

To: The Manager  
Announcements  
Company Announcements Office  
Australian Stock Exchange



## **APPOINTMENT OF NEW CHIEF EXECUTIVE OFFICER**

The Directors of Alumina Limited today announced that they had appointed Mr John Bevan, 51, to succeed Mr John Marlay as Alumina's Chief Executive Officer from 16 June 2008. Mr Bevan will also join the Board of Alumina.

Mr Bevan has had a long career with The BOC Group Plc( BOC) including as executive director of BOC with responsibility for a global business line. Directors are confident Mr Bevan's 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. Mr Bevan holds a Bachelor of Commerce, Marketing from the University of New South Wales.

Mr John Marlay advised directors late in 2007 that he wished to pursue other interests and a search for his replacement was started. Mr Marlay will resign as CEO and remain with Alumina until July 2008. The Company was fortunate to have John as the first CEO as he very effectively established Alumina as a new company. The Board thanks John Marlay for an outstanding contribution during his 6 years as CEO. John has played the major role in the development of Alumina Limited and managing our interest in the AWAC joint venture.

The key terms of Mr Bevan's employment contract, are attached.

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

**Stephen Foster**  
**Company Secretary**

28 April 2008

Alumina Limited

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## JOHN BEVAN

### SUMMARY OF THE KEY TERMS OF EMPLOYMENT CONTRACT

#### 1. Appointment

The appointment is to the position of Chief Executive Officer.

#### 2. Term

The appointment commences on 16 June 2008, and does not have a fixed term.

#### 3. Duties

The duties of Mr Bevan are those expected of a Chief Executive Officer, reporting to the Chairman.

#### 4. Remuneration

There are three (3) components of Mr Bevan's remuneration. They are:

(a) Fixed Annual Reward (FAR)

Mr Bevan will be paid a Fixed Annual Reward of one million dollars (\$1,000,000) per annum, which includes the Company's statutory superannuation obligations. The FAR will be reviewed annually.

(b) Short Term Incentive (STI)

A short term incentive of up to 100% of FAR per annum (pro-rata for 2008)

50% of the STI is determined by reference to performance against individual objectives, and the remaining 50% is determined by reference to return on capital and earnings per share hurdles.

50% of any STI payment is paid in cash, and the remaining 50% of the STI payment, after tax, must be used to purchase Company shares, which must be held for three years, or until employment concludes.

(c) Long Term Incentive (LTI)

Mr Bevan may be invited to participate in the Long Term Incentive Plan (LTI), which, in each year, may provide Performance Rights under the LTI Plan of up to 50% of FAR (pro-rata for 2008).

Under the LTI Plan, each Performance Right provides an entitlement to a fully paid ordinary share in the Company, subject to performance hurdles being met over the vesting period under the LTI Plan.

The first grant of any Performance Rights would only be made in December 2008, subject to shareholder approval, which would be sought at the 2009 Annual General Meeting.

## **5. Termination**

Mr Bevan may resign at any time on giving twelve (12) months' written notice, and the Company may terminate Mr Bevan's employment on twelve (12) months' written notice. Upon termination by the Company Alumina may, at its discretion, make a payment in lieu of some or all of the notice period. Any payment to be made to him in lieu of notice shall be calculated based on Mr Bevan's Fixed Annual Reward and STI at target performance. He would also receive any statutory entitlements.

## **6. Relocation**

Mr Bevan is entitled to reimbursement of costs associated with relocation to Melbourne.

## **7. Redundancy**

If Mr Bevan's employment is terminated on the basis of redundancy of the position or by Mr Bevan giving written notice to Alumina Limited in the event of a Significant Change (which is defined to be if Alumina ceases to be listed on the Australian Securities Exchange, or if there is a significant change to his status and/or responsibilities which is detrimental to Mr Bevan, or if Alumina Limited decided the position is no longer required and suitable alternative employment is not offered, or Mr Bevan does not accept other employment within Alumina or another employer), then Mr Bevan is entitled to:

- statutory annual leave and long service leave entitlements (with long service leave paid pro-rata if there is three years or more continuous service);
- the aggregate of a notice payment of 12 months, a severance payment of 2.5 weeks per completed year of service, and an additional severance payment of 13 weeks.