

Alcoa Corp Fourth Quarter 2019 Earnings Release

Alumina Limited (ASX: AWC) notes Alcoa Corp's ("Alcoa") quarterly earnings release. To assist readers in understanding relevant market, operational and commercial matters of the AWAC joint venture, selected information from the Alcoa Bauxite and Alumina Segments, AWAC joint venture and Alumina Limited plus other market data is attached.

Alumina Limited's CEO, Mike Ferraro, commented on the results of Alcoa's Bauxite and Alumina segments which include most of the AWAC operations. "Year on year AWAC has improved performance in areas which it can control; both mining and refining annual production is 4% higher than 2018 and the average annual cost of alumina production is 7% lower over the same period.

"These factors have contributed to fourth quarter 2019 net distributions from AWAC being similar to the previous quarter despite the average alumina price falling further. That price has been relatively stable now for some weeks and AWAC entities were still able to generate a profit over the fourth quarter, 50% of which was distributed to Alumina Limited and Alcoa in January 2020."

About AWAC & Alcoa's Earnings Release

Alumina Limited owns 40% of each of the AWAC entities, which form a part of the Alcoa bauxite & alumina business segments. The Alcoa aluminium business segment includes the AWAC Portland smelting operations. The operating Afobaka power station and closed operations are included in Transformation & legacy pension/OPEB. Therefore, the AWAC results cannot be directly inferred from the Alcoa earnings release. Further, unlike Alumina Limited, Alcoa reports under US GAAP. All figures displayed are in US dollars unless otherwise shown.

Forward-looking statements

Neither Alumina Limited nor any other person warrants or guarantees the future performance of Alumina Limited or any return on any investment made in Alumina Limited securities. This document may contain certain forward-looking statements, including forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. The words "anticipate", "aim", "believe", "expect", "project", "estimate", "forecast", "intend", "likely", "should", "could", "will", "may", "target", "plan" and other similar expressions (including indications of "objectives") are intended to identify forward-looking statements. Indications of, and guidance on, future financial position and performance and distributions, and statements regarding Alumina Limited's future developments and the market outlook, are also forward-looking statements.

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Alumina Limited

- Alcoa Corp's 4Q 2019 Bauxite and Alumina Segments' highlights
- Market data on commodity prices

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Highlights

Alcoa Segments	4Q 2019	3Q 2019	Selected Highlights
Adjusted EBITDA Total:			<ul style="list-style-type: none"> Alumina: Fall driven almost entirely by lower API pricing. Bauxite: Improved Price/Mix result offset by small increase in other production costs.
- Alcoa Alumina Segment	\$133m	\$223m	
- Alcoa Bauxite Segment	\$132m	\$134m	
Adjusted EBITDA Margin:			
- Alcoa Alumina Segment	12.7%	19.6%	
- Alcoa Bauxite Segment	42.4%	38.2%	

AWAC	4Q 2019	3Q 2019	Comments
Production:			<ul style="list-style-type: none"> Refining: Excludes equity share of Ma'aden Mining: Includes wholly owned mines plus equity share of CBG and MRN
- AWAC Refining Business (mt)	3.2	3.2	
- AWAC Mining Business (mbdt)	11.4	11.5	<ul style="list-style-type: none"> Cash Cost [includes bauxite at cost]: Caustic soda prices continue to trend down. Realised Price: Down 9%, consistent with 10% fall in one month lagged API, quarter on quarter.
Alumina Cost and Price:			
- Cash Cost (\$/t production)	\$200	\$203	
- Realised Price (\$/t shipments)	\$284	\$311	

Alumina Limited	Post 31/12/19	4Q 2019	3Q 2019	Comments
AWAC Net Distributions:				<ul style="list-style-type: none"> The 2019 interim dividend included \$66.0m of net distributions received after 30 June 2019 but prior to declaration on 23 August 2019 During 3Q 2019 there was a cash payment of approximately US\$20m for the Cross Currency Interest Rate Swaps associated with the repurchase of the A\$ Medium Term Notes
- Alumina Limited Receipts	\$27.6m	\$84.5m	\$101.6m	
- Alumina Limited Contributions	Nil	(\$10.1m)	(\$20.0m)	
Net Debt / (Cash) – Period End	N/a	\$54.8m	\$124.4m	

AWAC 2019 distribution calendar (US\$m)

2019: No later than	Relevant AWAC Entities	Description	Distributions from AWAC ^[1]	Contributions to AWAC ^[1]	Included In Alumina's
20 January	All	50% of each entity's US GAAP Net Income (if positive) for 4Q of the previous calendar year	\$93.9	N/a	2018 Final Dividend
31 January	AWA LLC	Working Capital Contributions	N/a	(\$20.0)	2018 Final Dividend
20 February	All except AWA LLC	Available Cash of each entity as at 31 January	\$119.7	N/a	2018 Final Dividend
20 April	All	50% of each entity's US GAAP Net Income (if positive) for 1Q	\$56.6	N/a	2019 Interim Dividend
20 May	All except AWA LLC	Available Cash of each entity as at 30 April	\$16.0	N/a	2019 Interim Dividend
20 July	All	50% of each entity's US GAAP Net Income (if positive) for 2Q	\$57.7	N/a	2019 Interim Dividend
31 July	AWA LLC	Working Capital Contributions	N/a	(\$20.8)	2019 Interim Dividend
20 August	All except AWA LLC and AWAB	Available Cash of each entity as at 31 July	\$28.3	N/a	2019 Interim Dividend
20 September	AWAB	Available Cash of each entity as at 31 July	\$15.6	N/a	2019 Final Dividend
20 October	All	50% of each entity's US GAAP Net Income (if positive) for 3Q	\$36.9	N/a	2019 Final Dividend
31 October	AWA LLC	Working Capital Contributions	N/a	(Nil)	2019 Final Dividend
20 November	All except AWA LLC	Available Cash of each entity as at 31 October	\$47.6	N/a	2019 Final Dividend
31 December	AWA LLC	Working Capital Contributions	N/a	(\$10.1)	2019 Final Dividend

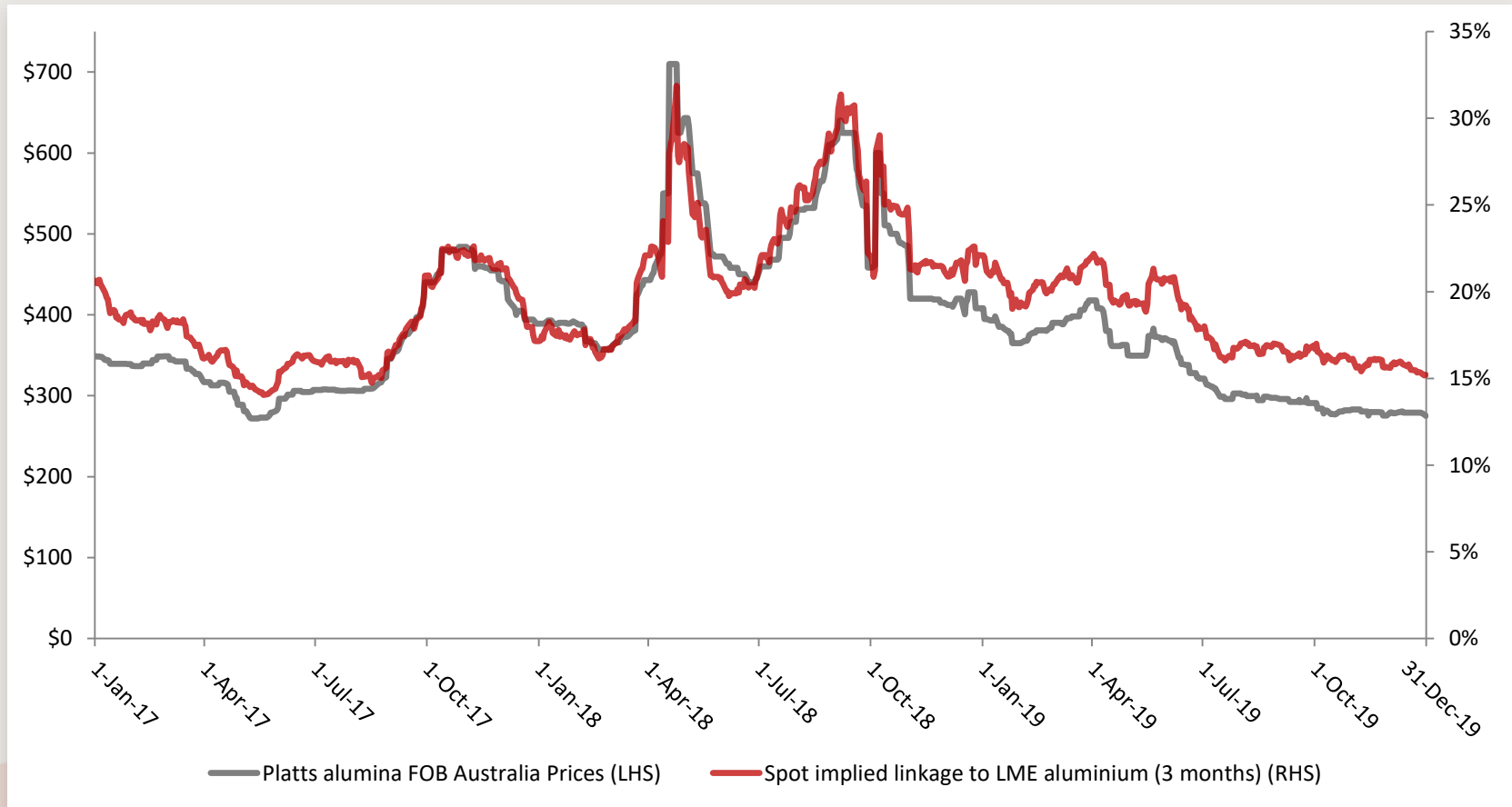
[1] Alumina Limited's 40% share

AWAC 2020 distribution calendar (US\$m)

2020: No later than	Relevant AWAC Entities	Description	Distributions from AWAC ^[1]	Contributions to AWAC ^[1]	Included In Alumina's
20 January	All	50% of each entity's US GAAP Net Income (if positive) for 4Q of the previous calendar year	\$27.6	N/a	2019 Final Dividend
31 January	AWA LLC	Working Capital Contributions	N/a	(TBA)	2019 Final Dividend
20 February	All except AWA LLC	Available Cash of each entity as at 31 January	TBA	N/a	2019 Final Dividend
20 April	All	50% of each entity's US GAAP Net Income (if positive) for 1Q	TBA	N/a	2020 Interim Dividend
20 May	All except AWA LLC	Available Cash of each entity as at 30 April	TBA	N/a	2020 Interim Dividend
20 July	All	50% of each entity's US GAAP Net Income (if positive) for 2Q	TBA	N/a	2020 Interim Dividend
31 July	AWA LLC	Working Capital Contributions	N/a	(TBA)	2020 Interim Dividend
20 August	All except AWA LLC	Available Cash of each entity as at 31 July	TBA	N/a	2020 Interim Dividend
20 October	All	50% of each entity's US GAAP Net Income (if positive) for 3Q	TBA	N/a	2020 Final Dividend
31 October	AWA LLC	Working Capital Contributions	N/a	(TBA)	2020 Final Dividend
20 November	All except AWA LLC	Available Cash of each entity as at 31 October	TBA	N/a	2020 Final Dividend
31 December	AWA LLC	Working Capital Contributions	N/a	(TBA)	2020 Final Dividend

[1] Alumina Limited's 40% share

Spot alumina & implied linkage



Sources: Alumina: S & P Global Platts, January 2020. LME Aluminium: Thomson Reuters, January 2020

Commodity prices in this slide pack are based on published market prices and may not equate to actual pricing under AWAC contracts

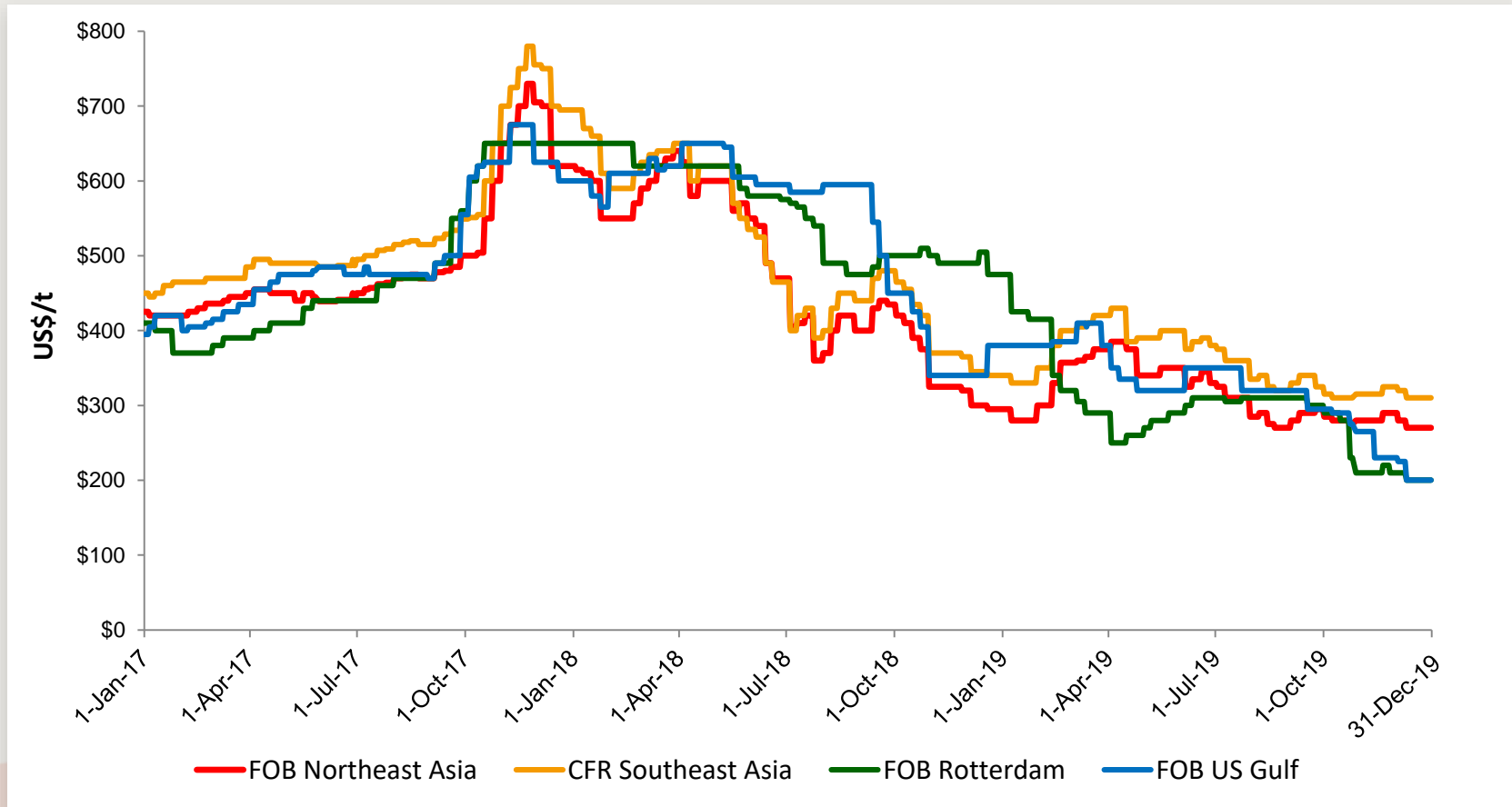
Foreign exchange – AUD/USD



Source: Thomson Reuters, January 2020

Commodity prices in this slide pack are based on published market prices and may not equate to actual pricing under AWAC contracts

Caustic soda



Source: S & P Global Platts, January 2020

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