

The background of the slide is a photograph of an alumina refinery. It shows large industrial structures, including a tall, conical silo and various pipes and walkways. The scene is dimly lit, with a warm, orange-brown color palette. A white rectangular box is overlaid on the left side of the image, containing the title and speaker information.

Alumina Limited

2017 Full-Year Results

Mike Ferraro, Chief Executive Officer
Chris Thiris, Chief Financial Officer

Summary Information

This Presentation contains summary information about the current activities of Alumina Limited (ACN 004 820 419) (**Alumina**) and its subsidiaries as at the date of this Presentation. The information in this Presentation should not be considered to be comprehensive nor to comprise all the information that a reader may require in order to make an investment decision regarding Alumina securities. This Presentation should be read in conjunction with Alumina's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au.

No Offer, Recommendation or Advice

This Presentation is for information purposes only and is not a prospectus, product disclosure statement or other disclosure or offering document under Australian or any other law. It does not constitute an offer, invitation or recommendation to acquire Alumina securities in any jurisdiction and neither this Presentation nor anything contained in it will form the basis of any contract or commitment.

The information contained in this Presentation is not financial product advice, or any other advice, and has been prepared without taking into account any reader's investment objectives, financial circumstances or particular needs.

Forward-Looking Statements

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 Presentation 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 Presentation are not guarantees of future performance. Such forward-looking statements involve known and unknown risks (including the key risks referred to below), 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. 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.

Key Risks

Certain key risks that may affect Alumina, its financial and operating performance and the accuracy of any forward-looking statements contained in this Presentation 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 2016.

Past Performance

Past performance information contained in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Financial Data

All dollar values in this Presentation are in United States dollars (US\$) unless otherwise stated.

Certain financial data included in this Presentation is "non-IFRS financial information" under Australian Securities and Investments Commission Regulatory Guide 230: "Disclosing non-IFRS financial information". Alumina believes the non-IFRS financial information provides useful information to users in comparing prior periods and in assessing the financial performance and condition of Alumina. The non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should the information be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS financial information contained in this Presentation. Where non-IFRS financial measures are contained in this Presentation, the definition of the relevant measure, its calculation method and/or a reconciliation to IFRS financial information is provided in this Presentation as appropriate or can be found in Alumina's ASX Full-Year Preliminary Report (Appendix 4E).

No Liability

The information contained in this Presentation has been prepared in good faith and with due care but no representation or warranty, express or implied, is provided as to the currency, accuracy, reliability or completeness of that information.

To the maximum extent permitted by law, Alumina and its directors, officers, employees and agents, and any other person involved in the preparation of this Presentation, exclude and disclaim all liability for any expenses, losses or costs incurred by any person arising out of or in connection with the information contained in this Presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

An outstanding 2017

	2017 (\$m)	2016 (\$m)	Change %
NPAT	339.8	(30.2)	1,225
Net receipts from AWAC	263.1	184.8	42
Final dividend (US cps)	9.3	3.1	200
Total dividend (US cps)	13.5	6.0	125

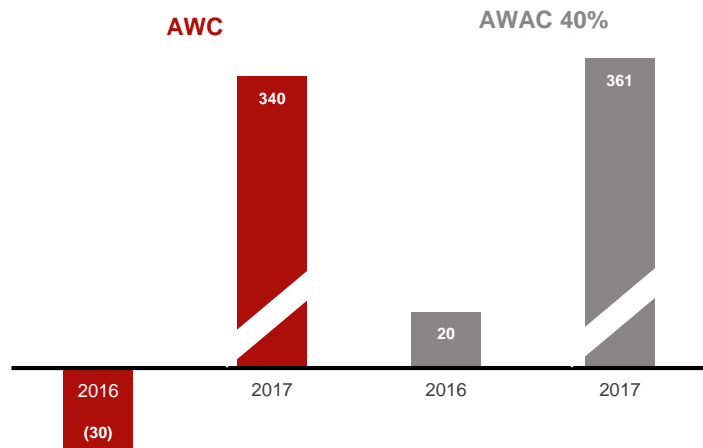
- Since 1 January 2018 net distributions from AWAC to Alumina of \$198 million

Alumina Limited and AWAC 2017 Full Year Results

Chris Thiris

Alumina Limited overview

NPAT (IFRS) increased by \$370m



Dividend policy is based on free cash

Final dividend increased by 6.2 cps (vs pcg)

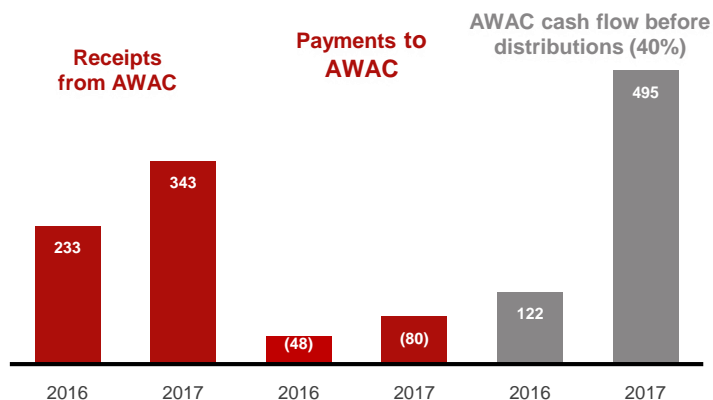
Supported by tier 1 assets

Investing in growth

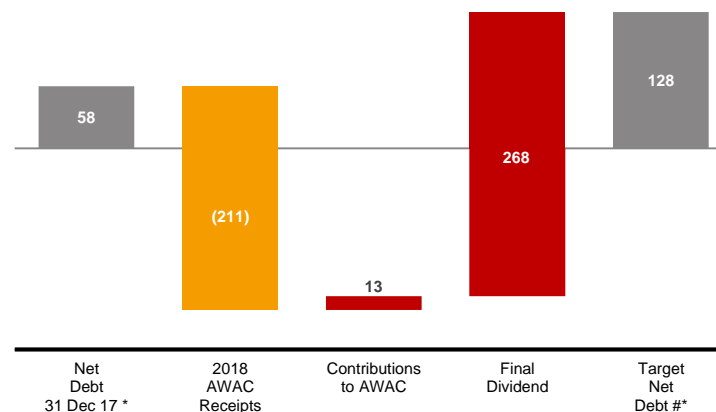
Gearing remains low (net debt target: \$120m-\$130m)

2017 dividend yield is 7.5%* fully franked

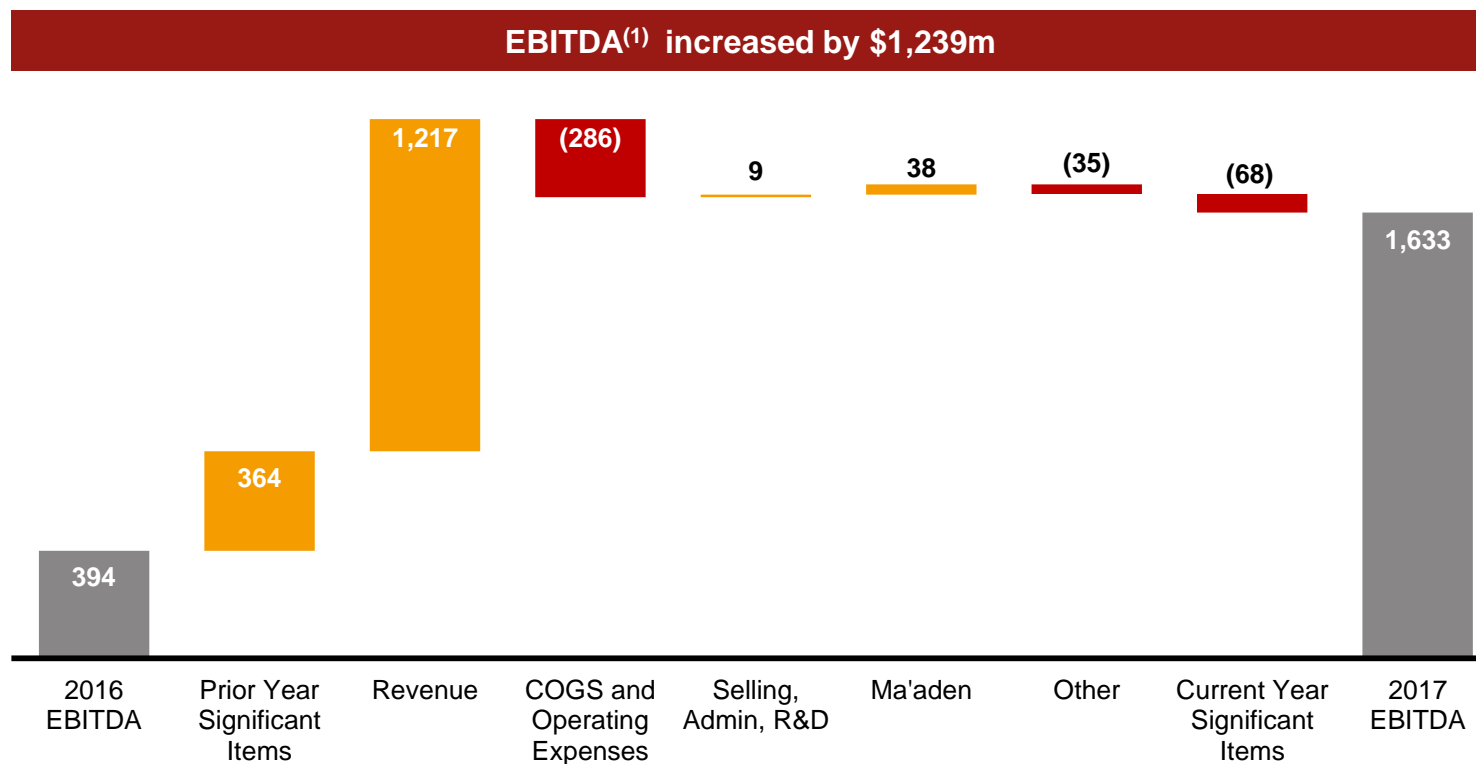
Net AWAC receipts increased by \$78m



Final dividend declared: \$268m, US 9.3 cps



* Share price: A\$2.30; full year dividend US 13.5 cps; AUD = US\$0.785
For illustrative purposes

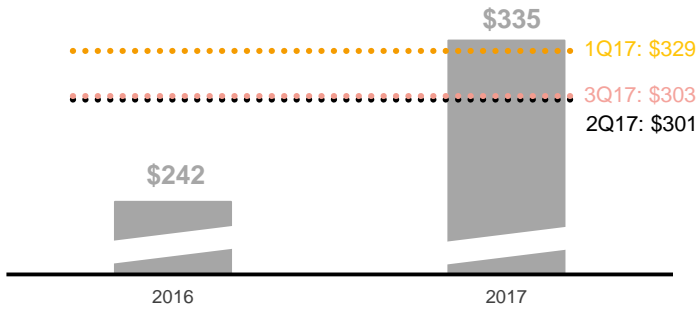


(1) Earnings before interest, tax, depreciation and amortisation

AWAC realised alumina price

Average realised price increased by \$93/t

..... 4Q17: \$414



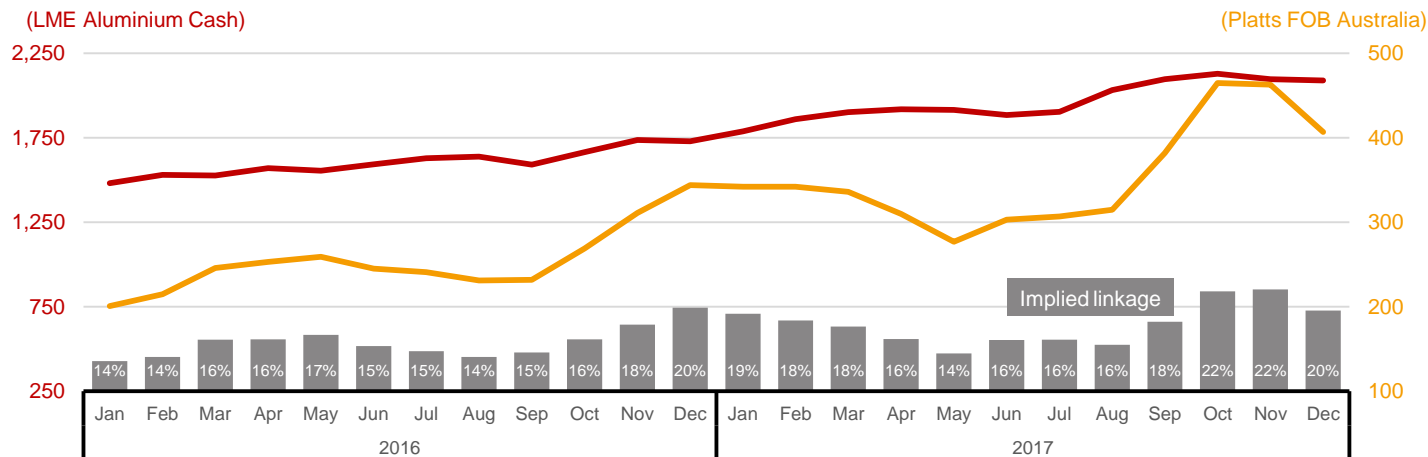
2018 guidance

API sensitivity: **+\$10/t = +\$110m EBITDA⁽¹⁾**

SGA shipments on **spot/index basis: 92%**

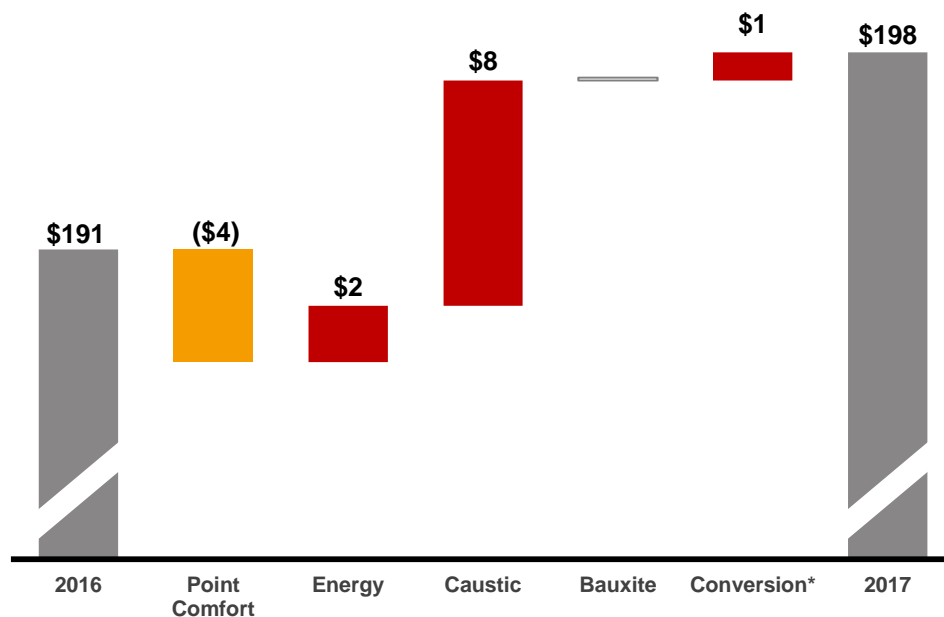
(1) Excludes equity accounted income/loss for the Ma'aden joint venture

Average monthly LME vs Platts FOB Australia (US\$/t)



AWAC cost of alumina production

Cash production cost⁽¹⁾ increased by \$7/t



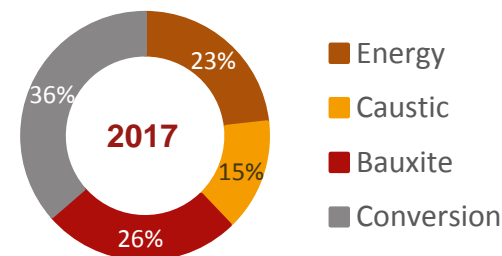
* Conversion includes: employee costs, indirect costs and other raw materials costs

2018 EBITDA guidance

Caustic price sensitivity: +\$100/t = -\$90m

AUD sensitivity: +1¢ in USD/AUD = -\$20m

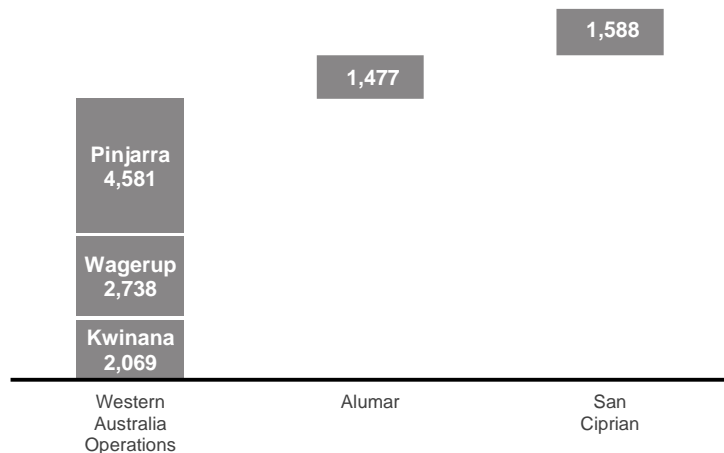
Cash cost structure



(1) Defined as direct materials and labour, energy, indirect materials, indirect expenses, excluding depreciation. Movements can relate to usage, unit costs or combination of both, timing of maintenance, seasonal factors, levels of production and the number of production days and refinery mix. Includes the mining business unit at cost. The Ma'aden joint venture refinery is not included

AWAC alumina production

2017 production: 12,453k t



2018 production guidance

Approximately **12.7 million tonnes**

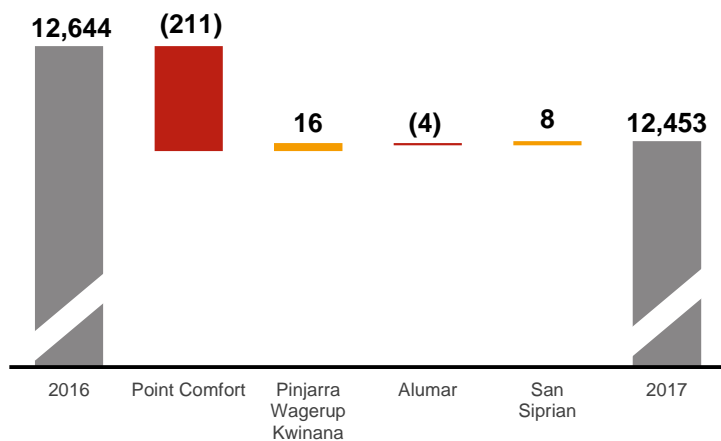
Increases to be across all refineries

WA: capitalising on 2017 low cost creep projects

Alumar: completed phase 1 debottlenecking

San Ciprian: replacement of bauxite mills

Change by refinery*: 191k t decrease

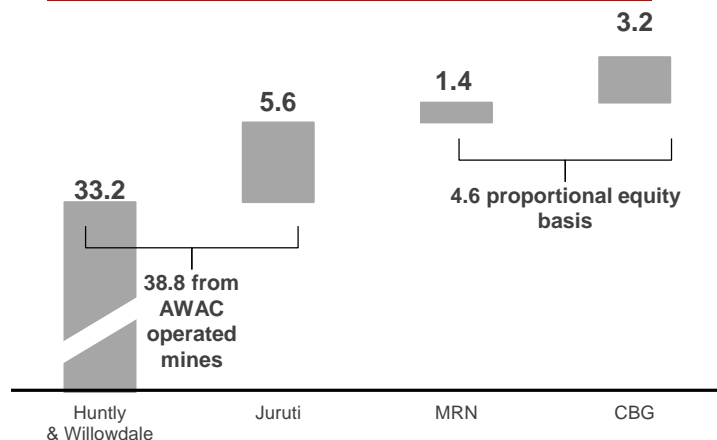


* Production of AWAC's operated refineries. Therefore, the Ma'aden joint venture refinery is not included

Ma'aden Joint Venture	2016	2017
Refinery production (100%)	1,429k t	1,478k t

AWAC bauxite production and sales

2017 production: 43.4m t



2018 guidance

Third party sales: approximately 6.3 million tonnes

WA exports to increase to 1.4 million tonnes

WA continues capex to support 2.3m t exports

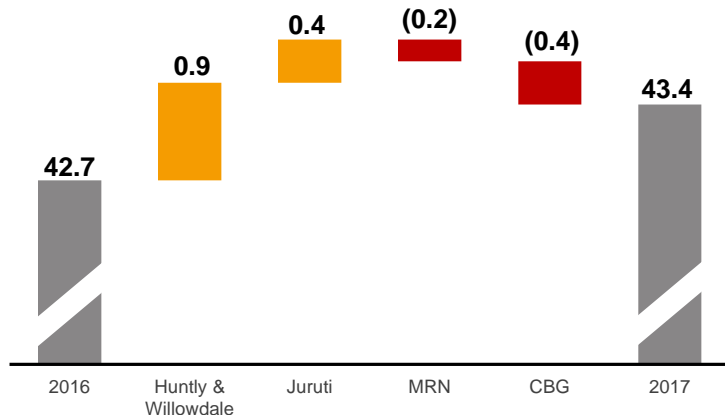
Juruti to continue expansion to 6.5m t

2017 EBITDA margin⁽¹⁾ was 35.1%

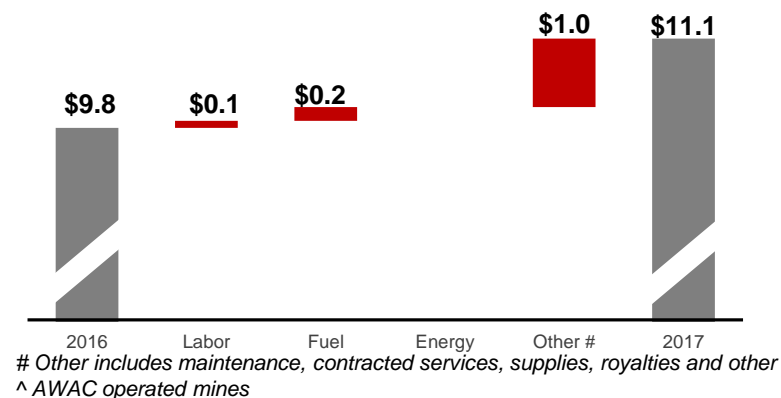
Margin is 38.2%, excluding freight

⁽¹⁾ Based on intersegment and third party sales

Change by region: 0.3m t increase



Cash cost per BDT of bauxite produced[^]



Note: Tonnes are reported on a zero moisture basis, "bone dry". The Ma'aden joint venture mine is not included
MRN - Mineração Rio do Norte S.A.; CBG - Compagnie des Bauxites de Guinée

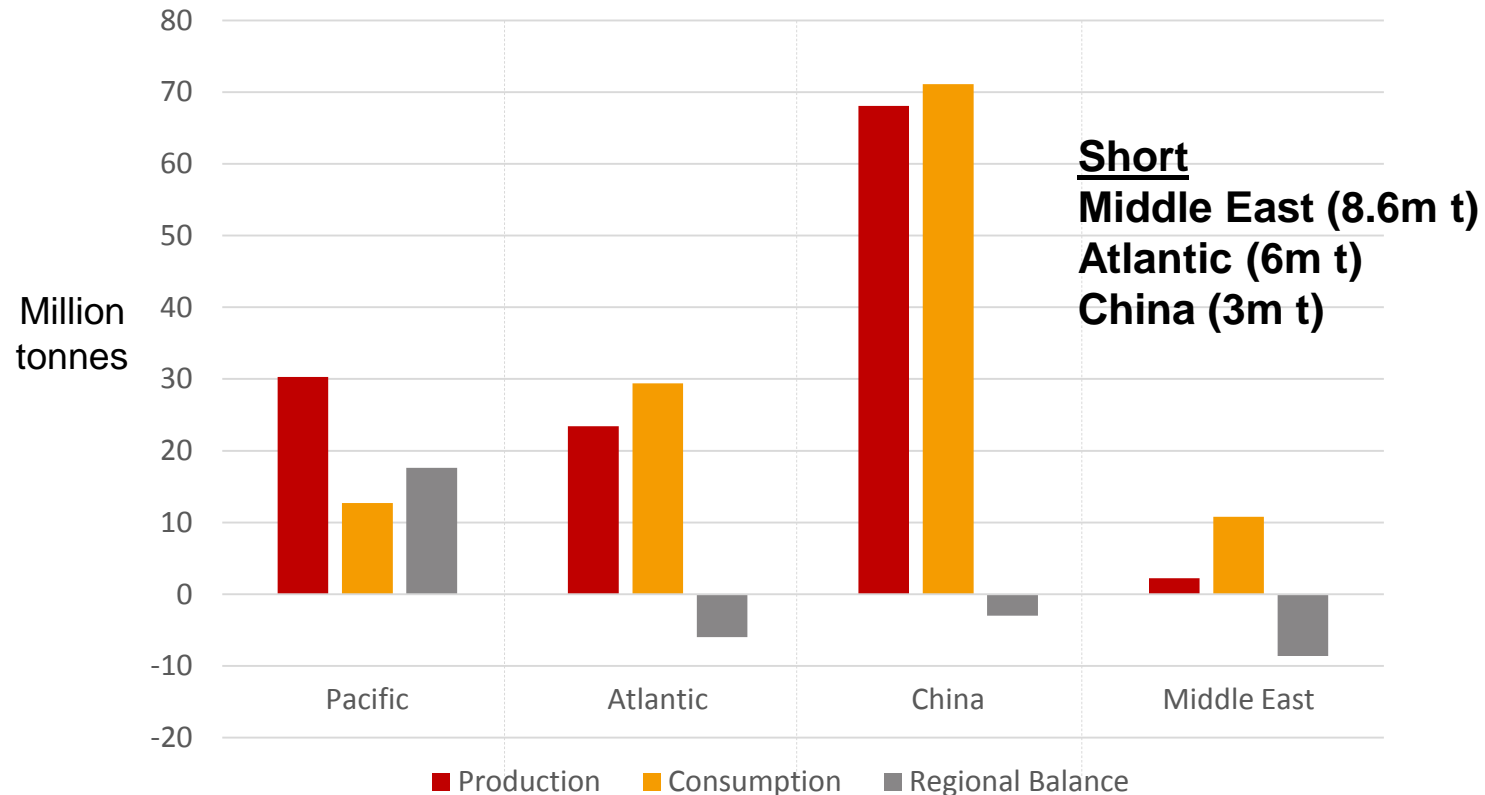
Item	2018 Outlook
Alumina	Production: 12.7m t API sensitivity +\$10/t: approximately +\$110m EBITDA Caustic sensitivity +\$100/dry metric tonne: approximately -\$90m EBITDA
Australian \$ Sensitivity	+1¢ in USD/AUD: Approximately -\$20m EBITDA
Capex	Approximately \$260m Major projects: Pinjarra residue press filtration, WA mining infrastructure, and Juruti expansions
Bauxite (3rd Party)	Sales: 6.3m BDT
Restructuring (post tax)	Cash: \$120m - Point Comfort: \$40m - Suralco: \$50m - Point Henry & Anglesea: \$30m Accounting: \$51m
Portland (55% share)	Production: 164k t

2017 in Review and Outlook

Mike Ferraro

Atlantic and Middle Eastern markets short alumina in 2017

2017 regional balances of smelter-grade alumina

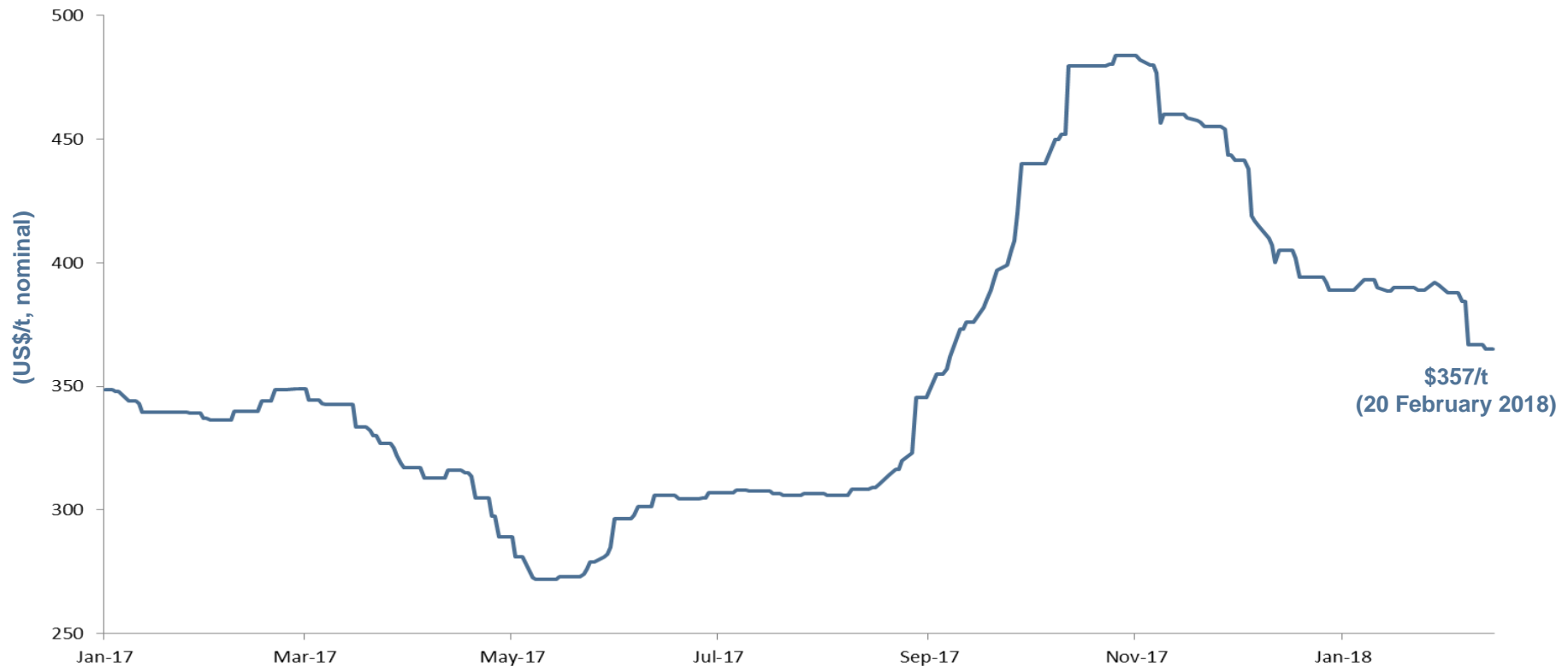


- *Atlantic = Africa, Europe, North and South America*
- *Pacific = Australia, India, Indonesia, Vietnam*

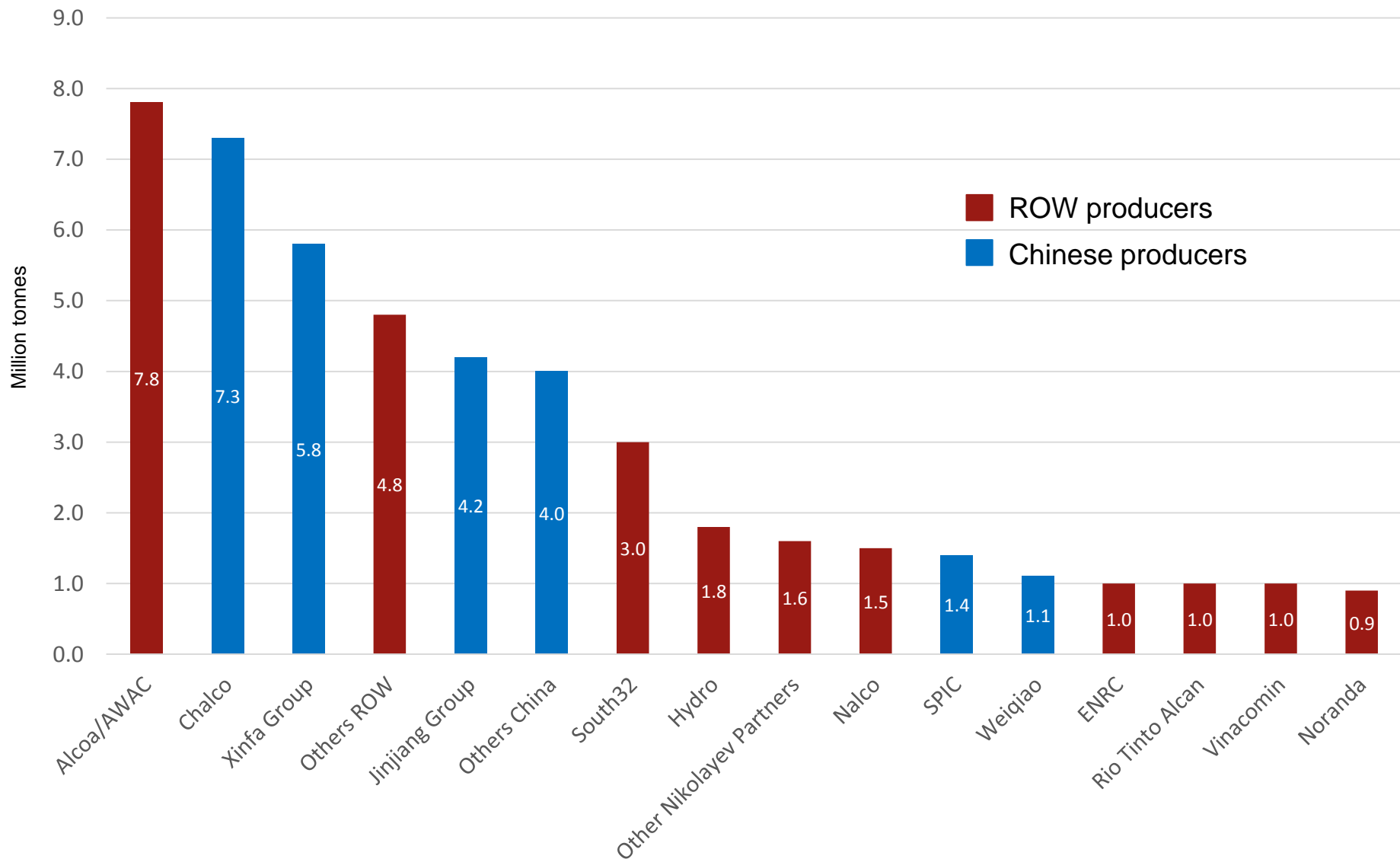
Alumina price fluctuated over 2017, reflecting alumina spot fundamentals

Platts PAX FOB Australia prices

2017 average price \$354/t (high \$484/t, low \$272/t)



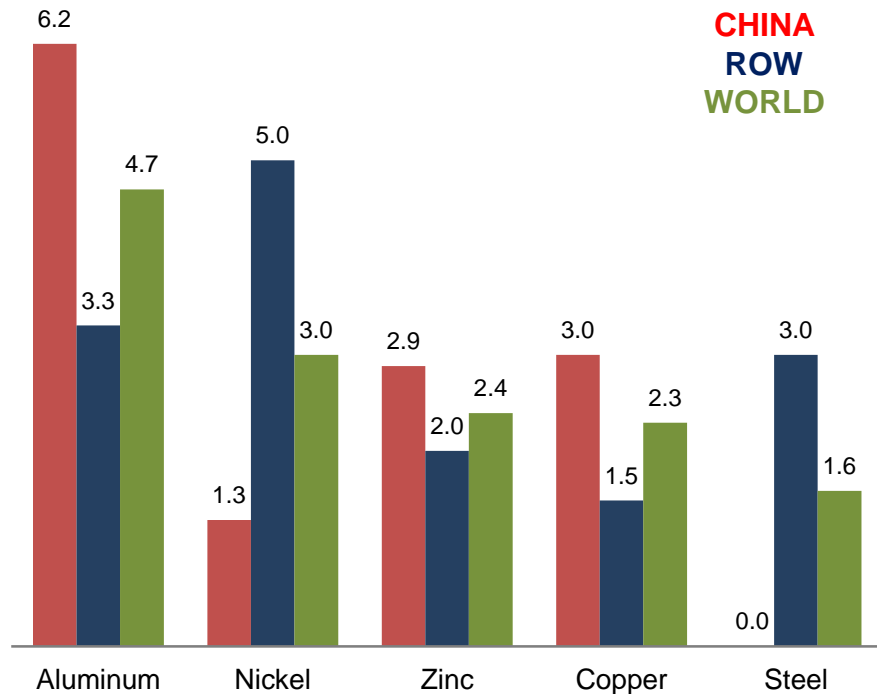
AWAC: significant third party alumina supplier in 2017



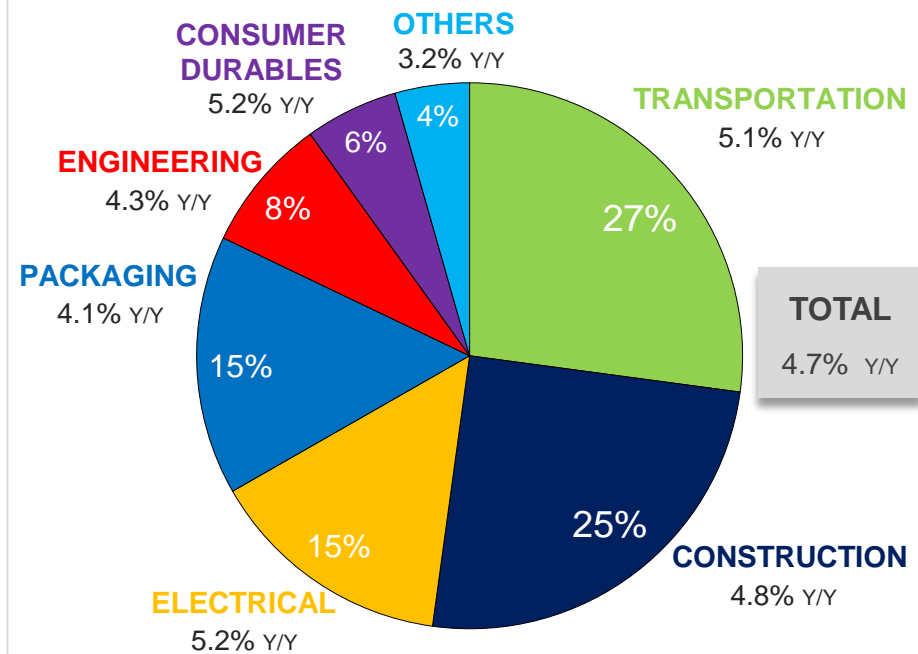
Source: CRU Bauxite and Alumina Market Outlook, February 2018. Note: The totals are not exact as in some cases 100% of joint venture production has been included and CRU has included cumulative capacity creep estimates and an adjustment to production due to unplanned disruptions

Aluminium remains world's strongest growth metal; diverse end uses

**Forecast 2018 Annual Consumption
Growth by Metal (%)**



**Forecast 2018 Global Aluminium Consumption
Growth by End-Use Sector**



Aluminium

- More committed or likely smelter expansions than refineries
- Growth focussed in Asia, the Middle East and India

Alumina

- Modest greenfield refinery growth outside China
- Curtailed refineries difficult and expensive to restart

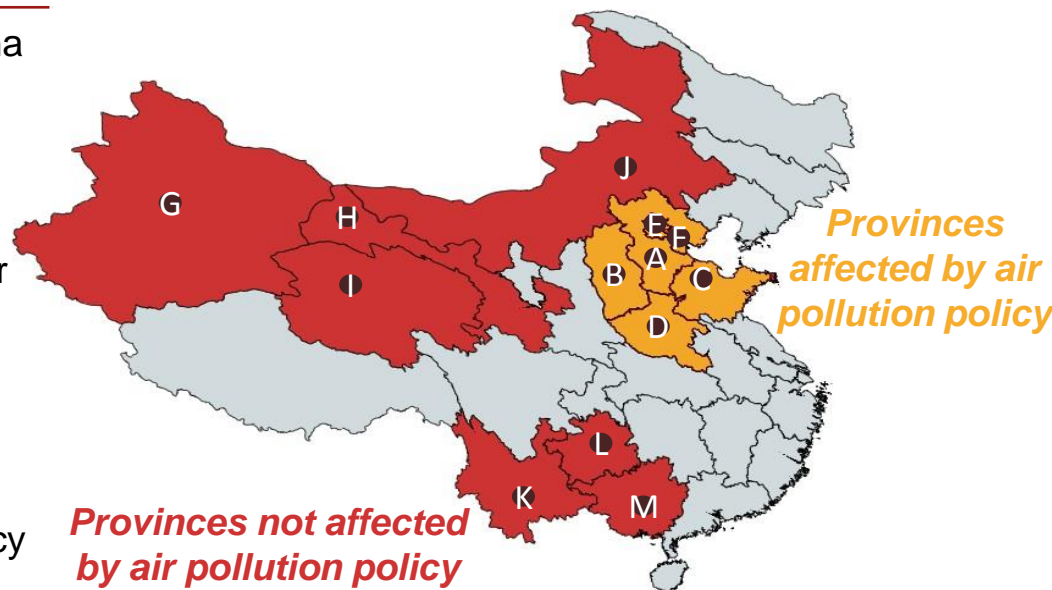
Policy has a larger impact on alumina

31 affected cities in provinces that export alumina to other provinces

- 30% reduction in refining and smelting
- applies 15 November to 15 March

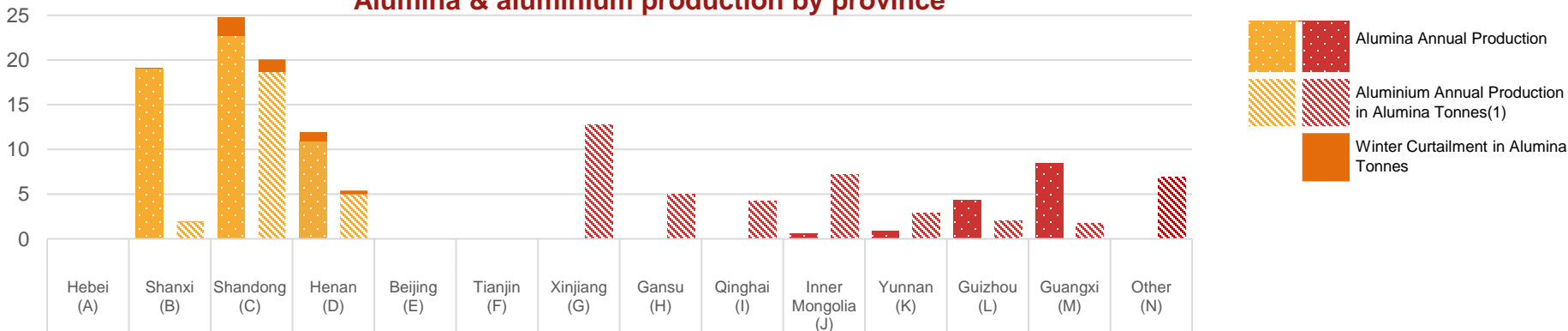
Final cuts to be ascertained after winter however it is likely that the cuts will total **1.5 million tonnes of alumina** production and **0.33 million tonnes of aluminium** production – less than forecast but still substantial.

Government expected to review success of policy by number of low pollution days and consider repeating/modifying next winter.



Million tonnes

Alumina & aluminium production by province



Source: CM Group and Alumina Limited

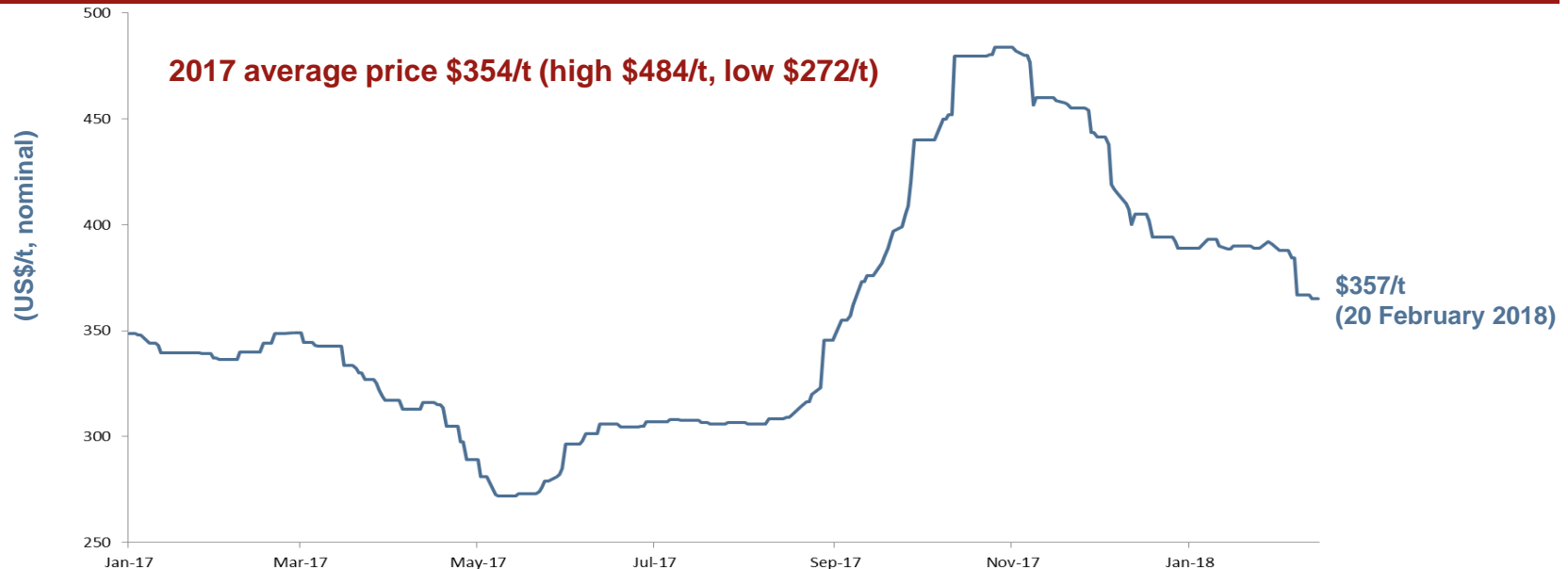
(1) Aluminium grossed up by the AA:AL ratio of 1.93:1 (i.e. 1.93 tonnes of alumina required to produce one tonne of aluminium)

- Higher profits and dividends in 2017
- 2017 underpinned by higher alumina prices due to:
 - structural reforms in China
 - Atlantic short alumina
 - limited refinery growth in the rest of the world
- AWAC with its tier 1 assets is well positioned to benefit in new phase for global alumina and bauxite markets
- Outlook for the Company and market in 2018 is positive

Appendices

Alumina price fluctuated over 2017, reflecting alumina spot fundamentals

Platts PAX FOB Australia prices



Mar-May 2017

- Oversupply from China, Vietnam, Indonesia, Brazil
- China domestic prices fall due to excess production, Australian import parity premium rises to ~\$40/t
- China suspends spot imports for nearly 3 months
- Smelter incidents in India and Bahrain reduce demand

May-June 2017

- Alumina cuts in Henan, Shanxi for maintenance and environmental audits boost Chinese domestic prices
- Restocking, short covering by China and traders
- China loses interest in imports, but global buyers want tonnes for India, Middle East, Americas

July-Sept 2017

- LME, SHFE prices multi-year highs
- Supply tightens; consumers, traders restock
- Chinese bauxite supply concerns, limited spot offers, imminent refinery winter curtailments
- Australian alumina price discounted to Shanxi province
- Weaker USD made imports more affordable

Oct 2017

- Brazil bauxite concerns
- Venezuela unstable output
- US smelting growth
- Dollar strengthens, Freight rises

Nov-Dec 2017

- China winter cuts slow to materialize
- Australian premium to China increases on low Chinese alumina/aluminium prices
- Pressured by weak smelting margins
- China drops imports

Jan-Feb 2018

- Rising China domestic metal stocks pressuring domestic metal prices and outlook, still no imports
- China slowing for Lunar New Year holidays, even less import interest
- Quebec ABI smelter issues
- Slowdown for Chinese New Year

RoW's likely new aluminium production expansion exceeding likely new alumina tonnes

Region	Country	Company	Smelter	Announced First Metal	Capacity (,000 tonne)	Investment (USD million)	CAPEX (USD '000 per tonne)	Type	Status	Energy Type
West Europe	Norway	Norsk Hydro	Karmoy	Q1 2018	75	515	6.9	Brownfield	Confirmed	Hydro
India	India	Vedanta	Jharsuguda II (Line 4)	Q3 2018	312	725	2.3	Brownfield	Likely	Coal
Rest of Asia	Vietnam	Tran Hong Quan	Dak Nong Phase I	Q4 2018	150	192	1.3	Greenfield	Confirmed	Coal
East Europe	Russia	UC Rusal	BEMO Phase I, Stage II	Q4 2018	147	806	5.5	Brownfield	Confirmed	Hydro
Middle East	UAE	EGA	Dubal/Emal*	2018-2020	100	N/A	N/A	Brownfield	Confirmed	Gas
Middle East	Bahrain	Aluminum Bahrain	Ras Zurrayed (Line 6)	Q1 2019	540	3,500	6.5	Brownfield	Confirmed	Gas
Middle East	Iran	SALCO	Fars	Q1 2019	300	N/A	N/A	Greenfield	Confirmed	Gas
Rest of Asia	Vietnam	Tran Hong Quan	Dak Nong Phase II	Q3 2019	150	192	1.3	Brownfield	Confirmed	Coal
Rest of Asia	Indonesia	Indonesia Asahan Aluminium	Inalum	2019	245	N/A	N/A	Brownfield	Likely	Coal
North America	Canada	RTA/N. Hydro/AMAG/ Marubeni	Alouette Phase III	2019-2020	355	N/A	N/A	Brownfield	Likely	Hydro
Latin America	Jamaica	JISCO	Nain	2019-2020	N/A	N/A	N/A	Greenfield	Likely	Coal
Rest of Asia	Vietnam	Tran Hong Quan	Dak Nong Phase III	Q2 2020	150	192	1.3	Brownfield	Likely	Coal
East Europe	Russia	UC Rusal	Taishet Phase I	2020	430	1,772	4.1	Greenfield	Likely	Hydro
Rest of Asia	Tajikistan	TALCO	Tursunzade II	2020	503	1,600	3.1	Brownfield	Likely	Hydro
Africa	Egypt	Egyptalum	Nag Hammadi	2020	250	N/A	N/A	Brownfield	Likely	Hydro

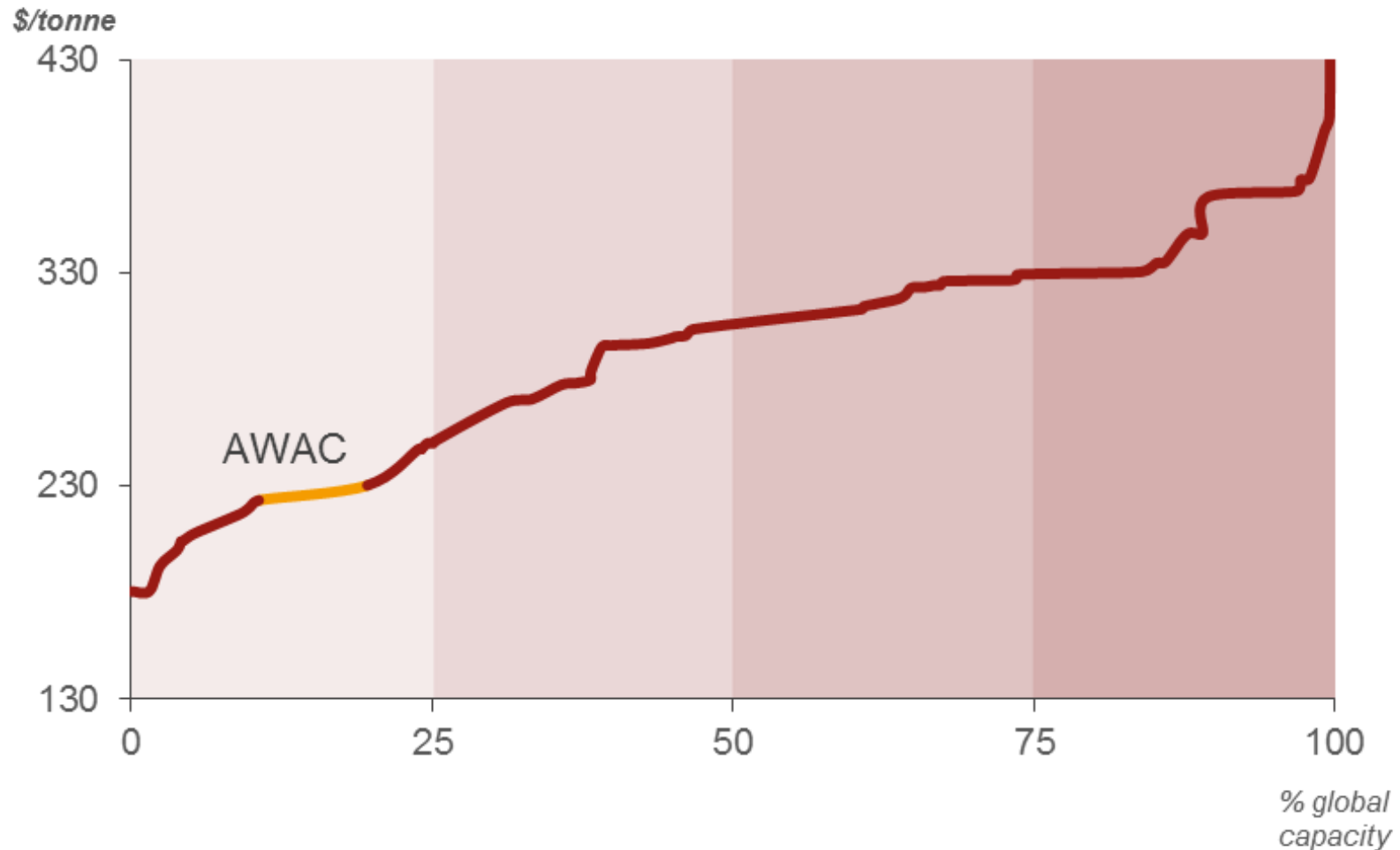
Alumina - modest greenfield growth potential outside China

Country	Company	Refinery	Announced Start Up	Capacity (m mtpy)	Type	Status	Bauxite Source
UAE	EGA	Al Taweelah	2018	2.000	Greenfield	Confirmed	Guinea
Laos	Yunnan Aluminum	Paksong	2018	1.000	Greenfield	Under consideration	Captive
Indonesia	Hongqiao	Ketapang Phase II	2018	1.000	Brownfield	Likely	Captive
Iran	SALCO	Persian Alumina Refinery I	2019	0.800	Greenfield	Likely	Guinea
Indonesia	Inalum/Antam	West Kalimantan	2019	2.000	Greenfield	Under consideration	Captive
Jamaica	JISCO	Alpart	2020	2.000	Brownfield	Under consideration	Captive
Greece	Mytilineos	Distomon	2020	0.850	Brownfield	Confirmed	Captive
Indonesia	Nanshan Group	Bintan	2020-?	1.000	Greenfield	Under consideration	Captive
India	Vedanta	Lanjigarh	2020-?	5.000	Brownfield	Under consideration	Captive

Most SGA greenfields refineries constructed outside China take 5 years – only ones built in last 5 years are:

- Hongqiao Indonesia (2012-2016) and EGA Al Taweelah (2014, under construction) – see above
- AWAC/Ma'aden Saudi Arabia 2009-to date (1.8m tpy)
- Tan Rai, Nhan Co Vietnam 2007-to date (each 650k tpy)

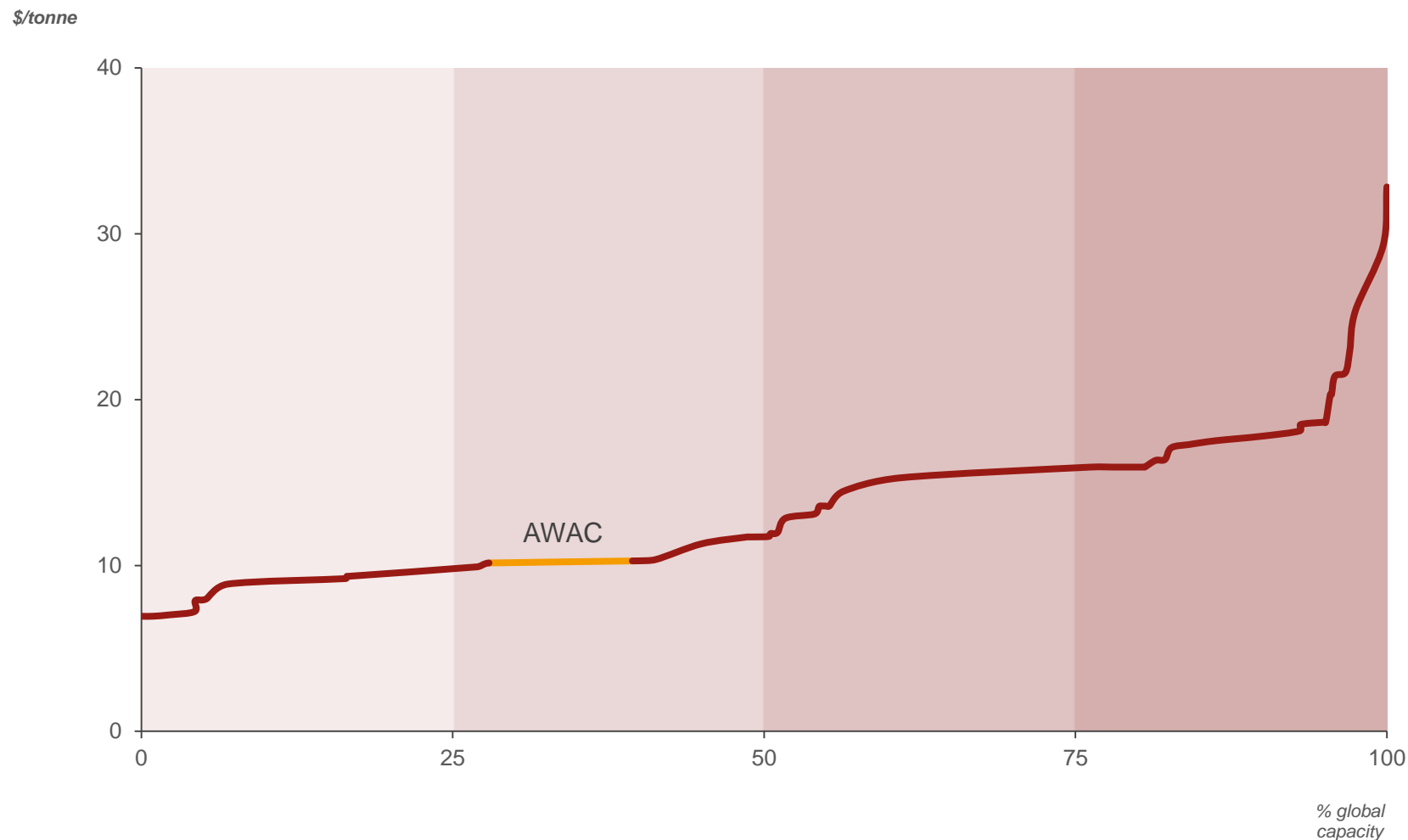
Global metallurgical alumina refining cash cost curve by company Q4 2017*



*Excludes applicable VAT of 17% that Chinese alumina refiners pay on raw materials, energy and services

Source: HARBOR Aluminum

Global bauxite mining cash cost curve by company Q4 2017*



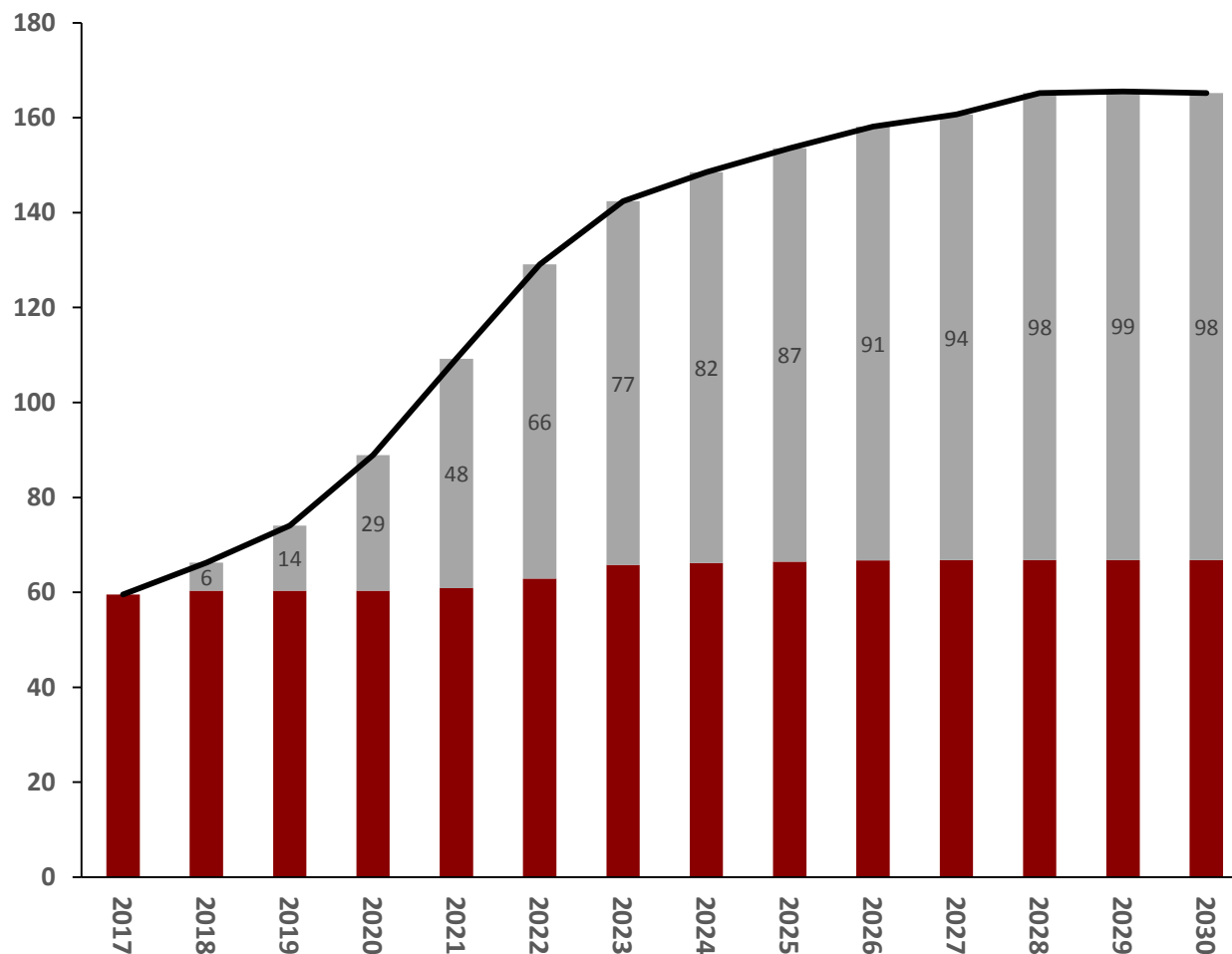
*Excludes applicable VAT of 17% that Chinese bauxite miners pay on raw materials, energy and services

Source: HARBOR Aluminum

Bauxite

China has a growing need for imported bauxite

Million tonnes

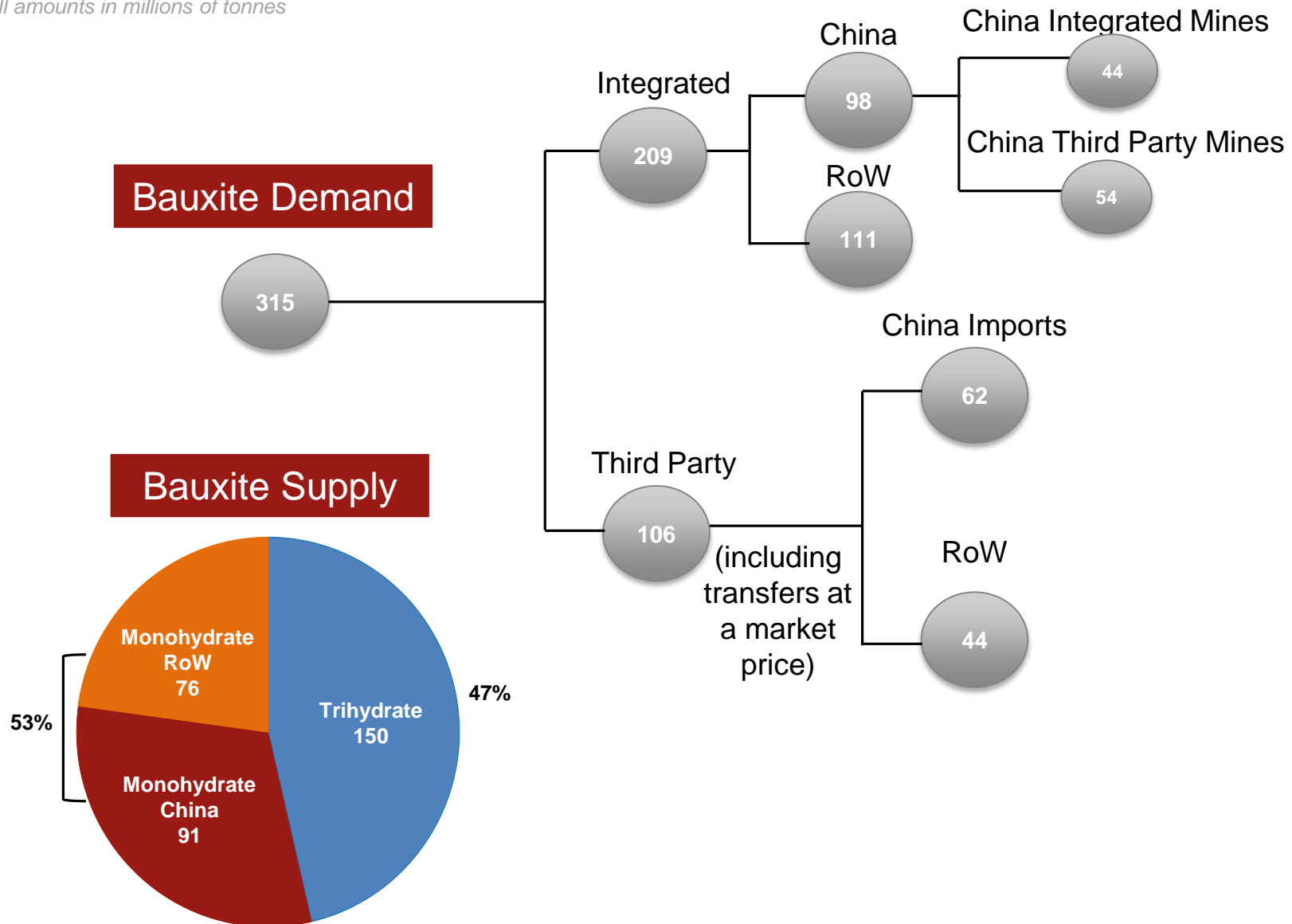


Planned new coastal capacity as well as existing inland capacity forecast to convert to imported bauxite due to depleting domestic quality

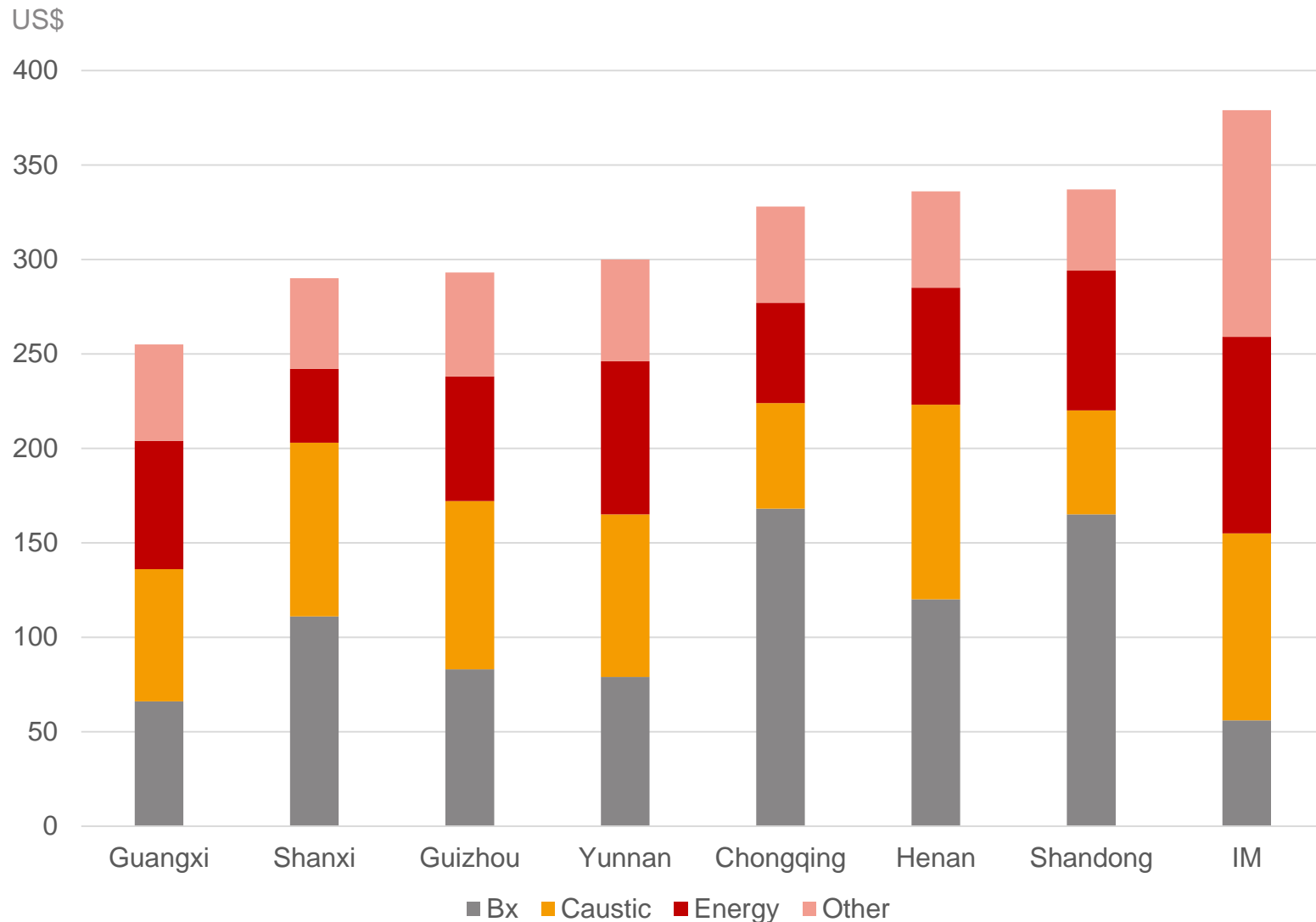
China merchant refineries that currently import bauxite

2017 bauxite market overview

All amounts in millions of tonnes



Average Chinese alumina cash cost by province - December 2017



Source: CM Group, January 2018

Alumina average cash cost by province excluding VAT. Exchange rate used is 6.6.