

For personal use only

Alumina Limited

2022 Full-Year Results

Mike Ferraro

Managing Director and Chief Executive Officer

ALUMINA
LIMITED

For personal use only



Disclaimer

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, raw material and energy prices, 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 2021.

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 Final 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.

2022 Full-Year Results



- NPAT \$109m (2021: \$226m) excluding significant items
- Strong first half. Second half impacted by lower prices and higher costs, particularly energy in Spain
- Total Dividends of 4.2 US cps. No Final Dividend
- Outlook improving. Alumina prices higher driven by supply constraints. Energy costs lower
- Strong medium and long-term fundamentals driven by decarbonisation

Sustainability

A long history of environmental stewardship

- Rehabilitation in WA
 - Commitment to sustainable, responsible and safe mining
 - Mined the Darling Range for 60 years
 - Shallow surface mining, progressive rehabilitation
 - In 11 years, 6,370 ha rehabilitated, 7,700 ha cleared
- Biodiversity management
 - Pre-mining surveys to identify and protect critical habitat
 - No mining of conservation reserves, old growth forests
 - Planted 570k native seedlings at WA mines in 2022
 - 4% of WA leased area mined – max 8% over life



Sustainability

Aluminium is critical to the low carbon transition

- Metal for the Future
 - Lightweight, corrosion resistant, conductive, infinitely recyclable
 - Promising future for aluminium
 - A driver of the low carbon transition
- AWAC is an industry leader
 - First quartile refinery emissions intensity
 - Net zero ambition
 - Environmental stewardship of 60 years



Galina Kraeva

Chief Financial Officer

ALUMINA
LIMITED

For personal use only



AWAC
2022 Full-Year results

For personal use only



2022 AWAC Full-Year Results*

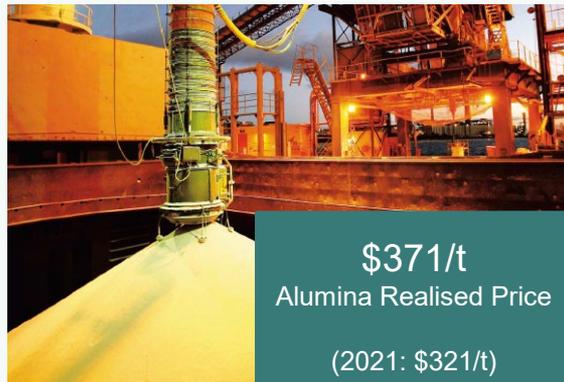


Financials



\$817M EBITDA	\$301M NPAT
(2021: \$1,146M)	(2021: \$444M)

Alumina



\$371/t Alumina Realised Price
(2021: \$321/t)

Aluminium and Bauxite



\$2,884/t Aluminium Realised Price
(2021: \$2,557/t)



\$482M CFO
(2021: \$718M)



11.8Mt@ \$304/t Production/Cash Cost
(2021: 12.6Mt@ \$236/t)



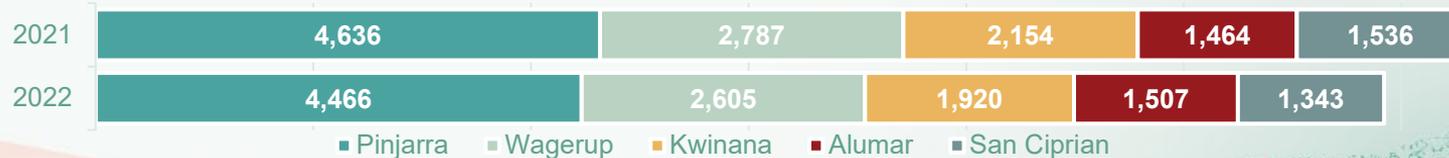
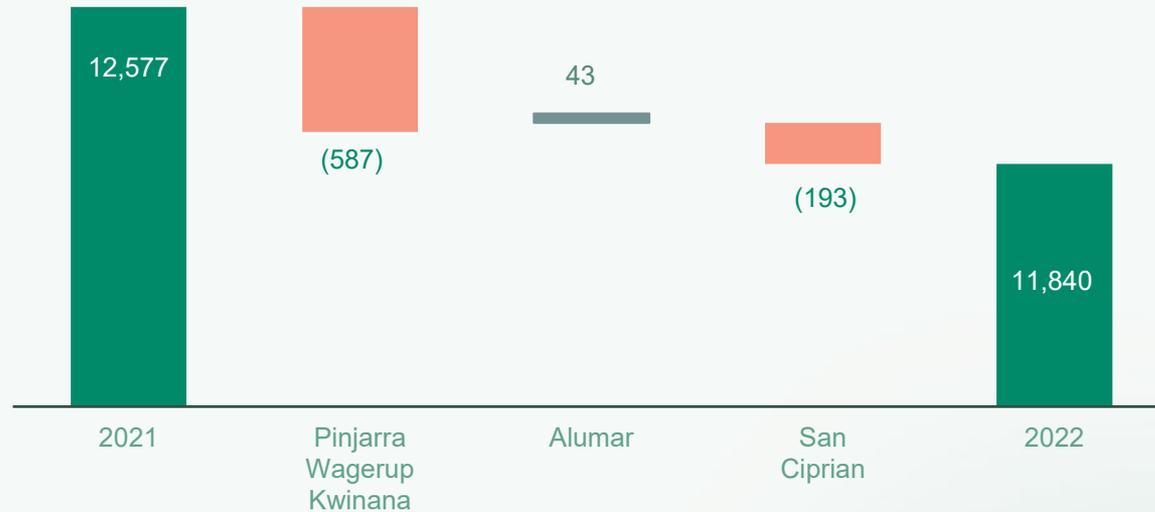
3.5Mt Bauxite 3 rd Party Shipments
(2021: 5.7Mt)

* USGAAP

For personal use only

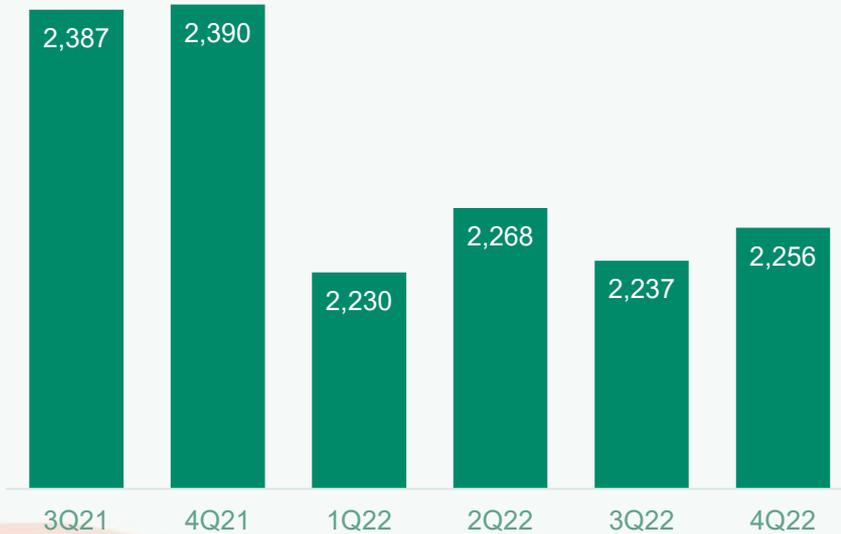
AWAC Alumina Production (kt)

For personal use only



WA production (kt)

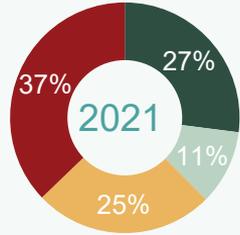
For personal use only



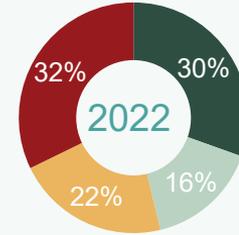
- 2022 production affected by unplanned outages and maintenance
- 2023 focus is to improve system stability and performance
- Decreased 2023 production as a result of:
 - Lower bauxite grade
 - Gas interruption
 - Planned maintenance

2022 AWAC Alumina Cash Cost (\$/t)

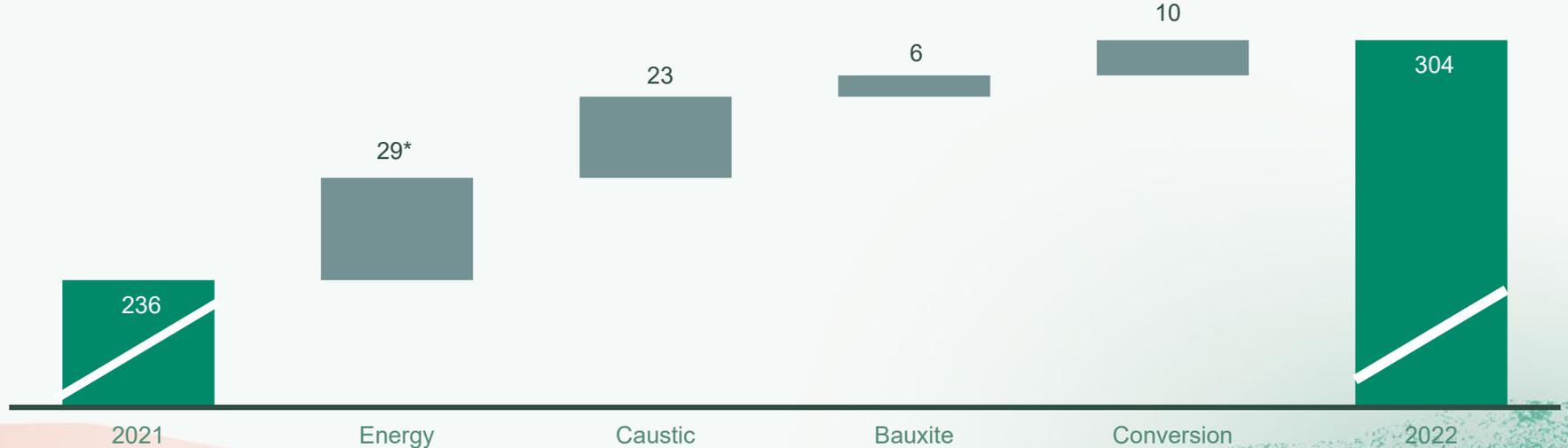
Increased \$68/t from 2021



- Energy
- Caustic
- Bauxite
- Conversion



- Energy
- Caustic
- Bauxite
- Conversion

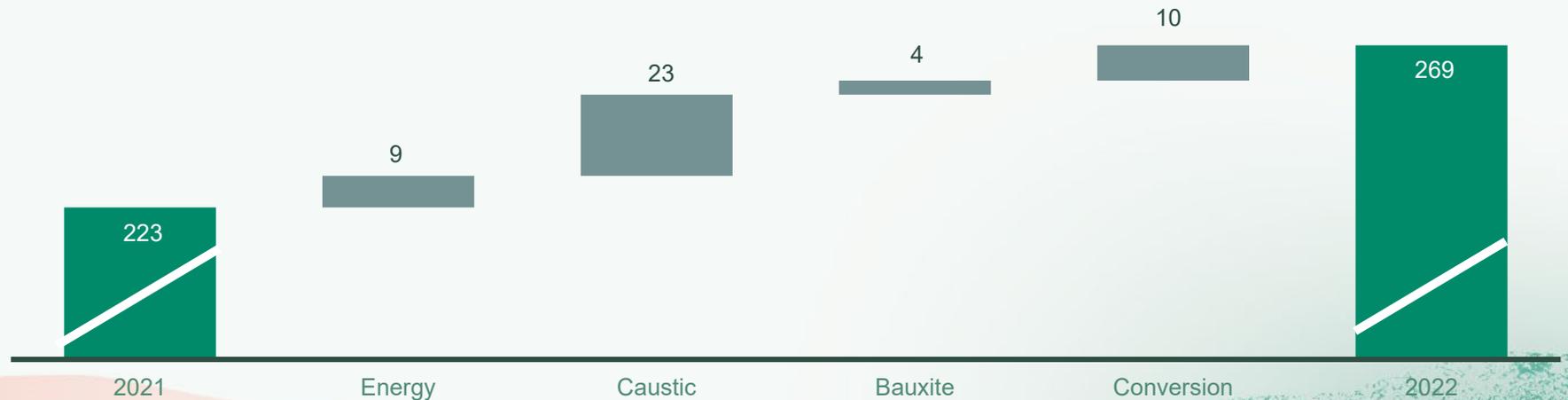
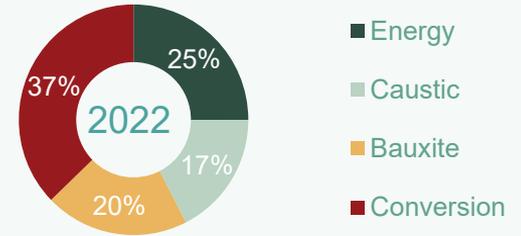
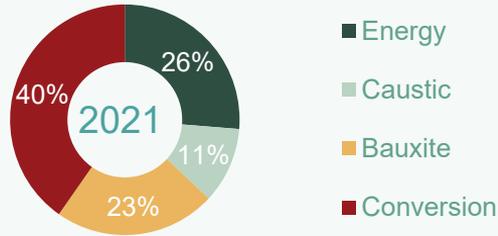


*Approximately 80% is attributable to the increase in European gas prices

For personal use only

2022 AWAC Alumina Cash Cost Ex San Ciprian (\$/t)

Increased \$46/t from 2021



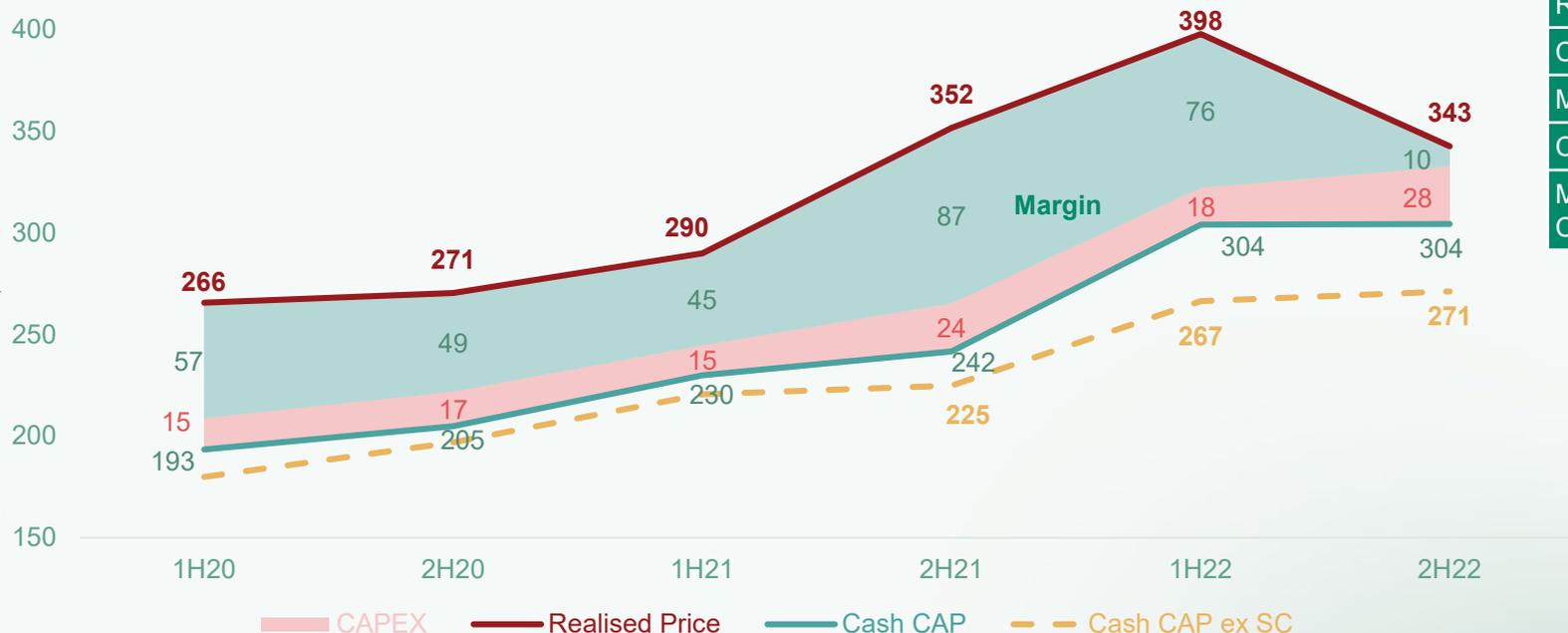
For personal use only

AWAC Margin



Margin after CAPEX decreased from \$76/t in 1H22 to \$10/t in 2H22

For personal use only



\$/t	2022
Realised Price	371
CAP	304
Margin	67
CAPEX	23
Margin after CAPEX	44

AWAC Capital Expenditure and Significant Projects



CAPEX 2022

- Tailings and residue storage areas – Juruti and Alumar
- Juruti mine move
- Debottlenecking at Alumar

CAPEX 2023 Forecast

- Tailings and residue storage areas – Juruti, Alumar and Pinjarra
- Debottlenecking at Alumar
- Mechanical Vapour Recompression preliminary stage

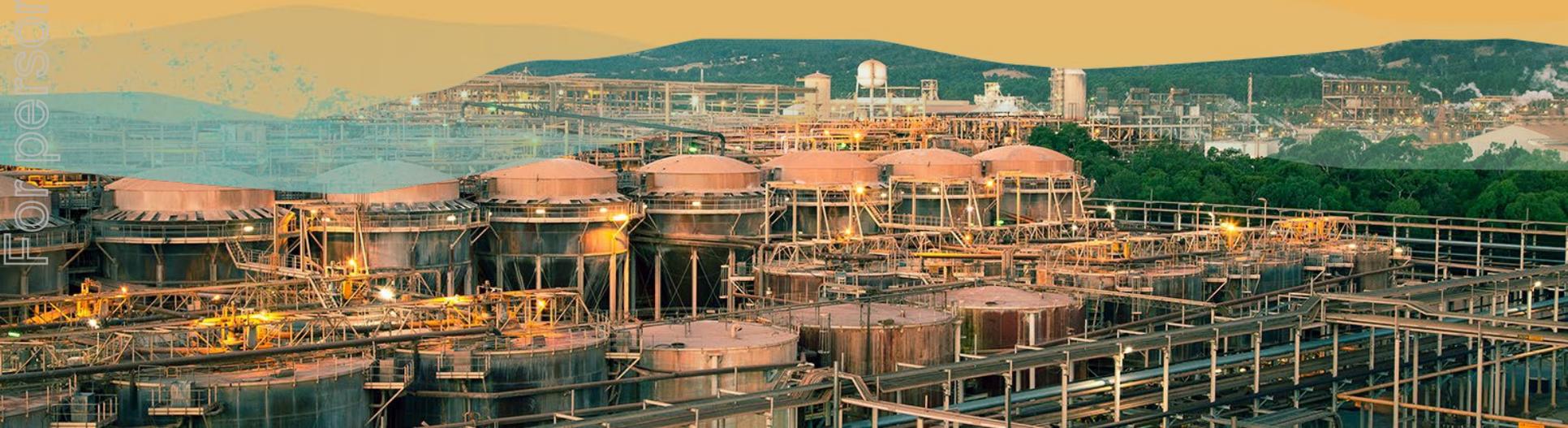
2023 Full Year AWAC Outlook

Item		2022 Actual	2023 Outlook	Change
Production (Mt)	Alumina	11.8	10.5-10.7	↓ 1.1-1.3
Production (kt)	Aluminium	159	180	↑ 21
3 rd Party Shipments– Bone Dry Tonnes (M bdt)	Bauxite	3.5	8.0	↑ 4.5
Cash Items(\$M)	Sustaining Capex	246	~280	↑ 34
	Growth Capex	28	~60	↑ 32
	Restructuring Related Items	67	~80	↑ 13
	Tax Payments related to prior year	120	~115	↓ 5

For personal use only

Alumina Limited 2022 Full-Year Results

For personal use only



Alumina Limited

2022 Full-Year results



For personal use only



- NPAT
\$104.0M
(2021: \$188M)
- NPAT excl significant items
\$109.3M
(2021: \$226M)
- Total dividend
4.2 US cps
(2021: 6.2 US cps)
- Gearing ratio: 6.4%
(2021: 3.2%)
- Revolving credit facility
Two tranches of the \$350m facility extended for further three years

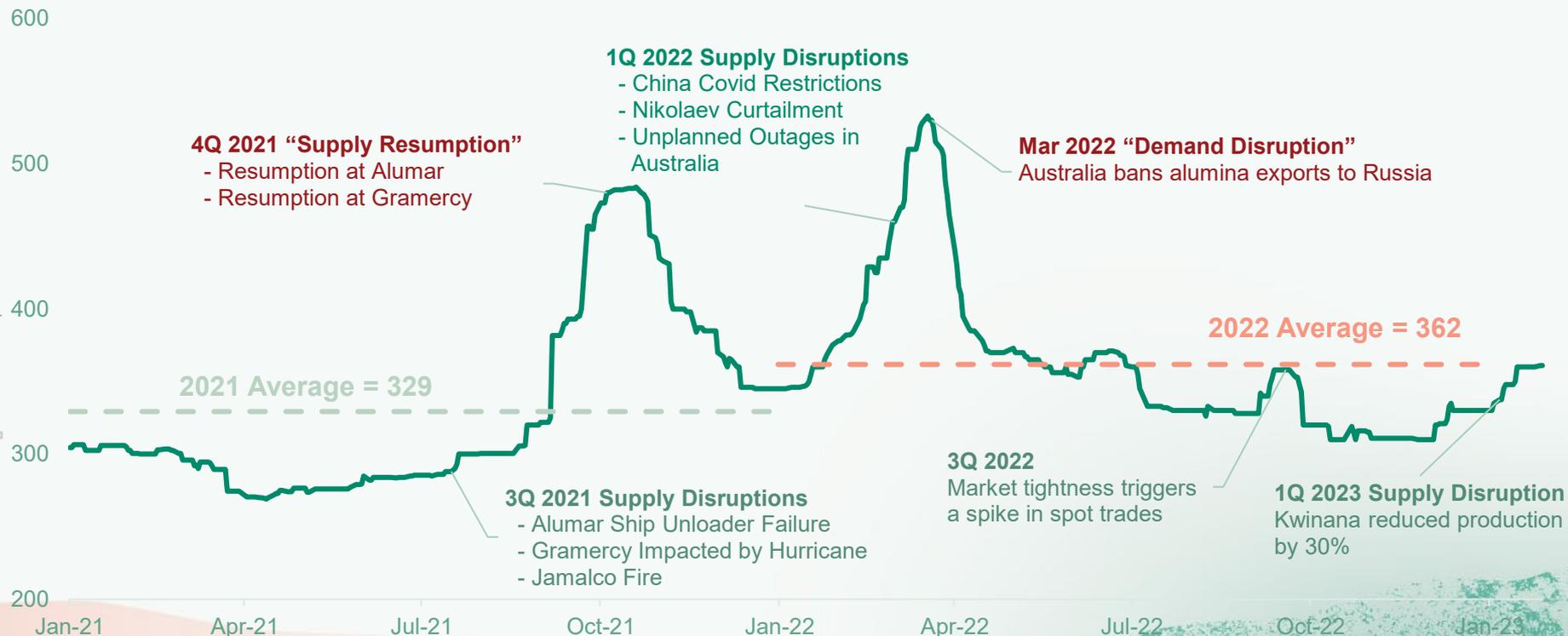
Market Review and Outlook

For personal use only



API Averaged \$362/t in 2022, up 10% year on year

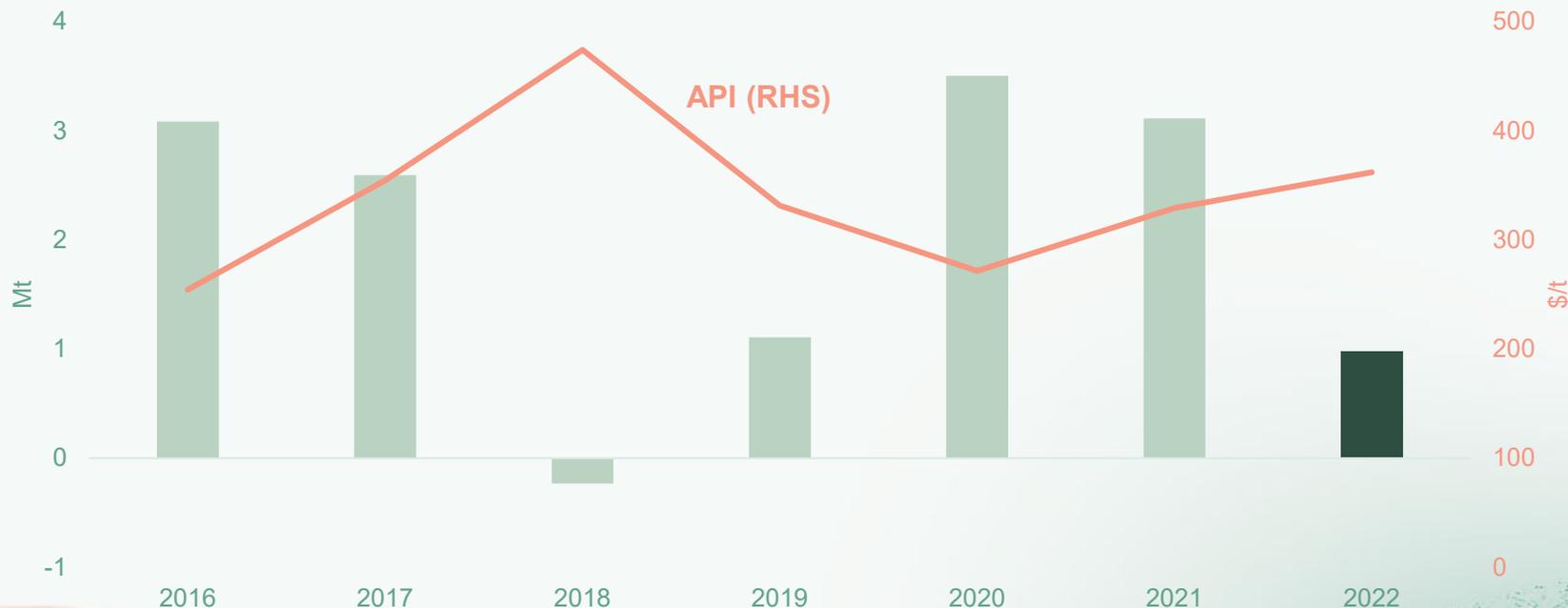
Global events driving API in a balanced market



SGA Market Finely Balanced Outside China in 2022

RoW excess before exports to China representing less than 1% of global supply, prices respond to changes in market balance

For personal use only

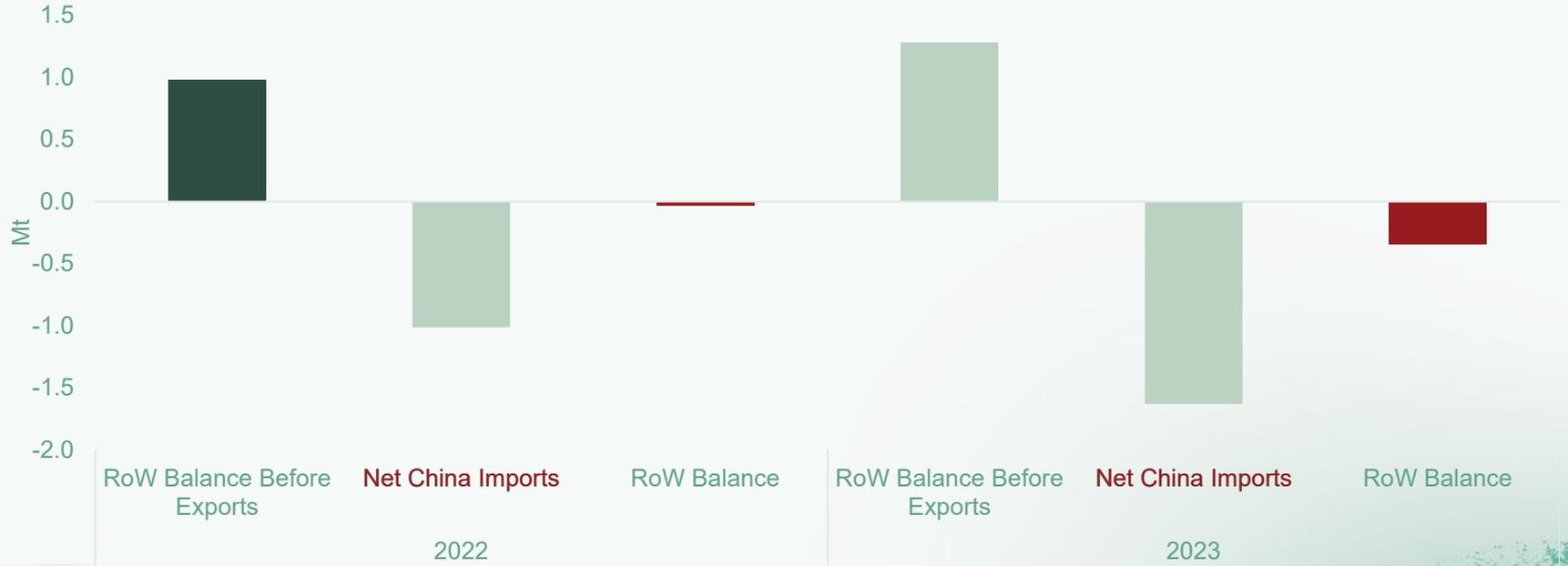


SGA= Smelter Grade Alumina

Market to Tighten Further in 2023

RoW market forecast to be in a notional deficit after exports to China

For personal use only



RoW Committed Aluminium & Alumina Projects (2023-2026)

- Considerable primary aluminium capacity expansion outside China
- Limited alumina capacity committed
- Net growth of aluminium capacity expected to be 1,960kt by 2026
- Medium term alumina shortage of ~4 million tonnes



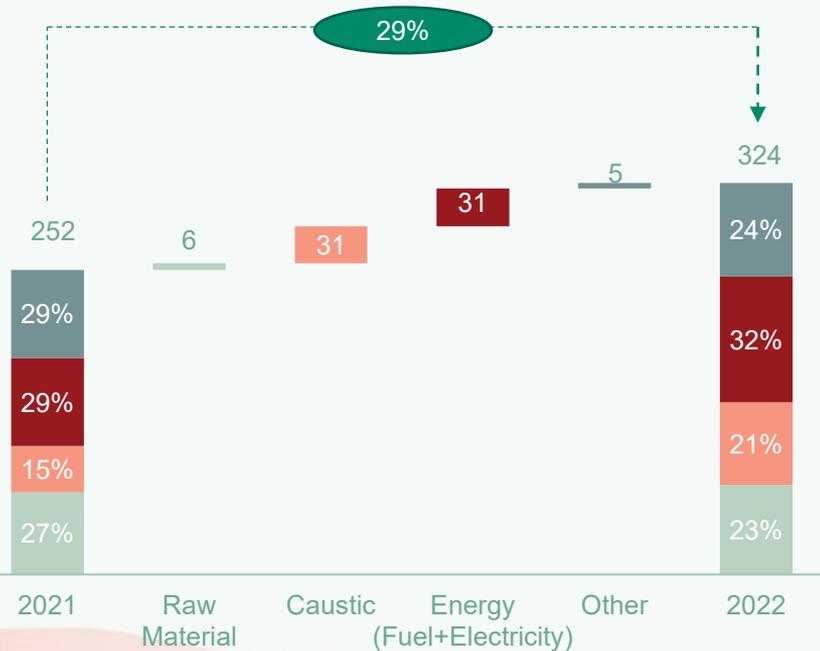
* Alumina projects have been converted from alumina units to aluminium units at a ratio of 1.92:1. For example, the indicated capacity of Lanjigarh is 1,500kt, which would produce 781kt of aluminium

For personal use only

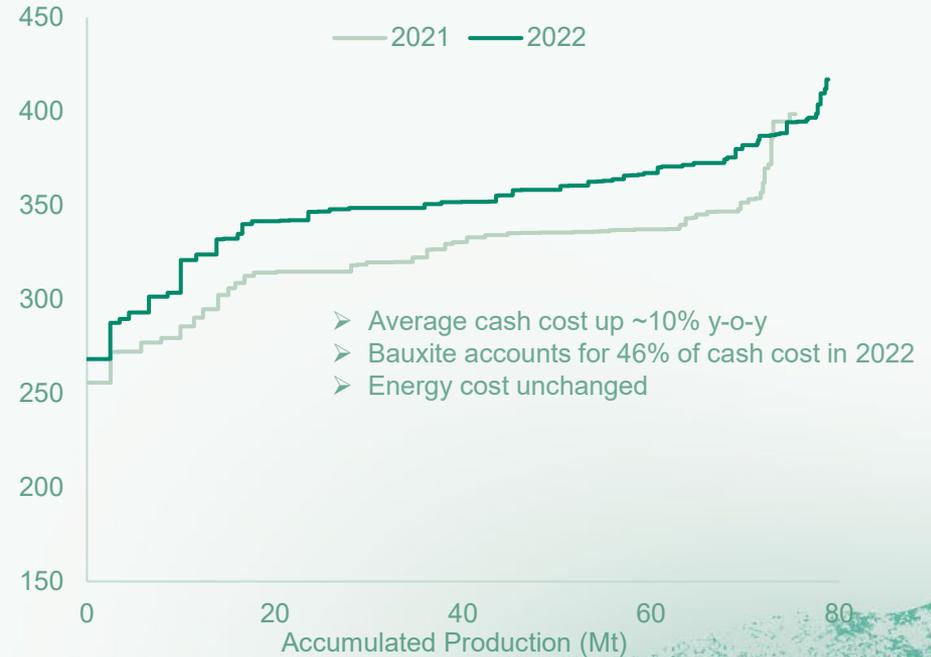
Raw Material and Energy Prices Continue to Drive up Costs

For personal use only

RoW Alumina CAP (US\$/t)

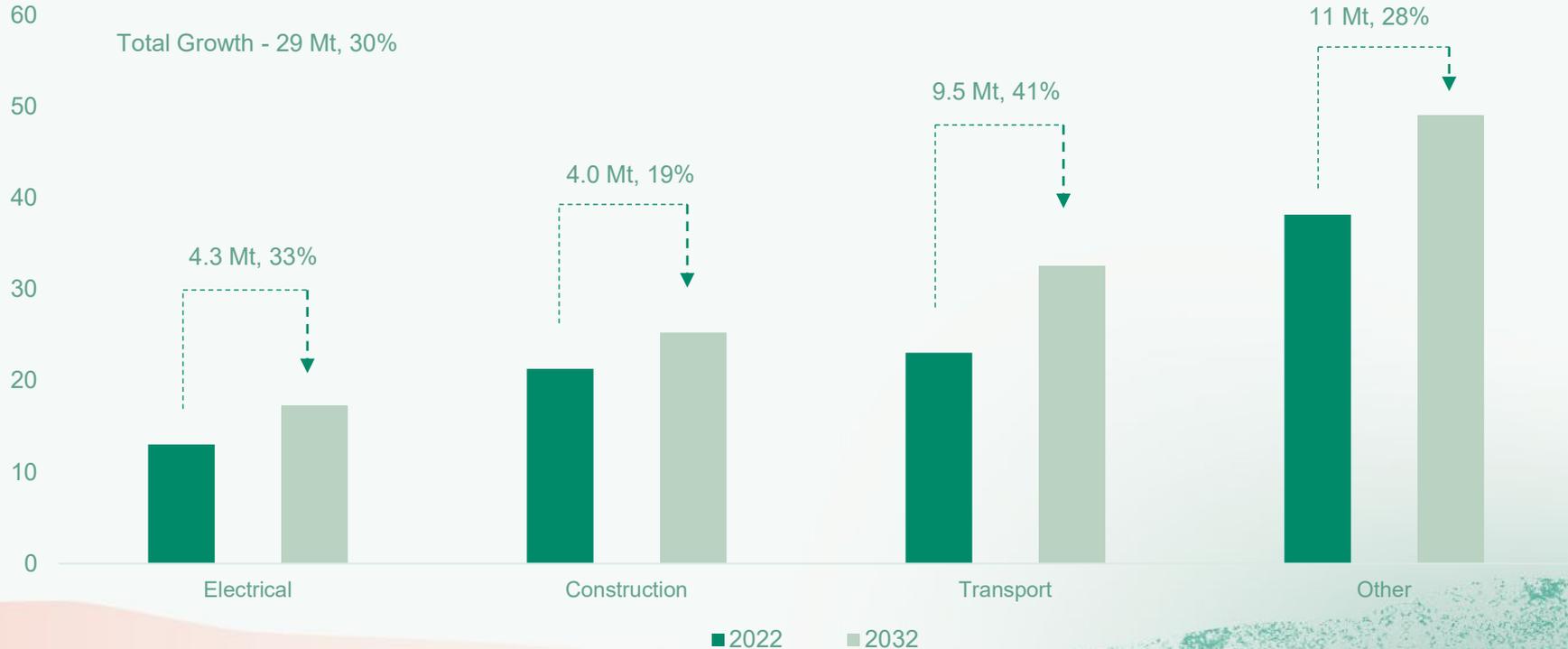


Chinese Alumina Cash Cost (US\$/t, Excl. VAT)



Decarbonisation Trends Driving Long-term Demand Growth to 2032

Global aluminium semis demand to grow by 30% in the next 10 years



For personal use only

Market Summary and Outlook

2022 Alumina Market

- RoW market tightened with curtailments, closures and supply disruptions
- Alumina price up 10% year on year
- Raw material and energy prices resulted in high production costs



Market Outlook

- Tighter alumina market in 2023
- End of Covid restrictions in China driving aluminium demand recovery
- Potential stronger bauxite market due to Indonesian ban
- Limited growth in alumina capacity outside China in medium term



Appendix

For personal use only



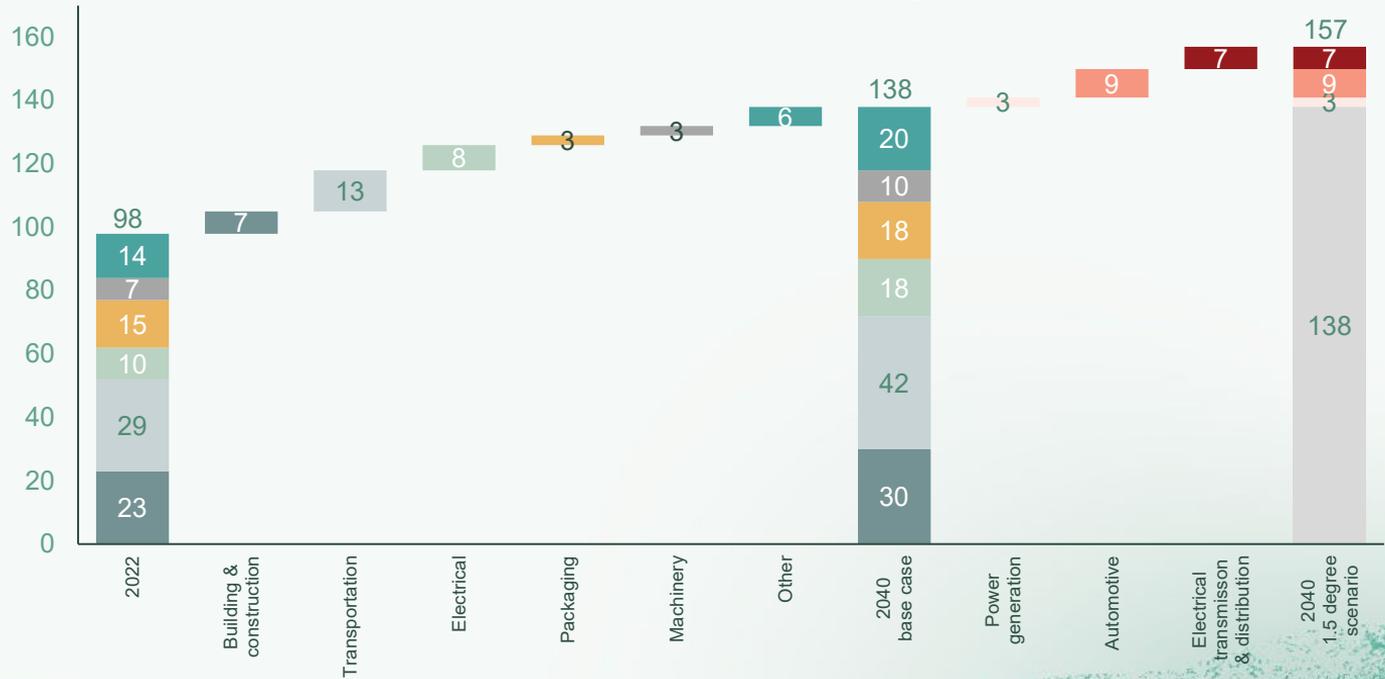
Sustainability

The low carbon transition underpins growth in aluminium & alumina

For personal use only

Aluminium Demand Mt (2040 base case status quo vs 1.5°C scenario*)

- 1.5°C scenario drives further growth:
 - Transmission & electric vehicles
 - Growth in primary aluminium, requiring alumina

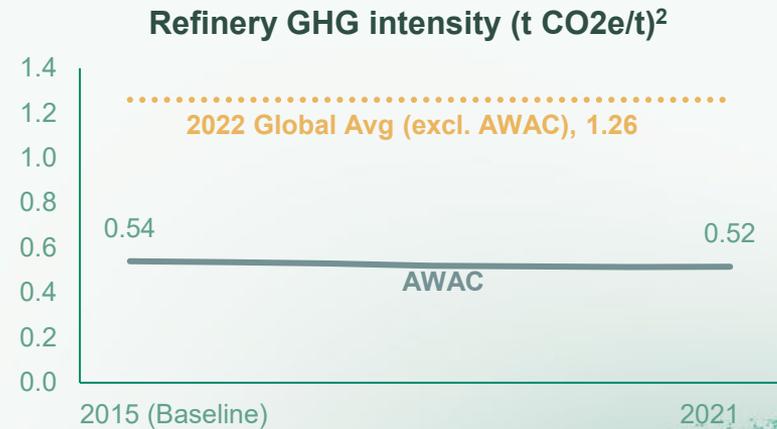
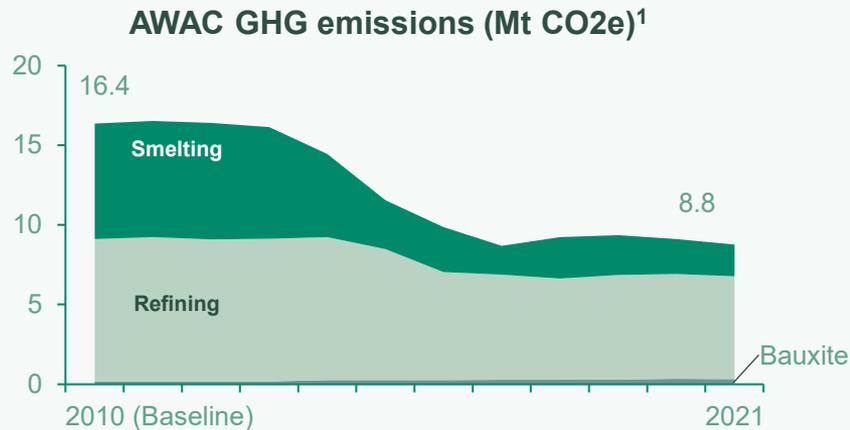


*Base case is estimated to be approximately ~2.5-2.7°C warming compared to pre-industrial levels, with muted decarbonisation. Based on research calculating aluminium intensity by end use demand. Under a base case, decarbonisation is muted. 1.5°C warming compared to pre-industrial levels. Accelerated energy transition resulting in greater demand for commodities, such as aluminium and in-turn alumina.

Sustainability

Significant historical emissions reductions and first quartile refinery emissions intensity

- AWAC has already achieved reductions
 - GHG emissions ↓44%¹ since 2010
 - Refinery GHG intensity of 0.52t of CO₂e / t (all AWAC refineries are first quartile emissions intensity)
- Investing for the future to strive for further reductions (MVR, EC)



MVR = Mechanical Vapour Recompression, EC = Electric Calcination. ¹AWAC's equity share basis (scope 1 & 2) Baseline of 15.8Mt of CO₂e, adjusted to remove the Clarendon Refinery (sold in 2014)

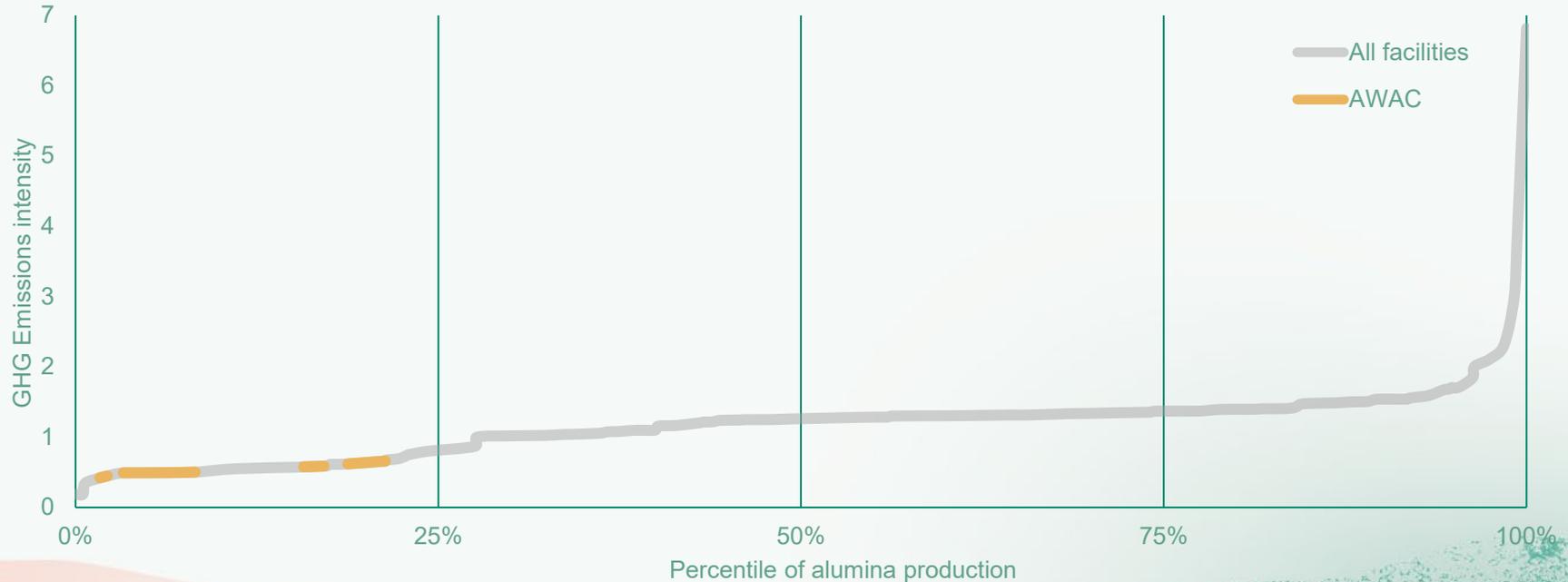
²AWAC full facility basis (scope 1 & 2)

Source: CRU, January 2023

AWAC's refinery system has an emissions advantage

As carbon markets develop, emissions intensity will increase in importance

Global alumina refineries – emissions intensity (t of CO₂e / t of alumina)



For personal use only

AWAC Margin

Realised price less cash cost¹

	2013- 2022	2022
Realised Price	323	371
CAP	229	304
Margin ^{2,3}	94	67
Platts (1m Lag)	333	364



¹2013-2022 figures in nominal dollars

²Averages as calculated for 2013-2022. Median Margin for same period was \$75/t and if highest and lowest margin were excluded average would be \$84/t

³Margin calculated as realised price minus cash cost of production

AWAC Margin – Unadjusted vs Adjusted

Margin over the past 10 years unadjusted in nominal prices (US\$/t)

Margin over the past 10 years adjusted in real prices in 2022¹ dollars (US\$/t)

For personal use only

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-2022 ⁵
Realised Price	308	305	296	242	335	447	336	268	321	371	323
CAP	258	249	216	191	198	226	210	199	236	304	229
Margin ⁴	50	56	80	51	137	221	126	69	85	67	94
Platts (1m Lag)	327	328	314	243	349	473	344	270	324	364	333

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-2022 ⁵
Realised Price ²	404	399	381	295	400	521	384	303	347	371	381
CAP ³	308	292	247	228	236	263	240	225	255	304	260
Margin ⁴	96	107	135	67	164	257	144	78	92	67	121
Platts (1m Lag)	411	405	388	296	416	551	393	305	349	364	388

¹CAP and realised price have been adjusted and indexed and all figures converted to real 2022 dollars

²Realised price for 2013-2015 has been adjusted to replicate more recent percentage of API contracts

³Prior to 2016 the CAP included high-cost refineries that are no longer part of the portfolio and as such have been removed from the calculated CAP.

⁴Margin calculated as realised price minus cash cost of production

⁵Average as calculated for 2013-2022

AWAC Sensitivities

For personal use only

Item		2023 Sensitivities
EBITDA Sensitivities	API +/- \$10/t	Approx. +/- \$95M
	Caustic +/- \$10/dmt	Approx. +/- \$8-9M
	AUD/USD +/- 1c	Approx. +/- \$26M
	USD/BRL +/- 10¢	Approx. +/- \$6-7M
	Brent Oil +/- \$1/bbl	Approx. +/- \$2M

Alumina Ltd Share Price / Dividend History

For personal use only



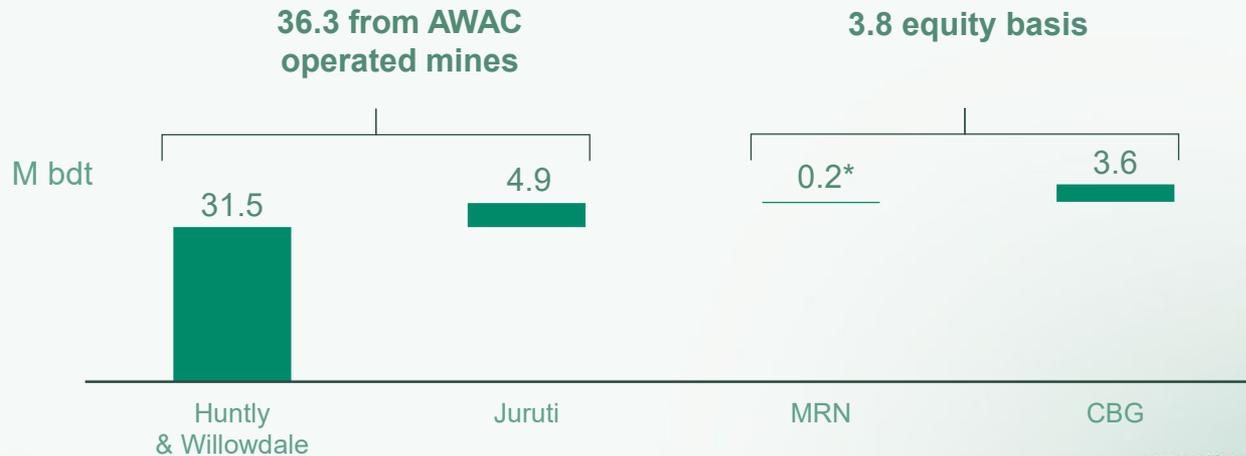
Bauxite Production

Third Party Shipments

2022: 3.5M bdt
(2021: 5.7M bdt)

Cash Cost of Mining

2022: \$12.9/bdt
(2021: \$11.4/bdt)



*The sale of AWAC share of MRN was completed in April 2022

AWAC Significant Items (\$US million)

For personal use only

Net Profit after Tax	\$301.1	<u>Significant items:</u>	EBITDA	\$817.1
	\$(39.0)	Change in fair value of energy Contracts		\$(39.0)
	\$(39.8)	Reversal of derecognised VAT credits in Brazil		\$(60.3)
	\$40.3	Loss on MRN Sale		\$42.7
	\$18.7	Brazilian ARO refinery adjustment		\$18.7
	\$33.2	Other		\$35.4
Net Profit after Tax Excluding Significant Items	\$314.5		EBITDA Excluding Significant Items	\$814.6

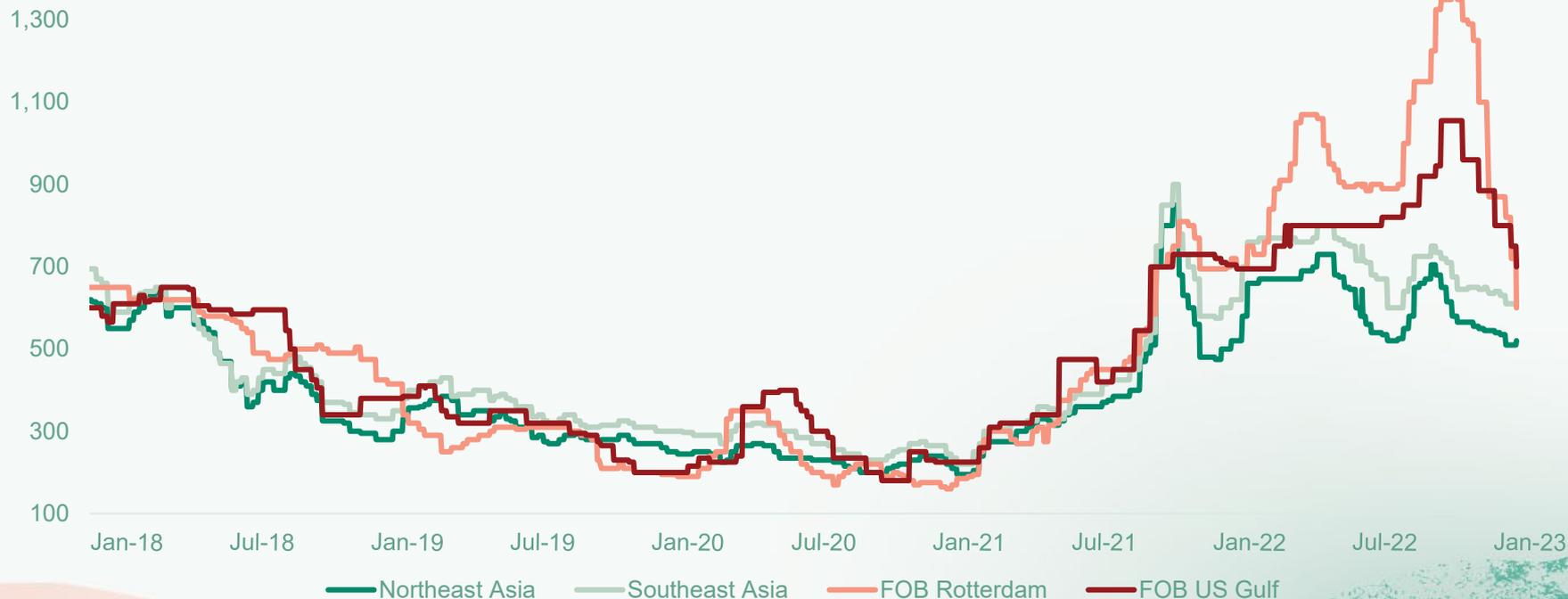
Alumina Limited Significant Items (\$US million)

Net Profit after Tax	\$104.0
Significant Items:	
Change in fair value of energy Contracts	\$(15.6)
Reversal of derecognised VAT credits in Brazil	\$(15.9)
Loss on MRN Sale	\$16.1
Brazilian ARO refinery adjustment	\$7.5
Other	\$13.2
Net Profit after Tax Excluding Significant Items	\$109.3

Caustic Soda Prices

Caustic price sensitivity +/- \$10/t: approximately +/- \$8-9M EBITDA - (US\$/t)

For personal use only



Brent Oil Prices

US\$/bbl



— Brent crude (spot)

European Gas Prices

MIBGAS, Eur/Mwh



For personal use only

AWAC Alumina Realised Price

Realised price and API (1m lag) - (\$/t)

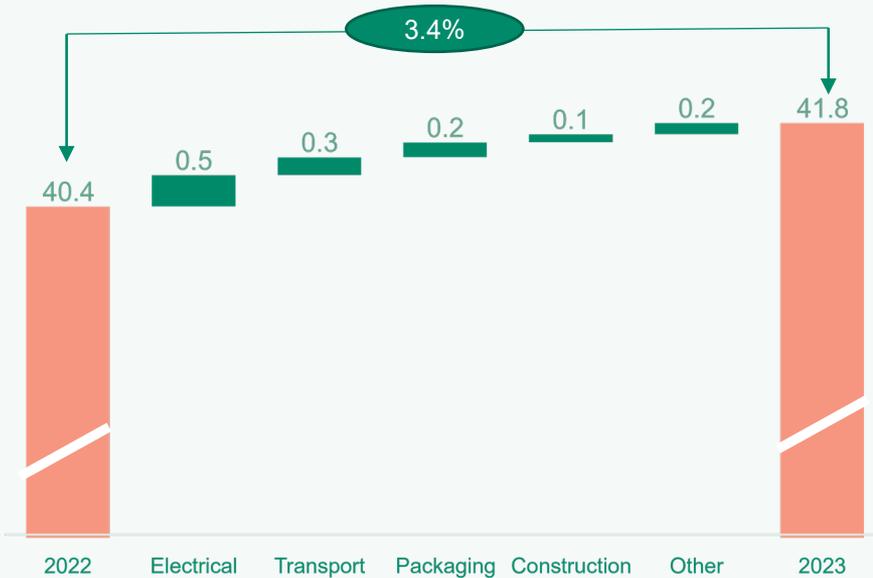
For personal use only



China to Drive Aluminium Demand Recovery in 2023

For personal use only

2023 China Primary AI Consumption Growth (Mt)



2023 RoW Aluminium Consumption Growth (Mt)

