

ASX Announcement

14 December 2023

WA Mining Permits Update

Alumina Limited (ASX: AWC) notes Alcoa Corp's ("Alcoa") announcement today that the Western Australian (WA) Government has made decisions that will allow AWAC to continue bauxite mining and downstream alumina refining in WA.

The WA Government has announced it will approve AWAC's latest five-year mine plan – known as the 2023-2027 Mining and Management Program (MMP) - for its Huntly and Willowdale bauxite mines.

In addition, the WA Government has granted an exemption that will allow AWAC to continue its mining operations if the WA Environmental Protection Authority (EPA) decides to undertake a separate environmental impact assessment on all or parts of the MMP. The EPA's determination is expected by year end.

Under the approvals, AWAC will be subject to a range of conditions addressing key environmental factors that will include the protection of drinking water and biodiversity along with accelerated forest rehabilitation. A summary of the new conditions and commitments for AWAC's WA operations are outlined in the attached release.

Alumina Limited's CEO, Mike Ferraro, said "We welcome these announcements today from the WA Government and Alcoa. The commitments provide confidence for the AWAC business in WA while generating significantly enhanced environmental protections and allowing a transition to a more contemporary approvals process for future mining areas."

As previously disclosed, Alcoa expects bauxite quality in WA similar to recent grades until it can access bauxite from the new regions at Myara North and Holyoake (no earlier than 2027). Bauxite quality at Myara North and Holyoake is expected to be consistent with historical higher grades. Despite subdued alumina prices and higher costs due to the lower grades of bauxite being processed, AWAC's WA refinery system continues to be cash flow positive.

AWAC's global refining business has continued to benefit from softening costs of production in 4Q23, particularly from lower caustic prices. Based on the operating results for the first 2 months of 4Q23 and the outlook provided by Alcoa at its 3Q23 results, we expect the AWAC system cash cost of production in 4Q23 to decline by approximately 5% from 3Q23. A full update on AWAC's financial performance and outlook will be provided in early 2024.

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Alumina Limited's CEO, Mike Ferraro, said "AWAC remains one of the world's leading producers of alumina. The Pinjarra and Wagerup refineries in WA remain first quartile on the global alumina refining cost curve and emissions curve and continue to generate strong cash flows. The Brazil refinery is also world class, located close to our Atlantic customers, and sources high grade bauxite from the Juruti mine which has a mining license of more than 70 years."

"The last 18 months have been difficult for Alumina shareholders. Following confirmation on mining permits in WA, together with profitability actions across operations, AWAC is well placed to benefit from the positive long-term outlook for the alumina market, with the anticipated growth in aluminium metal consumption driven by de-carbonisation. We look forward to Alcoa continuing discussions with the EPA in relation to permits for the next mining regions at Myara North and Holyoake, which will provide the foundation for the next phase in AWAC's future."

This ASX announcement was approved and authorised for release by Mike Ferraro, Chief Executive Officer.



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About AWAC & Alcoa's Earnings Release

Alumina Limited owns 40% of each of the AWAC entities, which form a part of the Alcoa bauxite & alumina business segments. The Alcoa aluminium business segment includes the AWAC Portland smelting operations. Any closed operations are included in Transformation & legacy pension/OPEB. Therefore, the AWAC results cannot be directly inferred from the Alcoa earnings release. Further, unlike Alumina Limited, Alcoa reports under US GAAP. All figures displayed are in US dollars unless otherwise shown.

Forward-looking statements

Neither Alumina Limited nor any other person warrants or guarantees the future performance of Alumina Limited or any return on any investment made in Alumina Limited 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 Limited’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 Limited 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, policies or regulatory decision making; (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 Limited’s Annual Report 2022. Readers should not place undue reliance on forward-looking statements. Except as required by law, Alumina Limited 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. AWAC is currently facing increased risks and uncertainty in relation to its regulatory permit and approval processes in Western Australia. The permitting and approval rules are complex, may change over time, and are impacted by heightened levels of regulatory oversight and stakeholder focus on addressing environmental and social impacts of mining activities. Failure to obtain, maintain, or renew permits; restrictions or conditions imposed through the process or on approvals and permits obtained; and/or ongoing delays in approval or permitting processes may: delay, impede or prevent commencing, continuing or expanding mining and/or refining operations and further impact the quality and/or availability of the bauxite AWAC is able to mine, potentially having a materially adverse impact on AWAC.



FOR IMMEDIATE RELEASE

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Alcoa welcomes decisions that support Western Australian operations

PITTSBURGH, December 13, 2023 – Alcoa Corporation (NYSE: AA) today welcomed decisions from the Western Australian (WA) Government that will allow the Company to continue bauxite mining and downstream alumina refining in the State, while also pledging to enhance the way it operates to meet evolving requirements and expectations.

The government has announced that it will approve Alcoa's latest five-year mine plan – known as the 2023-2027 Mining and Management Program (MMP) – for its Huntly and Willowdale bauxite mines.

In addition, the government has granted an exemption that will allow Alcoa to continue its mining operations if the WA Environmental Protection Authority (EPA) decides to undertake a separate environmental impact assessment on all or parts of the MMP. The EPA's determination is expected by year end.

Alcoa will be subject to a range of stringent conditions addressing key environmental factors that will include enhanced protections for drinking water, including increased distances from reservoirs, and biodiversity along with accelerated forest rehabilitation. At the request of the State, the Company will also provide a A\$100 million (approx. US\$66 million) guarantee, demonstrating Alcoa's confidence that its operations will not impair drinking water supplies. Clearing for mining in the Northern Jarrah Forest will be capped at 800 hectares per year and the current rate of rehabilitation will double to reach 1,000 hectares per year by 2027.

Separately, Alcoa has committed to work with the WA Government to modernize the State Agreements and the approvals framework for its two bauxite mines and three alumina refineries in the State. This includes transitioning all proposed new major mining regions to the more contemporary EPA assessment and approvals process. Alcoa started this process in 2020, when it referred its next two proposed mine regions (Myara North and Holyoake) for EPA assessment.

These commitments are in addition to Alcoa's earlier decisions to forgo mining around the forest towns of Dwellingup and Jarrahdale to enhance protections for lifestyle and recreation values.

Matt Reed, Alcoa Vice President Operations for Australia, said the decisions provided a balance between protecting local jobs and businesses while enhancing environmental protections.

"We are absolutely focused on operating in line with these new requirements and evolving community expectations," Reed said. "They mean we can continue to build on our 60 years of economic value creation, employment, and community support in WA while transitioning to more contemporary approvals."

The new MMP will support mining at Alcoa's current Myara and Larego regions at its Huntly and Willowdale mines. It does not affect the EPA environmental impact assessment already underway for Myara North and Holyoake, the two proposed new mine regions. That assessment is continuing with

mining in these new regions not expected to occur any earlier than 2027. Until then, Alcoa expects bauxite quality to be similar to recently reduced grades. Bauxite quality at Myara North and Holyoake is expected to be consistent with historic higher grades.

About Alcoa Corporation

Alcoa (NYSE: AA) is a global industry leader in bauxite, alumina and aluminum products with a vision to reinvent the aluminum industry for a sustainable future. With a values-based approach that encompasses integrity, operating excellence, care for people and courageous leadership, our purpose is to Turn Raw Potential into Real Progress. Since developing the process that made aluminum an affordable and vital part of modern life, our talented Alcoans have developed breakthrough innovations and best practices that have led to greater efficiency, safety, sustainability and stronger communities wherever we operate.

Dissemination of Company Information

Alcoa intends to make future announcements regarding company developments and financial performance through its website, www.alcoa.com, as well as through press releases, filings with the Securities and Exchange Commission, conference calls and webcasts. The Company does not incorporate the information contained on, or accessible through, its corporate website into this press release.

Forward-Looking Statements

This press 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 “aim,” “ambition,” “anticipates,” “believes,” “could,” “develop,” “endeavors,” “estimates,” “expects,” “forecasts,” “goal,” “intends,” “may,” “outlook,” “plans,” “potential,” “projects,” “reach,” “seeks,” “sees,” “should,” “targets,” “will,” “working,” “would,” or other words of similar meaning. All statements by Alcoa Corporation that reflect expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements. Forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and changes in circumstances that are difficult to predict. Although Alcoa Corporation believes that the expectations reflected in any forward-looking statements are based on reasonable assumptions, it can give no assurance that these expectations will be attained, and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties. Additional information concerning factors that could cause actual results to differ materially from those projected in the forward-looking statements is contained in Alcoa Corporation’s filings with the Securities and Exchange Commission. Alcoa Corporation 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.

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