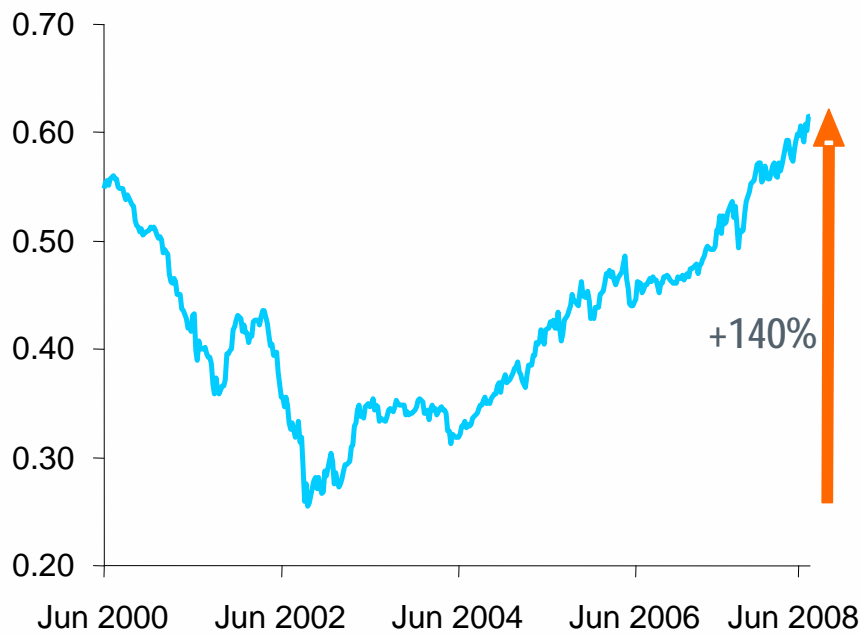
Energy – Pushing Up Aluminium Production Costs



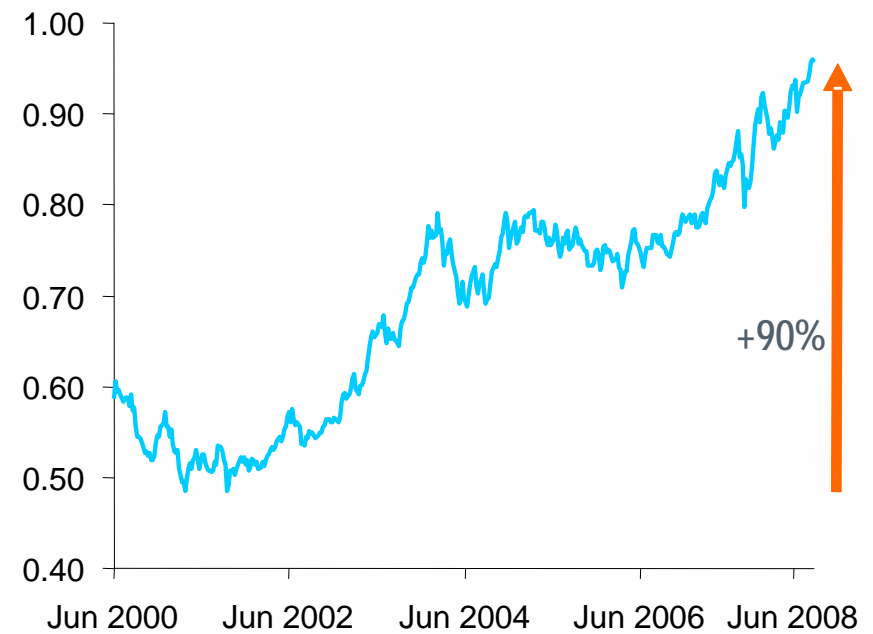
Source: Brook Hunt, Bloomberg

Weaker US\$ - Pushing up Alumina Production Costs

BRL / USD

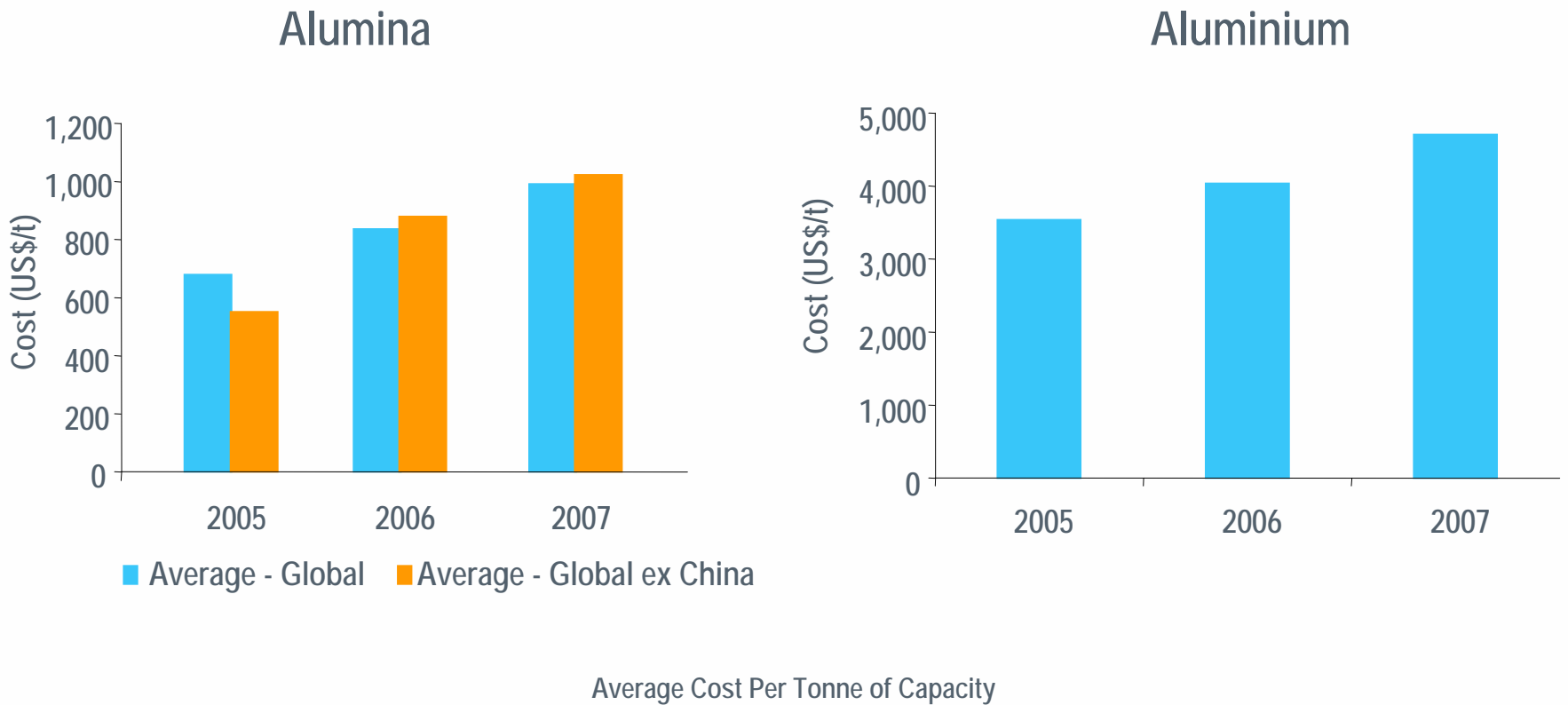


AUD / USD



Source: Bloomberg

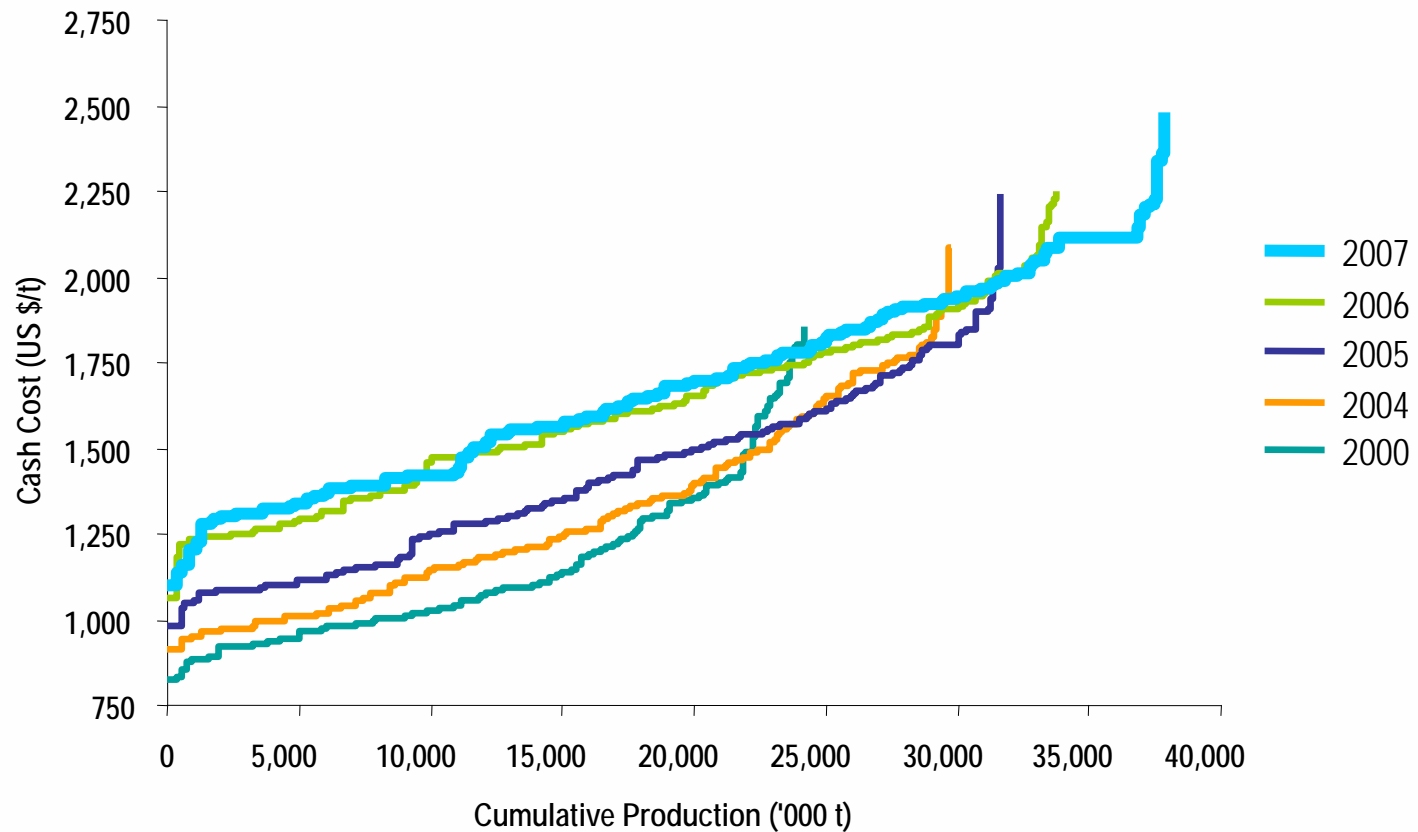
Escalating Construction Costs for Resource Projects



Source: Industry Periodicals

Higher Floor for Long Term Price

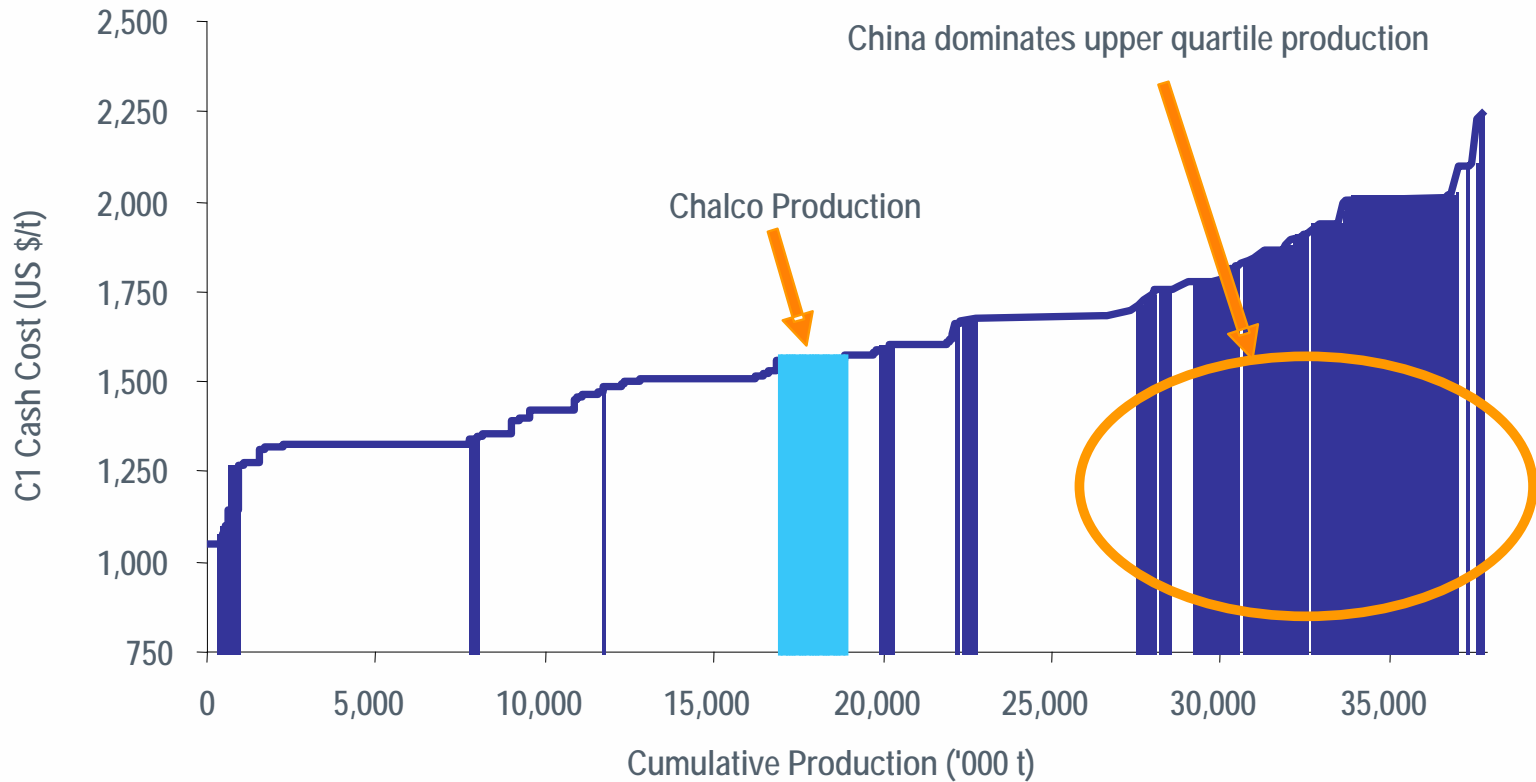
Aluminium Production Cost Curve



Source: Brook Hunt

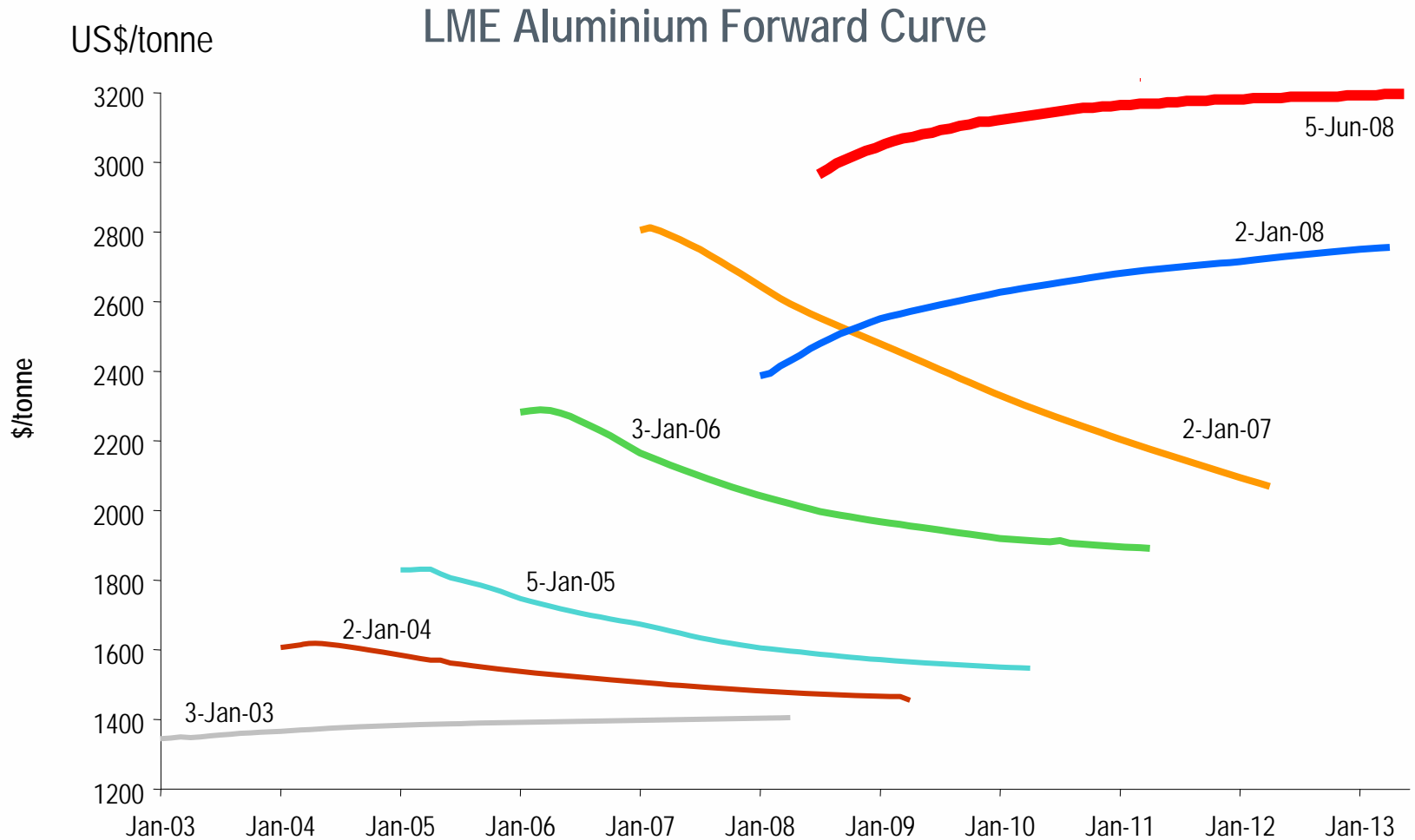
New China Production – High Cost Capacity

2007 Aluminium Production Cost Curve



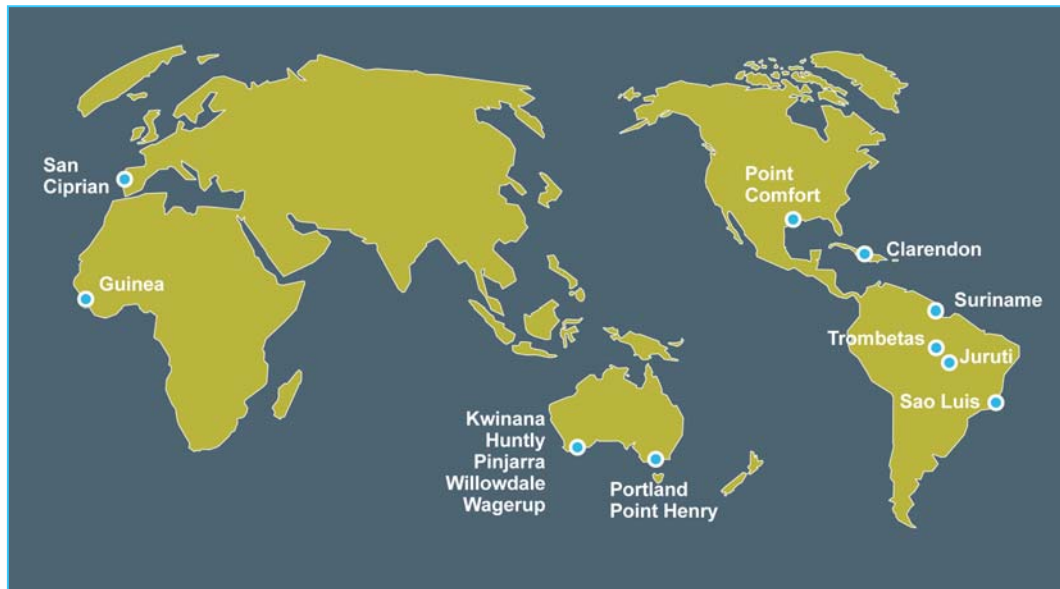
Source: Brook Hunt

Aluminium – Forward Price Evolution



Source: LME, May 2008

AWAC – World Class Business



- Long life, low cost positions in bauxite and refining
- Industry-leading productivity
- Production close to markets
- Greenfield and brownfield growth opportunities

AWAC Growth – Alumar Refinery

- AWAC production expansion
 - Largest refinery expansion 1.4 → 3.5mtpa
 - AWAC share – 1.1mtpa increase
 - Post expansion – lowest quartile cash refining costs
 - Production ramp up from 1Q 2009



Alumar Refinery



Alumina Storage



Digestors



Precipitators



Port

AWAC Growth – Juruti Bauxite

- Greenfield bauxite mine
 - Initial capacity 2.6mpta – 100% AWAC
 - Mining, bauxite beneficiation and rail link to port well advanced
 - First bauxite production – 1Q 2009
 - Infrastructure investment for future expansion
 - Long life bauxite resource



Juruti Bauxite Infrastructure



Mine site crushing & rail head

Stockpile, loading and port



Source: Alcoa Jan 2008

Juruti Mine Construction



Washing plant



Wharf Construction



Railroad from mine to port



Sub-station

Alumina – A Growth Investment

- **Aluminium market**
 - Strong fundamentals and demand outlook
- **AWAC production**
 - Adding low cost capacity and growth
- **Alumina Limited**
 - Well positioned to create new value



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