

Sale of Alcoa of Australia's 20% Interest in Dampier to Bunbury Natural Gas Pipeline

Alumina Limited announces that Alcoa of Australia Limited ("Alcoa of Australia") has agreed to sell its 20 per cent interest in DBP, the owner and operator of the Dampier to Bunbury Natural Gas Pipeline to DUET Group for a total commitment of A\$205 million.

The Alcoa Inc and Alcoa of Australia statements regarding the sale are attached for reference.

Alcoa of Australia is 60% owned by Alcoa Inc and 40% owned by Alumina Limited.

Neither Alumina nor any other person warrants or guarantees the future performance of Alumina or any return on any investment made in Alumina securities. This document may contain certain forward-looking statements, including forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. The words "anticipate", "aim", "believe", "expect", "project", "estimate", "forecast", "intend", "likely", "should", "could", "will", "may", "target", "plan" and other similar expressions (including indications of "objectives") are intended to identify forward-looking statements. Indications of, and guidance on, future financial position and performance and distributions, and statements regarding Alumina's future developments and the market outlook, are also forward-looking statements.

Any forward-looking statements contained in this document are not guarantees of future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Alumina and its directors, officers, employees and agents that may cause actual results to differ materially from those expressed or implied in such statements. Those risks, uncertainties and other factors include (without limitation): (a) material adverse changes in global economic conditions, alumina or aluminium industry conditions or the markets served by AWAC; (b) changes in production or development costs, production levels or sales agreements; (c) changes in laws, regulations or policies; (d) changes in alumina or aluminium prices or currency exchange rates; (e) Alumina Limited does not hold a majority interest in AWAC and decisions made by majority vote may not be in the best interests of Alumina Limited; and (f) the other risk factors summarised in Alumina's Annual Report 2014. Readers should not place undue reliance on forward-looking statements. Except as required by law, Alumina disclaims any responsibility to update or revise any forward-looking statements to reflect any new information or any change in the events, conditions or circumstances on which a statement is based or to which it relates.

This presentation contains certain non-IFRS financial information. This information is presented to assist in making appropriate comparisons with prior year and to assess the operating performance of the business. Where non-IFRS measures are used, definition of the measure, calculation method and/or reconciliation to IFRS financial information is provided as appropriate or can be found in the Alumina Limited's ASX Full Year Report for the period ended 31 December 2015.



Stephen Foster
Company Secretary

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ALCOA TO SELL STAKE IN AUSTRALIAN NATURAL GAS PIPELINE TO DUET GROUP

NEW YORK, March 30, 2016 – Alcoa (NYSE: AA) today announced that Alcoa of Australia has agreed to sell its stake in DBP, the owner and operator of the Dampier to Bunbury Natural Gas Pipeline (DBNGP), to DUET Group (DUET) for AU\$205 million (~US\$154 million). DBP is currently owned 20 percent by Alcoa of Australia and 80 percent by DUET (in aggregate).

As part of the transaction Alcoa of Australia will maintain its current access to approximately 30 percent of the DBNGP transmission capacity for gas supply to its three alumina refineries in Western Australia.

The sale is expected to close in early April. The Company expects to recognize a gain in connection with the sale of between \$10 million and \$15 million, after-tax and non-controlling interest, or \$0.01 per share. Alcoa of Australia expects the net cash impact of the transaction, after estimated fees and taxes, will be approximately US\$115 million.

Alcoa of Australia is owned 60 percent by Alcoa Inc., and 40 percent by Alumina Limited.

About Alcoa

A global leader in lightweight metals technology, engineering and manufacturing, Alcoa innovates multi-material solutions that advance our world. Our technologies enhance transportation, from automotive and commercial transport to air and space travel, and improve industrial and consumer electronics products. We enable smart buildings, sustainable food and beverage packaging, high performance defense vehicles across air, land and sea, deeper oil and gas drilling and more efficient power generation. We pioneered the aluminum industry over 125 years ago, and today, our approximately 60,000 people in 30 countries deliver value-add products made of titanium, nickel and aluminum, and produce best-in-class bauxite, alumina and primary aluminum products. For more information, visit www.alcoa.com, follow @Alcoa on Twitter at www.twitter.com/Alcoa and follow us on Facebook at www.facebook.com/Alcoa.

Forward Looking Statement

This release contains statements that relate to future events and expectations and as such constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those containing such words as "estimates," "expects," "goal," "plans," "should," "target," "will," "would," or other words of similar meaning. All statements that reflect Alcoa's expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, statements regarding the expected timing of the completion of the sale of the equity interest in DBP and the expected financial impact of the sale. Forward-looking statements are subject to risks, uncertainties and other factors, and are not guarantees of future performance. Important factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements include: (a) material adverse changes in aluminum industry conditions, including global supply and demand conditions and fluctuations in London Metal Exchange-based prices and premiums, as applicable, for primary aluminum, alumina, and other products, and fluctuations in indexed-based and spot prices for alumina; (b) Alcoa's inability to successfully realize goals established in each of its business segments, at the levels or by the dates targeted for such goals; (c) Alcoa's inability to realize expected benefits, in each case as planned and by targeted completion dates, from acquisitions, divestitures, facility closures, curtailments, or expansions, or international joint ventures; (d) political, economic, and regulatory risks in the countries in which Alcoa operates, including unfavorable changes in laws and governmental policies, tax rates, civil unrest, or other events beyond Alcoa's control; (e) changes in preliminary accounting estimates due to the significant judgments and assumptions required; (f) the outcome of contingencies, including legal proceedings and environmental remediation; and (g) the other risk factors summarized in Alcoa's Form 10-K for the year ended December 31, 2015, and other reports filed with the Securities and Exchange Commission. Alcoa disclaims any obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law.

Media release

31 March 2016

Alcoa to sell 20 per cent stake in Dampier to Bunbury Natural Gas Pipeline to DUET Group

Alcoa of Australia (Alcoa) today announced it has agreed to sell its stake in DBP, the owner and operator of the Dampier to Bunbury Natural Gas Pipeline (DBNGP) to DUET Group (DUET). DBP is currently owned 20 per cent by Alcoa and 80 per cent by DUET (in aggregate).

As part of the transaction Alcoa will maintain its current access to approximately 30 per cent of the DBNGP transmission capacity for gas supply to its three alumina refineries. Alcoa is Western Australia's largest user of natural gas and biggest pipeline customer.

"DUET is an experienced energy infrastructure asset owner and together with the DBP management team they are committed to the ongoing success of the pipeline," said Alcoa of Australia Chairman and Managing Director Michael Parker.

"Collectively we have established a secure and valuable asset which will serve Alcoa's business and the State's other natural gas consumers extremely well for many years to come."

Alcoa has a long and proud history of association with the DBNGP, having partnered with the Western Australian government to underwrite the pipeline construction in the early 1980s.

Alcoa was the initial cornerstone customer of the DBNGP and its involvement in what was then the State's largest infrastructure project helped facilitate the development of the North West Shelf Gas project.

In 2004, Alcoa was part of a consortium that acquired the pipeline. Since 2005, the consortium has expanded and enhanced the asset which helped facilitate much of the State's economic growth in recent years. Today the DBNGP includes a parallel pipeline that runs alongside more than 80 per cent of the original pipeline.

The sale is expected to close in early April.

Alcoa of Australia is owned 60 per cent by Alcoa Inc. and 40 per cent by Alumina Limited.

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