

AWAC Signs Bauxite Supply Contracts

Alumina Limited advises that AWAC has signed bauxite supply contracts from existing mines with customers in China, Europe and Brazil worth more than \$350 million over two years.

A statement by Alcoa regarding the contracts is attached for reference.

Alumina Limited CEO Peter Wasow commented "The AWAC Mining business unit has made significant strides in establishing itself in the third-party bauxite sales market in a short period of time. The world third-party bauxite market is expected to continue to grow in the future and AWAC, as the world's largest bauxite miner, is well placed to capitalise on that growth".

AWAC is a joint venture 60% owned by Alcoa Inc and 40% owned by Alumina Limited.

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Alcoa Signs Bauxite Supply Contracts Worth More Than \$350 Million

Multiple contracts will more than double Alcoa's third-party bauxite sales in 2016

NEW YORK--(BUSINESS WIRE)--Alcoa (NYSE:AA), the world's largest bauxite miner, today announced that Alcoa World Alumina and Chemicals (AWAC) has secured multiple bauxite supply contracts valued at more than \$350 million over the next two years. Under the contracts, the Company will supply bauxite to external customers from three of its global mines as it continues to successfully build its third-party bauxite business. The new contracts cover customers in China, Europe and Brazil.

"With our quality resources and deep technical expertise, we are well positioned to deliver a stable supply of bauxite to customers across the global alumina industry," said Garret Dixon, president of Alcoa Mining. "Our strategy is to profitably grow our third-party bauxite sales and these contracts demonstrate that we are well on track."

Alcoa is the world's largest bauxite miner, with 45.3 million bone dry metric tons of production in 2015. Alcoa has ownership in seven active bauxite mines globally, four of which are operated by the Company. These mines are strategically located near key Atlantic and Pacific markets, including the Huntly mine in Australia, the second largest bauxite mine in the world.

The AWAC group of companies is owned 60 percent by Alcoa and 40 percent by Alumina Limited of Australia.

As previously announced, Alcoa will separate into two, industry-leading publicly traded companies in the second half of 2016. The Upstream Company will comprise the five business units that today make up Global Primary Products: Bauxite, Alumina, Aluminum, Cast Products and Energy. The Value-Add company, to be named Arconic, will include the Global Rolled Products, Engineered Products and Solutions, and Transportation and Construction Solutions businesses.

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 "anticipates," "expects," "plans," "should," "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 Alcoa's separation transaction; the future performance of the Upstream and Value-Add companies if the separation is completed; projections of competitive position, market share, or growth opportunities of the Upstream and Value-Add companies; and the expected timing of completion of the separation. Forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, and changes in circumstances that are difficult to predict. Such risks and uncertainties include, but are not limited to: (a) uncertainties as to the timing of the separation and whether it will be completed; (b) the possibility that various closing conditions for the separation may not be satisfied; (c) failure of the separation to qualify for the expected tax treatment; (d) the possibility that any third-party consents required in connection with the separation will not be received; (e) the impact of the separation on the businesses of Alcoa; (f) Alcoa's inability to realize expected benefits from the separation or the risk that the separation may be more difficult, time-consuming or costly than expected, which could result in additional demands on Alcoa's resources, systems, procedures and controls, disruption of its ongoing business and diversion of management's attention from other business concerns; (g) the potential failure to retain key employees while the separation transaction is pending or after it is completed; (h) 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; (i) 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; (j) 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; (k) deterioration in global economic and financial market conditions generally; (l) political, economic, and regulatory risks in the countries in which Alcoa operates, including unfavorable changes in laws and governmental policies, tax rates, civil unrest, and other events beyond Alcoa's control; and (m) the other risk factors discussed in Alcoa's Form 10-K for the year ended December 31, 2015, and other reports filed with the U.S. 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.