

To: The Manager
Announcements
Company Announcements Office
Australian Stock Exchange



Public Announcement 2008 – 55AWC

Alcoa Inc today announced that Alcoa of Australia has suspended work on the proposed expansion of the Wagerup alumina refinery until market conditions improve. A media release is attached.

A handwritten signature in blue ink, appearing to read "Stephen Foster".

Stephen Foster
Company Secretary

11 November 2008

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November 11, 2008

Global financial crisis puts Wagerup 3 on hold

Alcoa has announced it has suspended work on the proposed expansion of the Wagerup Refinery (Wagerup 3) until market conditions improve. The decision has been taken due to market softness resulting from the global financial crisis.

Alcoa of Australia Managing Director Alan Cransberg, said the action taken was necessary given the current challenging economic environment.

"Alcoa of Australia is a strong and high performing business but, like many companies, we are facing unprecedented economic challenges that require us to reign in capital expenditure and reconsider the timing of our capital projects.

"Wagerup 3 continues to represent one of Alcoa's best brown field opportunities globally to deliver value through an expansion. When market conditions improve we will revisit implementation of the project," he said.

Mr Cransberg said that the future of Alcoa's business in Australia remains bright but work also needed to be done to secure energy supply for the expansion and understand the detail of the Australian Government's emissions trading scheme before the project could be revisited.

The Wagerup 3 decision is one of a range of initiatives taken by Alcoa Inc to address the global financial crisis. Alcoa Inc also announced today that it will make targeted curtailments across its aluminium smelting system that will be phased-in beginning this month totalling approximately 350,000 metric tonnes per year. This is on top of the previously announced curtailment of 265,000 tonnes at the Rockdale aluminium smelter in Texas.