

To: The Manager  
Announcements  
Company Announcements Office  
Australian Stock Exchange



## **Public Announcement 2005 – 27AWC**

Attached is a copy of a statement by Alcoa World Alumina and Chemicals and Alcan Inc announcing they have signed a Basic Agreement with the Government of Guinea that sets forth the framework for development of a 1.5 million metric ton per year (mtpy) alumina refinery in the Republic of Guinea, West Africa.

Alcoa World Alumina and Chemicals is a global joint venture between Alumina Limited and Alcoa.

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

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

23 November 2005

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](mailto:info@aluminalimited.com)

## **Alcan, Alcoa and Government of Guinea Sign Basic Agreement for 1.5 Million Mt Per Year Alumina Refinery in Guinea**

CONAKRY, Guinea--(BUSINESS WIRE)--Nov. 22, 2005--Alcan Inc. (NYSE:AL)(TSX:AL) and Alcoa World Alumina LLC, a joint venture between Alcoa (NYSE:AA) and Alumina Ltd., with Alcoa holding 60 percent, today announced they signed a Basic Agreement with the Government of Guinea that sets forth the framework for development of a 1.5 million metric tonne per year (mtpy) alumina refinery in Guinea with further expansion potential.

The Basic Agreement, which is a significant milestone, includes the following elements:

- A majority ownership by Alcan and Alcoa World Alumina of at least 80 percent, with an option for the Guinean State to acquire an equity stake;
- Supply of bauxite to the refinery by Compagnie des Bauxites de Guinee (CBG). CBG is a partnership between the Government and Halco Mining, with Halco holding 51 percent. Halco is owned 45 percent each by Alcan and Alcoa World Alumina;
- Access to existing infrastructure;
- While bringing significant revenues to the government of Guinea, tax and customs regime would provide favourable conditions for an investment of this scope;
- Sale of alumina from the refinery to Alcan and Alcoa World Alumina.

Attending the signing ceremony today in Conakry were Cellou Dalein Diallo, Prime Minister of the Republic of Guinea, Ahmed Tidiane Souare, Minister of Mines and Geology, and other members of the Guinean Cabinet; Jacynthe Cote, Senior Vice President, Alcan Inc.; and President and Chief Executive Officer of Alcan Bauxite and Alumina; and Bernt Reitan, Executive Vice President and Group President of Primary Products of Alcoa.

"Given Alcan and Alcoa's 30-year collaborative partnership with the Government of Guinea, their respective strength in technology as well as their operational competency, this project has the greatest ability to deliver real benefits to the country and its people within the announced timeline," said Alcan's Cote. "This signing brings Alcan that much closer to reaching its objective of further integrating Guinea within its global strategy. The project would also strengthen CBG as the primary bauxite supplier to refinery projects in Guinea."

"This is an important day for Guinea. Together, we are taking a significant step forward in helping to provide for better utilization of the country's bauxite resources, generating good jobs, and developing a major facility that will be built and operated according to the most stringent standards in the world," said Alcoa's Reitan. "As a result, this facility could be one of the lowest operating costs of its type anywhere in the world."

Following ratification of the Basic Agreement by the Guinean National Assembly, Alcan and Alcoa would immediately commence detailed feasibility studies, including engineering, financing and legal work, for completion over the ensuing 12 months.

The studies, which could cost approximately US\$25 to US\$30 million, would provide the necessary information needed to take an investment decision. Following such decision, construction could begin by early 2007 with alumina production by 2009.