Alumina Limited has decided to reactivate its Dividend Reinvestment Plan (DRP), which was suspended in February 2016.

Under the DRP, shareholders may elect to have all, a portion, or none of their dividends invested in new shares issued by the Company. Shareholders will receive further information and instructions in the form attached, either by post or email.

A copy of the Plan’s rules and advice to shareholders are available on Alumina’s website (www.aluminalimited.com).

This ASX announcement was approved and authorised for release by Mike Ferraro, CEO.

For investor enquiries:
Charles Smitheram
Manager – Treasury & Investor Relations
Phone: +61 3 8699 2613
charles.smitheram@aluminalimited.com
11 August 2020

Dear Shareholder,

DIVIDEND REINVESTMENT PLAN (DRP)

IMPORTANT INFORMATION WHICH REQUIRES YOUR CONSIDERATION INCLUDED BELOW

The Directors of Alumina Limited recently announced the recommencement of the Company's Dividend Reinvestment Plan (the "Plan"), which had been suspended since February 2016.

The Plan offers eligible shareholders the opportunity to reinvest all or part of their future dividends in additional ordinary shares in the Company. It provides participants with a convenient and cost-effective way to increase their shareholdings in Alumina. There are no brokerage or other transaction costs payable by participants in the Plan. The price of shares acquired under the Plan may be subject to a discount (not exceeding 2%) determined by the Directors from time to time.

Shown immediately below, is either the DRP participation level recorded for this holding, or that the holding currently is not recorded on the register as participating in the Plan.

DRP participation level appears here

Shareholders considering participation in, or withdrawing from the Plan, are strongly encouraged to seek their own independent professional advice and to read the full Terms and Conditions of the Plan. The Terms and Conditions can be downloaded at www.aluminalimited.com or a free hard copy of them can be requested by contacting our Share Registrar.

The main features of the Plan are:

- All holders of fully paid ordinary Alumina shares with a registered address in Australia or New Zealand (other than shareholders who are "U.S. persons", and other than shareholders to the extent that they are acting for the account or benefit of a "U.S. person", in each case a "U.S. person" is defined in clause 16(b) of the Plan Terms and Conditions) are eligible to participate in the Plan. Shareholders with registered addresses outside Australia and New Zealand (or who are "U.S. persons", or who are acting for the account or benefit of a "U.S. person", to that extent) are not permitted to participate in the Plan. This is due to legal requirements that make it unlawful to offer shares to residents of some countries without first issuing a disclosure document or registration statement or satisfying other prerequisites.

- Eligible shareholders may elect to receive additional Alumina shares instead of cash for dividends on all or part of their existing holding of Alumina shares.
• Participation in the Plan is optional. Shareholders may vary or cancel their participation in the Plan at any time in the future in accordance with the Plan Terms and Conditions, in the same manner as shown in the Instructions below.

• Shares issued under the Plan rank equally in all respects with existing fully paid Alumina ordinary shares from the date of issue and carry the same voting rights and the same entitlements to dividends and to bonus and rights issues. The same applies to shares that are transferred under the Plan, which will be existing shares.

• Shares will be allocated under the Plan at a price equal to the arithmetic average of the daily volume weighted average market price for all fully paid ordinary Alumina shares (subject to certain limited exclusions) that are sold on the Australian Securities Exchange (and any other relevant trading platforms or systems determined by the Directors), over the period of seven trading days commencing on the second trading day immediately after the relevant dividend record date, or such other period as is determined by the Directors. A discount (not exceeding 2%) that is determined by the Directors from time to time may be applied to that price. The relevant pricing period and any discount will be announced by Alumina at the same time as announcing any dividend to which the Plan applies. Please note that the announcement of any dividend and any applicable discount will be released on the Australian Securities Exchange (ASX) and the Company web site only. Written notification to shareholders will not be issued.

Instructions:

If you would now like to elect to participate in the Plan or vary or terminate your participation, you can do that by:

• electronically logging onto the Share Registrar's website at www.computershare.com.au/easyupdate/AWC and following the instructions there; or

• Contacting our Share Registrar on 1300 556 050 (local) or +61 (3) 9415 4027 (International).

I want to emphasise that this letter contains important information to you as a shareholder which can require your immediate attention.

Yours Sincerely,

W PETER DAY
CHAIRMAN