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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

1 May 2008

Alumina Limited

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CHAIRMAN'S ADDRESS

<u>Mr Don Morley</u>

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 38th Annual General Meeting of the Company.

As well as Alumina Limited shareholders here in Melbourne, I also welcome those joining us through the internet.

There is a quorum present, so I now declare this sixth 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, who is standing for election today.

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

Next to Peter is Mr Mark Rayner, a non-executive Director, who is retiring as a Director at the conclusion of today's meeting.

Next to Mark is Mr Ron McNeilly, a non-executive Director, who is standing for re-election today.

Next to Ron is Mr John Marlay, our soon to be retiring, Chief Executive Officer.

I will shortly make some further comments about John.

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

I would also like to introduce Mr John Bevan.

Mr Bevan has been appointed CEO of Alumina, effective 16 June this year.

Mr Bevan has had a long career with the BOC Group, including as executive director of BOC with responsibility for a global business line.

Directors are confident his strong commercial and operational experience gained through operating in joint ventures in many parts of the world, particularly Asia, will benefit our shareholders and continue the development of the AWAC joint venture.

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

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 Alumina's strategy, 2007 financial performance, and the outlook for the Company.

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

The Chairman of the Compensation Committee, Mr Ron McNeilly, will comment on the Company's remuneration policies and specific decisions taken by that Committee.

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

Alumina Limited's Strategy

Firstly I want to discuss Alumina's strategy.

Our strategy is to participate, through AWAC, in bauxite mining, alumina refining and selected aluminium smelting operations, where they support our alumina refinery objectives.

This strategy is based on our high quality assets and the fundamental attractiveness of the alumina and aluminium markets.

AWAC is an integrated global network of bauxite mines and alumina refineries, strategically positioned to supply key global markets with alumina, the primary raw material in the manufacture of aluminium.

AWAC's alumina refinery operations are located across five continents, and we have two low cost aluminium smelters in Victoria.

Worldwide demand for alumina and aluminium increased significantly in 2007, growing at the most rapid rate for decades.

The largest growth has come from China, which is the world's largest consumer of aluminium.

This growth in aluminium consumption in China, but also Brazil, Russia, India and other developing countries, is expected to continue strongly.

This growth is underpinned by the attractive fundamentals of aluminium in applications required in these urbanising economies.

Aluminium consumption is forecast to double by 2020.

This growth outlook illustrates why aluminium and alumina businesses are so attractive to your Company.

During this resource boom to date, aluminium prices have not illustrated the rapid rise experienced by other commodities.

This has been largely because additional competitive alumina and aluminium capacity has been built in China, keeping pace with domestic demand growth.

The modest price increase has undoubtedly encouraged increased consumption and substitution.

The resource boom has put pressure on the prices of energy and other commodities used in alumina production, so reducing margins.

In the medium term however, rising energy prices and costs in China, which are now starting to be evident, are expected to slow the growth in production capacity in China and increase operating costs.

This is likely to be favourable for the alumina market and aluminium and alumina prices.

AWAC is the world's largest alumina producer, with scope to expand capacity at its lowest cost refineries.

Recent capacity growth at the Pinjarra and Suralco refineries is delivering additional low cost production and we are also investing in new alumina and bauxite projects in Brazil.

Finally, AWAC has very attractive opportunities for expansion, notably the Wagerup refinery in Western Australia.

Our strategy of investing in AWAC, and its expansion to meet a growing alumina market, provides the greatest potential to meet Alumina Limited's objectives of providing long term capital growth and substantial dividends to shareholders.

The risks arising from significant climate change are a critical worldwide social, political and business issue.

We recognise those risks and over many years, AWAC has been reducing the greenhouse gas intensity of its operations.

Initially, aluminium production is energy intensive, however, over an extended period its use in preference to other materials, diminishes greenhouse gas emissions due to its lower weight and greater recyclability.

John Marlay will speak on AWAC and Alumina Limited's plans on this subject in his address.

2007 Performance

Let me now review the 2007 year.

In 2007, underlying earnings declined by 29 per cent to 406 million dollars. Return on equity was 24 per cent.

Higher alumina and aluminium prices in 2007 were more than offset by a stronger Australian dollar and higher AWAC operating costs.

This reduced AWAC's operating margins.

This trend is affecting all producers across the alumina and aluminium industries.

The aluminium price has increased in the first few months of this year in response to higher energy costs, power constraints and the expectation that China's aluminium production capacity may not keep pace with consumption.

AWAC funding arrangements provide the AWAC partners with additional dividends from Alcoa of Australia for funding AWAC's capital projects.

This has meant an increased flow of franking credits to the Company.

Our objective of promptly distributing franking credits has been an important factor in increasing dividends to shareholders, undertaking the share buy-back, and introducing a new dividend reinvestment plan.

The 2007 dividend was increased from 22 cents per share to 24 cents per share, fully franked.

The Board's intention, subject to business conditions, is to maintain annual dividends at least at 24 cents per share, fully franked.

The Company also completed a 250 million dollar off-market share buy-back in May 2007, at a 14 per cent discount to the then market price.

Shareholders benefited from the franking credits received under the share buy-back.

The Company instituted a dividend reinvestment plan earlier this year.

The issue of shares under the dividend reinvestment plan was underwritten for the 2007 final dividend.

It is intended the issue of shares under the 2008 interim dividend will also be underwritten.

The Company invested significant capital on AWAC's growth projects in 2007.

John Marlay will review these projects further in his address.

Alumina's net debt was 977 million dollars at year end, compared with 419 million dollars at the beginning of 2007.

The increase in debt reflects contributions to AWAC's expansion of the Brazil projects, and the buy-back of Company shares last year.

Alumina Limited received 445 million dollars of dividends from AWAC in 2007, while 489 million dollars was invested in AWAC's growth projects.

As part of our process of succession planning, Mr John Pizzey joined the Board in June 2007 and is standing for election at this meeting.

Mr Pizzey is a director of Amcor and Iluka Resources, and was a director of WMC Resources.

In addition to his extensive experience as a non-executive director, Mr Pizzey brings a comprehensive knowledge of the alumina business.

He had a 30 year career with the Alcoa Group, and in his final position was responsible for managing all of Alcoa's primary aluminium and alumina operations.

After six years of valued service, Mr Mark Rayner will retire as a non-executive director of Alumina Limited at the conclusion of today's meeting.

Mark has been a very effective and valued member of the Board.

On behalf of all the directors, I would like to thank Mark for his contributions to the Company's strategy, understanding of the alumina and aluminium industries, and his work as Chairman of the Audit Committee.

On behalf of all directors and shareholders of the Company, I wish Mark and his wife Carolyn and family good health and success in his retirement.

Outlook

Let me now move to the outlook for 2008.

World capital markets have experienced substantial volatility over the past year.

The impact on US and global economic activity is still uncertain.

However, demand for aluminium and alumina has remained robust.

In the near term, on the basis of forecast supply and demand, alumina prices are expected to remain firm.

We anticipate that higher costs, tightening supply and the strong demand outlook will continue to support alumina and aluminium prices.

A significant influence on the aluminium price will be the availability and cost of power to the aluminium smelting industry in China.

Aluminium prices have risen in recent months as production capacity has been curtailed as a result of energy constraints.

Most of AWAC's alumina sales contracts are based on LME aluminium prices, albeit with a lag.

Global demand for aluminium and alumina has grown at historically high rates in recent years, and this is expected to continue in 2008.

China, the world's largest aluminium market, is expected to again be the driving force in global consumption growth this year.

The aluminium industry fundamentals remain strong.

The industry dynamics of recent years have seen higher values for assets with long lives, high quality bauxite resources, and a sustainable low cost position.

AWAC's established refineries and expansion capabilities leave it well positioned.

Since the end of the year, aluminium prices have risen by 23 per cent to $3000 per tonne.

However, AWAC's operating costs are expected to increase in 2008, due to a weaker US dollar, higher energy and caustic prices, and increased bauxite shipping costs.

As previously announced, John Marlay will leave Alumina to pursue other opportunities.

John joined WMC in 2002 and steered Alumina through the demerger, becoming our first Chief Executive Officer.

In the five and a half years he has been in this role, he has actively shaped our relationship with our partner, Alcoa.

John has been focused on outcomes and in a joint venture where we are the minority partner and not the manager that is dependent upon his leadership and persuasive skills.

He has done this with great effectiveness.

John came from outside the aluminium industry but immersed himself, not only in the operations of AWAC, but also the industry bodies which help to influence the environment and policies in which we operate.

He is Chairman of the Australian Aluminium Council and was a member of the Prime Minister's Taskforce on emissions trading, which submitted a landmark report to Government last year.

We have been very fortunate to have had John lead us during this crucial period, and we wish him and Judy well in their future pursuits.

Please join me in showing your appreciation for John's contribution.

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 Marlay to outline highlights of AWAC's operational performance, sustainability plans, and growth prospects.

CEO's Address

Mr John Marlay

Good morning ladies and gentlemen.

Thank you for your support and your attendance at our 2008 Annual General Meeting today.

This morning, I will discuss AWAC's operating performance, outlook and growth plans, our confidence in the future for the aluminium and alumina industry, and provide an insight into AWAC's sustainability achievements.

AWAC 2007 Operating Performance

Looking at AWAC performance and results in 2007.

Net profit after tax of US$953 million, was 15 per cent below the prior year.

Higher realised alumina and aluminium prices were more than offset by both the strong appreciation of the Australian dollar and higher AWAC operating costs.

AWAC's return on capital, excluding our current investment in the Brazil growth projects, continued to be strong, at 25 per cent in 2007.

AWAC's alumina production was impacted by power outages at two Western Australian refineries, by a general strike in Guinea which curtailed bauxite supply for a month, and substantial damage to the Jamalco refinery by Hurricane Dean.

These production disruptions, however, were offset by additional production at other AWAC refineries.

Pinjarra, AWAC's largest and lowest cost refinery, in Western Australia established new record production rate of 4.2 million tonnes per year in the fourth quarter.

Wagerup, Sao Luis and Suralco refineries also established annual production records.

A 146,000 tonnes per year expansion at the Jamalco refinery was commissioned during the second quarter, and AWAC owns 100 per cent of that increased capacity.

Major operating cost increases have impacted the alumina industry, including AWAC.

AWAC’s average cost of alumina production increased by 32 US dollars per tonne year on year.

The substantial weakening of the US dollar particularly against the Australian dollar, contributed about 30 per cent of this increase.

Energy prices were higher by 15 per cent year on year, and shipping freight rates more than doubled on the previous year as a result of the growth in demand for global bulk commodities.

Aluminium production at AWAC’s two Australian smelters was a record 387 thousand tonnes.

A project to rebuild and upgrade the carbon anode baking facilities at the Point Henry smelter was successfully commissioned on time and below budget.

Markets

We expect the aluminium market to be fundamentally strong in 2008.

Global demand for aluminium is forecast to grow at approximately 9 per cent this year to 41.3 million tonnes.

Chinese consumption of aluminium is projected to grow by approximately 24 per cent, after growing by more than 36 per cent in 2007.

China is the largest market for aluminium, representing more than a third of global demand.

Consumption of aluminium in other emerging economies is growing strongly at rates of 4-9 per cent.

Western world growth is subdued however, with the US market continuing to decline and low growth in European markets.

In 2008, aluminium markets are projected to be roughly balanced following capacity curtailments in China and South Africa due to power disruptions earlier this year.

This will have the effect of reducing metal production by approximately 600,000 tonnes.

Aluminium prices are expected to remain robust.

The LME price has strengthened to above 3,000 US dollars per tonne, reflecting this strong demand outlook and the potential supply restrictions.

For smelter grade alumina, AWAC is forecasting the market to be in modest oversupply, of less than 1 million tonnes in a market of approximately 82 million tonnes.

The pace of construction and ongoing operation of new refining capacity in China, is the key uncertainty on global alumina supply for 2008.

Much of the Chinese domestic refining capacity is relatively high cost production.

Capacity growth in recent years has supplied China's strongly-growing consumption of alumina.

We do not, however, expect that Chinese alumina will be exported in competition with lower cost production in the Western world.

Outlook

The medium to long term outlook for the alumina and aluminium markets is key to our confidence in the future.

Aluminium consumption is projected to double by 2020.

Chinese demand will continue to drive "above trend global demand growth".

The long term attractiveness of aluminium is driven by its intensity of use as developing countries grow.

As real GDP in an economy rises from a low base, the consumption of all industrial metals increases on a per capita basis.

But while the consumption of most metals tails off with increasing affluence, consumption of aluminium per capita continues at a high level.

To meet this demand growth, the industry must increase capacity three times the rate achieved over the past 20 years.

There are a number of important factors affecting aluminium's longer term outlook.

The world is experiencing new energy fundamentals worldwide, with higher energy input costs for all energy-intensive industries.

Particularly in China, where electricity prices are moving to market rates, the high cost of power for smelting is likely to limit the rate of construction of new capacity in that country.

Currency escalation has had a major impact on production costs.

The Australian dollar has appreciated by 55 per cent, and the Brazilian Real has increased by 90 per cent against the US dollar over the past five years.

We expect extended project timelines and project cost escalation for major resource projects to continue.

Strong consumption growth, a tight supply chain, and the need to achieve an acceptable return on higher capital cost capacity, are all anticipated to support higher long term alumina and aluminium prices.

AWAC Growth

Alumina will continue our substantial investment in growing the AWAC joint venture in 2008.

AWAC is investing in new bauxite mining operations and refining production capacity in Brazil.

Construction of the 2 million tonnes per annum capacity expansion at the Alumar refinery at Sao Luis is now more than 70 per cent complete.

This is the largest refinery construction project in the world, and is on track for mechanical completion early in 2009.

AWAC has an entitlement to 1.1 million tonnes of alumina from this expansion, adding new production capacity and reducing AWAC's refining cash costs.

The Juruti bauxite project 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 infrastructure investment to support future capacity expansions.

This mine is an important element of AWAC's strategy to own and operate high quality bauxite mining operations close to its refineries.

The construction cost of the Juruti mine and AWAC's share of the Alumar refinery expansion has increased to 2.5 billion US dollars.

At Juruti, increased construction scope, additional energy supply and community infrastructure costs have added to the cost of this investment.

The Juruti project is located in a very high rainfall environment, and the challenge for project execution in a geographically remote location adds complexity to this project.

The substantial appreciation of the Brazilian currency since these projects were commenced, has also increased the cost of both projects.

In Western Australia, the pre-feasibility phase for an expansion of the Wagerup refinery by more than 2 million tonnes per annum, is progressing.

This project is a highly attractive opportunity for AWAC and is important to ensure that AWAC continues to add new low cash cost production capacity.

Climate Change

Climate change is one of the most important sustainability issues for the global aluminium industry.

AWAC has long recognised that the risk of significant climate change is an issue of vital importance requiring action.

The Australian aluminium industry has not waited for emissions trading to respond to climate change, and has made significant abatement gains and greenhouse gas emissions reductions.

Sustainable growth is fundamental to our strategy and AWAC has, and will continue to, reduce its greenhouse gas emissions intensity.

This has been achieved through a sustained focus on reducing greenhouse gas emissions for over two decades, significantly improving its greenhouse footprint.

In Australia, AWAC's smelters have reduced direct greenhouse emissions intensity by approximately 60 per cent since 1990.

The refineries have reduced greenhouse emissions intensity by approximately 9.5 per cent, below 1990 levels.

These improvements have been achieved through improving energy efficiency, advancing emissions controls, optimising productivity and pioneering research and development of new technology.

Let me describe some examples:

AWAC, with Alinta, is building four gas fired co-generation power plants at the Pinjarra and Wagerup refineries.

The first two plants are now operating at Pinjarra, reducing the refinery's greenhouse gas emissions by 13 per cent.

The gas-fired co-generation power plants are delivering major greenhouse benefits by supplying waste heat to the Pinjarra refinery instead of discharging it.

By re-using this heat in the refinery process, AWAC is reducing steam production from its boilers, cutting greenhouse emissions by 270,000 tonnes a year.

At Kwinana, a fully-operational carbon capture project at the refinery is delivering greenhouse benefits, locking up carbon dioxide by mixing it with the bauxite residue produced as a by-product of the refining process.

This innovative carbon capture technology developed by AWAC delivers environmental benefit by capturing large amounts of carbon dioxide and also reducing the alkalinity of the residue and expanding residue re-use opportunities.

Similar projects are planned for other AWAC refineries in Australia and around the world.

Alumina Limited supports the introduction of the Australian Government's proposed emissions trading scheme, covering all major emitters and sectors.

The Government's stated position to address the competitive challenges facing emissions-intensive trade-exposed industries in Australia in the design of the Emissions Trading Scheme, is an essential and critical element of the emissions trading scheme design.

Professor Garnaut has also highlighted that Australia taking unilateral action ahead of other major emitting nations, will not of itself make a significant contribution to global greenhouse gas reductions.

The critical issue will be to set national emissions reduction targets which demonstrate Australia's resolve to contribute to emissions reduction, and to achieve this without adversely affecting Australia's competitiveness and economic growth.

AWAC's Point Henry and Portland smelters are energy efficient operations, with greenhouse emissions levels among the best worldwide.

They are well managed, very cost competitive and valuable assets for AWAC and for our shareholders.

The energy source for the power stations supplying electricity to those smelters is brown coal.

The level of greenhouse gas emissions per unit of power for these power stations is relatively higher than other energy sources, such as natural gas, black coal or hydro electric generators.

This results in higher relative indirect emissions of greenhouse gases from the electricity suppliers to AWAC's smelters.

These producers are evaluating technology solutions to reduce power station emissions and AWAC is assessing alternative energy supply options to reduce emissions from power generation.

There is no point in imposing a carbon price domestically, ahead of effective international action, which results in greenhouse emissions, efficient production and jobs transferring offshore for no environmental benefit.

It is critical that the Australian emissions trading scheme includes measures to manage the potential impact on competitiveness for industries in which this might impose a real risk, and for these industries to continue reducing their greenhouse emissions, consistent with an emerging global carbon constraint.

Summary

So, in wrapping up.

This will be the last Annual General Meeting I will address you as CEO.

The past 5 years have been very satisfying and fulfilling for me.

I believe the Company has achieved many significant goals we have set for the Company and for our shareholders.

AWAC is well positioned to benefit from the positive outlook for aluminium, particularly by expanding low cost refinery capacity to supply increasing alumina demand worldwide

This growth underpins our confidence in the sustainability of long term, high quality returns for Alumina's shareholders
Thank you.

CHAIRMAN

Thank you John, I would now like to ask Mr Ron McNeilly the Chairman of the Compensation Committee to address you on the Company's Remuneration Policies and the decisions made by that Committee during the year.

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REMUNERATION REPORT

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 2007.

The Chairman will answer questions on the Remuneration Report and propose a resolution to adopt the Remuneration Report for the year ending December 2007.

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.

Non-Executive Director Remuneration Policy

Alumina Limited's Non-Executive Directors receive a fee for fulfilling their Directors' duties.
No additional fees are paid to Directors for participating on Board committees.

Non-Executive Directors' fees are reviewed annually and are determined by the Committee based on comparative analysis and advice from remuneration consultants.

Fees take into account the Directors' responsibilities and time spent on Company business.

Directors are also required annually to direct at least 10 per cent of their annual fees to purchase Company shares.

Non-Executive Directors do not receive any retirement benefits, apart from the requirement for the superannuation guarantee contribution, which for 2007 was 9 per cent of their fees.

2007 Review

In 2007, some shareholders raised concerns about changes to remuneration policy as set out in the 2006 remuneration report.

We have met with shareholders to understand their concerns and have made a number of changes to remuneration policy.

Changes to Short Term Incentive Remuneration

We have sought to better link remuneration to specific Alumina Limited management performance, while ensuring alignment to shareholder interests, and management having an interest in the long term value of the Company.

The Committee reviewed its remuneration policy and sought to increase the weighting of remuneration to those areas the executive can directly influence.

This has been achieved from 2008 by reducing the long term incentive as a proportion of remuneration and increasing the short term incentive.

The short term incentive will be measured 50 per cent against AWAC Return on Capital/Alumina Limited Earnings Per Share, and 50 per cent against management performance against personal objectives.

The Board can then reward specific contributions by management which have contributed to improved outcomes for shareholders.

To ensure the outcomes achieved align management remuneration with shareholders, executives will be required to apply 50 per cent of any after tax short term incentive to the purchase of Company shares.

Those shares must be held by the executive for a period of at least three years, or until the executive ceases employment.

The provision for a matching allocation of shares to the executive by the Company has been discontinued.

Long Term Incentives

The long term incentive plan is designed to align longer term at-risk remuneration with shareholder outcomes, through employee share ownership, and to reward high levels of employee performance.

The Committee reviewed the design of the Plan during 2007 and concluded that a number of changes should be made to improve on those objectives.

Under the long term incentive plan, senior executives may be offered a conditional entitlement to fully paid ordinary shares in the Company each year.

The Performance Rights are issued subject to Board discretion and will vest to senior executives at the end of the performance period, if certain performance tests are achieved over that performance period.

From January 2008,100 per cent of the Performance Rights will be tested solely against the total shareholder return hurdle.

The use of earnings per share as a test hurdle has been discontinued.

We reviewed the retesting to apply to Performance Rights which do not vest on initial testing.

Performance Rights granted from 2008 onwards, will be tested initially after three years.

Two further tests apply, 6 months and 12 months after the initial test, if less than 100 per cent of shares vest at the initial test.

The use of a 12 month progressive test process has been discontinued.

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

Thank you.

I will now hand back to the Chairman.