

To: The Manager
Announcements
Company Announcements Office
Australian Stock Exchange



Public Announcement 2008 – 54AWC

Alcoa Inc announced today that it will curtail approximately 350,000 metric tons per year (mtpy) of aluminium production beginning immediately, in addition to its previously announced curtailment at its 265,000 mtpy smelter in Rockdale, Texas. Adjustments to Alcoa World Alumina & Chemicals' alumina refining production will be made accordingly.

Alcoa World Alumina and Chemicals is a global joint venture between Alumina Limited (40%) and Alcoa (60%).

Some statements in this public announcement 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; and (e) the other risk factors summarised in Alumina's Form 20-F for the year ended 31 December 2007

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

Stephen Foster
Company Secretary

11 November 2008

Alumina Limited

ABN 85 004 820 419

GPO Box 5411
Melbourne Vic 3001
Australia

Level 12 IBM Centre
60 City Road
Southbank Vic 3006
Australia

Tel +61 (0)3 8699 2600
Fax +61 (0)3 8699 2699
Email info@aluminalimited.com

11/10/2008

Alcoa to Curtail Additional 350,000 mtpy of Aluminum Production Across Its Global Smelting System

Action Brings Company's Curtailed Production to 615,000 mtpy, or 15% This Year

PITTSBURGH--([BUSINESS WIRE](#))--Alcoa (NYSE:AA) today announced it will curtail an additional 350,000 metric tons per year (mtpy) of aluminum production beginning immediately. Last month the Company curtailed production at its 265,000 mtpy smelter in Rockdale, Texas. Combined, the Company's curtailment efforts in the second half of this year total 15 percent of the Company's annualized output, or 615,000 mtpy. The additional curtailments are necessary because of lower end-market demand and global economic softness. The curtailments follow targeted cost-reduction initiatives and will be spread across the company's global system. This approach will minimize the costs associated with wholesale plant shutdowns and re-starts and the impact on plant communities.

The reductions will be achieved through partial potline curtailments, targeted suspension of pot re-lining, optimization of pot operating parameters, and by modulating power use for sale during peaks in the power markets.

Partial potline curtailments will include smelters in Ferndale, Washington; and Baie Comeau, Quebec. The Baie Comeau curtailment will be implemented as part of the previously announced modernization program at the plant. In Ferndale, Alcoa continues to make progress on finalizing the arrangements within the MOU it signed last month with the Bonneville Power Administration (BPA) to supply energy to the Intalco Works smelter there through 2028. The MOU provides a foundation for the plant to be competitive globally and for Alcoa to invest in improving the overall environmental and productivity performance of the plant.

"The industry is in surplus and has experienced an unprecedented fall in aluminum prices over a very short period of time," said Bernt Reitan, Alcoa Executive Vice President and President – Global Primary Products. "While we continue to see a strong long-term outlook for aluminum consumption, we are taking a series of actions to address the current market conditions, including targeted cost-reductions across our system and reducing production.

"These curtailment steps are part of a larger global effort to reduce our costs, match production with demand, and help secure a long term future for our operations in light of the current market," said Reitan. "We have reviewed every asset across our entire system with an eye on how best to maximize profitability as we look to align production with demand. After careful analysis we have developed a four-part model that spreads the curtailments across our global system and minimizes the costs associated with plant shutdowns and re-starts and, in turn, minimize the impact on plant communities."

The reductions will be phased-in beginning immediately. Alcoa's new annualized smelting production rate is approximately 3.5 million mtpy, with approximately 1.0 million mtpy idled. Costs for the curtailments are still being finalized. Adjustments to the Company's alumina refining production will be made accordingly.