

Alcoa Corp Fourth Quarter 2020 Earnings Release

Alumina Limited (ASX: AWC) notes Alcoa Corp's ("Alcoa") quarterly earnings release. To assist readers in understanding relevant market, operational and commercial matters of the AWAC joint venture, selected information from the Alcoa Bauxite and Alumina Segments, AWAC joint venture and Alumina Limited plus other market data is attached.

Alumina Limited's CEO, Mike Ferraro, said "With ongoing focus on safety of employees and wider communities, AWAC maintained plant stability and recorded another strong production result. The cash cost of production and the alumina realised price remained relatively stable quarter on quarter with some impact from the stronger Australian dollar.

Early 2021 has seen alumina prices rise above \$300/t, outperforming the second half 2020 average price of \$278. The current spot alumina price of \$306/t is supported by higher LME aluminium prices. The aluminium price is both demand-driven and assisted by a weaker US dollar."

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

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. The operating Afobaka power station and 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.

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Alumina Limited

- Alcoa Corp's 4Q 2020 Bauxite and Alumina Segments' highlights
- Market data on commodity prices

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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.

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Highlights

Alcoa Segments	4Q 2020	3Q 2020	Selected Highlights
Adjusted EBITDA Total:			
– Alcoa Alumina Segment	\$97m	\$119m	<ul style="list-style-type: none"> Alumina: Lower mostly due to the stronger Australian dollar, delayed shipments and increased energy costs, offset by a higher API. Also includes impact of industrial action at the San Ciprian facility Bauxite: Mainly due to the stronger Australian dollar
– Alcoa Bauxite Segment	\$120m	\$124m	
Adjusted EBITDA Margin:			
– Alcoa Alumina Segment	10.4%	11.6%	
– Alcoa Bauxite Segment	39.5%	42.5%	
AWAC	4Q 2020	3Q 2020	Comments
Production:			<ul style="list-style-type: none"> Refining / Mining: Includes CBG/MRN and excludes Ma'aden. Refer to slide 9 (including footnote 4) for further details. Cash Cost includes bauxite at cost: Higher mostly due to stronger Australian dollar Realised Price: Reflects increase in API
– AWAC Refining Business (Million t)	3.2	3.3	
– AWAC Mining Business (Million bone dry tonnes – “bdt”)	11.6	11.5	
Alumina Cost and Price:			
– Cash Cost (\$/t production)	\$206	\$204	
– Realised Price (\$/t shipments)	\$272	\$269	
Alumina Limited	4Q 2020	3Q 2020	Comments
AWAC Net Distributions:			
– Alumina Limited Receipts	\$54.6m	\$46.3m	
– Alumina Limited Contributions	Nil	(\$8.0m)	
Net Debt – Period End:	\$49.6m	\$98.7m	

AWAC 2020 distribution calendar

(Related to Alumina Limited Interim and Final Dividend 2020)



(US\$m)

2020: No later than	Relevant AWAC Entities	Description	Distributions from AWAC ^[1]	Contributions to AWAC ^[1]	Related to Alumina's
20 January	All	50% of each entity's US GAAP Net Income (if positive) for 4Q of previous year	27.6	N/a	2019 Final Dividend / 2020 Interim Dividend
20 February	All except AWA LLC	Available Cash of each entity as at 31 January	3.7	N/a	2019 Final Dividend / 2020 Interim Dividend
31 March	All	Working Capital Contributions	N/a	Nil	2020 Interim Dividend
20 April	All	50% of each entity's US GAAP Net Income (if positive) for 1Q	33.8	N/a	2020 Interim Dividend
20 May	All except AWA LLC	Available Cash of each entity as at 30 April	41.1	N/a	2020 Interim Dividend
30 June	All	Working Capital Contributions	N/a	(16.4)	2020 Interim Dividend
20 July	All	50% of each entity's US GAAP Net Income (if positive) for 2Q	18.6	N/a	2020 Final Dividend
20 August	All except AWA LLC	Available Cash of each entity as at 31 July	27.7	N/a	2020 Final Dividend
30 September	All	Working Capital Contributions	N/a	(8.0)	2020 Final Dividend
20 October	All	50% of each entity's US GAAP Net Income (if positive) for 3Q	17.1	N/a	2020 Final Dividend
20 November	All except AWA LLC	Available Cash of each entity as at 31 October	37.4	N/a	2020 Final Dividend
31 December	All	Working Capital Contributions	N/a	Nil	2020 Final Dividend

AWAC 2021 distribution calendar

(Related to Alumina Limited Interim and Final Dividend 2021)



(US\$m)

2021: No later than	Relevant AWAC Entities	Description	Distributions from AWAC ^[1]	Contributions to AWAC ^[1]	Related to Alumina's
20 January	All	50% of each entity's US GAAP Net Income (if positive) for 4Q of previous year	14.8	N/a	2021 Interim Dividend
20 February	All except AWA LLC	Available Cash of each entity as at 31 January	TBA	N/a	2021 Interim Dividend
31 March	All	Working Capital Contributions	N/a	(TBA)	2021 Interim Dividend
20 April	All	50% of each entity's US GAAP Net Income (if positive) for 1Q	TBA	N/a	2021 Interim Dividend
20 May	All except AWA LLC	Available Cash of each entity as at 30 April	TBA	N/a	2021 Interim Dividend
30 June	All	Working Capital Contributions	N/a	(TBA)	2021 Interim Dividend
20 July	All	50% of each entity's US GAAP Net Income (if positive) for 2Q	TBA	N/a	2021 Final Dividend
20 August	All except AWA LLC	Available Cash of each entity as at 31 July	TBA	N/a	2021 Final Dividend
30 September	All	Working Capital Contributions	N/a	(TBA)	2021 Final Dividend
20 October	All	50% of each entity's US GAAP Net Income (if positive) for 3Q	TBA	N/a	2021 Final Dividend
20 November	All except AWA LLC	Available Cash of each entity as at 31 October	TBA	N/a	2021 Final Dividend
31 December	All	Working Capital Contributions	N/a	(TBA)	2021 Final Dividend

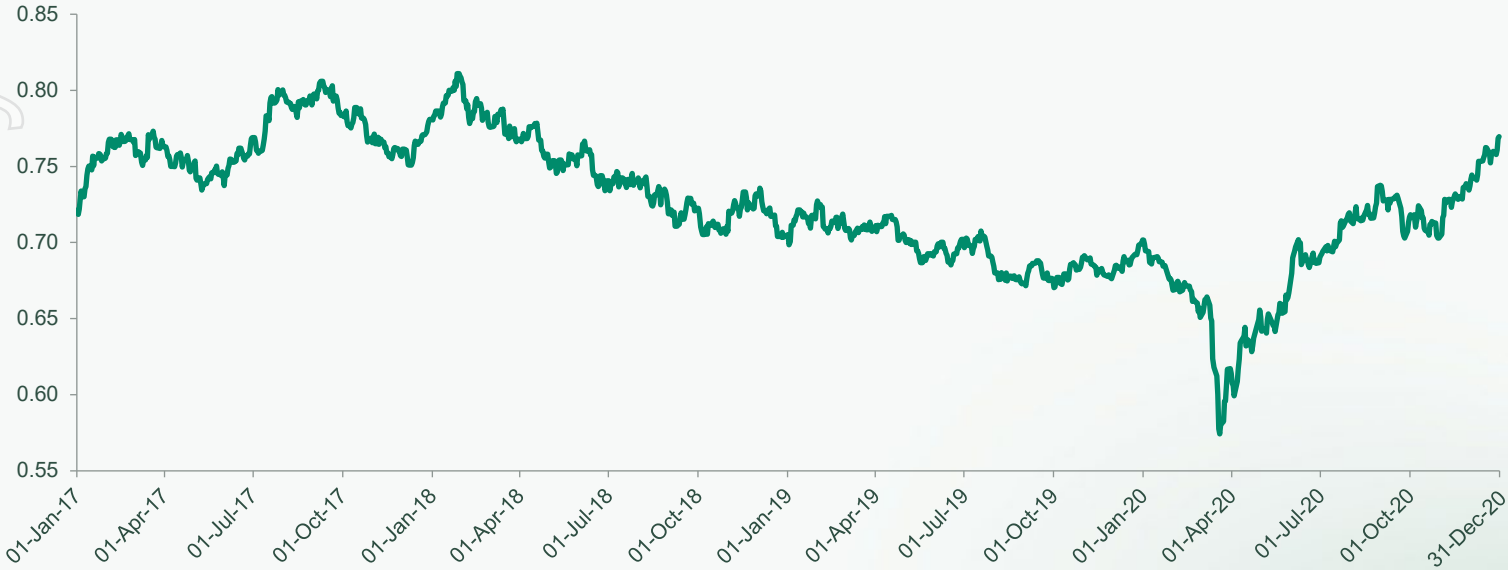
Spot alumina & implied LME linkage



Sources: Alumina: S & P Global Platts, January 2021. LME Aluminium: Thomson Reuters, January 2021

Commodity prices in this slide pack are based on published market prices and may not equate to actual pricing under AWAC contracts

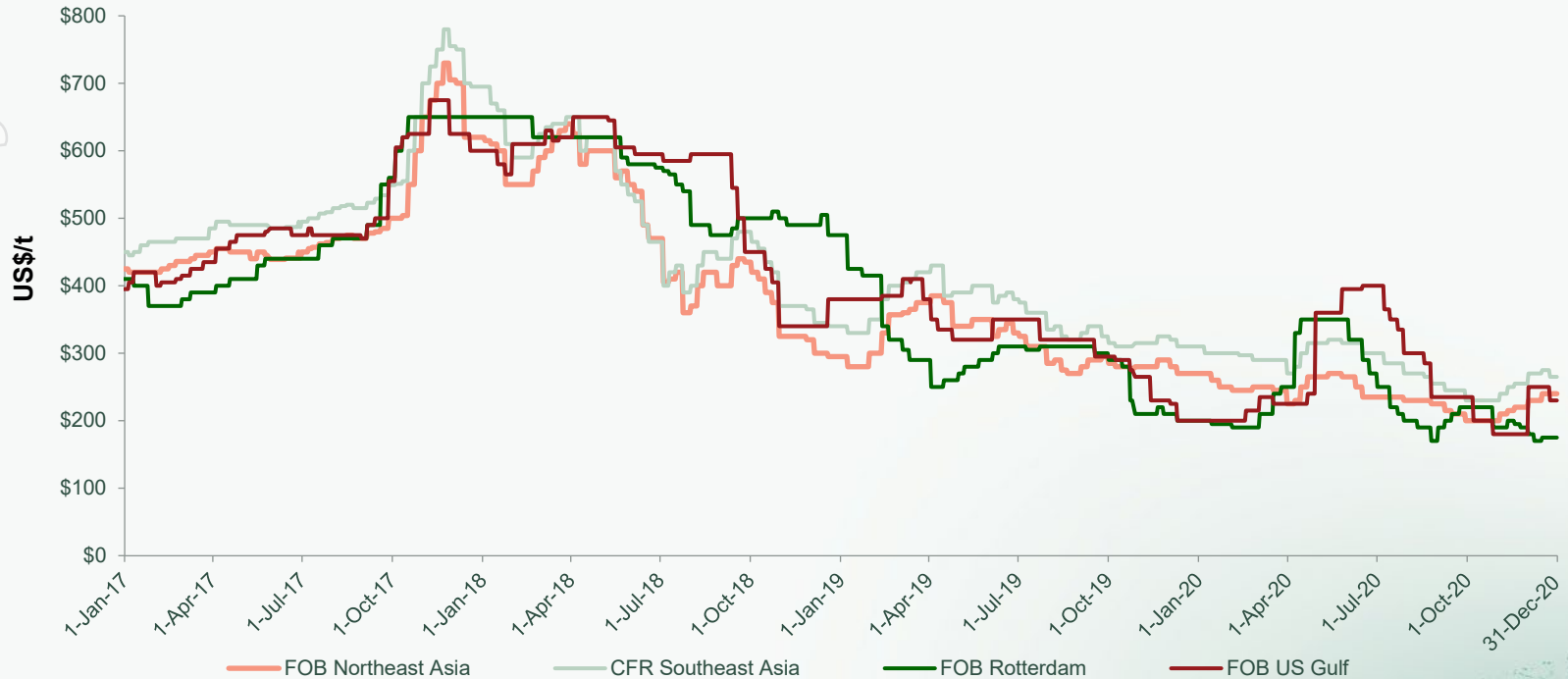
Foreign exchange – AUD/USD



Source: Thomson Reuters, January 2021

Commodity prices in this slide pack are based on published market prices and may not equate to actual pricing under AWAC contracts

Caustic soda



Source: S & P Global Platts, January 2021

Commodity prices in this slide pack are based on published market prices and may not equate to actual pricing under AWAC contracts

AWAC Financial Statements

Equity Interests Disclosure

	AWAC Financial Statements			Equity Share of Production 4Q 2020	Equity Share of Production 3Q 2020
	Revenue	COGS	Other Income / Expense		
CBG Bauxite Mine	✓ ¹	✓ ¹		941k bdt ³	791k bdt ³
MRN Bauxite Mine	✓ ¹	✓ ¹		324k bdt ³	281k bdt ³
Ma'aden Al Ba'itha Bauxite Mine			✓ ²	344k bdt ⁴	262k bdt ⁴
Ma'aden Ras Al Khair Refinery			✓ ²	114k t ⁴	120k t ⁴

¹ Bauxite is purchased at the partner price and recorded in COGS. Third party bauxite sales are recorded in Revenue. The equity accounted share of CBG and MRN's profit or loss is recorded in COGS

² AWAC's equity accounted share of Ma'aden's profit and loss is recognised in Other Income/Expense

³ Based on the terms of its bauxite supply contracts, AWAC's bauxite purchases from the MRN and CBG, differ from their equity share of production in those mines

⁴ Given that Ma'aden's results do not flow through AWAC's Revenue or COGS, its production is not included in AWAC's total Production, Realised Price, or Cash Cost. Ma'aden mine is fully integrated with the Ma'aden refinery. If the Ma'aden Cash Cost or Realised Price was included in the relevant AWAC calculation it would not have a material impact.