

To: The Manager
Announcements
Company Announcements Office
Australian Stock Exchange



Public Announcement 2011 – 2 AWC

Alumina Limited notes the filing on January 21, 2010, of a release by Alcoa Inc. The release is in relation to a suit filed in 2004 by St. Croix Renaissance Group, L.L.P., Brownfield Recovery Corp., and Energy Answers Corporation of Puerto Rico (collectively referred to as "SCRG") against St. Croix Alumina L.L.C. and Alcoa World Alumina, L.L.C. (collectively referred to as "SCA") in the Territorial Court of the Virgin Islands, Division of St. Croix for claims related to the sale of SCA's former St. Croix alumina refinery to plaintiffs. Alcoa World Alumina, LLC is part of the Alcoa World Alumina & Chemicals joint venture between Alcoa and Alumina Limited.

SCA removed the case to federal court and after a several year period of discovery and motion practice, a jury trial on the matter took place in St. Croix from January 11, 2011 to January 20, 2011. The jury returned a verdict in favour of plaintiffs and awarded damages as described: on a claim of breaches of warranty, the jury awarded \$12,617,867; on the same claim, the jury awarded punitive damages in the amount of \$6,142,856; and on a negligence claim for property damage, the jury awarded \$10,000,000. SCA believes the verdict is, in whole or in part, not supported by the evidence or otherwise results from errors of law committed during the trial. As a result, SCA will file motions, including for judgment notwithstanding the verdict and, to the extent such post-trial motions are not successful, it intends to pursue its rights of appeal.

Some statements in this public announcement are forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. Forward-looking statements also include those containing such words as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans' or similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual outcomes to be different from the forward-looking statements. Important factors that could cause actual results to differ from the forward-looking statements include: (a) material adverse changes in global economic, alumina or aluminium industry conditions and the markets served by AWAC; (b) changes in production and development costs and production levels or to sales agreements; (c) changes in laws or regulations or policies; (d) changes in alumina and aluminium prices and currency exchange rates; and (e) the other risk factors summarised in Alumina's Form 20-F for the year ended 31 December 2009.

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

Stephen Foster
Company Secretary

24 January 2011