

To: The Manager
Announcements
Company Announcements Office
Australian Stock Exchange Limited



Public Announcement 2005 – 25AWC

Interim Dividend to be Fully Franked

The Directors of Alumina Limited declared an interim dividend of 10 cents per share on 4 August, to be paid on 31 October 2005. The Directors deferred a decision whether the interim dividend would be franked or unfranked pending a tax ruling from the Australian Taxation Office, for which Alumina Limited and its partner Alcoa Inc, had jointly applied.

The tax ruling has now been received and is consistent with the ruling requested. The Directors are pleased to advise the interim dividend will be fully franked. Furthermore, the ruling provides confidence the Company will have sufficient franking credits to fully frank dividends declared in respect of earnings generated through to the end of 2006 at least.

The Company continues to work with Alcoa on a funding proposal for AWAC which, if agreed and implemented, would ensure we would continue to pay fully franked dividends to Alumina shareholders in respect of earnings generated from 2007, and also meet Alcoa's funding objectives.

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

Stephen Foster
Company Secretary

13 October 2005