



***Annual Meeting
August 17, 2011***

***Loews Regency Hotel
New York, NY***



Preliminary Matters

Forward-Looking Statements

- This Presentation contains forward-looking statements that can be identified by use of words like “anticipates,” “believes,” “estimates,” “expects,” “hopes,” “targets,” “should,” “will,” “will likely result,” “forecast,” “outlook,” “projects” or other words of similar meaning. All statements that address the Company’s expectations or projections about the future, including statements about the Company’s strategy for growth, cost reduction goals, expenditures, financial results, liquidity and capital needs, are forward-looking statements. Forward-looking statements are based on the Company’s estimates, assumptions and expectations of future events and are subject to a number of risks and uncertainties and may or may not be realized. The Company disclaims any intention or obligation (other than as required by law) to update or revise any forward-looking statements.
- Although the Company believes the expectations reflected in its forward-looking statements are reasonable, the Company cannot guarantee its future performance or results of operations. All forward-looking statements in this Statement are based on information available to the Company on the date hereof; however, the Company is not obligated to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. When reading any forward-looking statements, the reader should consider the risks and uncertainties referenced above as well the other disclosures contained in this Statement. Given the significant uncertainties and risks to which the Company is subject (a) the reader should not place undue reliance on these forward-looking statements and (b) the Company’s future results could differ materially from the Company’s current results and from those anticipated in the Company’s forward-looking statements.

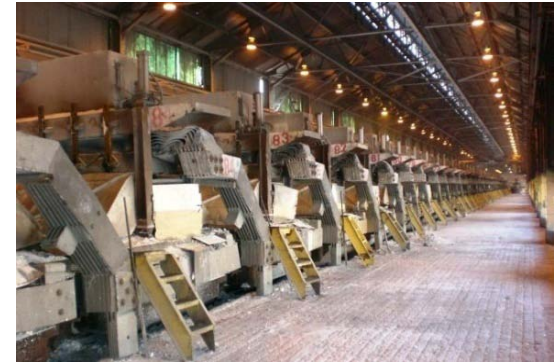
Market and Industry Data

- The market and industry data contained in this presentation are based on management’s own estimates, internal company research, surveys and studies conducted by third parties and industry and general publications, and in each case, are believed by management to be reasonable estimates. The Company has not independently verified market and industry data from third party sources. This data is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey of market and industry data. As a result, you should be aware that market and industry data set forth herein, and estimates and beliefs based on such data, may not be reliable.

Presentation Outline

- Ormet background
- Business strategy
- Upstream market overview
- Financial performance
- Status of Hannibal operations, Burnside start-up and potential carbon joint venture in China
- What's next

Ormet History



2007:

- Completion of smelter start-up
- \$175 million credit facilities established
- \$30 million equity raised
- \$35 million convertible note
- New management team put in place
- Shutdown of casting operations

2008-2009:

- Sale of parcels of land surrounding Burnside Alumina Refinery - \$11 million

2010:

- Complete Refinancing
- Tolling Agreements – Dec 2010

4th Qtr 2010 & 1st Qtr 2011:

- Restart of 2 idled potlines



1958
2007

2008

2009

2010

2011

2008:

- \$10 million subnote
- Tolling Agreement

2009:

- Final Power Agreement
- Arbitration Award
- Idled 2 potlines

2011:

- Burnside Restart Announcement
- Term loan B \$30 million and \$10mm increase to ABL
- Sale of Burnside Terminal for \$26 million net of fees

Experienced Management Team

Mike Tanchuk

*President, Director and
Chief Executive Officer*

- President, Director and Chief Executive Officer since May 2007
- Previously with Nordural, Century Aluminum, Alcoa and Reynolds Metals
- B.S. Civil Engineering, Bucknell University
- Executive Business Certificate, University of Washington

James Riley

*Chief Financial Officer,
Secretary and Treasurer*

- CFO, Treasurer and Secretary since July 2007
- Previously Chief Financial Officer of CSK Auto Corp., Chiquita Brands International Inc., Elliott Company, and Republic Engineered Steels Inc.
- Director of Wheeling-Pittsburgh Corp. 2003 – 2006, Entegra Power 2005 – 2006, Republic Engineered Steels Inc. 1989 – 1998
- BBA, University of Cincinnati; MBA, Miami of Ohio

Mike Griffin

*Vice President of
Operations*

- Vice President of Operations of Ormet since June 2007
- Previously with Alcoa and Reynolds Metals
- B. S., Electrical Engineering, Clarkson University

Matt Powell

*Vice President Commercial
Activities*

- Vice President of Commercial Activities since July 2011
- Previously with Century Aluminum as Vice President of U.S and Asian Operations along with Global Commercial Services
- B.S. Biology and Mathematics, University of Rio Grande

Experienced Management Team

Tommy Temple
Vice President

- Vice President since 1989 - Currently VP Alumina and Engineering
- More than 35 years of experience in the aluminum industry, specifically in alumina process engineering, energy and environmental
- B.S. Chemical Engineering, Louisiana State University

Tom Notaro
Controller

- Controller since June 2007
- Over 35 years experience in the metals industry
- Experienced in all facets of financial and manufacturing accounting
- B.S. Accounting, Franciscan University of Steubenville

Steve Rusche
Reduction Plant Manager

- Hannibal Reduction Manager since November 2007
- 35 years aluminum manufacturing experience with Reynolds Metals/ International and Alcoa
- Served in a number of operating positions both domestic and internationally within the reduction division for Reynolds Metals and Alcoa.
- Linfield College/Portland State University

Darrel Harriman
Burnside Plant Manager

- Burnside Plant Manager since May 2011
- Thirty-seven years of experience in the mineral processing industry, including bauxite mining and alumina processing.
- B.S. Metallurgical Engineering, University of Arizona

Larry Bittle
Burnside Production Manager

- Burnside Production Manager since June 2011
- Forty years experience in alumina plant production including; plant management, plant design, quality improvement, HR management, union labor contract negotiations.
- B.S. Chemical Engineering, University of Arkansas

Hannibal, OH Smelter

- 270,000 mt / year capacity
- 2nd largest operating smelter in the U.S.
- 6 potlines
- ~1,000 employees
- Access to river transportation, close to customers
- Midwest premium (~\$0.08/ lb)
- Operating at high efficiency



Burnside, Louisiana

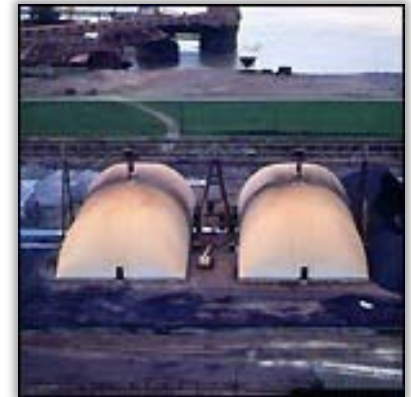
Alumina Refinery

- Idled in late 2006
- Capacity: 540,000 MT / year
- 2,200 acres (includes ~1,000 acres unused land)
- Sold approx. 315 acres for \$11mm from 2008 - 2010
- Start-up underway
- First product expected Q4 2011



Bulk Marine Terminal

- Idled in 2007
- Capacity: 5,000,000 dry bulk MT / year
- Handles shipments of aluminum, alumina and other bulk commodities
- Sold to Impala Warehousing for \$26 million net of fees. Impala will provide long term services – June 2011



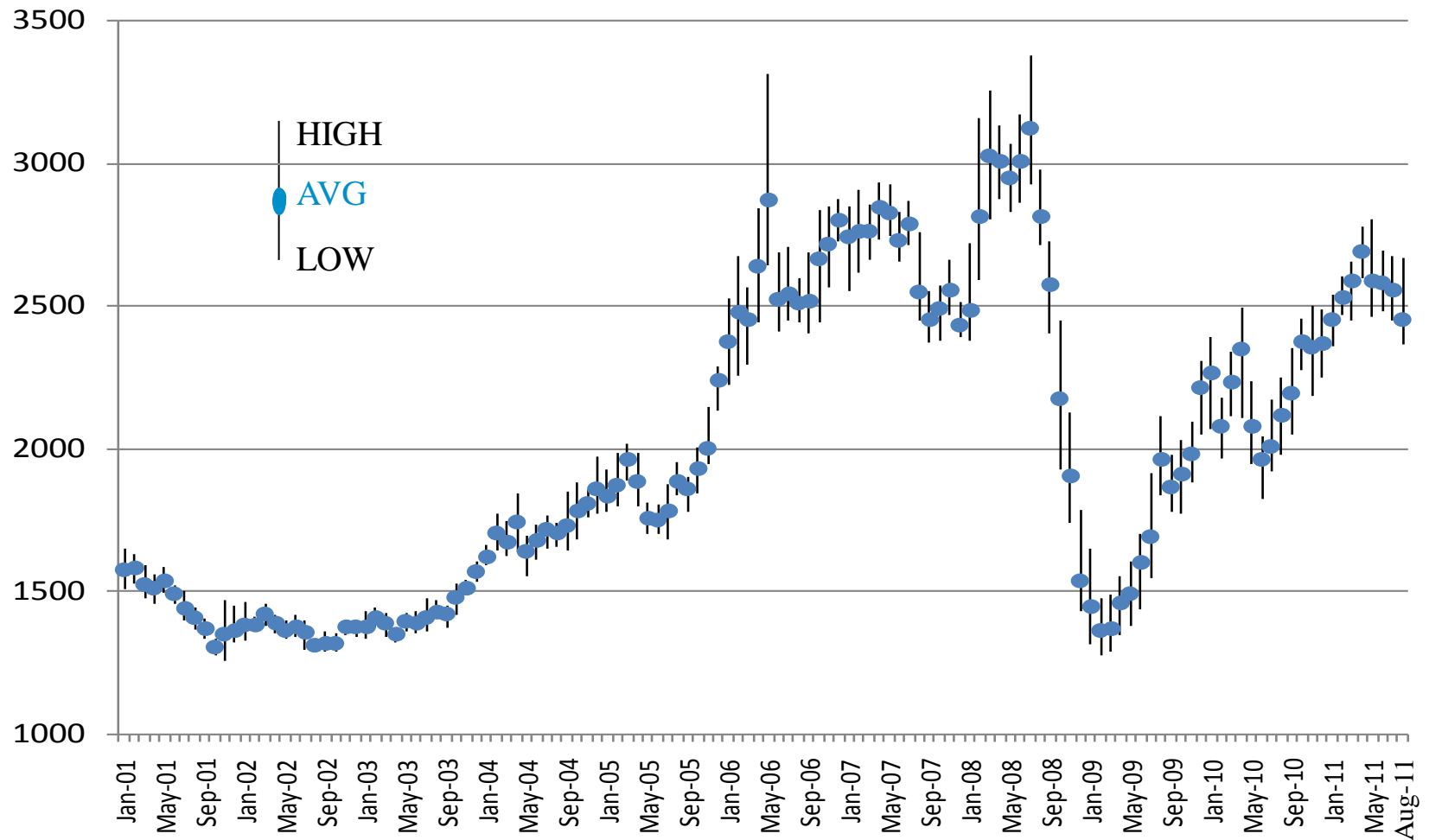
Our Focus

- Continually improve safety, environmental, productivity and cost performance at Hannibal operation
- Successful start-up of Burnside refinery
- Grow upstream aluminum business
 - Diversify into lower-cost regions
 - Acquire legacy assets where Ormet can add value
- Develop strategic and technical partnerships
- Use our proven skills to increase profitability
- Manage enterprise risk

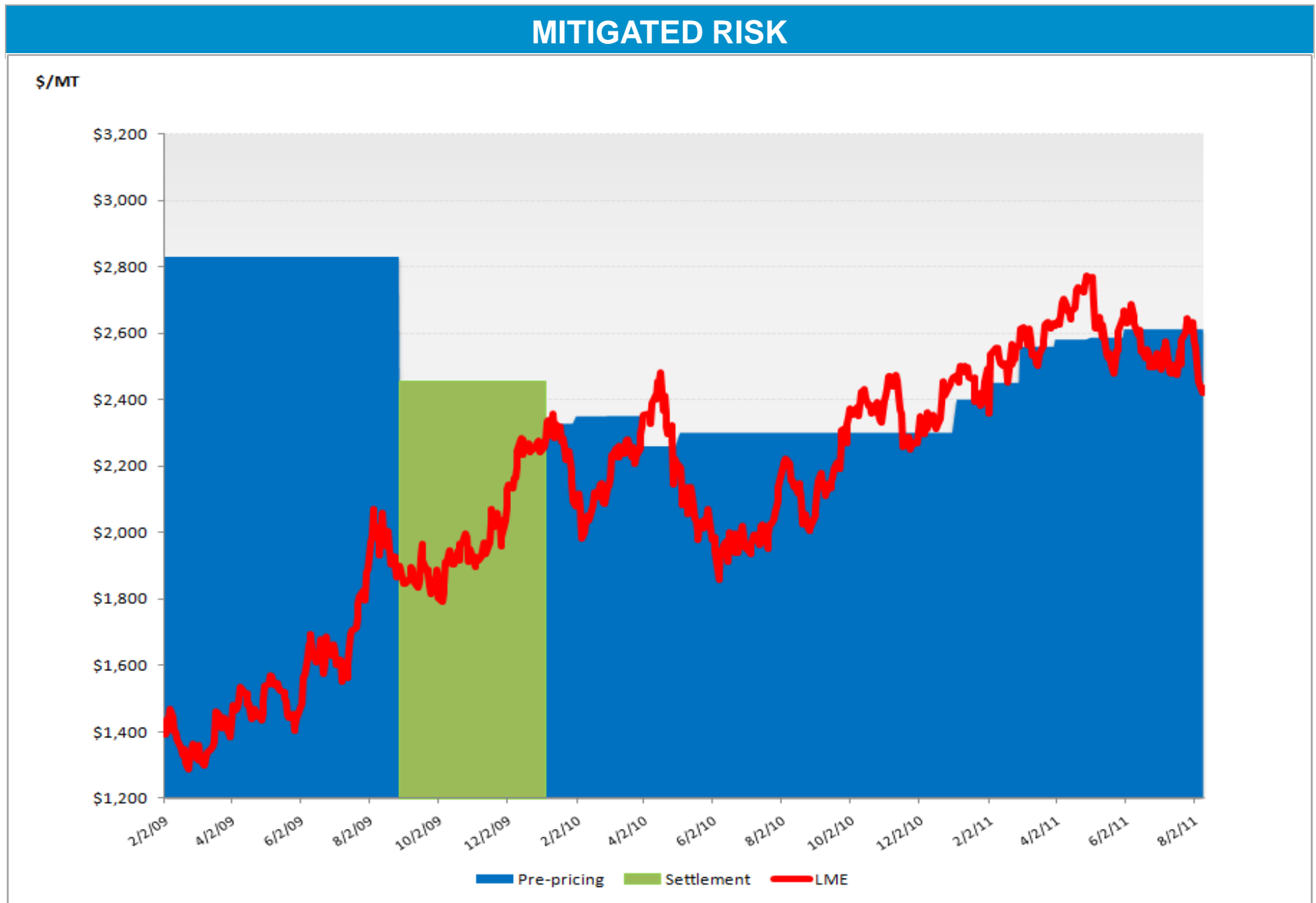
Price volatility increased considerably since 2005

LME 3M AVERAGE MONTHLY PRICE VS HIGH AND LOW

(2001-2011; \$/ton)



Ormet Performance vs. Market

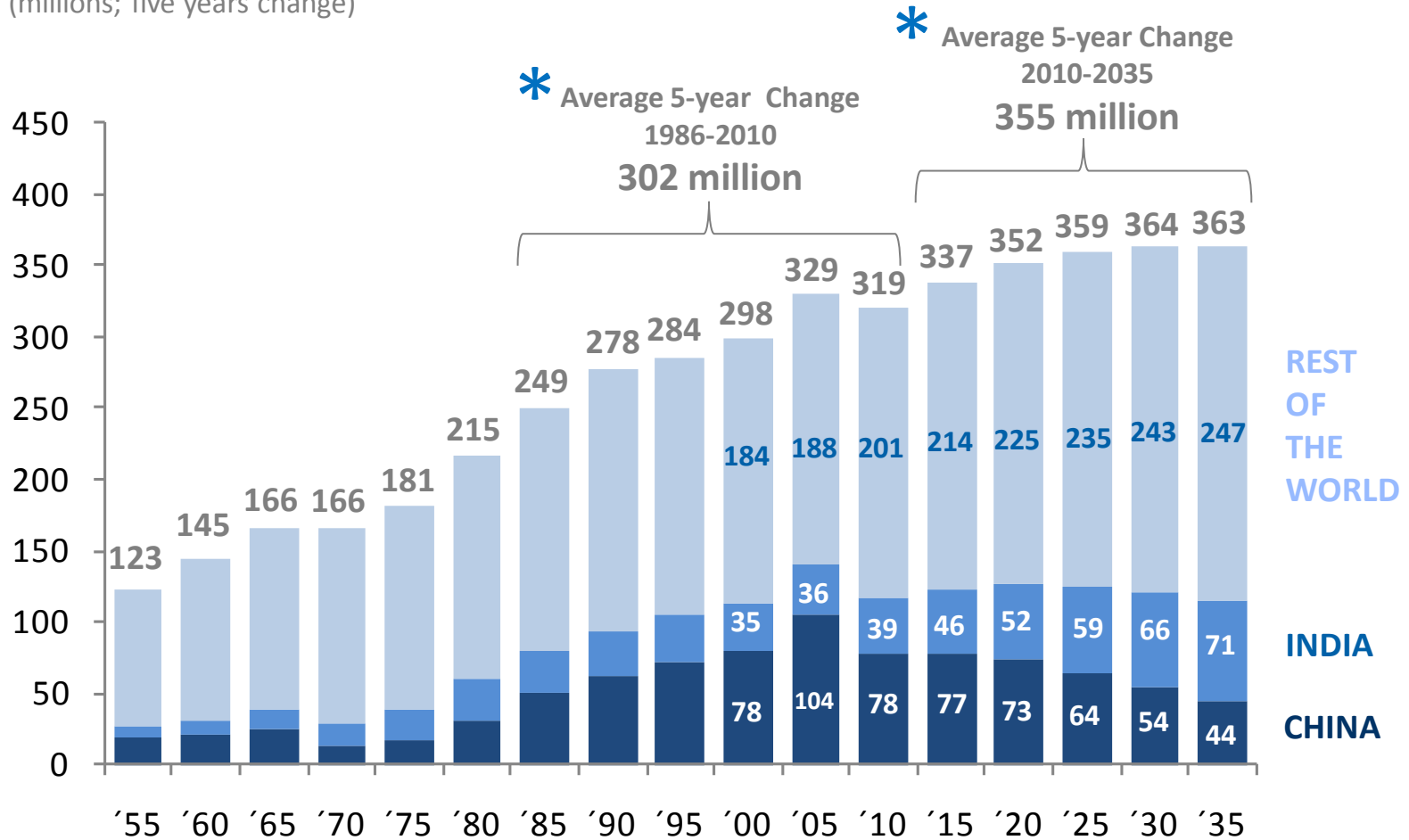


THE CASE FOR ALUMINUM DEMAND

Global urbanization will accelerate, has a long way to go and will peak until 2035

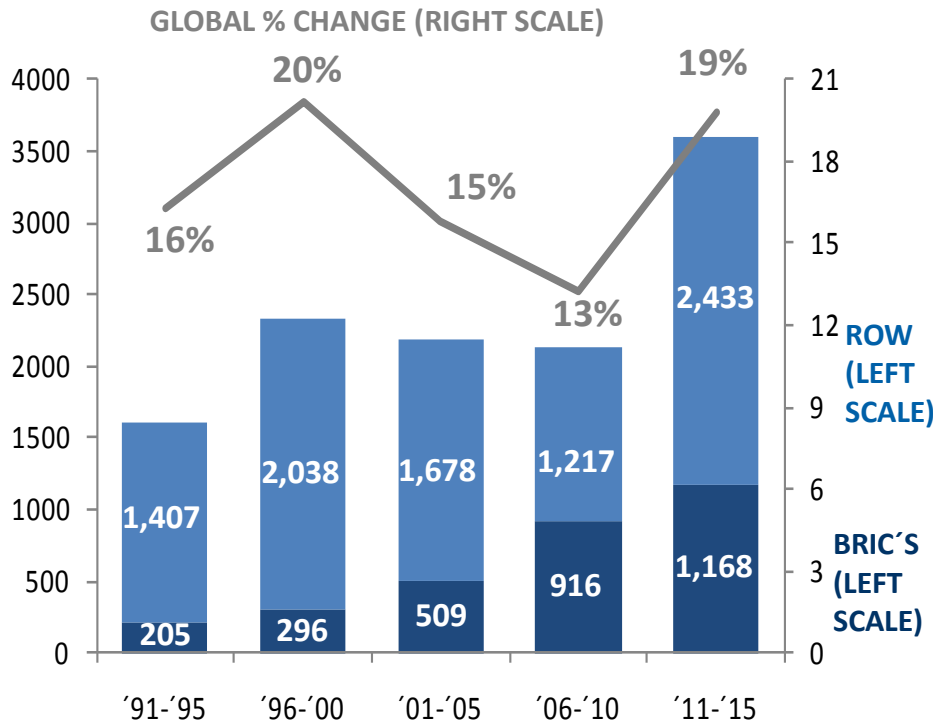
GLOBAL URBAN POPULATION GROWTH

(millions; five years change)

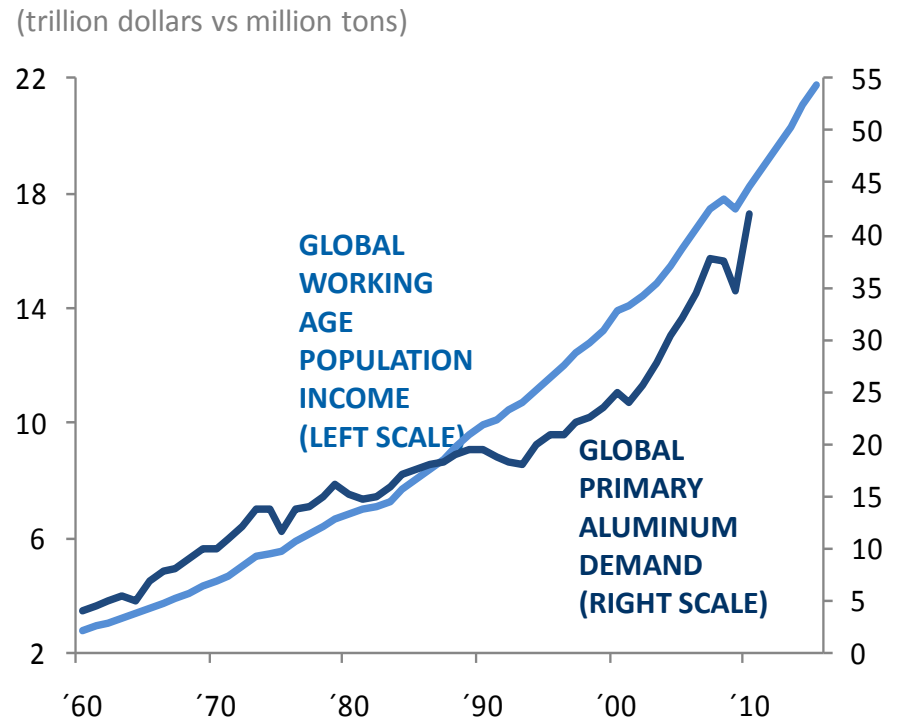


Global income growth will also accelerate considerably...

GLOBAL WORKING POPULATION INCOME GROWTH*
(BRIC'S= Brazil, Russia, India and China; billion dollars vs %)



GLOBAL WORKING AGE POPULATION INCOME GROWTH* VS ALUMINUM DEMAND
(trillion dollars vs million tons)

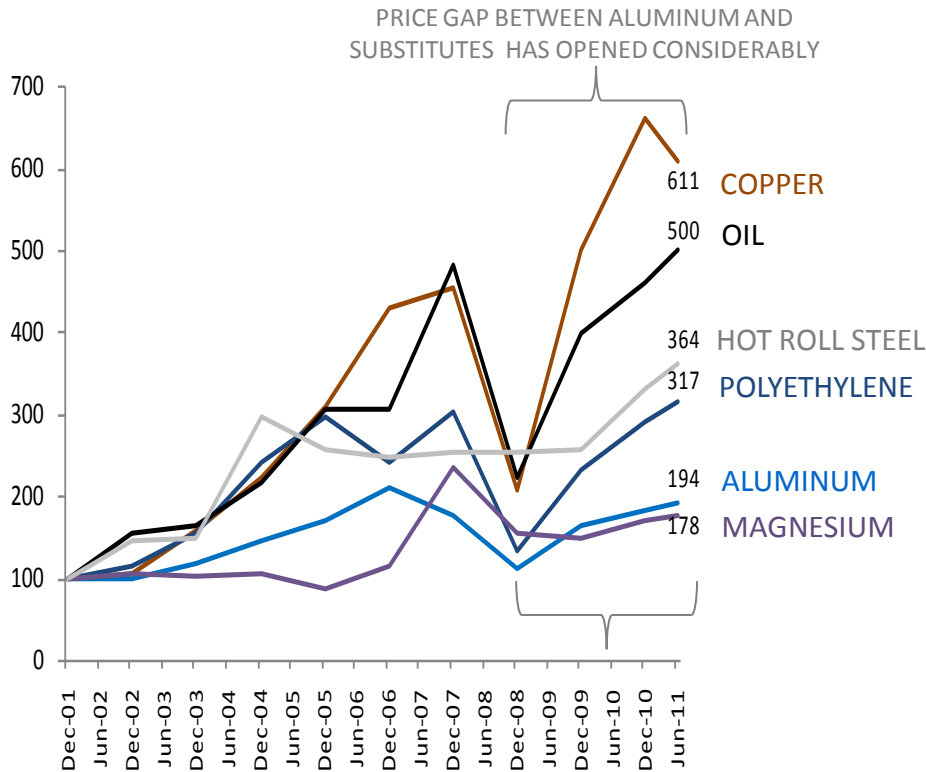


* Global growth of population between 20 and 50 years old multiplied by GDP per capita at constant 2000 USD

...while the global economy is increasingly aluminum intensive

ALUMINUM PRICES VS SUBSTITUTE MATERIALS

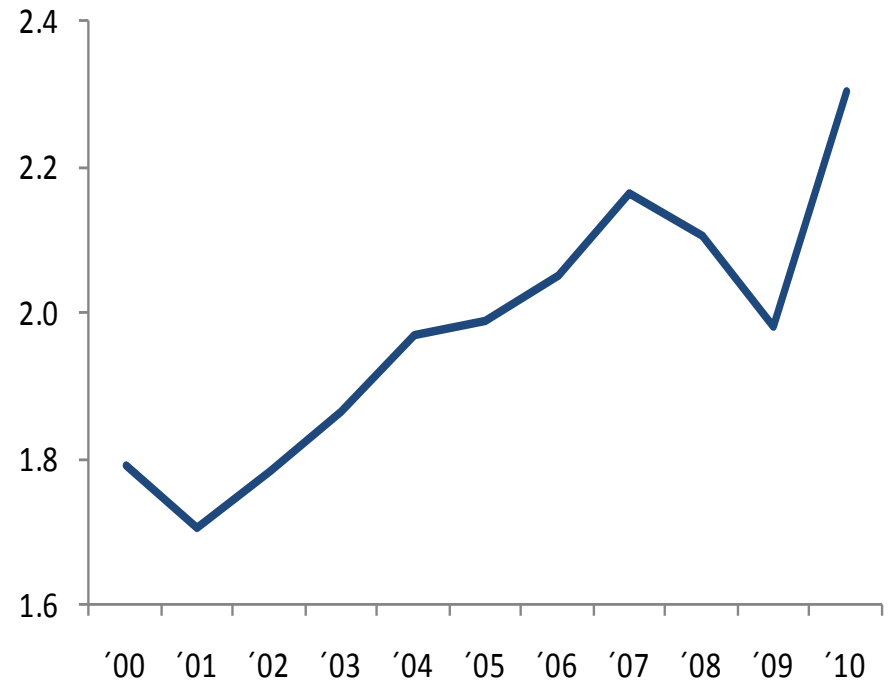
(Dec 2001=100; end of year data)



Source: HARBOR intelligence

GLOBAL ECONOMY ALUMINUM INTENSITY

(thousand tons of primary aluminum consumption per billion dollar of global working age population income)

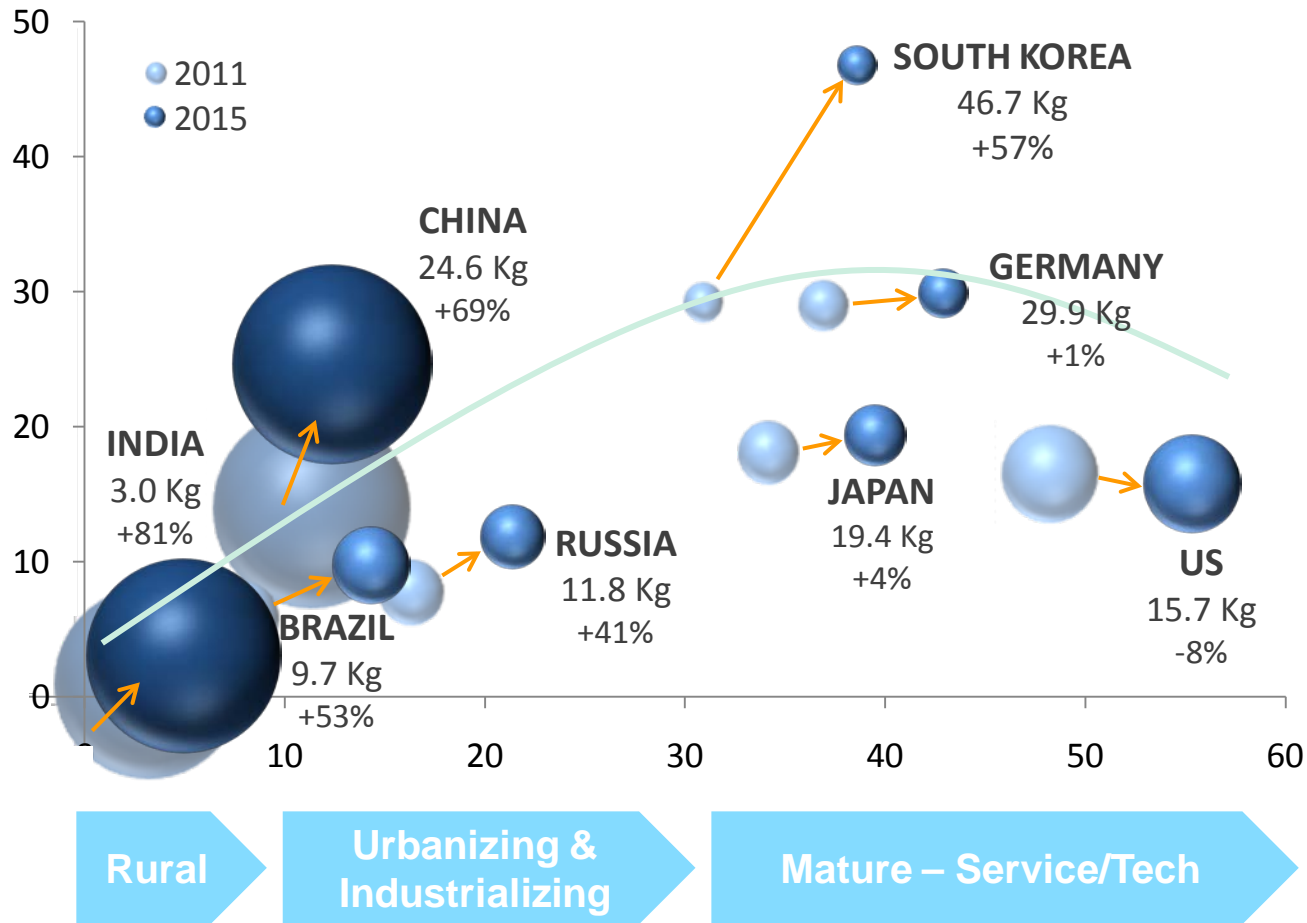


Source: HARBOR intelligence with World Bank and United Nations data

Urbanization+Income Growth+ Material of Choice = Unprecedented aluminum demand growth

PRIMARY ALUMINUM DEMAND PER CAPITA*

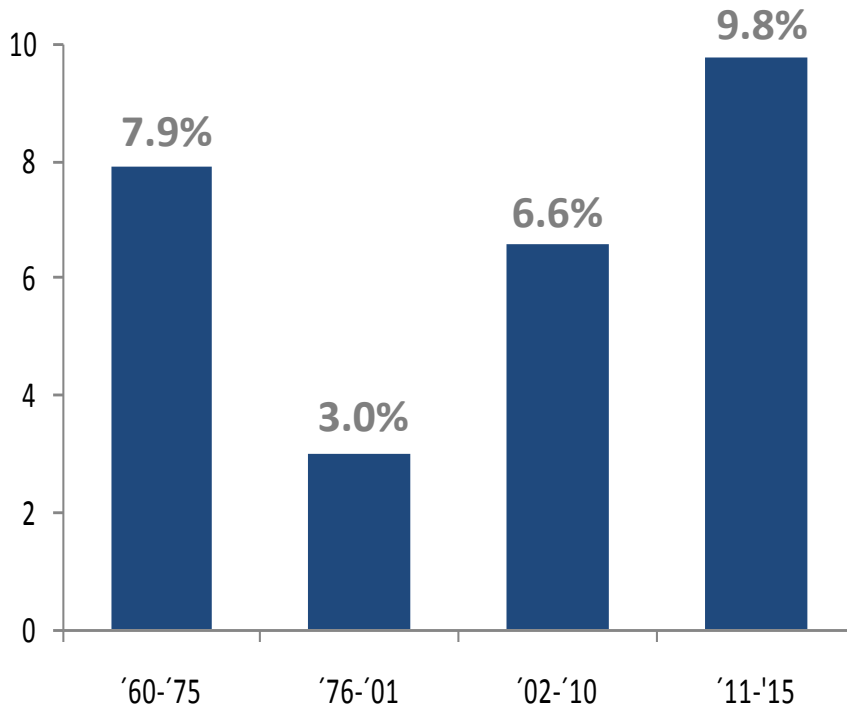
(Kg per capita vs GDP per capita, PPP-adjusted)



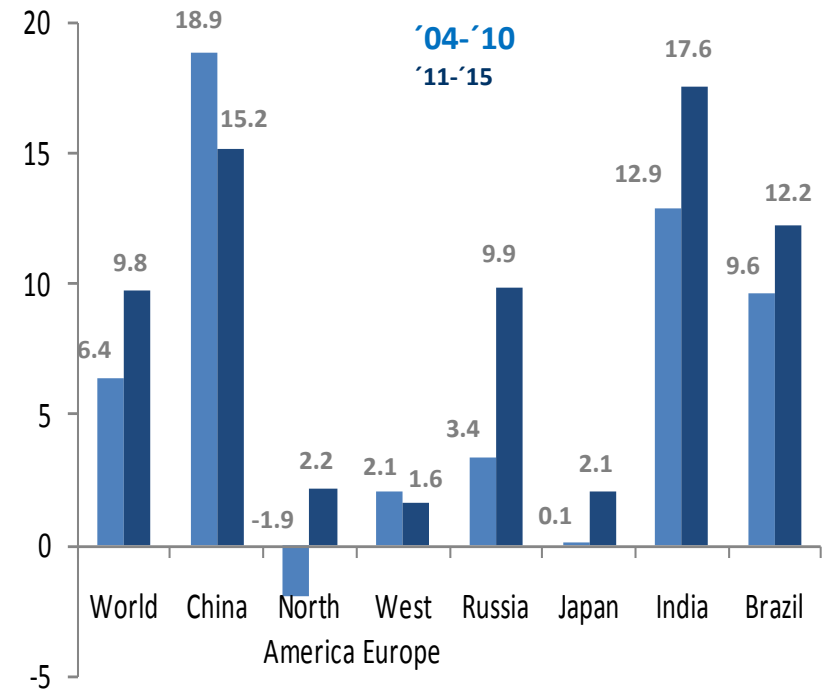
*Bubble dimension indicates population size

As a result, global aluminum demand growth will accelerate in next 5 years

PRIMARY ALUMINUM DEMAND GROWTH
(annual average rate)



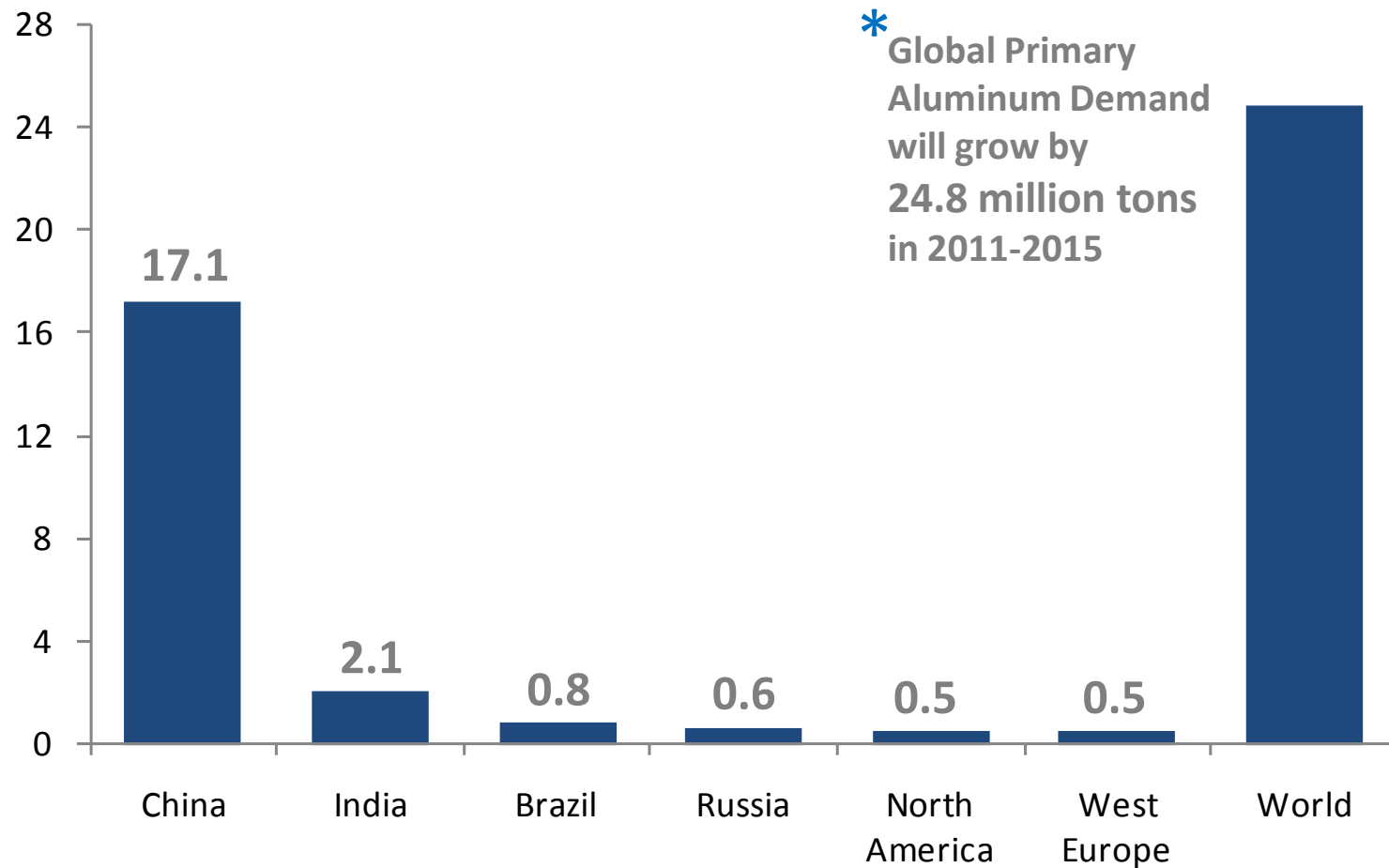
PRIMARY ALUMINUM DEMAND GROWTH
OUTLOOK BY MAIN REGION
(annual average rate)



Developing World will lead to stronger primary demand increase in the next 4 years

PRIMARY ALUMINUM EXPECTED DEMAND GROWTH 2011-2015

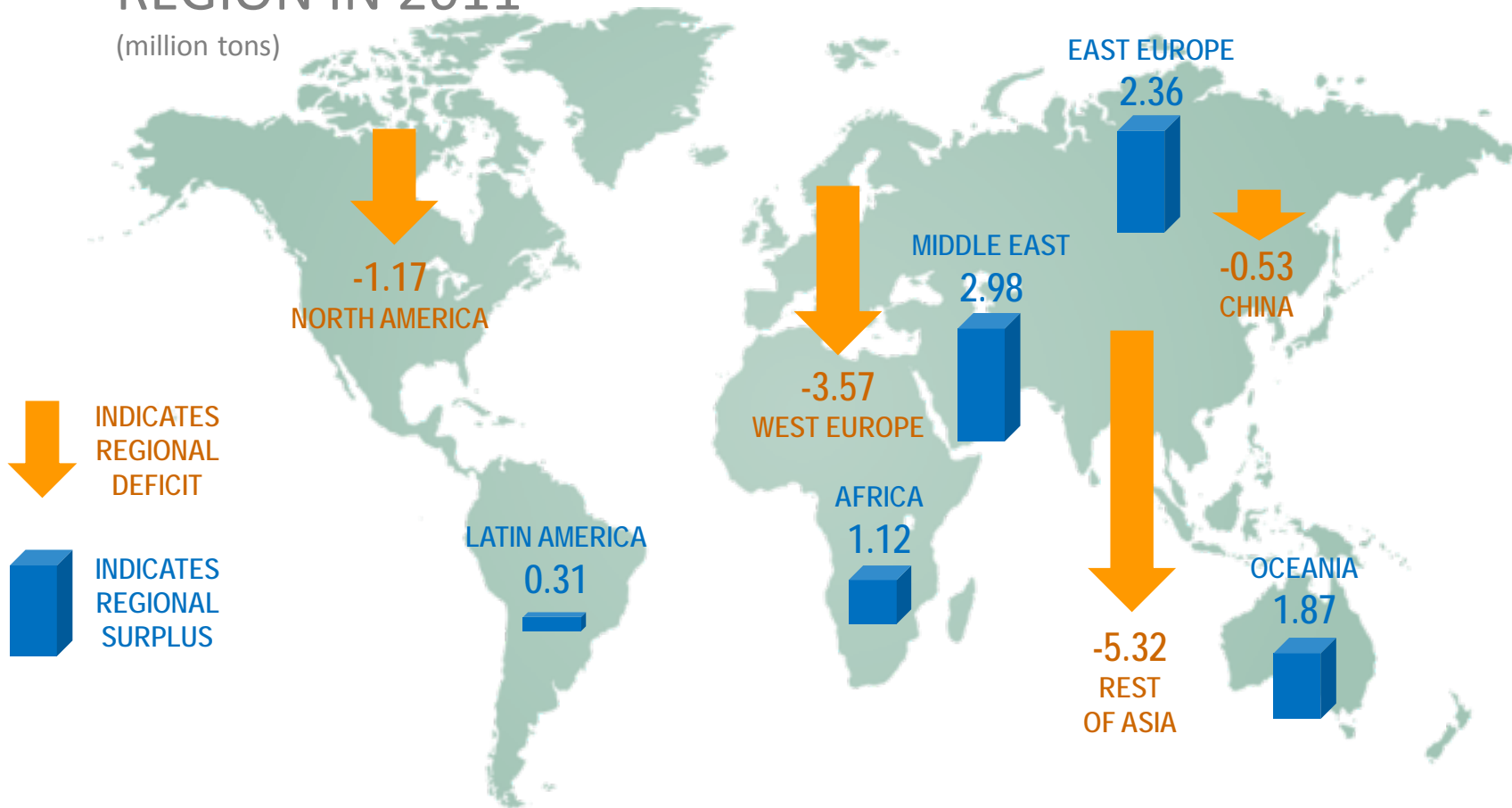
(million tons)



Today's regional aluminum industry balance

EXPECTED PRIMARY ALUMINUM MARKET BALANCE BY REGION IN 2011

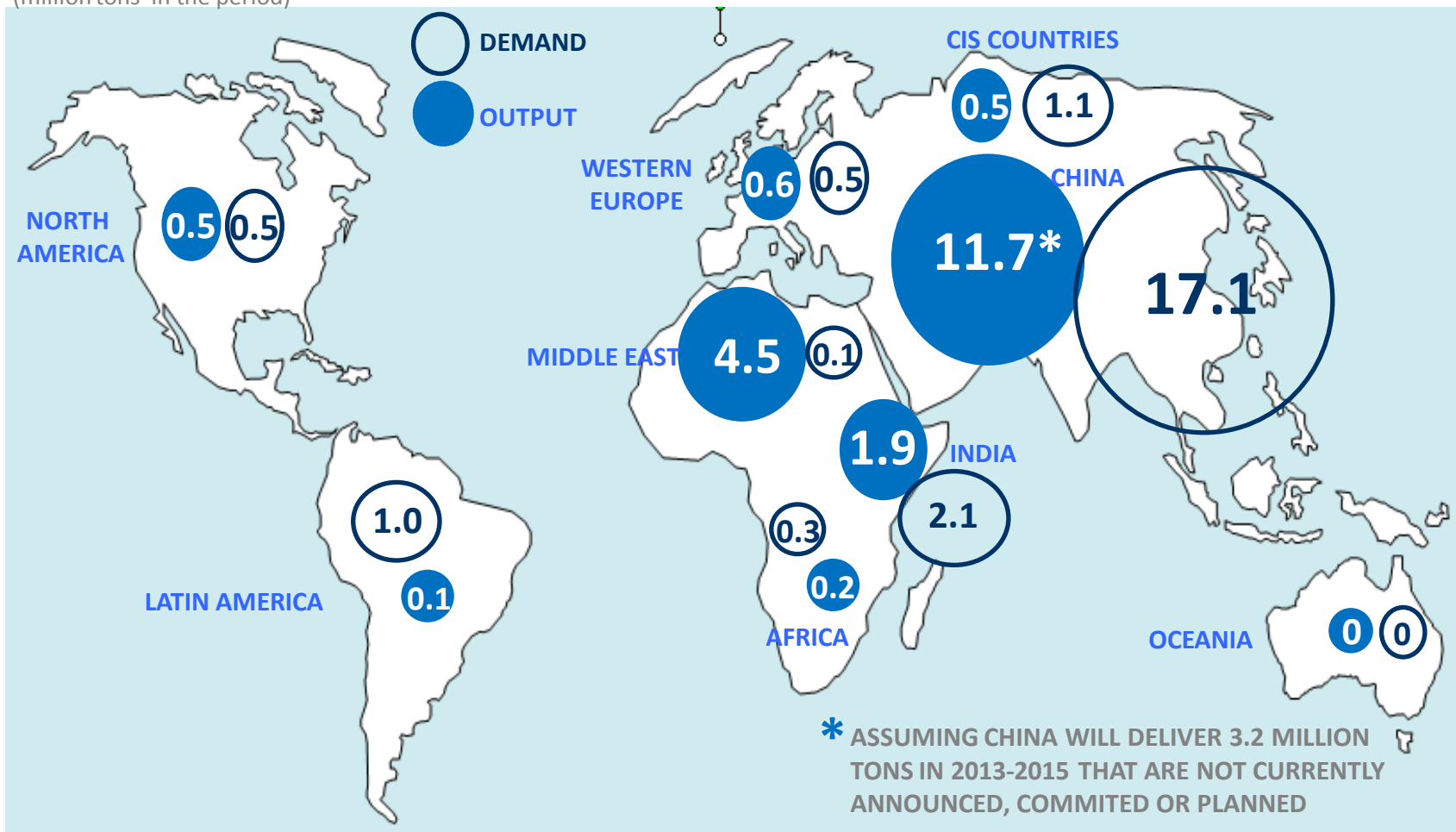
(million tons)



Minimal output growth outside China and ME...India highly likely to undeliver

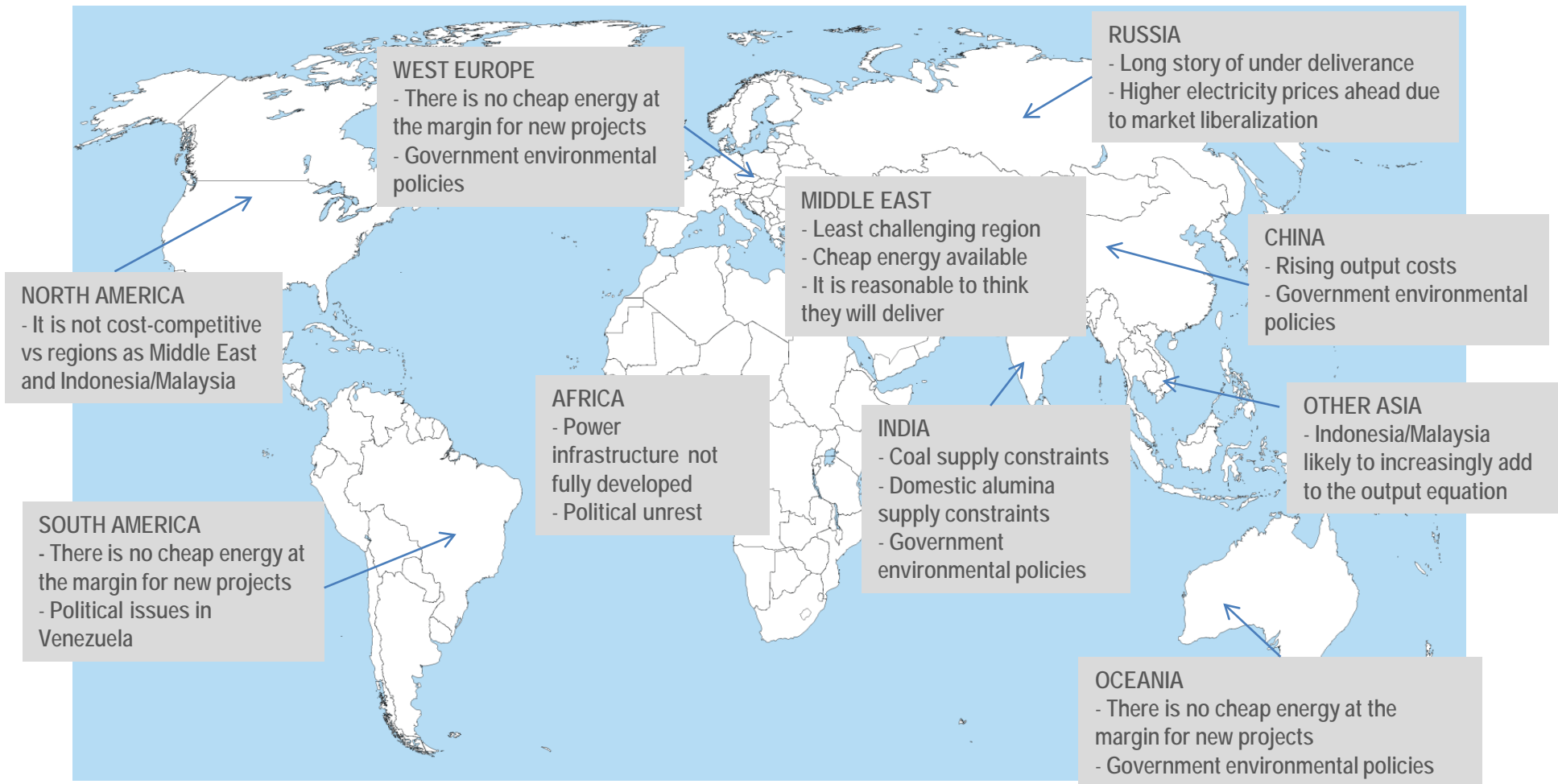
ALUMINUM DEMAND AND OUTPUT EXPECTED GROWTH 2011- 2015

(million tons in the period)



China, Middle East and Indonesia/Malaysia most likely to partly alleviate

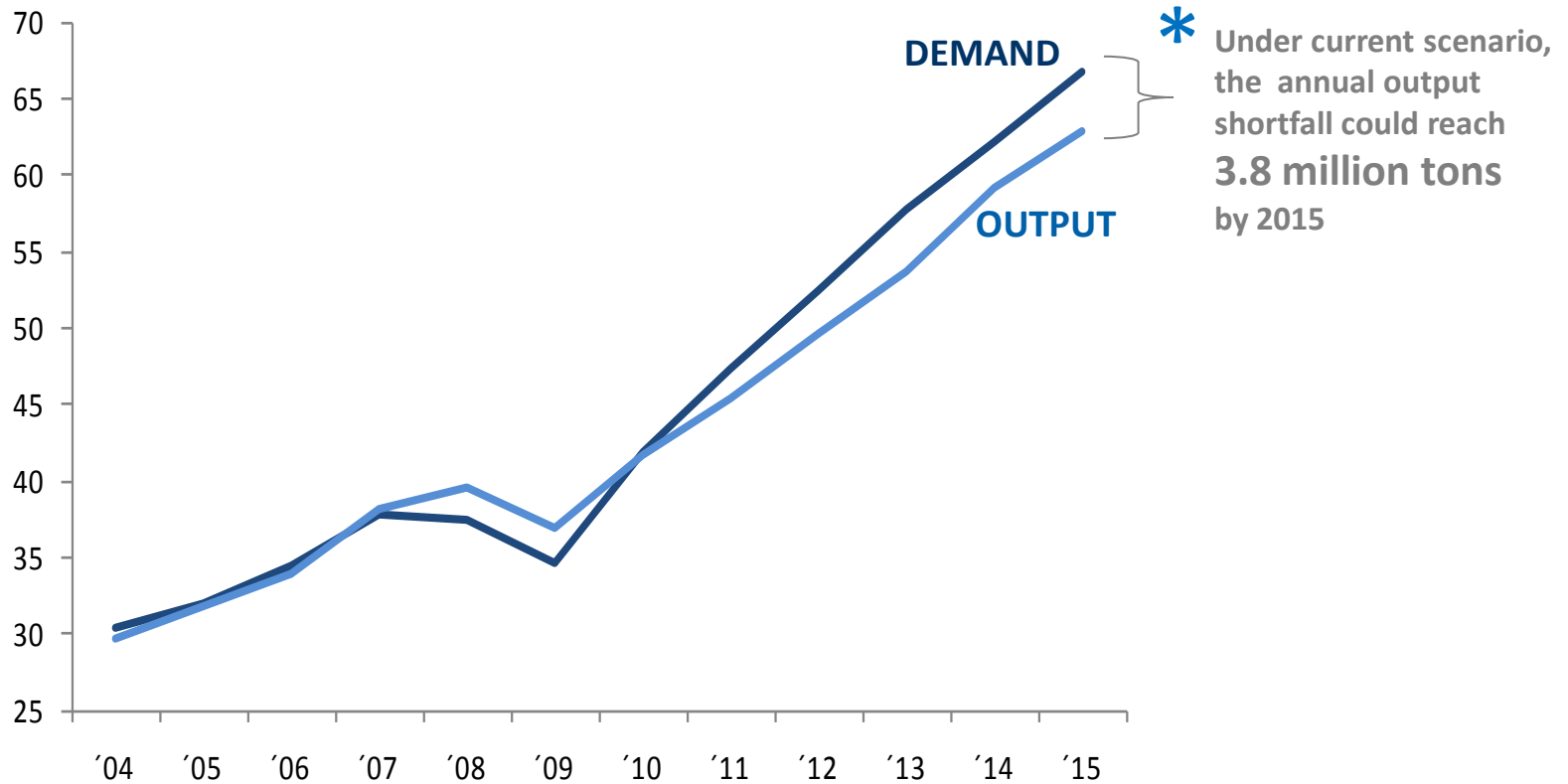
GLOBAL PRIMARY ALUMINUM EXPANSION CHALLENGE MAP



The world will undoubtedly need China to fill at least part of the widening gap

GLOBAL PRIMARY ALUMINUM EXPECTED DEMAND VS OUTPUT

(million tons; annual data)

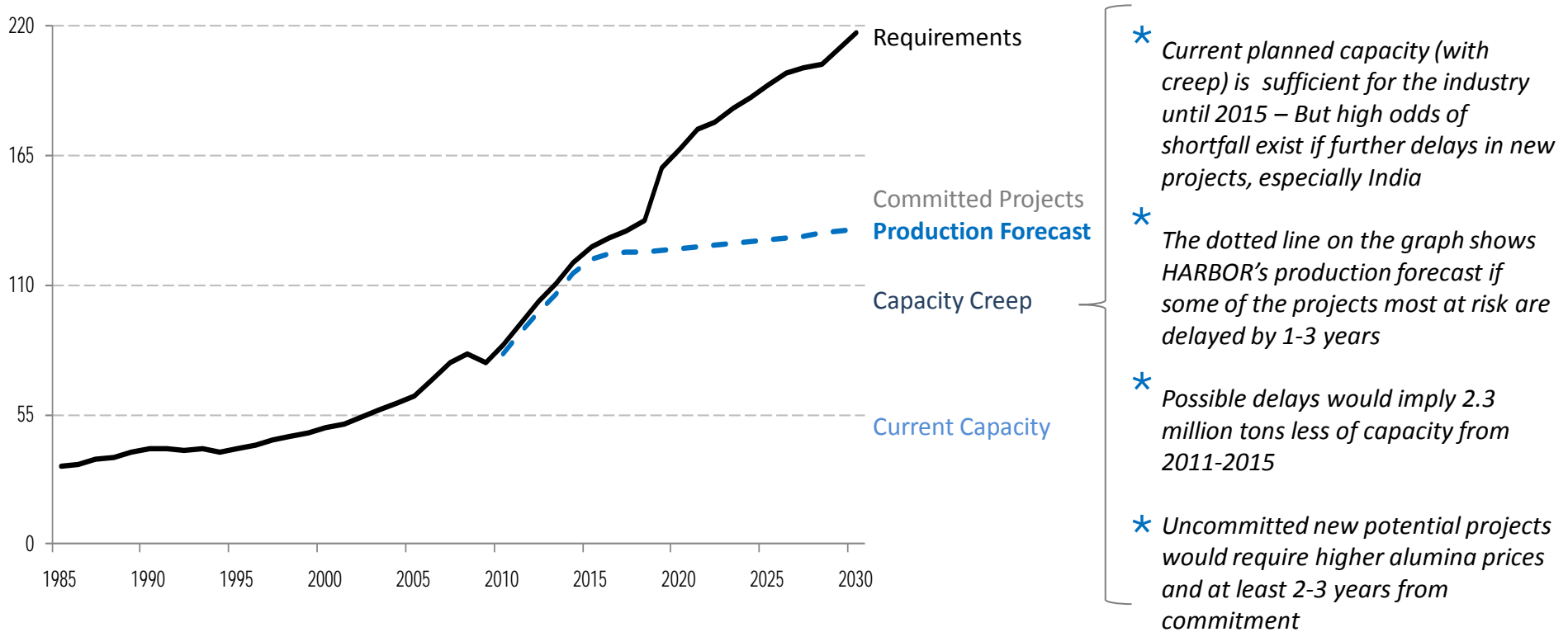


ALUMINA and BAUXITE SUPPLY CHALLENGE

Requirements to soar after 2015 given needs of primary output

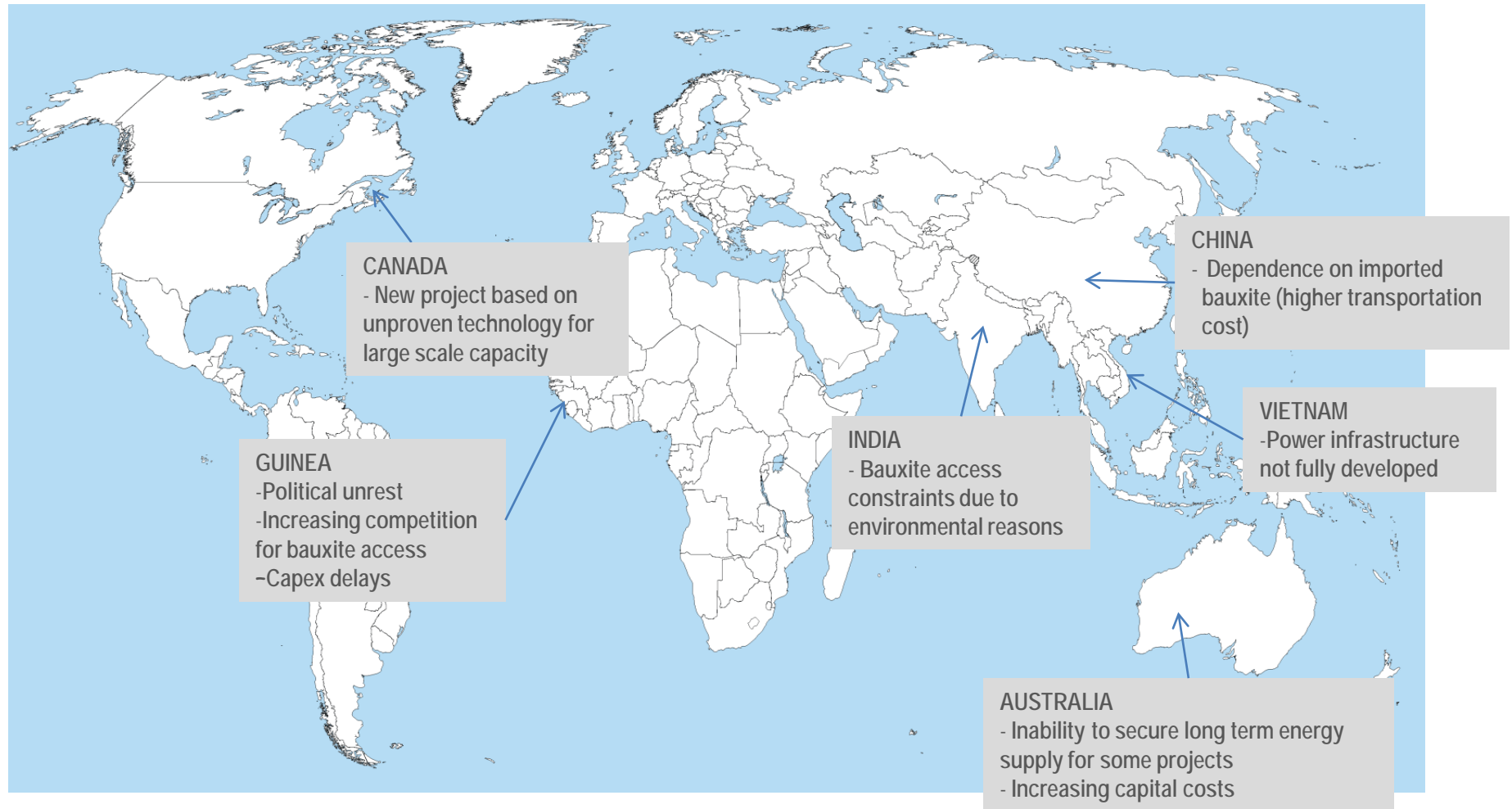
METALLURGICAL ALUMINA OUTPUT CAPACITY REQUIREMENT TO 2030

(million tons)



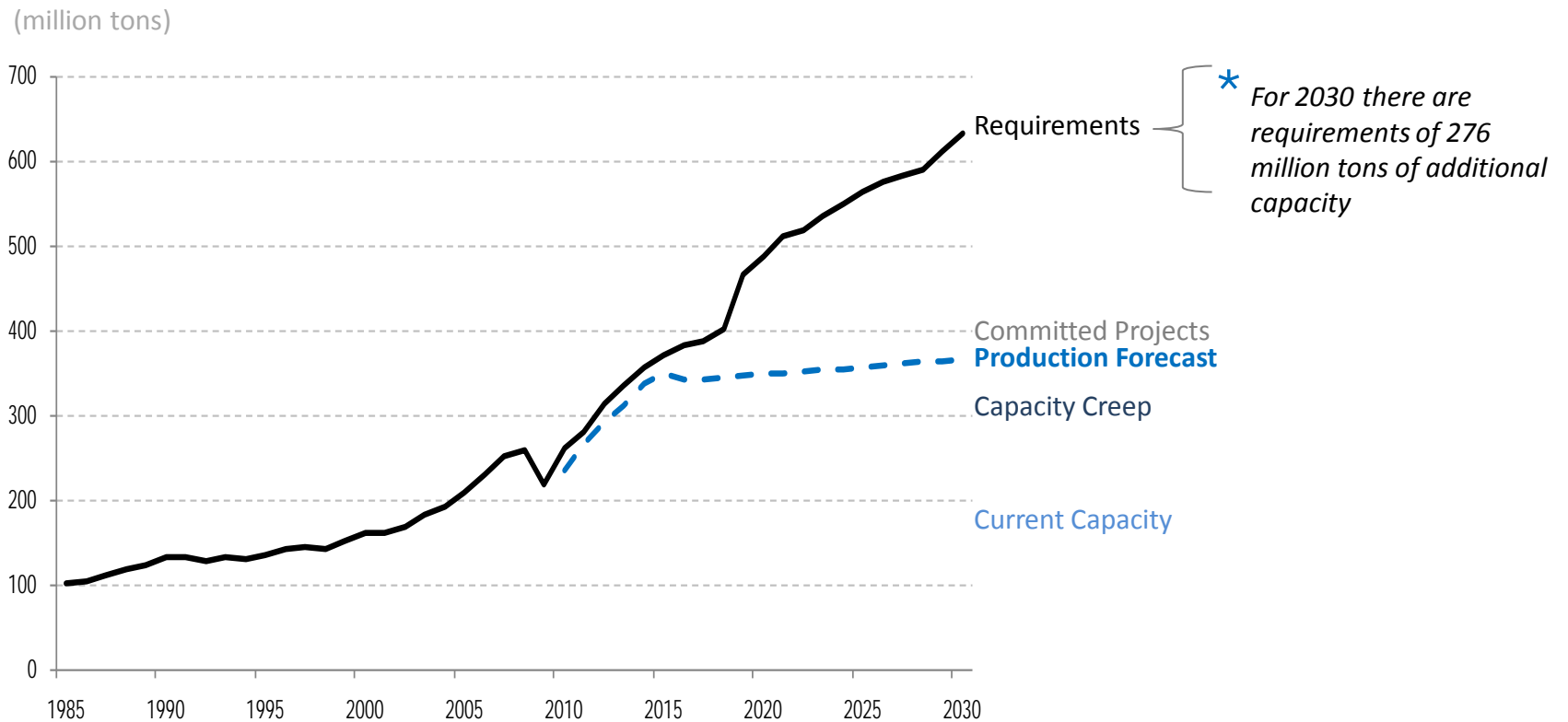
Nevertheless, alumina projects are facing increasing challenges

GLOBAL ALUMINA EXPANSION CHALLENGE MAP



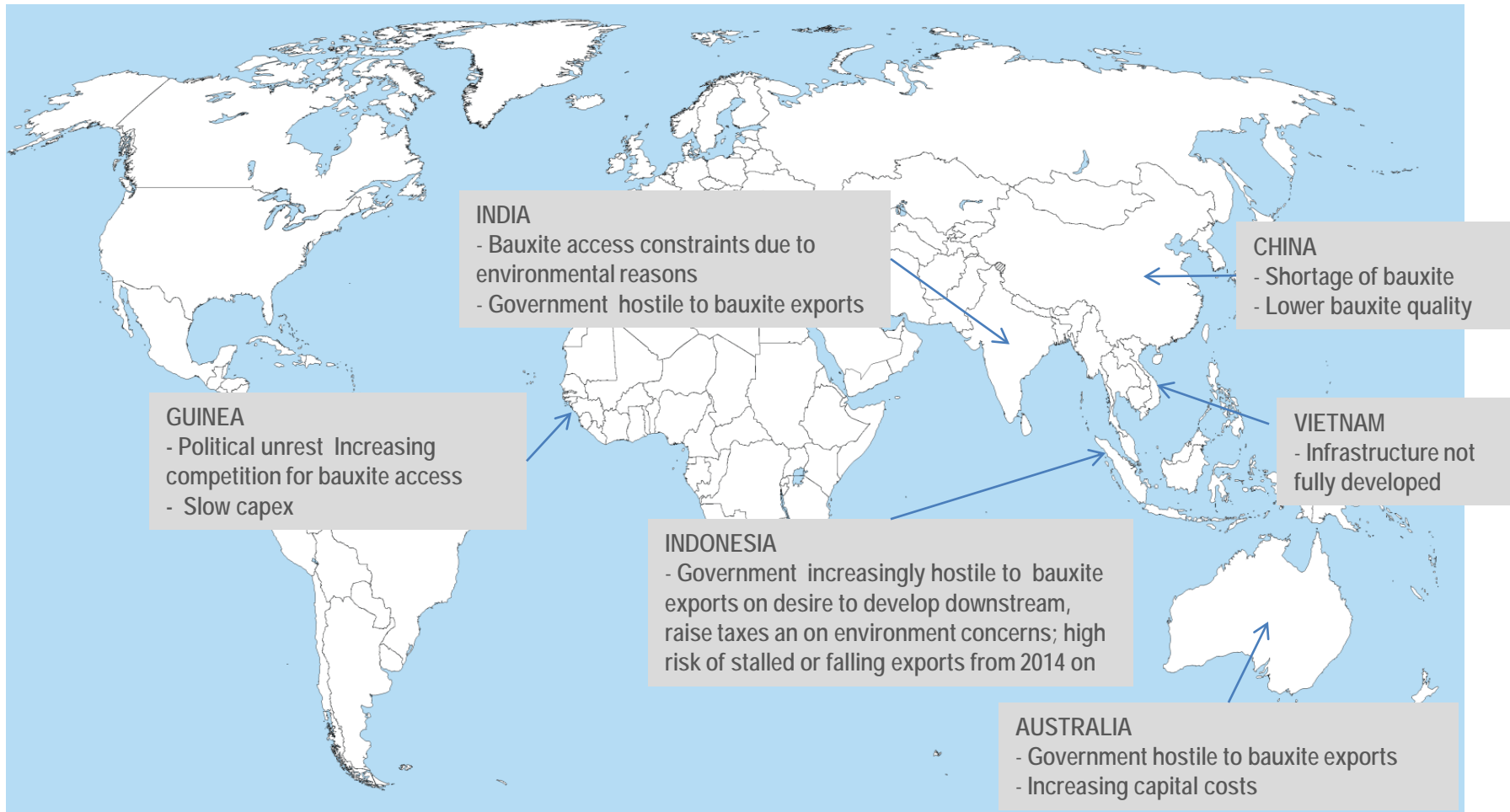
Bauxite expansions may not be enough to satisfy demand starting 2012

GLOBAL BAUXITE OUTPUT CAPACITY REQUIREMENT TO 2030



Additionally, mines being developed also face increasing challenges

GLOBAL BAUXITE EXPANSION CHALLENGE MAP



Financial Update

Financial Performance

- 2010 Highlights
 - 2010 revenue of \$432.7 million versus \$419.3 million in 2009 mainly due to reduction in the operating level to 4 potlines commencing in August 2009 and continuing through November of 2010 and tolling all of the production for the first eight months of 2009 versus non toll in 2010
 - Net income of \$39.8 million versus \$32.8 million in 2009. 2010 included a partial reversal of the Tax asset reserve for \$36.5 million while 2009 included a \$31.1 million gain from the arbitration settlement
 - Adjusted EBITDA totaled \$50.1 million in 2010 vs. \$69.9 million in 2009 (Includes \$31.1 million arbitration award)

Financial Performance

- 2011 To-date Highlights
 - Finished the restart of line six and started line five with no material impact on costs
 - Tolling of approximately 2/3^{rds} of production through 1st qtr of 2012
 - 97 % Prepriced contracts in place through December 2011 and 30% for 2012
 - Total cash required for the restart of the refinery in Louisiana - \$ 31.9 million excluding working capital
 - Upsized the term loan to \$140 million from \$110 million
 - Upsized the ABL facility to \$60 million from \$50 million
 - Generated net proceeds of \$26.9 million from terminal sale
 - Paid down \$10 million on the term loan associated with the term loan

Net Long Term Liabilities

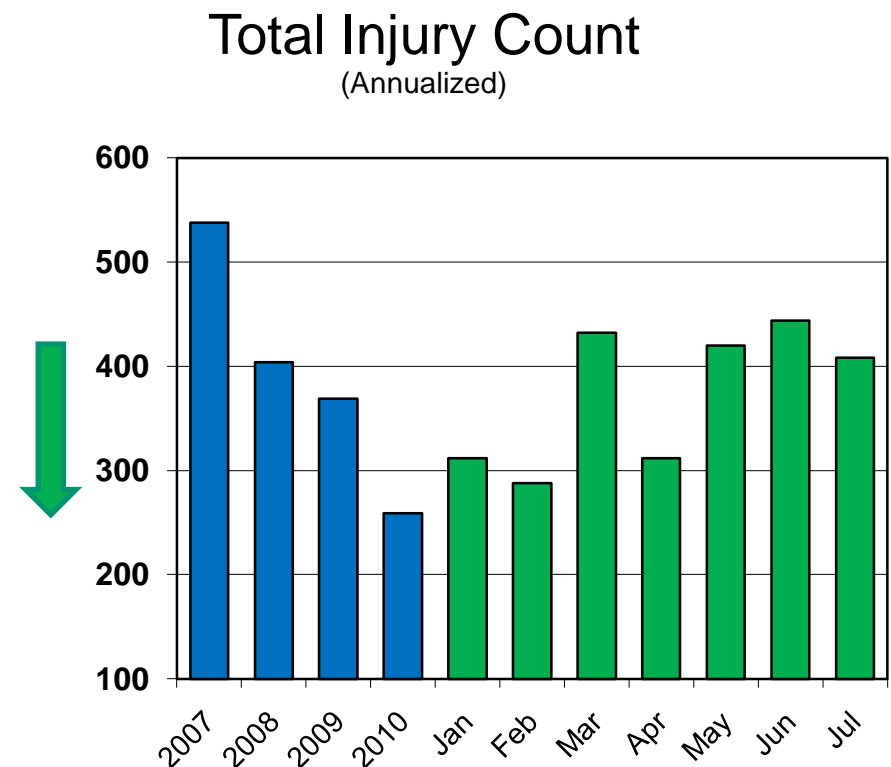
(\$Millions)	June 30, 2011	December 31, 2010	December 31, 2009
Cash	\$60.7	\$3.1	\$4.0
ABL Facility	-	-	\$4.1
Term Loan	\$123.1	\$102.9	\$52.1
Unfunded Pension	\$113.8	\$126.3	\$176.8
VEBA	<u>\$50.9</u>	<u>\$54.3</u>	<u>\$59.2</u>
Total	\$227.1	\$280.4	\$288.2

19% reduction

Update on Hannibal & Burnside Operations

Safety Performance

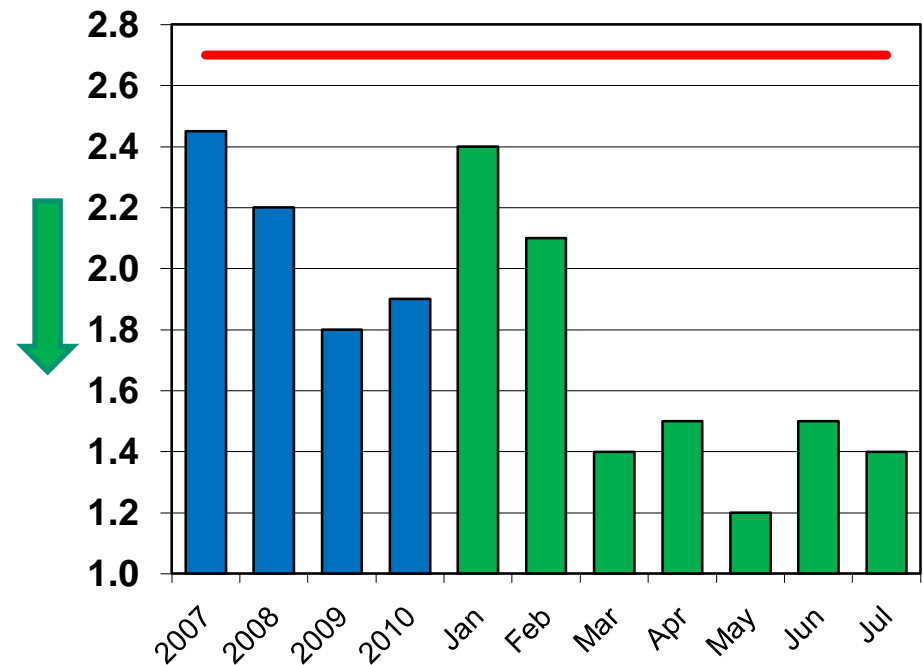
- Increased injuries are directly related to the number of new employees hired for the potline restarts
- Severity of injuries has been reduced – 2011 LWD count is 33% less than 2010
- The plantwide heat stress program has significantly improved incident frequency during the hot summer months



Environmental Performance

- Potroom emissions continue to be significantly below permit limits
- One outfall non-compliance in 2011 year to date
- Ormet is actively involved in monitoring and evaluating greenhouse gas regulations, Primary MACT residual risk analysis, and NAAQS SO₂ standards

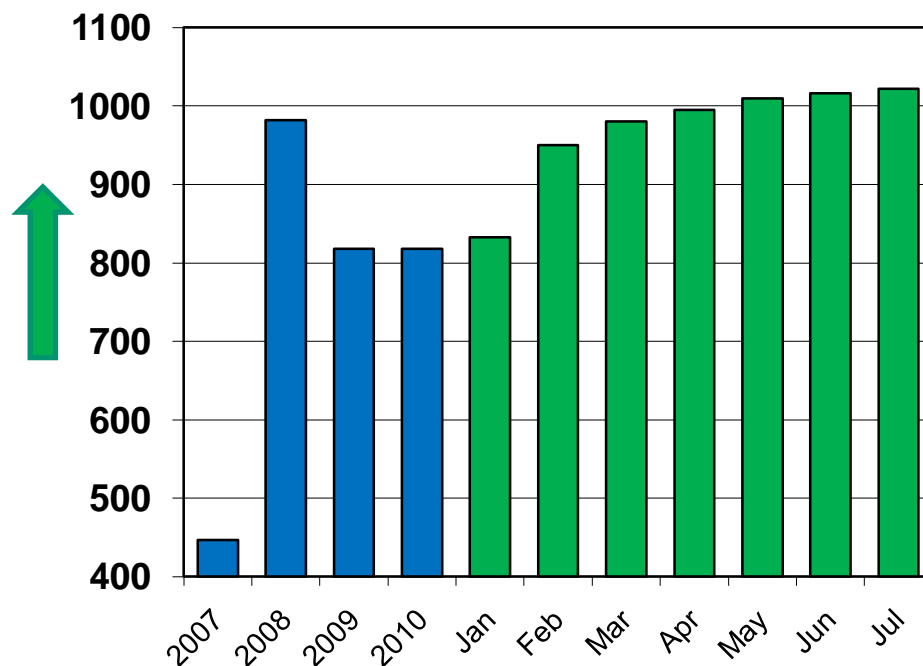
Pounds F / ton of Al



Pots Operating

- Potlines are operating at full pot count on all six lines
- Pot failure age has sustained high levels due to operational stability
 - 2008, 1305 days
 - 2009, 1528 days
 - 2010, 1480 days
 - 2011, 1454 days

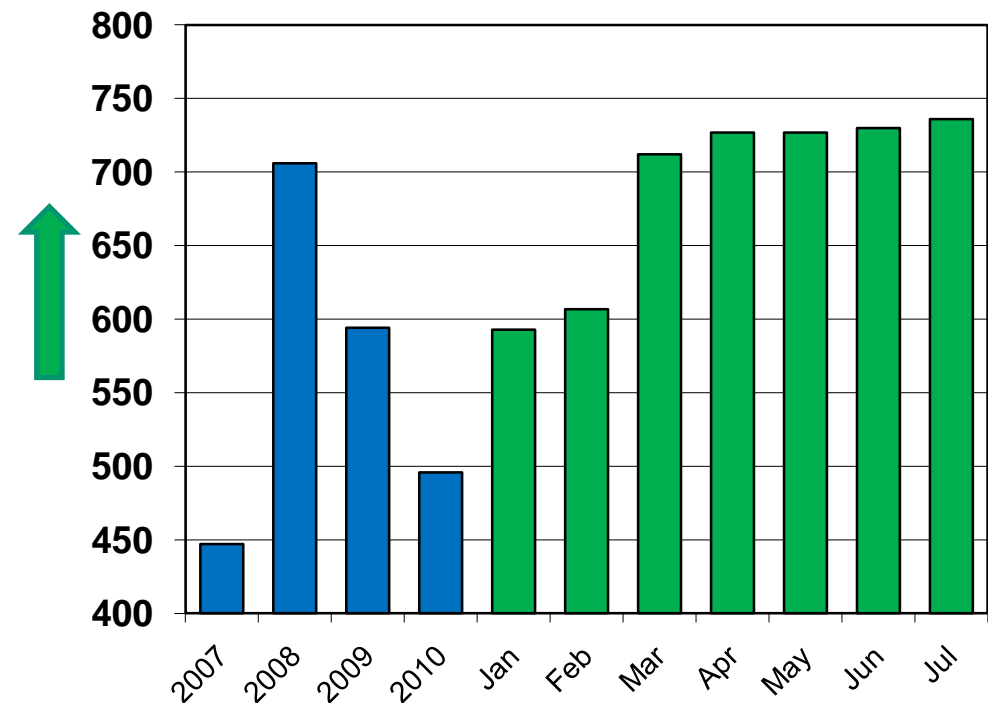
Average Cells Operating



Molten Aluminum Production

- Molten production year to date is 1,843 MT (1.2%) unfavorable to plan, on a production of 148,324 MT
- Production variation is due primarily to the timing of the potline restarts
- Increased pot count and process tuning should increase production rates through the year

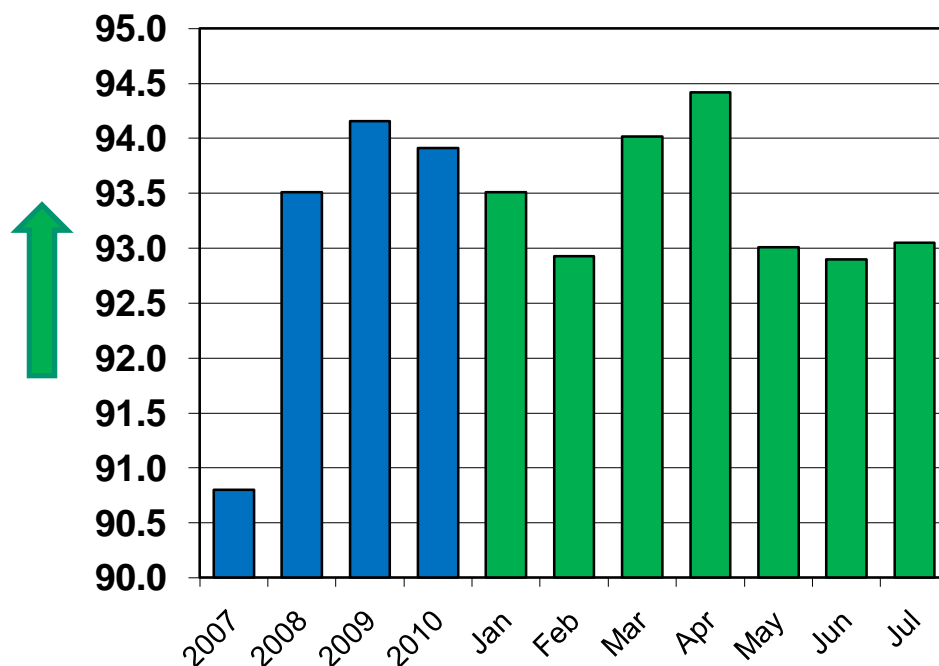
MT / Day



Current Efficiency

- YTD current efficiency for all six potlines is 93.4%, including restart impacts
- Current efficiency has been constrained by current cell design as pot voltage has been reduced
- Process parameters are currently being optimized to raise current efficiency

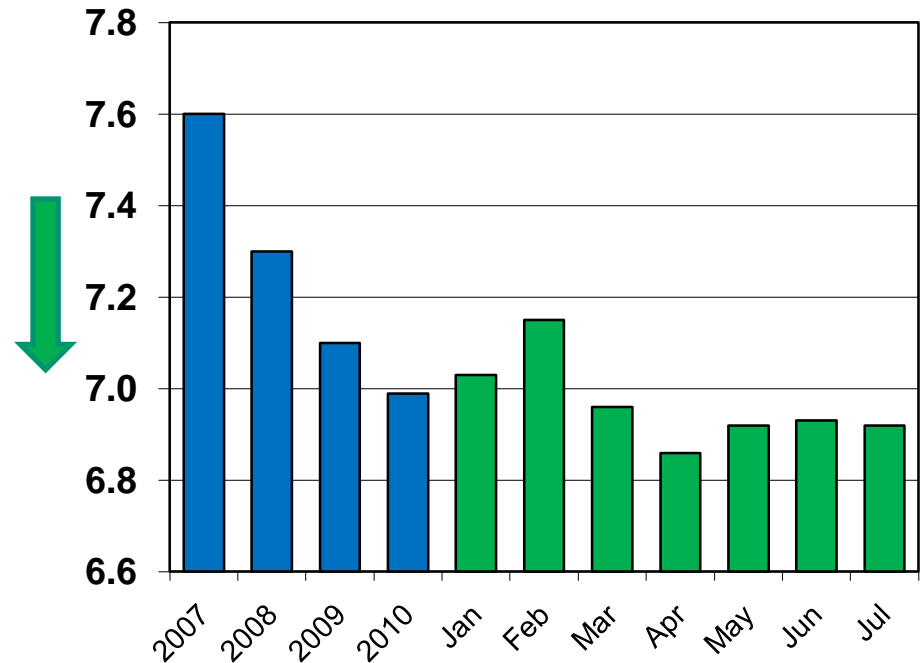
% Efficiency



Energy Consumption

- YTD power consumption for all potlines is at a benchmark level of 6.96 DCKWh / pound, including restart impacts
- Pot voltage is at record lows, achieving 4.80 volts per pot across all the lines YTD
- Power cost savings have offset the slight reduction in current efficiency

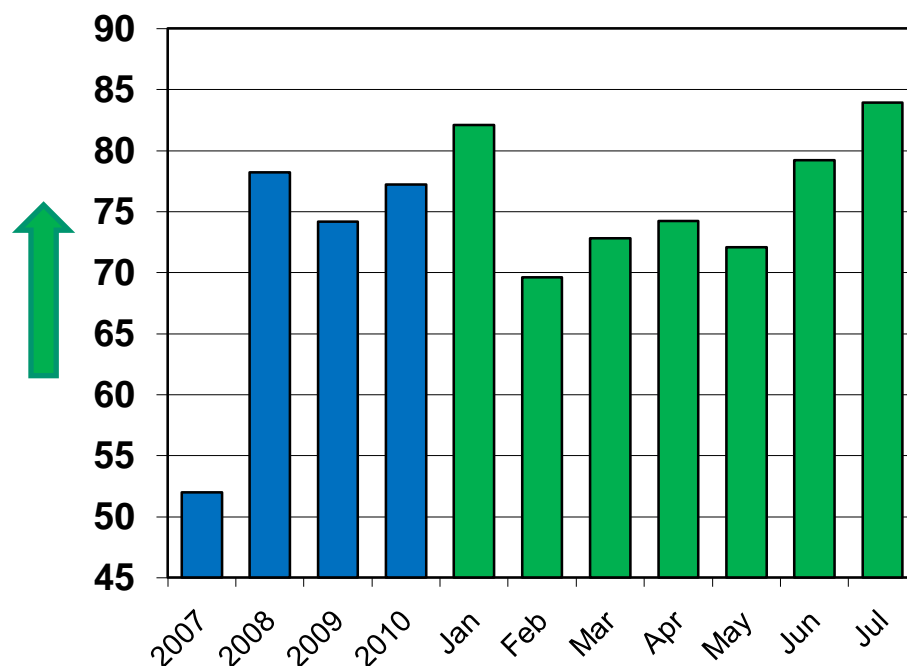
DCKWh/pound



Metal Purity

- Metal purity has continued to improve with tighter liquid level control, despite alumina quality variation
- Improved anode quality has enabled longer set cycles without reducing metal quality
- Improved metal quality has allowed Ormet to benefit from the constrained high purity metal market

% P1020 and Better



Burnside Restart Status

- The plant is currently on target for the forecasted Q4 2011 restart of alumina production
- Bauxite and other raw materials will begin arriving in September 2011
- Boilers are operating and supplying steam to the plant
- Refurbishment of the powerhouse is proceeding well
 - All turbine and generator equipment has been tested and evaluated
 - Rebuild of one generator rotor is required and is in-process
- Coast Guard approval for raw material unloading is proceeding
- Liquor is circulating in select loops for cleaning of lines and equipment
- Remaining process equipment verification and commissioning can continue with the completion of asbestos remediation and roofing repairs

Potential Anode Joint Venture

Anode Plant Joint Venture

- A term sheet to explore a Joint Venture has been executed
 - Ormet would have minority stake in the joint entity
 - The JV would design, build, and operate a 150,000 MT anode facility
 - The JV would supply 95% of Hannibal's anode requirements
- An Ormet diligence team was assembled consisting of legal, financial, and engineering disciplines, based in the US and China
- The preliminary round of diligence and document exchange has been completed
 - Potential JV partner corporate structure and financials are being evaluated
 - Anode facility capital requirements are being developed
- As part of the term sheet agreement, Ormet is receiving discounted anode pricing until implementation of the Joint Venture

What's Next

- Continually improve Hannibal performance
- Successful Burnside start-up
- Continue development of anode Joint Venture
- Target growth projects
- Complete Installation of new ERP system
- Continue to manage enterprise risk
- Maximize shareholder value

Thank You



Addendum

EBITDA Addendum

- Reconciliation of Net Income to EBITDA and Adjusted EBITDA**

	Year Ended		Year Ended
(000's omitted)	2010		2009
Consolidated Net Income	\$ 39,752		\$ 32,774
Depreciation	16,296		14,618
Amortization of financing fees	1,879		3,254
Amortization of pension actuarial loss	6,702		3,456
Interest expense	21,257		12,960
Taxes	(36,500)		-
EBITDA	49,386		67,062
Gain on asset sales	(478)		(153)
Deferred compensation/ stock option expense	993		2,785
Imputed interest expense	210		249
Adjusted EBITDA	<u>\$ 50,111</u>		<u>\$ 69,943</u>



* APPENDIX

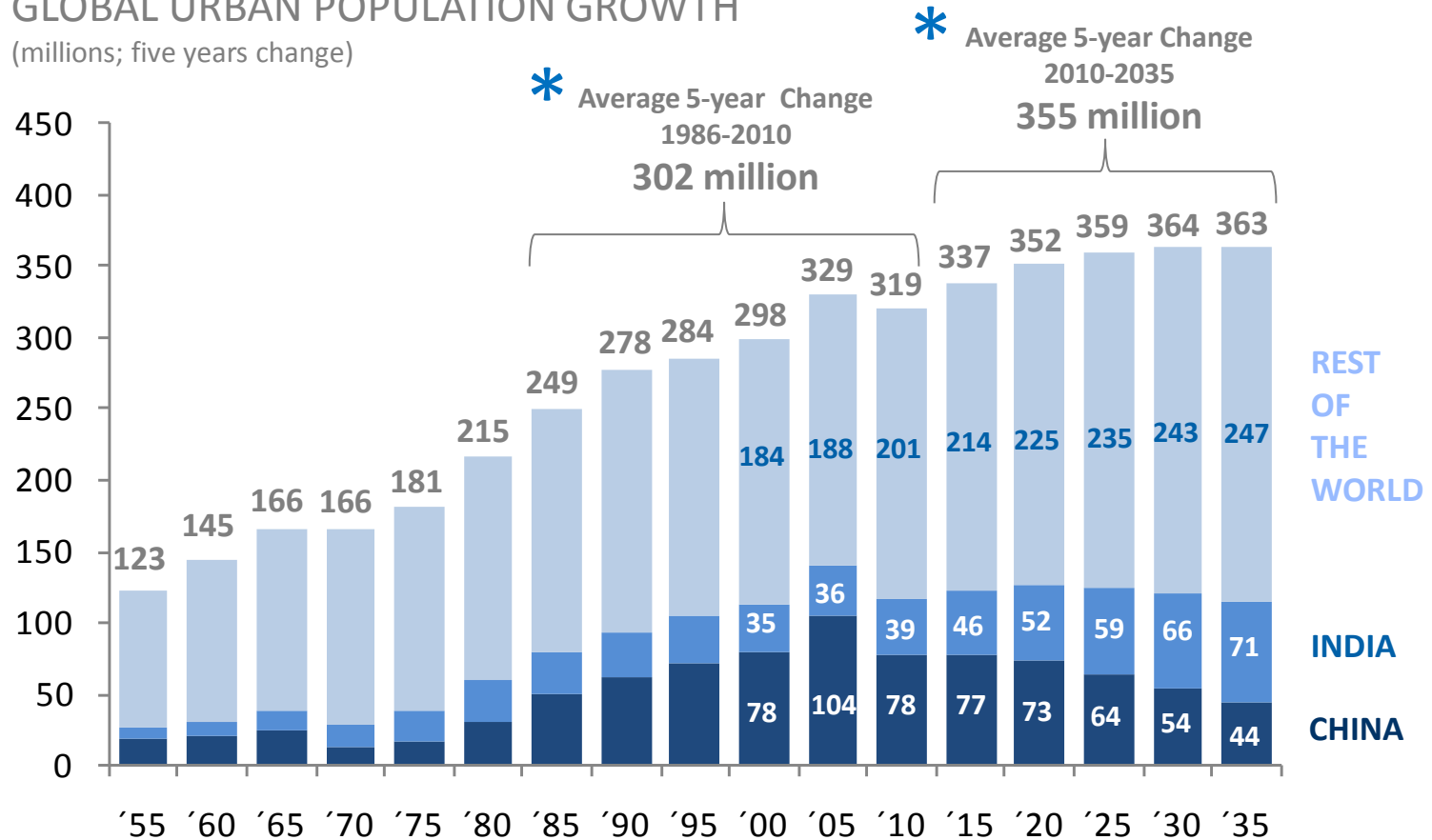


THE CASE FOR ALUMINUM DEMAND

Global urbanization will accelerate, has a long way to go and will peak until 2035

GLOBAL URBAN POPULATION GROWTH

(millions; five years change)

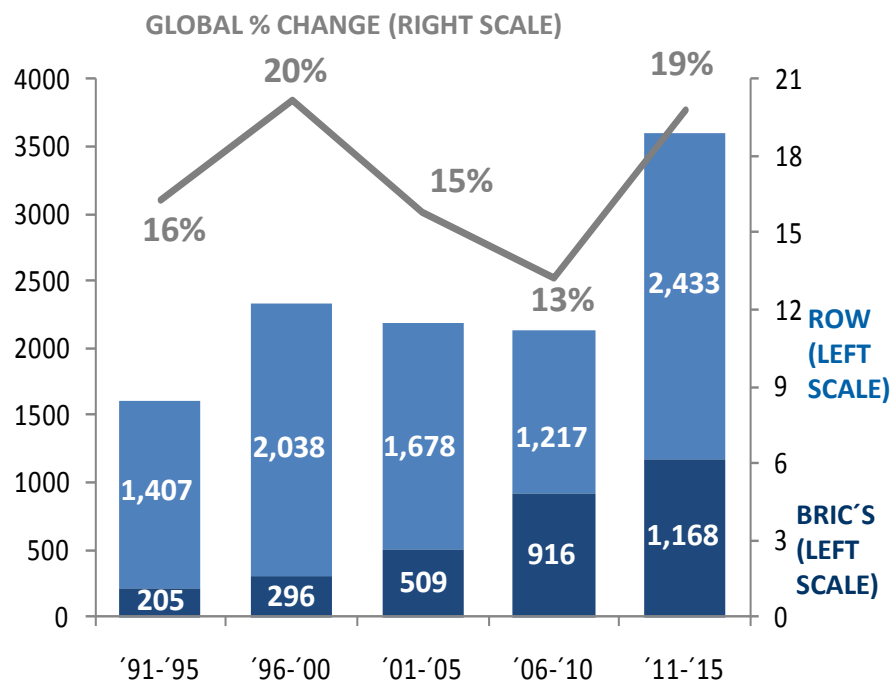


Source: HARBOR intelligence with United Nations data

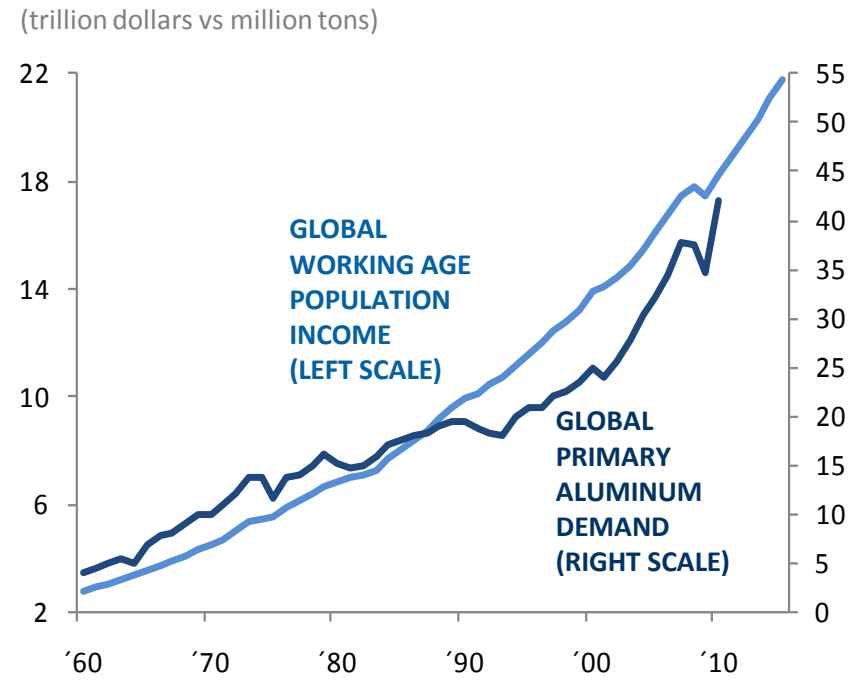


Global income growth will also accelerate considerably...

GLOBAL WORKING POPULATION INCOME GROWTH*
(BRIC'S= Brazil, Russia, India and China; billion dollars vs %)



GLOBAL WORKING AGE POPULATION INCOME GROWTH* VS ALUMINUM DEMAND
(trillion dollars vs million tons)



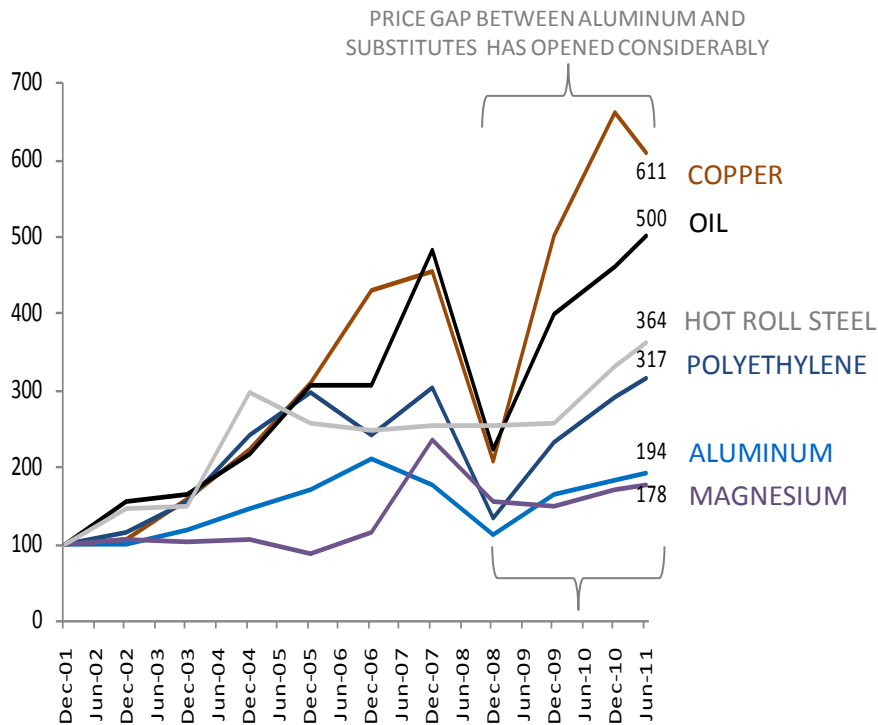
* Global growth of population between 20 and 50 years old multiplied by GDP per capita at constant 2000 USD
Source: HARBOR intelligence with World Bank and United Nations data



...while the global economy is increasingly aluminum intensive

ALUMINUM PRICES VS SUBSTITUTE MATERIALS

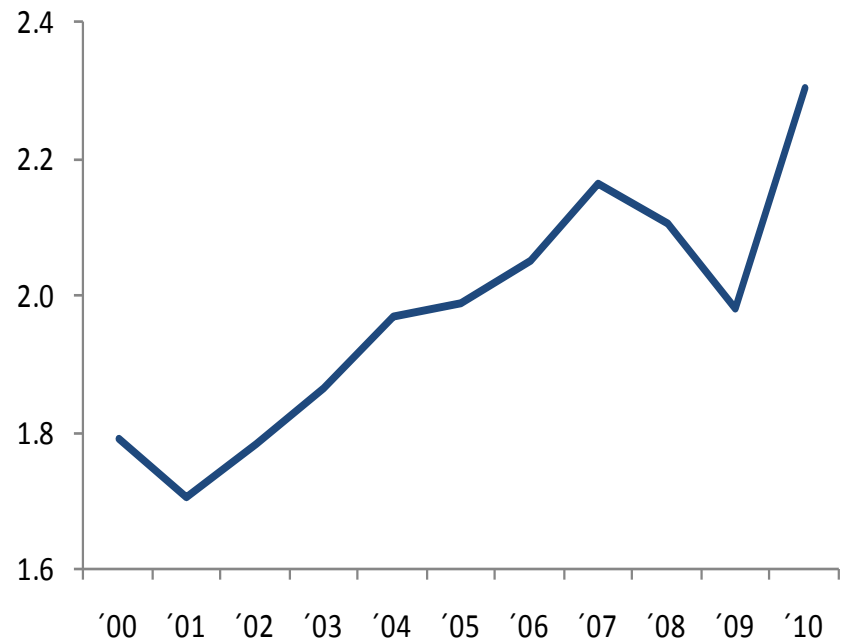
(Dec 2001=100; end of year data)



Source: HARBOR intelligence

GLOBAL ECONOMY ALUMINUM INTENSITY

(thousand tons of primary aluminum consumption per billion dollar of global working age population income)



Source: HARBOR intelligence with World Bank and United Nations data



ADVANTAGES VS SUBSTITUTE MATERIALS

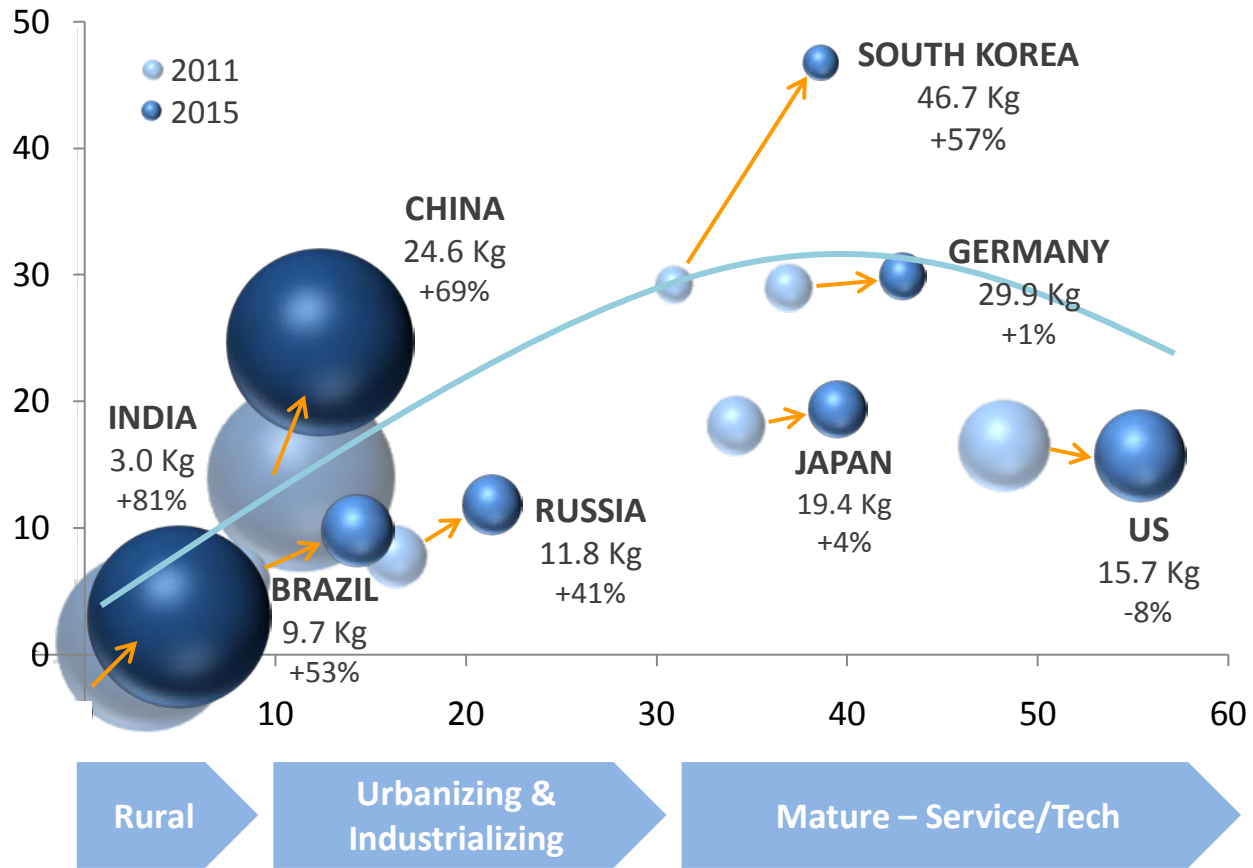
MAIN DEVELOPMENTS

<p>* VEHICLES</p>	<p>*CARBON FOOTPRINT 25% LOWER VS STEEL LIFECYCLE</p> <p>*ALUMINUM-INTENSIVE BODY MASS 15% LIGHTER VS STANDARD STEEL AND 5% VS LIGHTWEIGHT STEEL</p> <p>*10% MORE FUEL ECONOMY VS STANDARD STEEL AND 6% VS LIGHTWEIGHT STEEL</p> <p>*EFFICIENCY MAGNIFIED AT ELECTRIC/HYBRID VEHICLE</p> <p>*SAFE WEIGHT REDUCTION VS STEEL</p>	<p>*US FEDERAL REGULATION EFFICIENCY TARGET: 34.1 MPG IN 2016 AND 54.5 MPG BY 2025</p> <p>-<i>FORD</i>: REDUCE 250-750 LBS FOR EACH MODEL</p> <p>-<i>GM</i>: REDUCE 500 LBS (2016) AND 1,000 LBS (2020) FROM LIGHT TRUCKS</p> <p>-<i>NISSAN</i>: PLANS TO DOWNWEIGHT FLEET BY 15%</p> <p>*POTENTIAL FOR ALUMINUM USED IN AUTO SECTOR TO MORE THAN DOUBLE, IMPLIES UP TO 18 MILLION TONS/YEAR MORE (MAINLY IN BODY STRUCTURE)</p>
<p>* AEROSPACE</p>	<p>*ALUMINUM-LITHIUM ALLOY PLATE 10% LIGHTER AND UP TO 30% LOWER LIFE CYCLE COSTS VS CARBON FIBER (MANUFACTURING, OPERATING AND REPAIR COSTS)</p>	<p>*<i>AIRBUS</i> \$1.0 BILLION CONTRACT FOR PRODUCTS UTILIZING ADVANCED-GENERATION ALUMINIUM ALLOYS</p>
<p>* ELECTRICAL</p>	<p>*LOWER COST PER LB AND SIMILAR CONDUCTIVITY VS COPPER</p>	<p>*ALUMINUM CABLE WIRE GAINING MARKET SHARE VS COPPER IN CONSTRUCTION AND AUTOMOTIVE SEGMENTS</p>
<p>* CONSUMER ELECTRONICS</p>	<p>*IMPROVED AESTHETICS AND DURABILITY VS PLASTICS</p>	<p>*GROWING USE OF TABLET DEVICES AND CONSUMER PREFERENCES FOR ALUMINUM-FINISHED LAPTOPS</p>
<p>* SOLAR ENERGY</p>	<p>ALUMINUM STRIP, EXTRUSIONS AND REFLECTIVE FOIL KEY COMPONENTS OF SOLAR CELLS</p>	<p>SOLAR ENERGY DEMAND CURRENTLY 16% OF TOTAL DEMAND GENERATED IN GERMANY VS PRACTICALLY 0% IN CHINA</p>

Urbanization+Income Growth+ Material of Choice = Unprecedented aluminum demand growth

PRIMARY ALUMINUM DEMAND PER CAPITA*

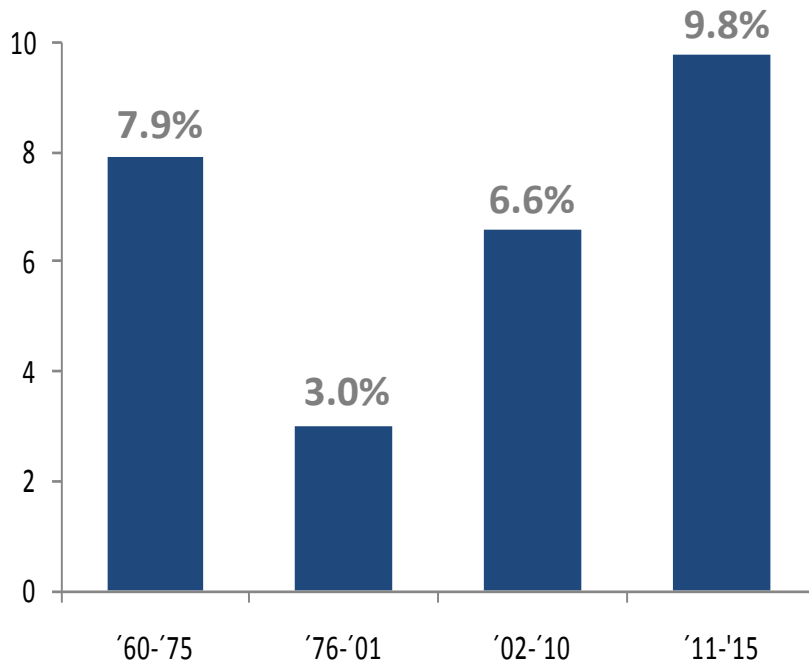
(Kg per capita vs GDP per capita, PPP-adjusted)



Source: HARBOR Intelligence and IMF
 *Bubble dimension indicates population size

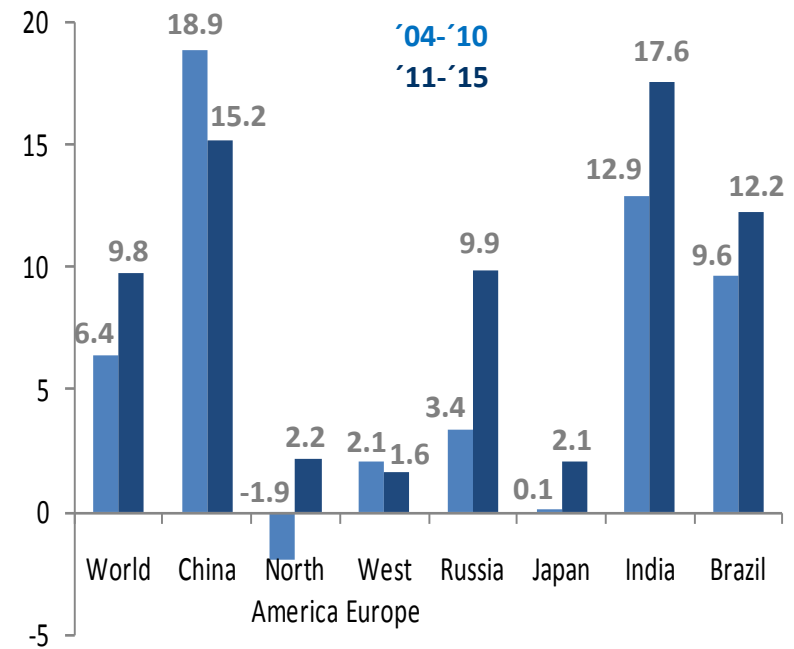
As a result, global aluminum demand growth will accelerate in next 5 years

PRIMARY ALUMINUM DEMAND GROWTH
 (annual average rate)



Source: HARBOR intelligence

PRIMARY ALUMINUM DEMAND GROWTH OUTLOOK BY MAIN REGION
 (annual average rate)

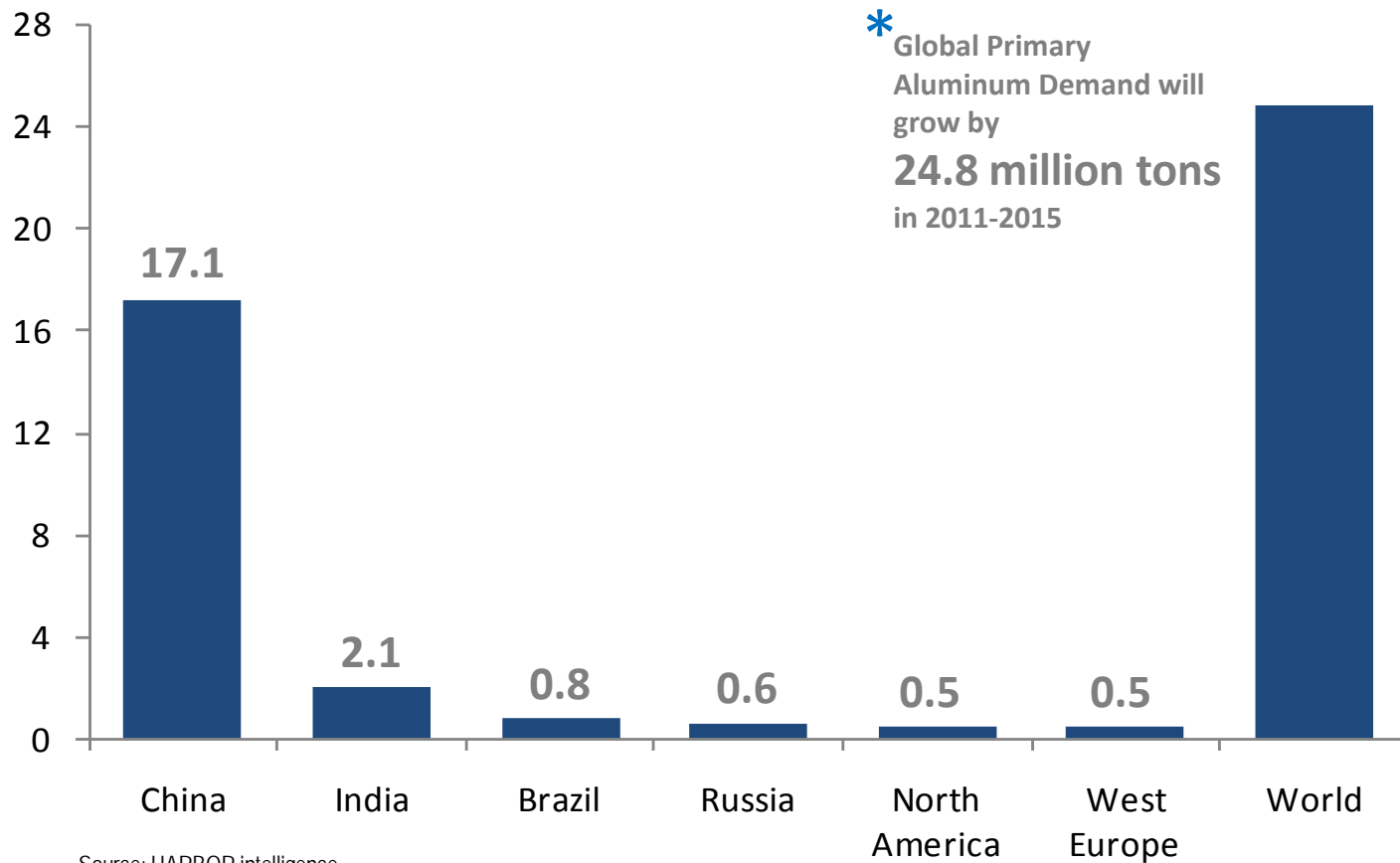


Source: HARBOR intelligence

Developing World will lead to stronger primary demand increase in the next 4 years

PRIMARY ALUMINUM EXPECTED DEMAND GROWTH 2011-2015

(million tons)



Source: HARBOR intelligence

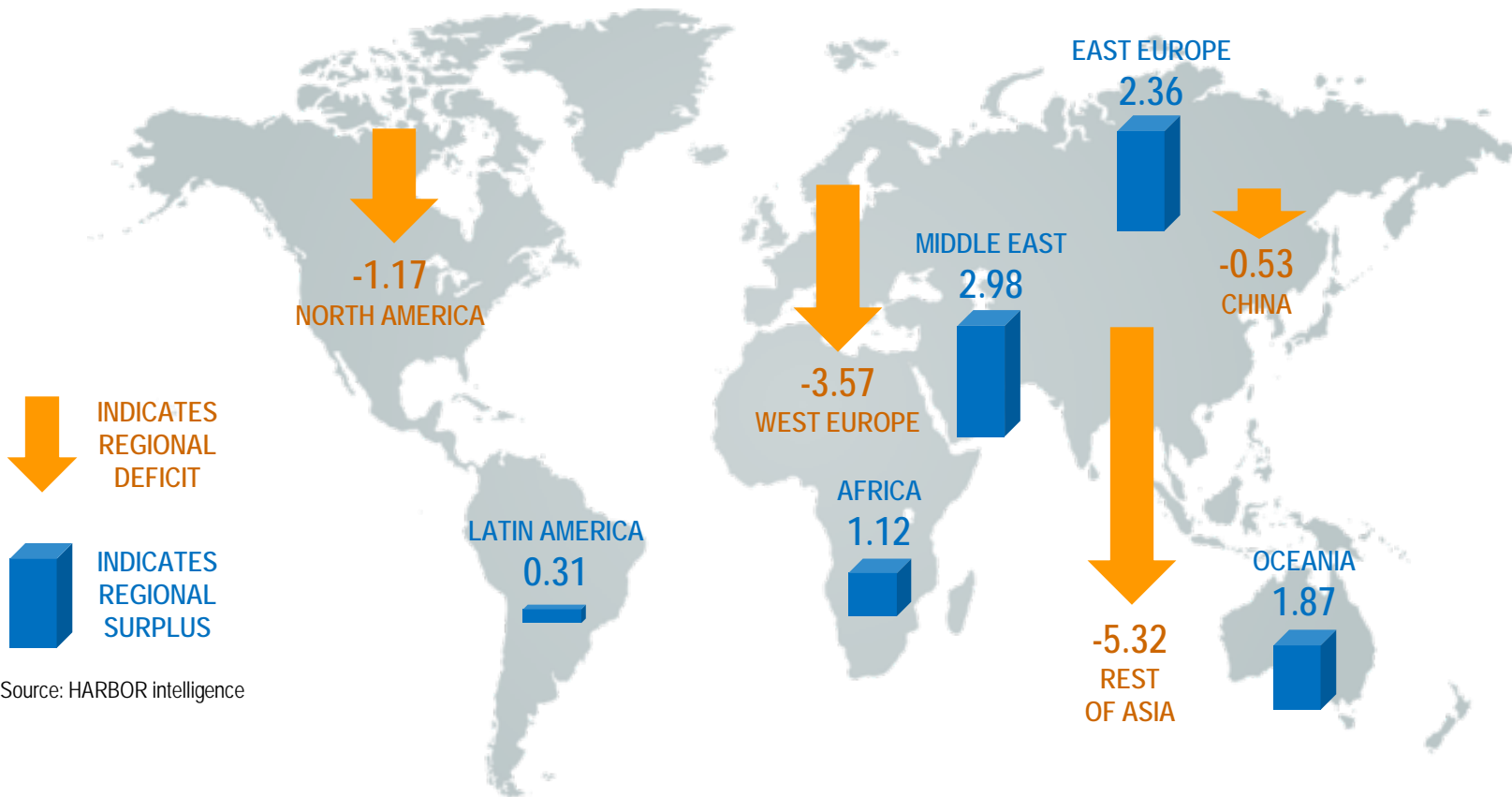


OUTPUT SHORTFALL CASE



Today's regional aluminum industry balance

EXPECTED PRIMARY ALUMINUM MARKET BALANCE BY REGION IN 2011
(million tons)

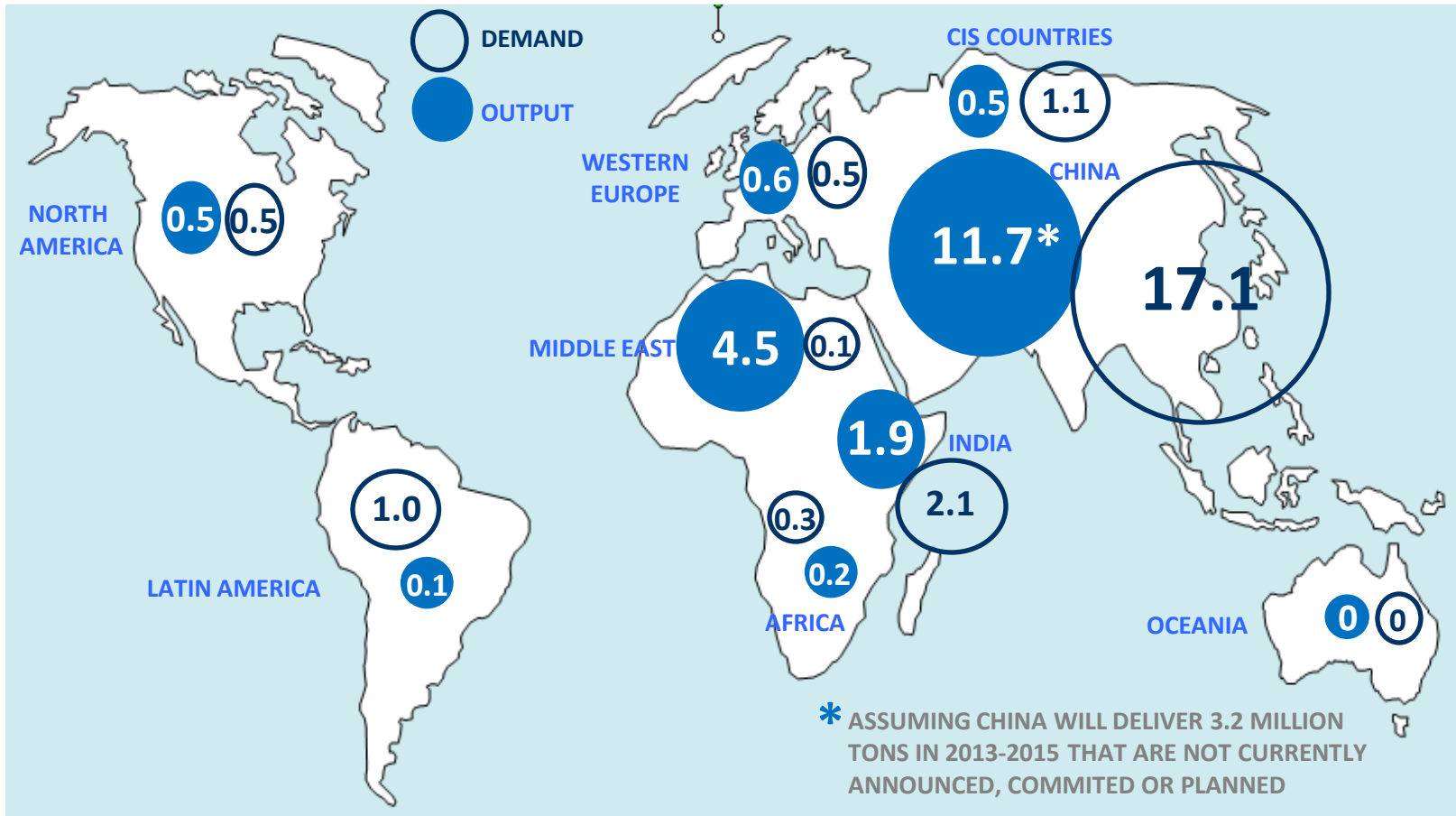


Source: HARBOR intelligence

Minimal output growth outside China and ME...India highly likely to undeliver

ALUMINUM DEMAND AND OUTPUT EXPECTED GROWTH 2011- 2015

(million tons in the period)



Outside China, next year will be especially critical

DETAILED NON CHINA OUTPUT CAPACITY EXPANSIONS COMMITTED FOR '11-'15

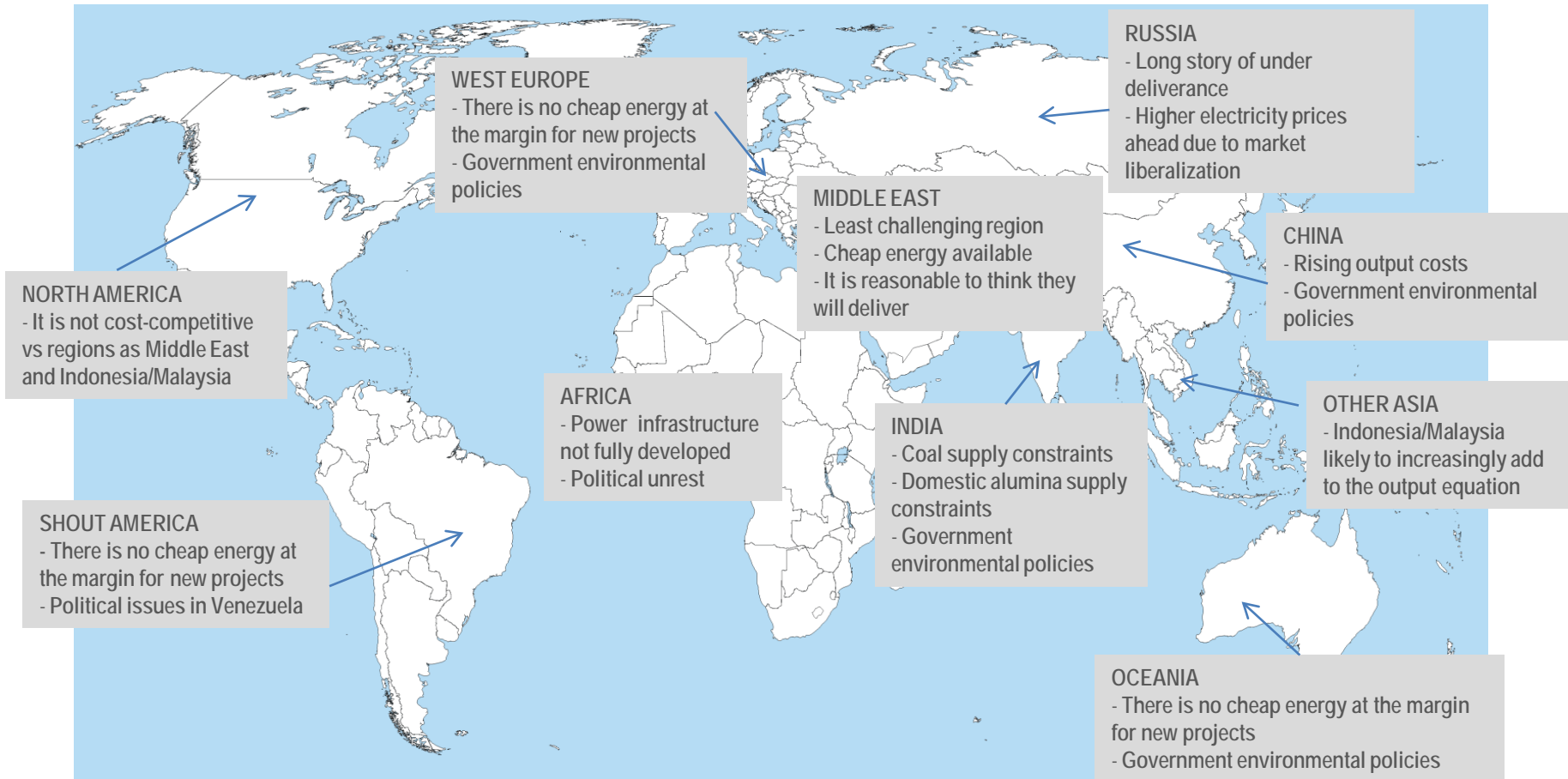
(tons per year)

								TOTAL	
2011	INDIA Hindalco Mahan Greenfield 359,000	AZERBAIJAN DET.AL Ganja Greenfield 100,000						0.45 million tpy	
2012	IRAN SALCO Lamard Greenfield 276,000	ICELAND Rio Tinto Alcan ISAL Brownfield 40,000	INDIA Hindalco Hirakud Brownfield 52,000					0.37 million tpy	
2013	UAE Dubal Emal Phase II Brownfield 750,000	SAUDI ARABIA Ma'aden - Alcoa Ras Az Zawr Greenfield 740,000	RUSSIA UC Rusal BEMO Greenfield 147,000	RUSSIA UC Rusal Taishet Greenfield 187,000	CANADA Rio Tinto Alcan Kitimat Greenfield 60,000	USA Noranda New Madrid Brownfield 16,000	ICELAND Century Helguvik Greenfield 360,000	INDIA*AT RISK Vedanta Korba Brownfield 325,000	2.58 million tpy
2014	OMAN Oman Oil -RTA Sohar Phase II Brownfield 360,000	BAHRAIN ALBA Alba Brownfield 350,000	INDONESIA NALCO East Kalimantan Greenfield 500,000	SAUDI ARABIA MMC, Binladin, Chalco Jizan Economic City Greenfield 1,000,000	CANADA Rio Tinto Alcan Kitimat Brownfield 136,000	INDIA*AT RISK Vedanta Jharsuguda II Brownfield 500,000		2.84 million tpy	
2015	INDIA Hindalco Jharkhand Greenfield 359,000	MALAYSIA Chalco-GIIG Samalaju Greenfield 370,000						0.72 million tpy	



China, Middle East and Indonesia/Malaysia most likely to partly alleviate

GLOBAL PRIMARY ALUMINUM EXPANSION CHALLENGE MAP

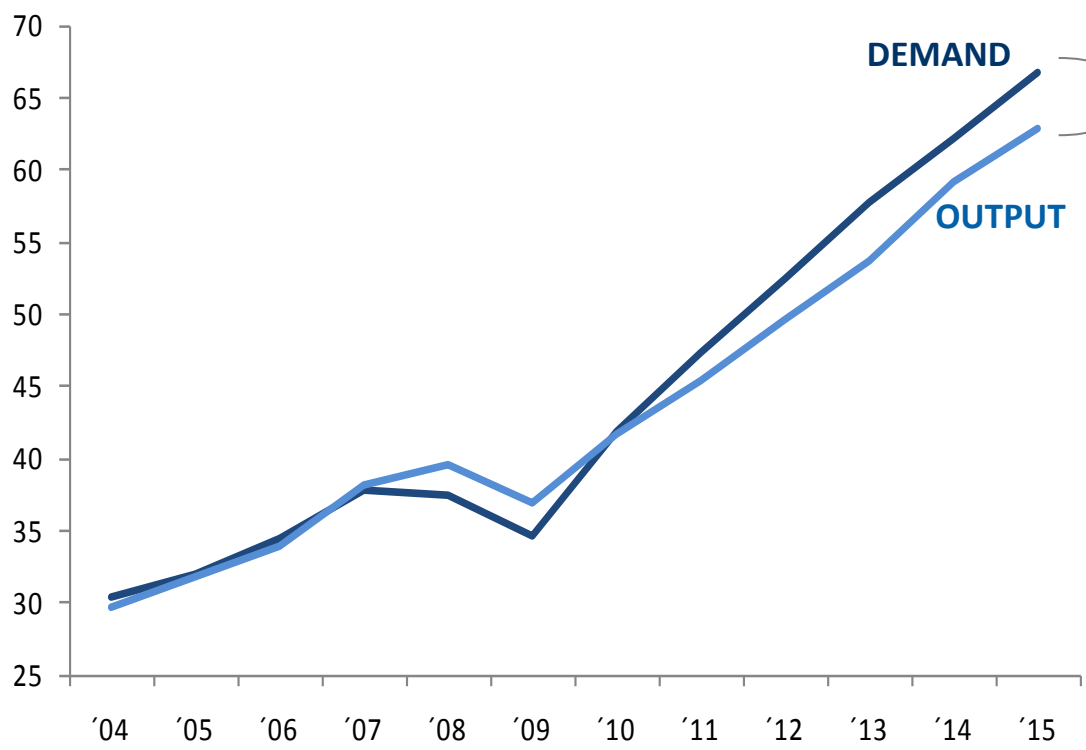




The world will undoubtedly need China to fill at least part of the widening gap

GLOBAL PRIMARY ALUMINUM EXPECTED DEMAND VS OUTPUT

(million tons; annual data)



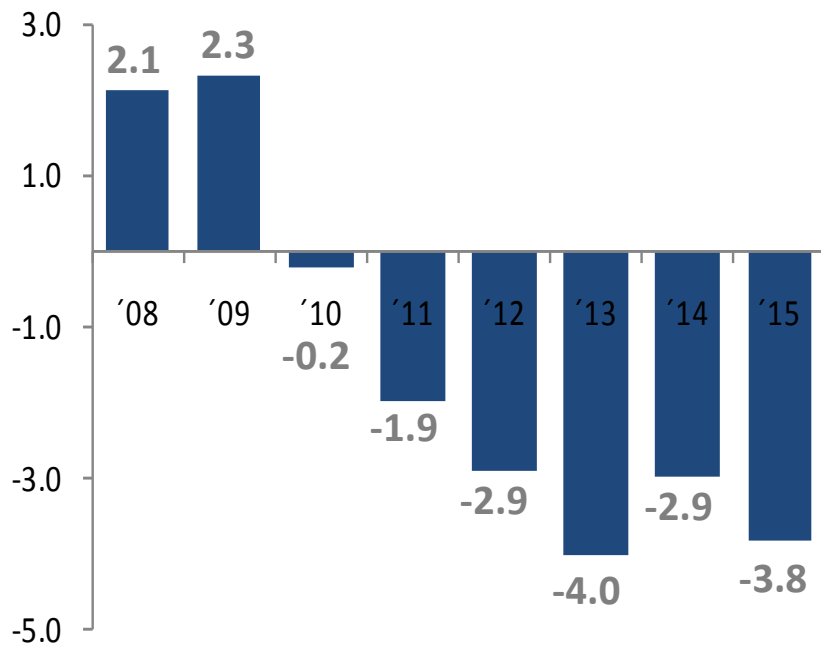
* Under current scenario, the annual output shortfall could reach **3.8 million tons** by 2015

Source: HARBOR intelligence

Outlook is not sustainable as it will led to outstanding market deficits

GLOBAL PRIMARY ALUMINUM THEORETICAL MARKET BALANCE OUTLOOK

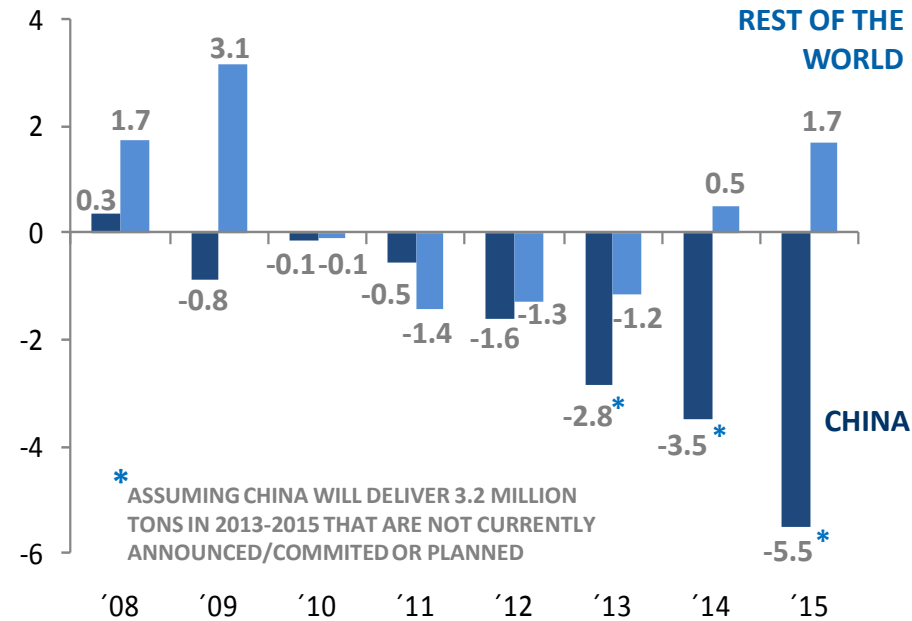
(figures in million tons)



Source: HARBOR intelligence

CHINA VS REST OF THE WORLD THEORETICAL MARKET BALANCE OUTLOOK

(figures in million tons)



* ASSUMING CHINA WILL DELIVER 3.2 MILLION TONS IN 2013-2015 THAT ARE NOT CURRENTLY ANNOUNCED/COMMITTED OR PLANNED

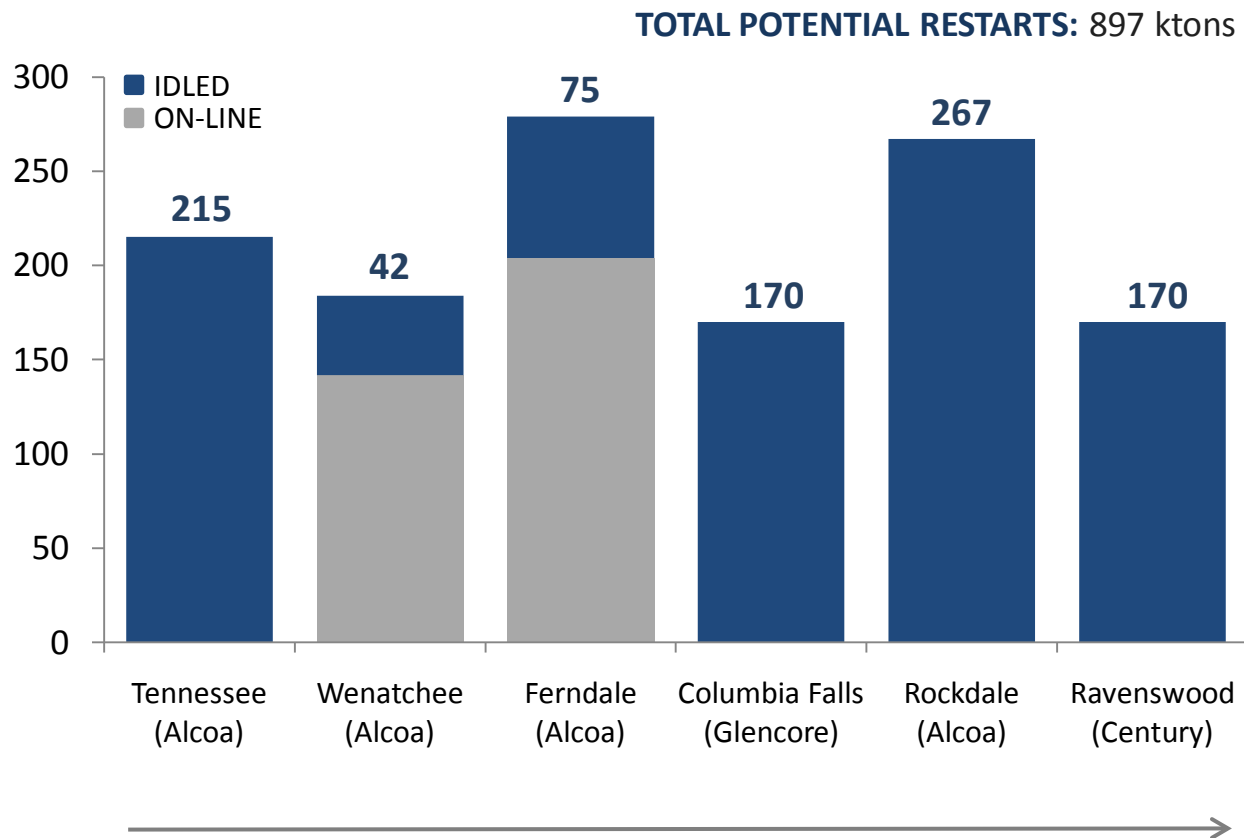
Source: HARBOR intelligence



US SMELTING RESTARTS

Total potential North America output restarts add 900 k tons

POTENTIAL OUTPUT RESTARTS IN THE US (thousand mtons)

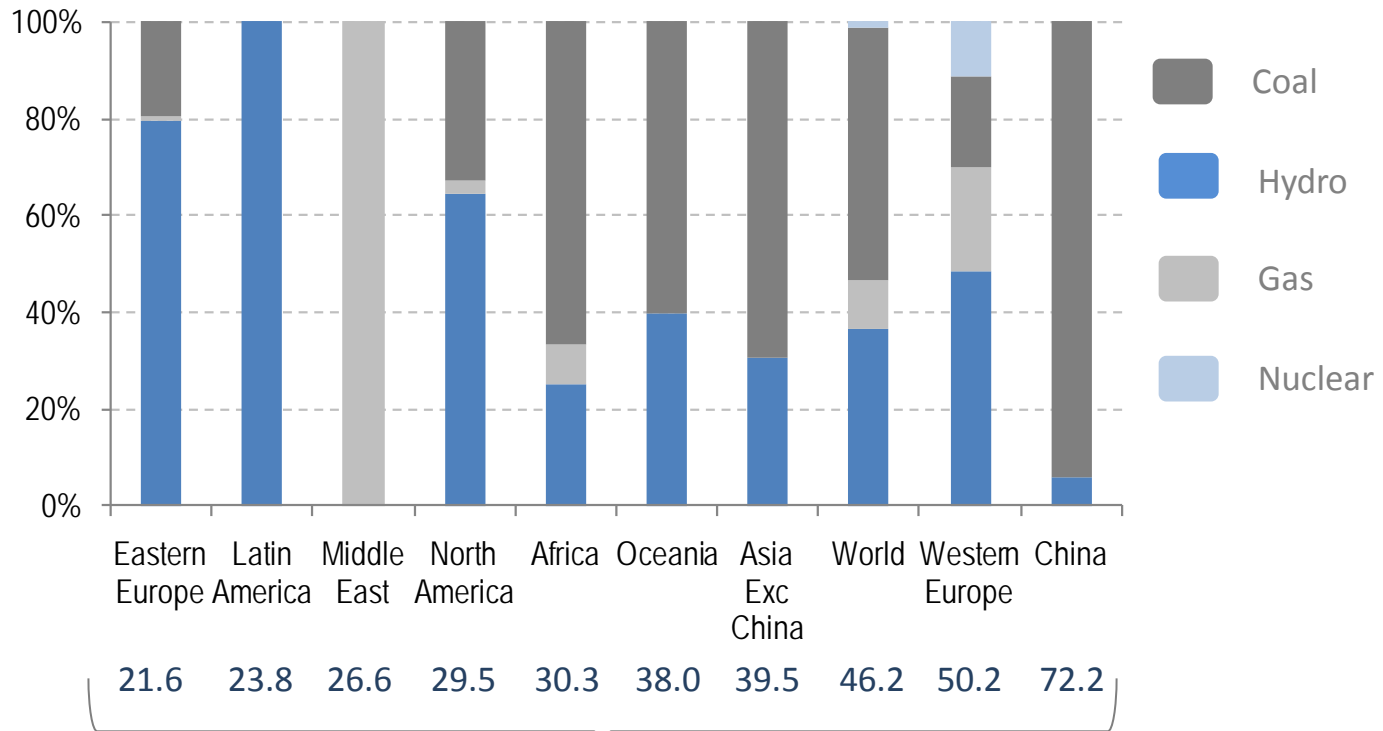




In terms of electricity, North America capacity is well positioned

ALUMINUM INDUSTRY ELECTRICITY PRICE AND SOURCE BY REGION

(\$/MWh)



Source: HARBOR intelligence

Q2 '11 Power price (\$/MWh)



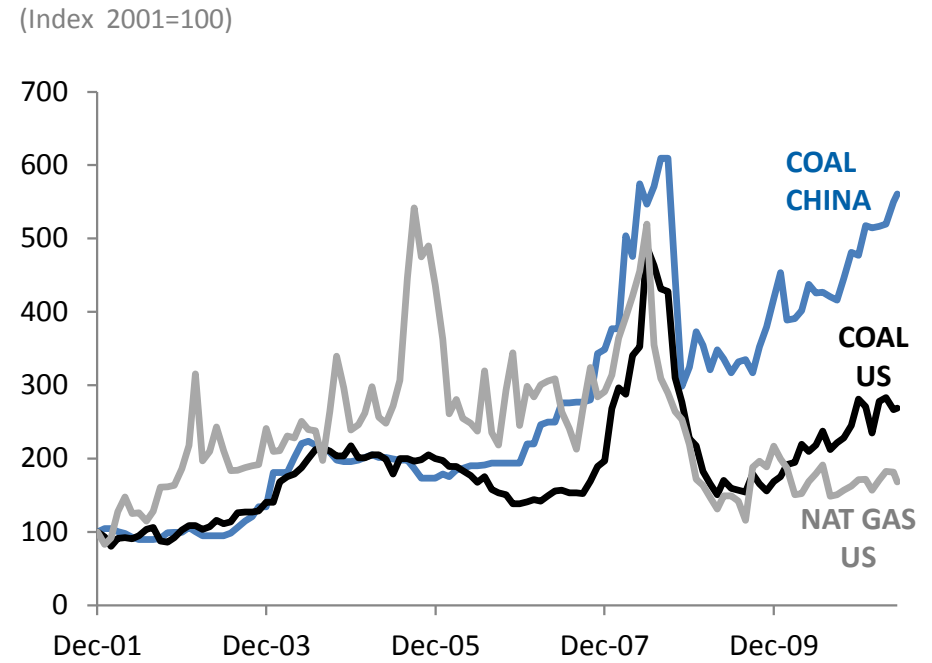
Deflationary energy trends in North America help...

REFERENCE THERMAL COAL PRICES



Source: HARBOR intelligence with Bloomberg data

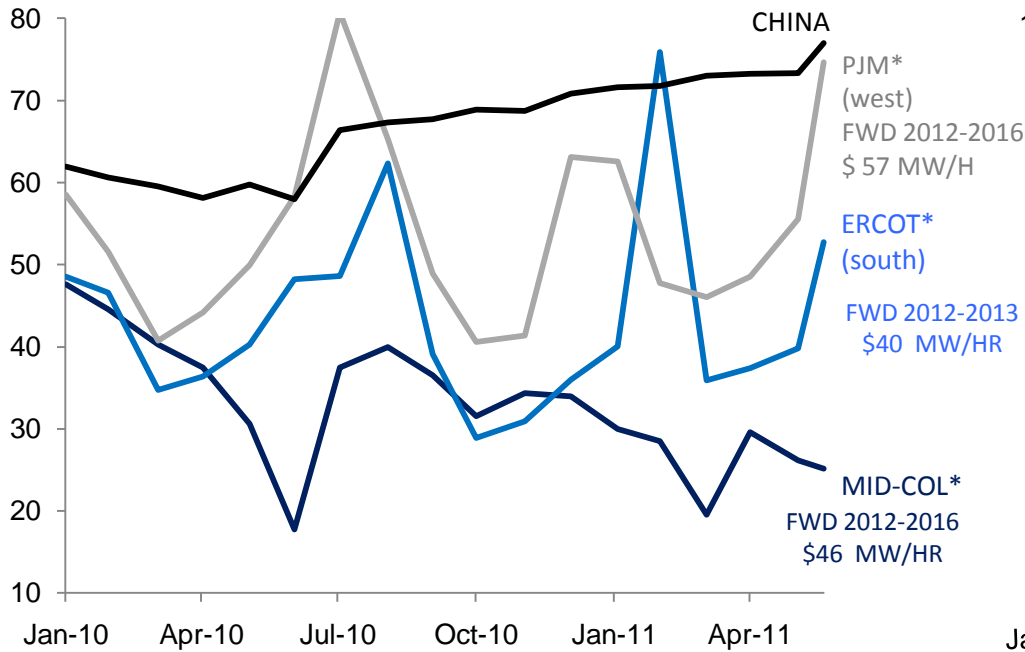
REFERENCE ENERGY PRICES



Source: HARBOR intelligence with Bloomberg data

... which offer a stronger case of aluminum restarts (along wider metal deficit)

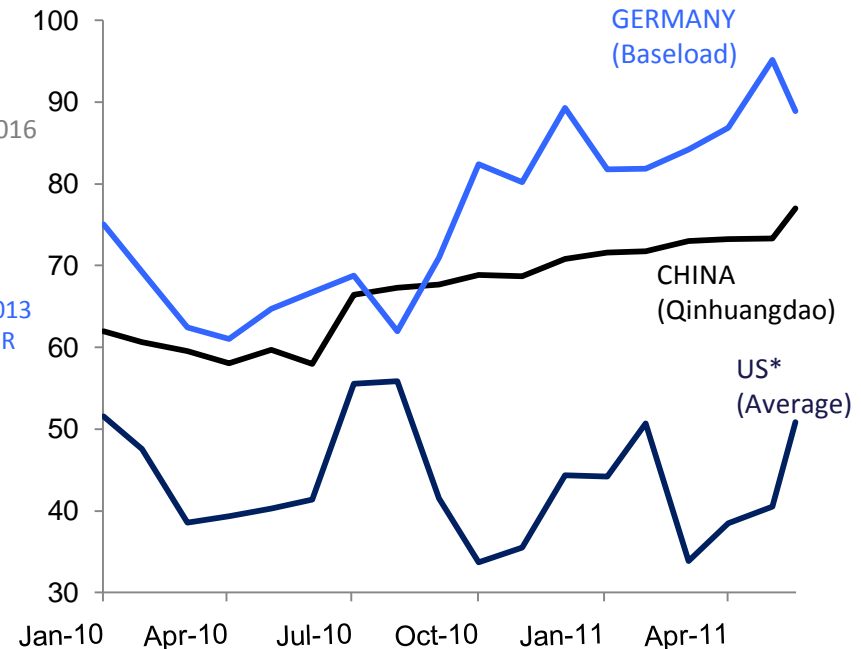
ELECTRICITY PRICES IN KEY ALUMINUM REGIONS
 (monthly data: \$/MWh)



*on peak prices

Source: HARBOR intelligence and Bloomberg data

ELECTRICITY REFERENCES FOR ALUMINUM
 (monthly data: \$/MWh)

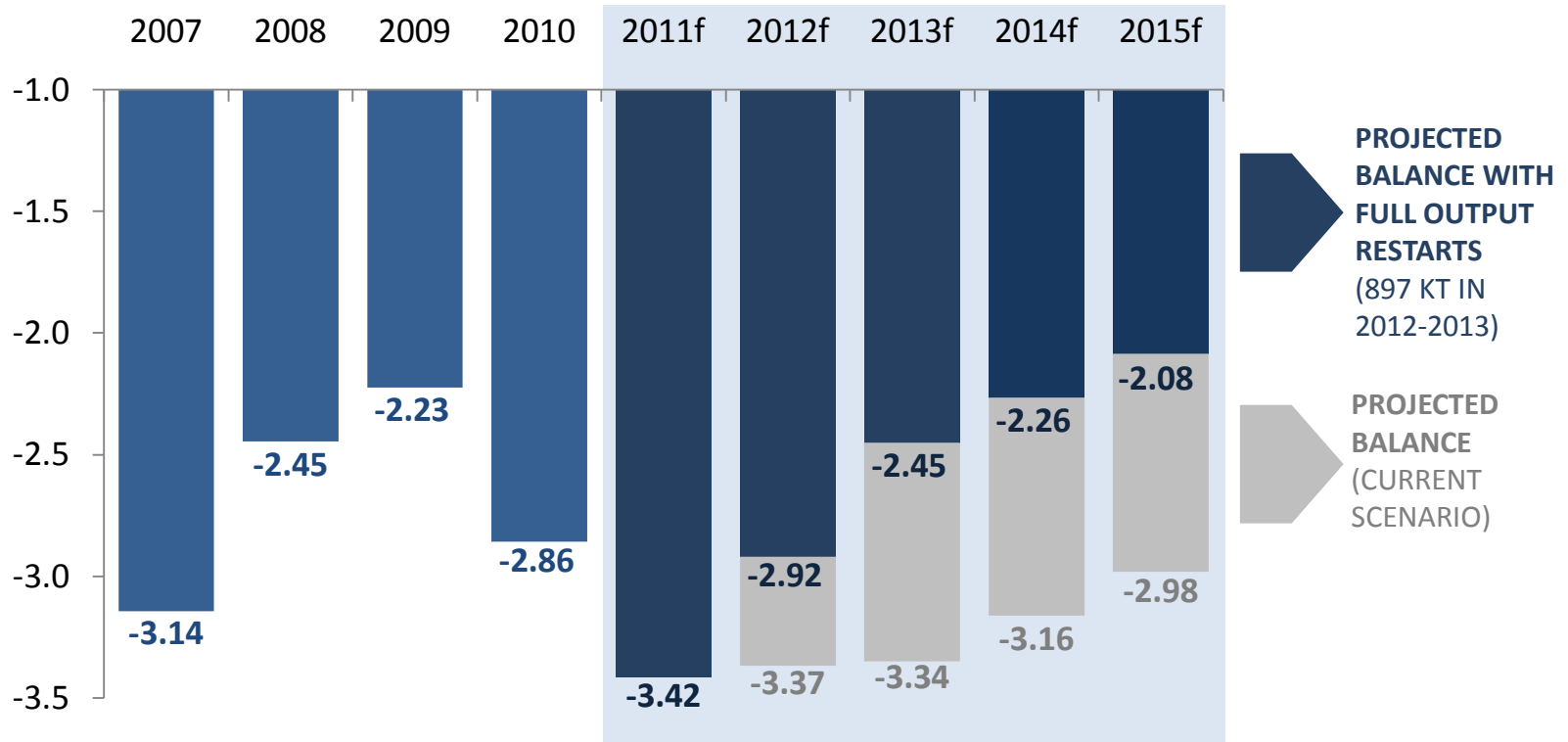


*on peak prices

Source: HARBOR intelligence and Bloomberg data

The best case scenario still shows a domestic deficit of 2 million tons by 2015

US PRIMARY ALUMINUM MARKET BALANCE SCENARIOS
 (million mtons)



Source: HARBOR Intelligence



> **aluminum intelligence unit**

the global leader in aluminum industry analysis and outlook

ALUMINA and BAUXITE SUPPLY CHALLENGE



Global alumina market well supplied through 2015...assuming no delays/disruptions

GLOBAL METALLURGICAL ALUMINA OUTPUT FORECAST

(million tons)

GLOBAL METALLURGICAL ALUMINA PRODUCTION BY REGION						
	2010	2011f	2012f	2013f	2014f	2015f
China	28.07	34.26	37.70	39.51	42.22	44.86
y/y	22.6%	22.0%	10.1%	4.8%	6.9%	6.3%
North America	4.45	4.77	5.14	5.94	6.39	7.04
y/y	25.6%	7.3%	7.7%	15.7%	7.5%	10.2%
West Europe	4.01	4.16	4.17	4.19	4.20	4.20
y/y	14.4%	3.8%	0.3%	0.6%	0.2%	0.2%
East Europe	5.01	6.03	6.06	5.98	6.21	6.38
y/y	8.9%	20.2%	0.5%	-1.2%	3.8%	2.7%
Asia ex. China	5.64	6.09	8.56	11.58	15.23	16.80
y/y	-1.1%	8.1%	40.6%	35.3%	31.5%	10.3%
Latin America	13.61	15.18	15.72	16.25	18.46	19.71
of which Brazil	9.31	10.05	10.40	10.84	11.74	12.22
Jamaica	1.42	1.96	2.11	2.25	2.75	3.05
y/y	5.2%	11.5%	3.6%	3.4%	13.6%	6.8%
Africa	0.60	0.57	0.67	0.71	1.23	2.19
y/y	12.5%	-4.7%	18.4%	6.1%	72.6%	77.6%
Australia	19.65	18.93	20.65	22.50	23.08	24.43
y/y	-1.6%	-3.6%	9.0%	9.0%	2.6%	5.9%
Total Production	81.02	89.98	98.66	106.68	117.02	125.63
yoy %	10.0	11.0	9.7	8.1	9.7	7.4
Capacity utilization	80.2%	88.2%	88.3%	88.5%	92.6%	96.2%

GLOBAL METALLURGICAL ALUMINA MARKET BALANCE						
	2010	2011f	2012f	2013f	2014f	2015f
MARKET BALANCE	-0.54	1.08	1.31	1.38	0.84	2.26
Prices*	322	407	545	592	550	466

* Global output growth driven by China (represents 69% or 6.2 million tons of total in 2011)

* The forecast is very sensitive to delays/cancellations in already committed projects, especially in India where there have been delays due to environmental reasons regarding the mining of bauxite.

* HARBOR sees some risk of delay in some of the projects in India, Vietnam, Guinea and Indonesia by 1-3 years.



China and India will bring more than half of new global capacity

GLOBAL ALUMINA CAPACITY EXPANSION PROJECTS FOR 2011-2015

(million tons hitting the market in each year)

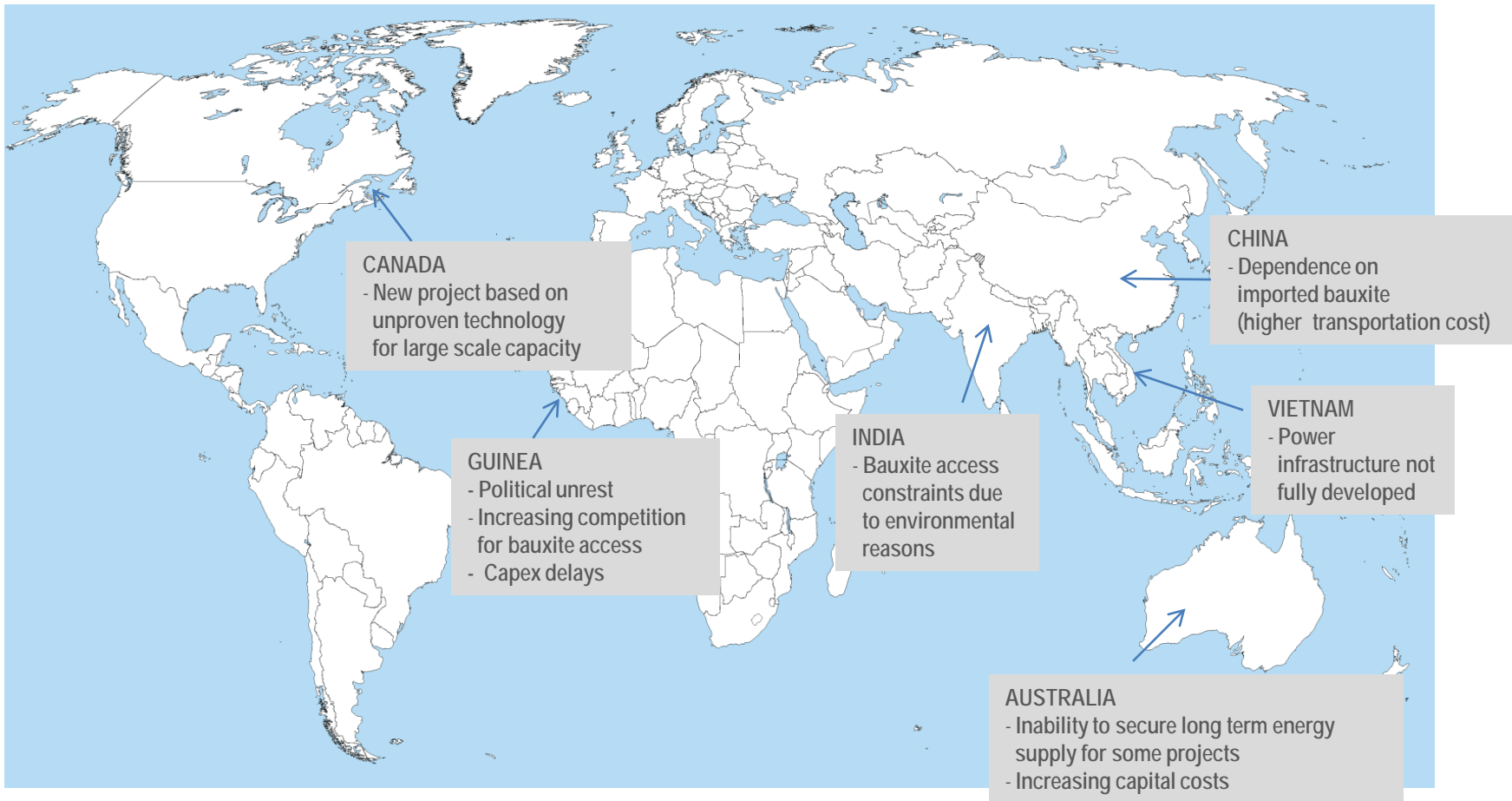
REGION	COUNTRY	COMPANY	REFINERY	2011	2012	2013	2014	2015	TYPE
China	China	Shanxi Tongde Aluminum	Baode, Shanxi	1000					Greenfield
		Guizhou Guanglu Aluminium	Qingzhen	400	400				Greenfield
		Yunan Aluminum	Yunnan Aluminum	400	400				Greenfield
		Shandong Chiping Xinfu Group	Shandong Chiping Xinfu		2400				Greenfield
		Chalco	Guangxi Huayin Aluminum	300					Brownfield
		Luneng Jinbei Aluminium Industry	Luneng Jinbei	1600					Brownfield
		Shandong Nanshan Aluminum	Shandong Nanshan Longkou Donghai	300					Brownfield
		Shandong Chiping Xinfu Group	Chiping Xinfu	1000					Brownfield
		East Hope	Sanmenxia	700					Brownfield
		Shanxi Xiaoyi Xingan Chemical	Xiaoyi, Shanxi	1000					Brownfield
North America	Canada	Orbite	Orbite			1000		Greenfield	
Latin America	Brazil	Norsk Hydro (Vale)	Alumina do Para			930	930	Greenfield	
Asia ex. China	Saudi Arabia	Alcoa	Ma'aden				1500	300	Greenfield
		India	Nalco	Damanjodi	525				Brownfield
	India	Nalco	Andhra Pradesh		300	1100			Greenfield
		Hindalco - Aditya Birla	Utkal, Orissa		1200	300			Greenfield
		Vedanta	Lanjigarh		600		1000	1000	Brownfield
	India	Anrak	Anrak Alumina		1500				Greenfield
		Hindalco	Belgaum		158				Brownfield
	Vietnam	Vnacomin	Nhan Co		325	325			Greenfield
		Vnacomin	Lam Dong	325	325				Greenfield
	Indonesia	PT Antam	Antam Tayan				300		Greenfield
Africa	Guinea	Gapco	Gapco				1000	1000	Greenfield
Australia	Australia	Rio Tinto	Yarwun		2000				Brownfield
		BHP	Worsley		1200				Brownfield
				TOTAL	7550	10808	3655	4730	2300

Source: HARBOR intelligence and James F. King



Nevertheless, alumina projects are facing increasing challenges

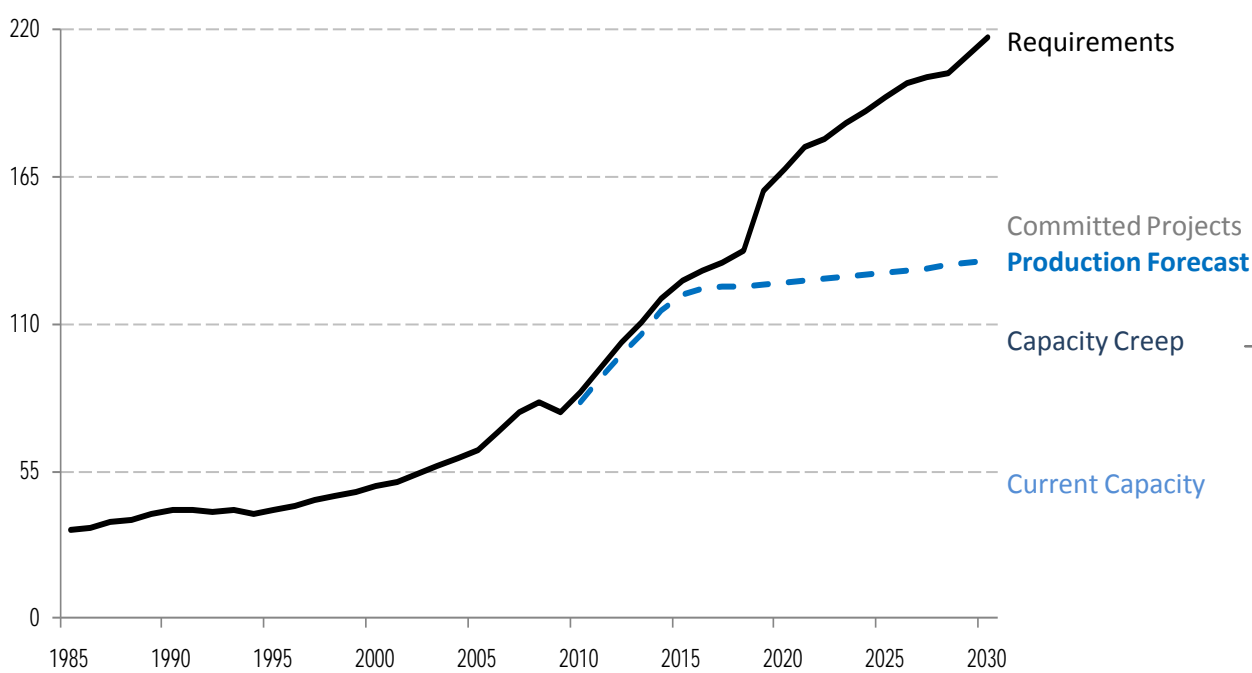
GLOBAL ALUMINA EXPANSION CHALLENGE MAP





Requirements to soar after 2015 given needs of primary output

METALLURGICAL ALUMINA OUTPUT CAPACITY REQUIREMENT TO 2030 (million tons)



Source: HARBOR intelligence and James F. King

- * *Current planned capacity (with creep) is sufficient for the industry until 2015 – But high odds of shortfall exist if further delays in new projects, especially India*
- * *The dotted line on the graph shows HARBOR's production forecast if some of the projects most at risk are delayed by 1-3 years*
- * *Possible delays would imply 2.3 million tons less of capacity from 2011-2015*
- * *Uncommitted new potential projects would require higher alumina prices and at least 2-3 years from commitment*



Regarding bauxite, mines are expected to respond to higher alumina production...

GLOBAL BAUXITE OUTPUT FORECAST BY COUNTRY (million tons)

	GLOBAL BAUXITE PRODUCTION BY COUNTRY					
	2010	2011f	2012f	2013f	2014f	2015f
United States	0.22	0.18	0.18	0.18	0.18	0.15
Brazil	25.37	30.54	32.36	33.88	36.24	37.19
Dominican Republic	0.06	0.00	0.00	0.00	0.00	0.00
Guyana	1.18	0.60	0.60	1.90	1.90	1.90
Jamaica	10.05	13.01	13.87	14.22	17.71	19.82
Suriname	3.11	3.87	3.93	3.93	4.89	5.43
Venezuela	4.27	4.78	4.86	4.85	6.04	6.70
France	0.17	0.10	0.10	0.10	0.10	0.10
Greece	1.81	2.25	2.44	2.48	2.38	2.29
Italy	0.05	0.00	0.00	0.00	0.00	0.00
Turkey	0.65	0.61	0.62	0.62	0.66	0.65
Bosnia-Herzegovina	0.69	1.49	1.50	1.64	1.75	1.79
Montenegro	0.74	0.57	0.58	0.62	0.67	0.69
Hungary	0.18	0.44	0.45	0.52	0.61	0.64
Romania	0.00	0.39	0.40	0.22	0.00	0.00
Kazakhstan	5.31	5.03	5.17	5.19	5.66	5.48
Russia (bauxite only)	5.49	4.77	4.80	4.84	4.93	5.07
Ghana	0.85	0.90	0.70	0.70	0.80	0.90
Guinea	18.30	22.88	23.22	21.19	23.12	26.51
Mozambique	0.01	0.01	0.01	0.01	0.01	0.01
Sierra Leone	1.11	1.18	1.03	1.13	1.26	1.46
Iran	0.51	0.72	0.74	0.74	0.80	0.78
Saudi Arabia	0.00	0.00	0.00	0.00	1.56	3.32
China	52.68	60.06	68.15	70.35	72.15	72.55
India	12.66	13.89	21.71	32.75	40.81	42.95
Indonesia	18.51	25.61	24.70	22.64	28.11	35.25
Malaysia	0.14	0.05	0.05	0.05	0.05	0.05
Pakistan	0.04	0.01	0.01	0.01	0.01	0.01
Vietnam	0.10	0.93	2.54	5.15	5.77	5.47
Australia	73.84	70.39	76.78	83.16	85.79	90.75
	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL WORLD	238.08	265.24	291.47	313.05	343.94	367.89
y/y	7%	11%	10%	7%	10%	7%

Source: HARBOR intelligence and James F. King



... with China and India leading output growth to feed their own refining system

GLOBAL BAUXITE CAPACITY EXPANSION PROJECTS FOR 2011-2015

(million tons hitting the market in each year)

REGION	COUNTRY	COMPANY	MINE LOCATION	2011	2012	2013	2014	2015	Type
China	China	Shanxi Tongde Aluminum	Baode, Shanxi	2.50					Brownfield
		East Hope	Sanmenxia	1.68					Brownfield
		Shanxi Xiaoyi Xingan	Xiaoyi, Shanxi	2.40					Brownfield
		All other mines		9.60	7.68				Greenfield/Brownfield
Latin America	Brazil	Hydro Aluminum	Paragominas, Para	2.50					Brownfield
Asia ex. China	Saudi Arabia	Alcoa	Ma'aden				2.50		Greenfield
	India	Hindalco - Aditya Birla	Utkal - Orissa		3.60				Greenfield
		Nalco	Andhra Pradesh		0.87	3.18			Greenfield
		Vedanta	Lanjigarh				1.88	5.30	Brownfield
	Vietnam	Vinacomin	Nhan Co		0.79	0.79			Greenfield
Vinacomin		Lam Dong		0.79	0.79			Greenfield	
Africa	Guinea	Gapco				3.00	3.00	Greenfield	
Australia	Australia	BHP	Worsley		3.30				Brownfield
		Rio Tinto	Weipa		4.80				Brownfield
TOTAL				19.47	21.83	3.97	7.38	8.30	

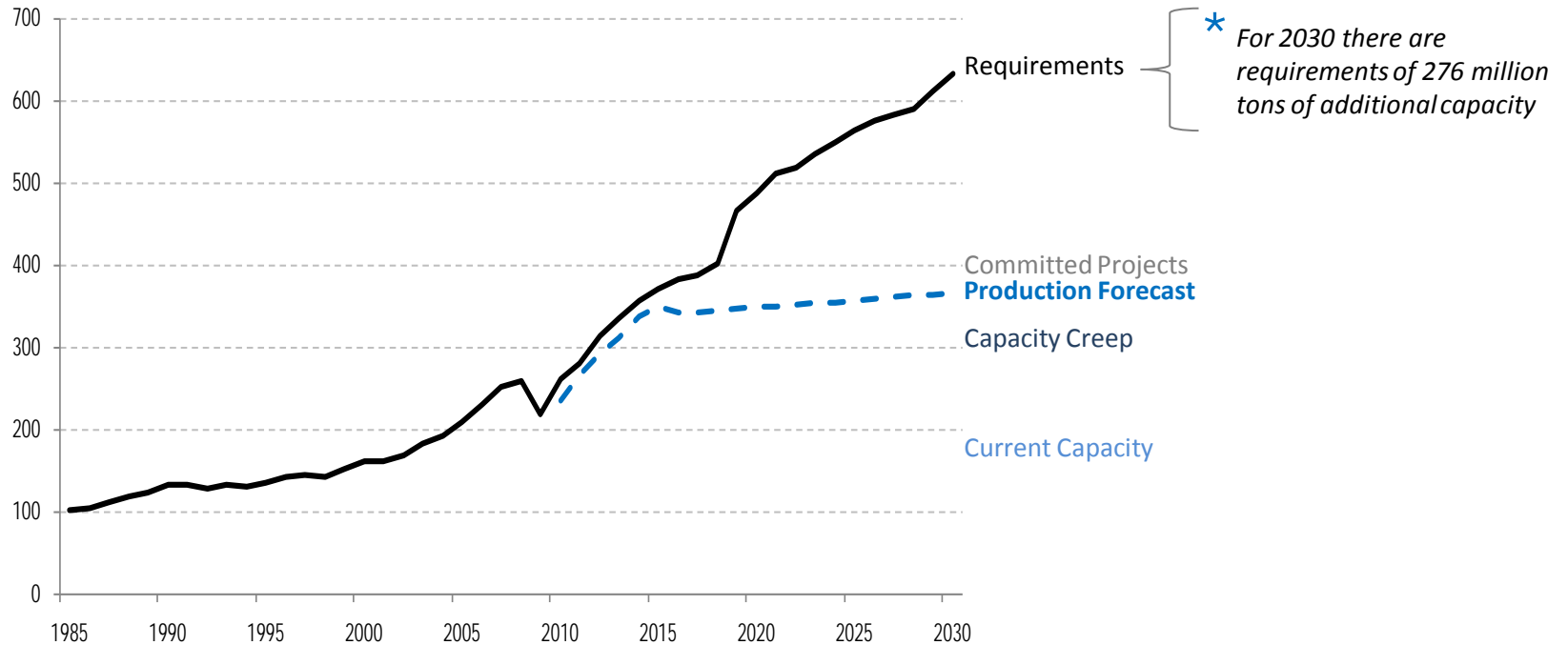
Source: HARBOR intelligence and James F. King



Nevertheless, bauxite expansions will not be enough to satisfy demand starting 2012

GLOBAL BAUXITE OUTPUT CAPACITY REQUIREMENT TO 2030

(million tons)

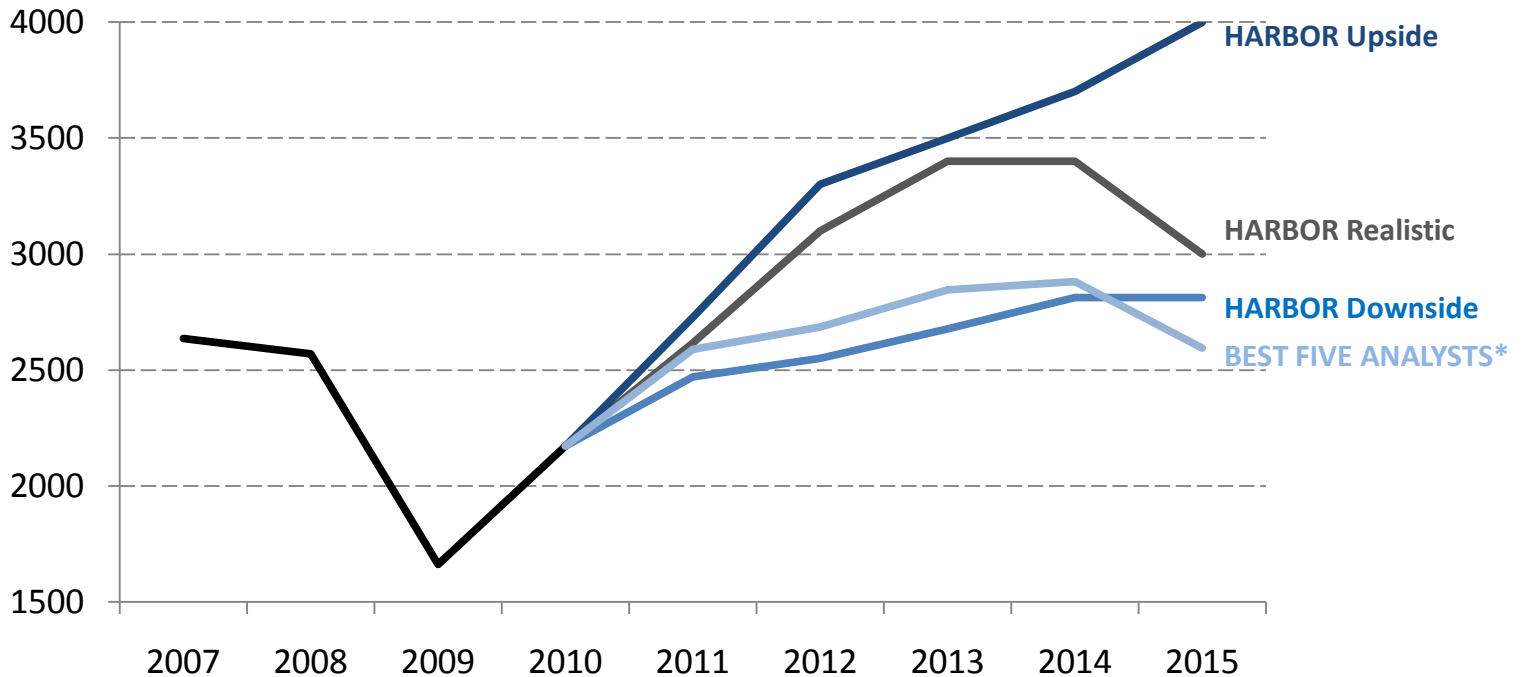


Source: HARBOR intelligence and James F. King

HARBOR expects prices to peak in 2014-2015 around \$3,500 per mton

ALUMINUM PRICE FORECASTS

(annual average; \$/ton)



•“Best 5 Analysts” stands for the five most accurate analysts so far this decade from a list of 55 analysts that HARBOR tracks. These five analysts have the lowest average absolute annual price forecast error vs actual annual price in the last ten years. Forecast for 2015 was taken from analyst’s long term price forecast.

Source: HARBOR intelligence with internal database

The outlook is tilted toward higher aluminum prices ahead

LME ALUMINUM PRICE FORECASTS 2010-2015 & ASSUMPTIONS

(cash prices; \$/ton)

	HARBOR REALISTIC (50% ODDS)	HARBOR UPSIDE (30% ODDS)	BEST 5 ANALYSTS	HARBOR DOWNSIDE (20% ODDS)
2007	2635	2635	2635	2635
2008	2570	2570	2570	2570
2009	1664	1664	1664	1664
2010	2173	2173	2173	2173
2011	2616	2726	2589	2470
2012	3100	3300	2687	2551
2013	3400	3500	2845	2678
2014	3400	3700	2883	2812
2015	3000	4000	2594	2812

HARBOR REALISTIC (50% ODDS): Based on HARBOR's supply, demand and balance forecasts detailed in the previous slides.

HARBOR UPSIDE (30% ODDS): Assumes China's demand slightly above expectations but a sharper than expected slowdown in aluminum output in that country, coupled with a more notable fall in the US dollar than expected.

HARBOR DOWNSIDE (20% ODDS): Assumes global aluminum demand growing below expectations given a context of macroeconomic instability in the Developed World and constant financial volatility that also affects the Emerging World. US Dollar gains ground unexpectedly.

BEST FIVE ANALYSTS: stands for the five most accurate analysts so far this decade from a list of 55 analysts that HARBOR tracks. These five analysts have the lowest average absolute annual price forecast error vs actual annual price in the last ten years.

GLOBAL AND REGIONAL ALUMINUM DEMAND OUTLOOK 2011-2015

(figures in thousand tons)

GLOBAL ALUMINUM CONSUMPTION BY REGION												
	2004	2005	2006	2007	2008	2009	2010	2011f	2012f	2013f	2014f	2015f
China	5,945	7,081	8,744	12,304	12,731	13,839	16,721	19,613	23,431	26,934	30,387	33,872
y/y	15.8%	19.1%	23.5%	40.7%	3.5%	8.7%	20.8%	17.3%	19.5%	15.0%	12.8%	11.5%
North America	7,193	7,221	7,263	6,458	5,825	4,580	5,290	6,090	6,227	6,220	6,050	5,850
<i>of which USA</i>	<i>6,426</i>	<i>6,387</i>	<i>6,388</i>	<i>5,703</i>	<i>5,106</i>	<i>3,952</i>	<i>4,580</i>	<i>5,334</i>	<i>5,452</i>	<i>5,450</i>	<i>5,280</i>	<i>5,110</i>
y/y	12.4%	0.4%	0.6%	-11.1%	-9.8%	-21.4%	15.5%	15.1%	2.2%	-0.1%	-2.7%	-3.3%
West Europe	6,716	6,752	6,992	7,295	6,912	5,462	6,937	7,450	7,640	7,650	7,548	7,480
y/y	5.2%	0.5%	3.5%	4.3%	-5.3%	-21.0%	27.0%	7.4%	2.6%	0.1%	-1.3%	-0.9%
East Europe	1,670	1,730	1,811	1,919	1,911	1,715	2,119	2,350	2,540	2,820	3,030	3,250
<i>of which Russia</i>	<i>835</i>	<i>860</i>	<i>914</i>	<i>973</i>	<i>950</i>	<i>832</i>	<i>1,020</i>	<i>1,175</i>	<i>1,280</i>	<i>1,410</i>	<i>1,515</i>	<i>1,630</i>
y/y	0.6%	3.6%	4.7%	6.0%	-0.4%	-10.3%	23.6%	10.9%	8.1%	11.0%	7.4%	7.3%
Japan	2,377	2,286	2,429	2,450	2,283	1,717	2,214	2,375	2,450	2,450	2,450	2,450
y/y	-0.1%	-3.8%	6.3%	0.9%	-6.8%	-24.8%	28.9%	7.3%	3.2%	0.0%	0.0%	0.0%
Other Asia	3,943	4,242	4,449	4,502	4,671	4,363	5,135	5,634	6,198	7,266	8,142	8,956
<i>of which India</i>	<i>868</i>	<i>1,012</i>	<i>1,100</i>	<i>1,154</i>	<i>1,227</i>	<i>1,478</i>	<i>1,733</i>	<i>2,048</i>	<i>2,470</i>	<i>2,900</i>	<i>3,405</i>	<i>3,900</i>
y/y	21.3%	7.6%	4.9%	1.2%	3.8%	-6.6%	17.7%	9.7%	10.0%	17.2%	12.1%	10.0%
Middle East	648	689	657	673	735	728	753	766	788	810	827	860
y/y	28.0%	6.2%	-4.6%	2.5%	9.2%	-1.0%	3.4%	1.7%	2.9%	2.8%	2.1%	4.0%
Latin America	1,171	1,196	1,245	1,330	1,390	1,310	1,652	1,914	2,086	2,327	2,495	2,655
<i>of which Brazil</i>	<i>636</i>	<i>693</i>	<i>718</i>	<i>784</i>	<i>869</i>	<i>875</i>	<i>1,095</i>	<i>1,238</i>	<i>1,412</i>	<i>1,612</i>	<i>1,792</i>	<i>1,944</i>
y/y	8.7%	2.1%	4.1%	6.8%	4.5%	-5.8%	26.1%	15.9%	9.0%	11.6%	7.2%	6.4%
Africa	413	410	472	517	615	630	707	720	790	848	910	975
y/y	16.7%	-0.7%	15.1%	9.5%	19.0%	2.4%	12.2%	1.8%	9.7%	7.3%	7.3%	7.1%
Oceania	403	361	354	370	372	340	386	410	412	413	413	415
y/y	3.9%	-10.4%	-1.9%	4.5%	0.5%	-8.6%	13.5%	6.2%	0.5%	0.2%	0.0%	0.5%
Total Global Consumption	30,479	31,967	34,416	37,818	37,445	34,684	41,914	47,322	52,562	57,738	62,252	66,763
yoy %	10.1	4.9	7.7	9.9	-1.0	-7.4	20.8	12.9	11.1	9.8	7.8	7.2

Source: HARBOR intelligence

GLOBAL AND REGIONAL ALUMINUM PRODUCTION OUTLOOK 2010-2015

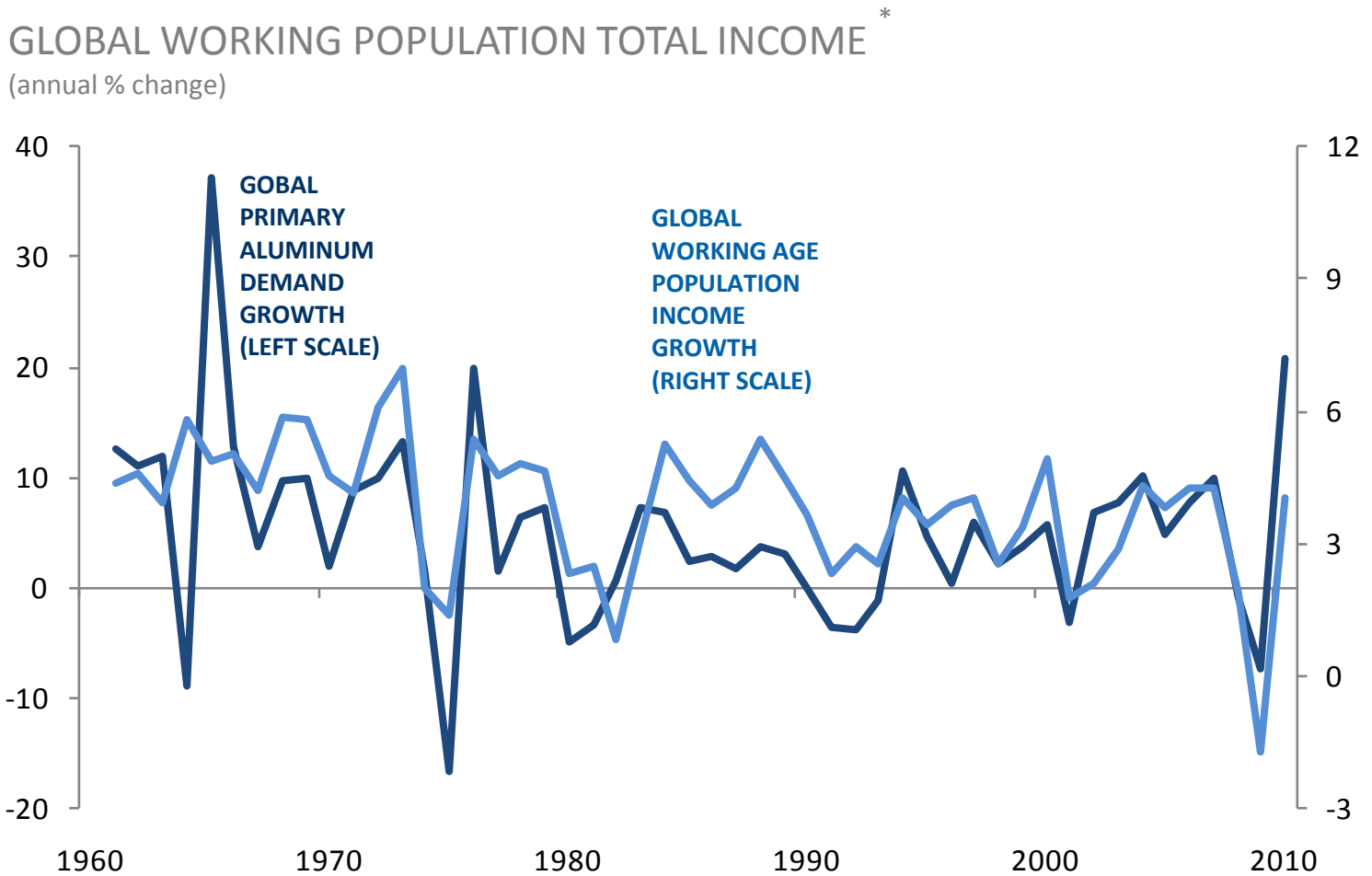
(figures in thousand tons)

GLOBAL PRIMARY ALUMINUM PRODUCTION BY REGION												
	2004	2005	2006	2007	2008	2009	2010	2011f	2012f	2013f	2014f	2015f
China	6,589	7,743	9,317	12,607	13,105	12,964	16,596	19,079	21,808	24,076	26,890	28,373
y/y		17.5%	20.3%	35.3%	4.0%	-1.1%	28.0%	15.0%	14.3%	10.4%	11.7%	5.5%
North America	5,110	5,379	5,333	5,643	5,783	4,759	4,689	4,916	5,126	5,043	5,209	5,235
of which USA	2,517	2,480	2,281	2,560	2,659	1,727	1,722	1,919	2,084	2,101	2,118	2,128
y/y		5.3%	-0.9%	5.8%	2.5%	-17.7%	-1.5%	4.8%	4.3%	-1.6%	3.3%	0.5%
West Europe	4,295	4,350	4,175	4,306	4,618	3,722	3,808	3,879	4,008	4,180	4,294	4,405
y/y		1.3%	-4.0%	3.1%	7.2%	-19.4%	2.3%	1.9%	3.3%	4.3%	2.7%	2.6%
East Europe	4,533	4,616	4,681	4,948	5,155	4,479	4,661	4,710	4,775	5,078	5,165	5,189
of which Russia	3,809	3,855	3,893	4,103	4,284	3,782	3,947	3,996	4,037	4,337	4,421	4,443
y/y		1.8%	1.4%	5.7%	4.2%	-13.1%	4.1%	1.1%	1.4%	6.3%	1.7%	0.5%
Asia ex. China	1,568	1,623	1,873	2,006	2,181	2,217	2,518	2,685	3,264	3,814	4,685	5,402
of which India	861	942	1,105	1,222	1,308	1,412	1,610	1,660	2,136	2,640	3,105	3,516
y/y		3.5%	15.4%	7.1%	8.7%	1.6%	13.6%	6.6%	21.6%	16.8%	22.9%	15.3%
Middle East	1,410	1,790	1,867	1,953	2,054	2,452	3,102	3,743	4,166	4,928	6,396	7,666
y/y		27.0%	4.3%	4.6%	5.2%	19.4%	26.5%	20.7%	11.3%	18.3%	29.8%	19.9%
Latin America	2,356	2,391	2,493	2,557	2,660	2,508	2,305	2,227	2,335	2,382	2,394	2,406
of which Brazil	1,454	1,497	1,604	1,658	1,540	1,535	1,535	1,420	1,481	1,523	1,531	1,538
y/y		1.5%	4.3%	2.6%	4.0%	-5.7%	-8.1%	-3.4%	4.9%	2.0%	0.5%	0.5%
Africa	1,710	1,748	1,864	1,815	1,715	1,681	1,742	1,838	1,897	1,922	1,932	1,942
y/y		2.2%	6.6%	-2.6%	-5.5%	-2.0%	3.6%	5.5%	3.2%	1.3%	0.5%	0.5%
Oceania	2,216	2,252	2,274	2,315	2,297	2,211	2,277	2,277	2,288	2,300	2,311	2,323
y/y		1.6%	1.0%	1.8%	-0.8%	-3.7%	3.0%	0.0%	0.5%	0.5%	0.5%	0.5%
Total Global Output	29,787	31,892	33,877	38,150	39,568	36,992	41,698	45,355	49,669	53,723	59,276	62,940
yoy %	6.6	7.1	6.2	12.6	3.7	-6.5	12.7	8.8	9.5	8.2	10.3	6.2
Capacity Utilization %	91.7	90.6	87.9	91.7	88.3	77.6	82.1	84.2	86.5	87.7	90.3	91.6

Source: HARBOR intelligence



Global demand outlook strongly related to working age population income growth



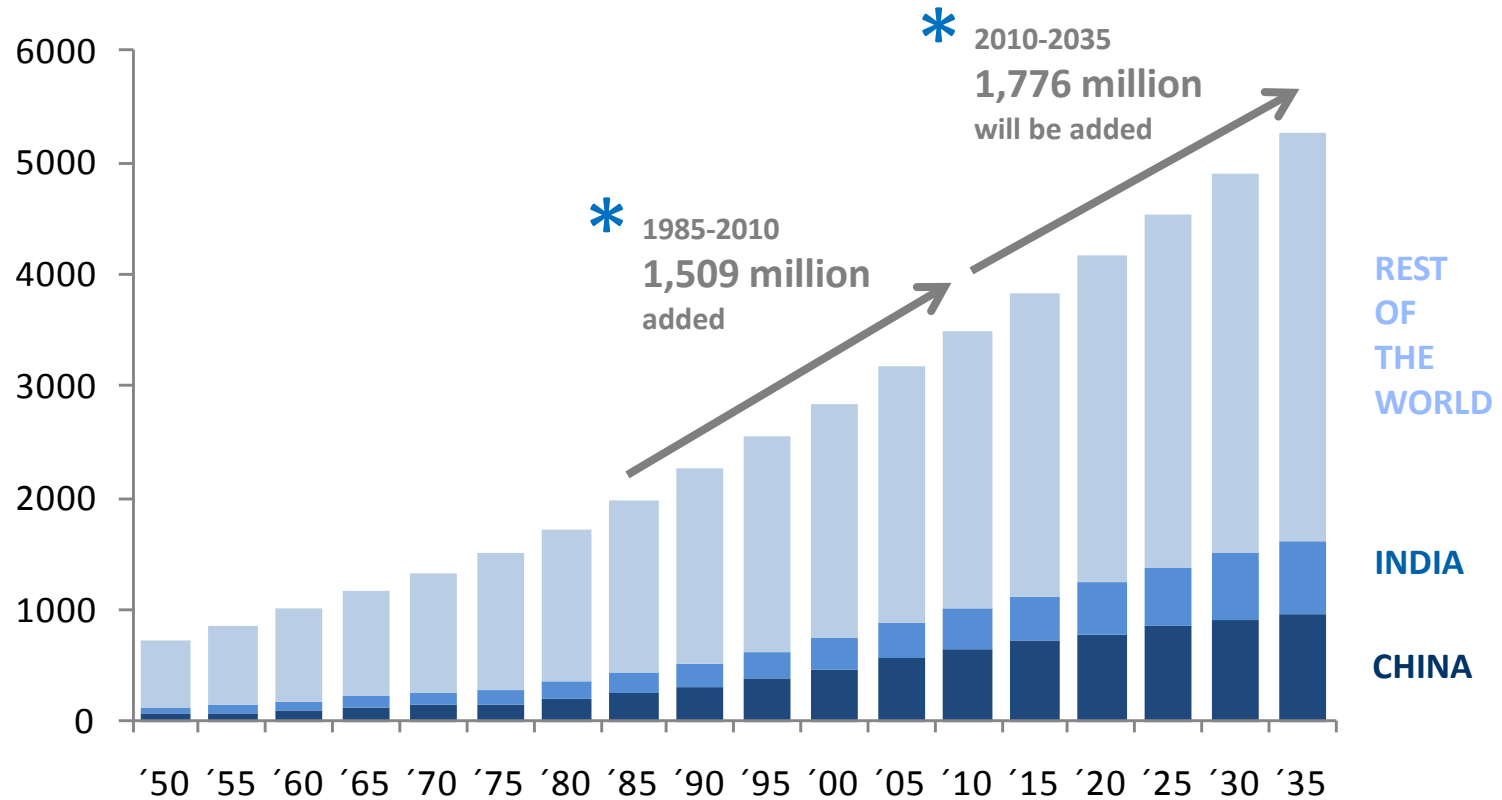
* Global growth of population between 20 and 50 years old multiplied by GDP per capita at constant 2000 USD
 Source: HARBOR intelligence with World Bank and United Nations data



Global urbanization has a long way to go

GLOBAL URBAN POPULATION

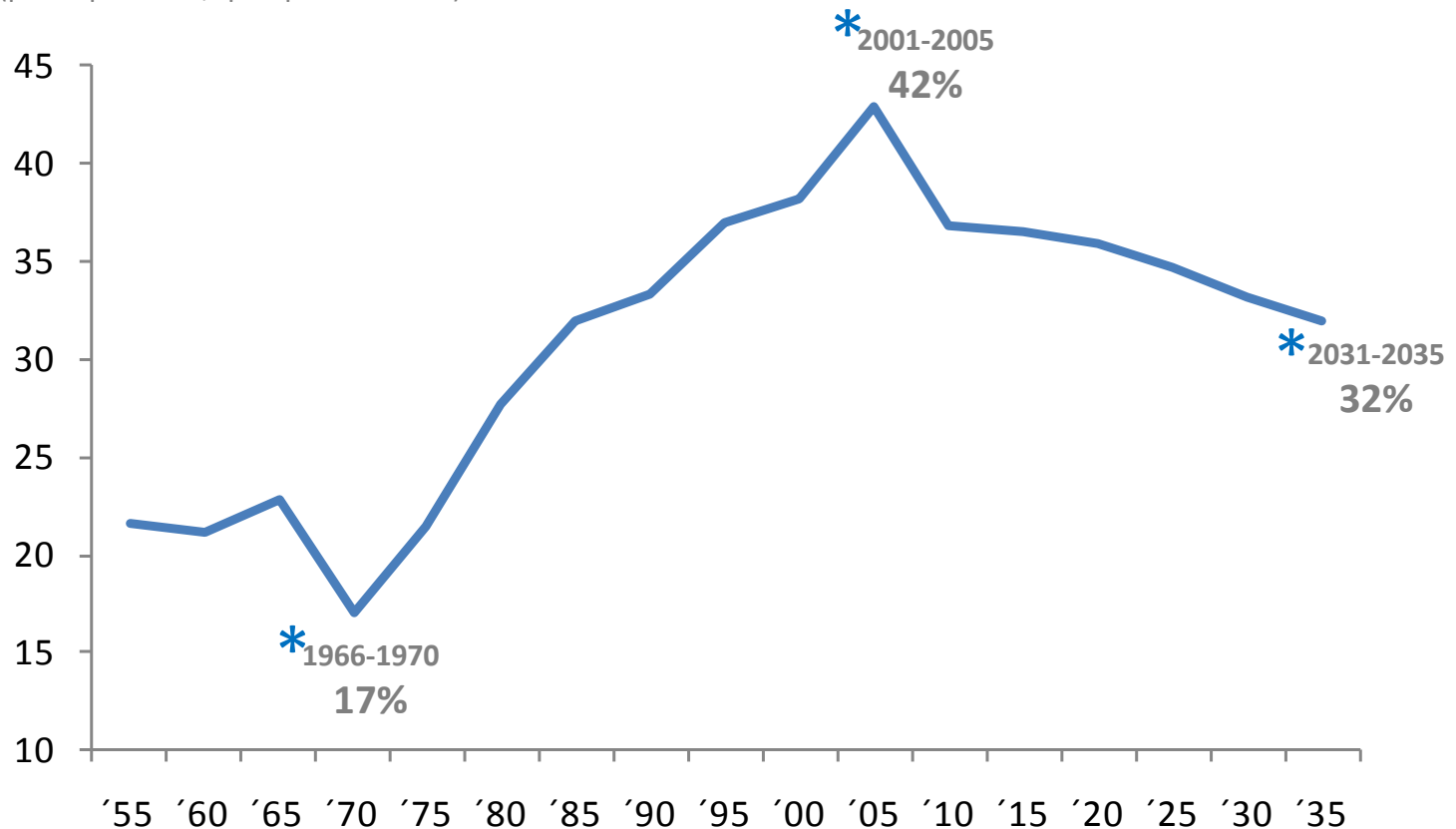
(millions; annual data)



Source: HARBOR intelligence with United Nations data

Although, China and India urbanization contribution will slowdown ahead...

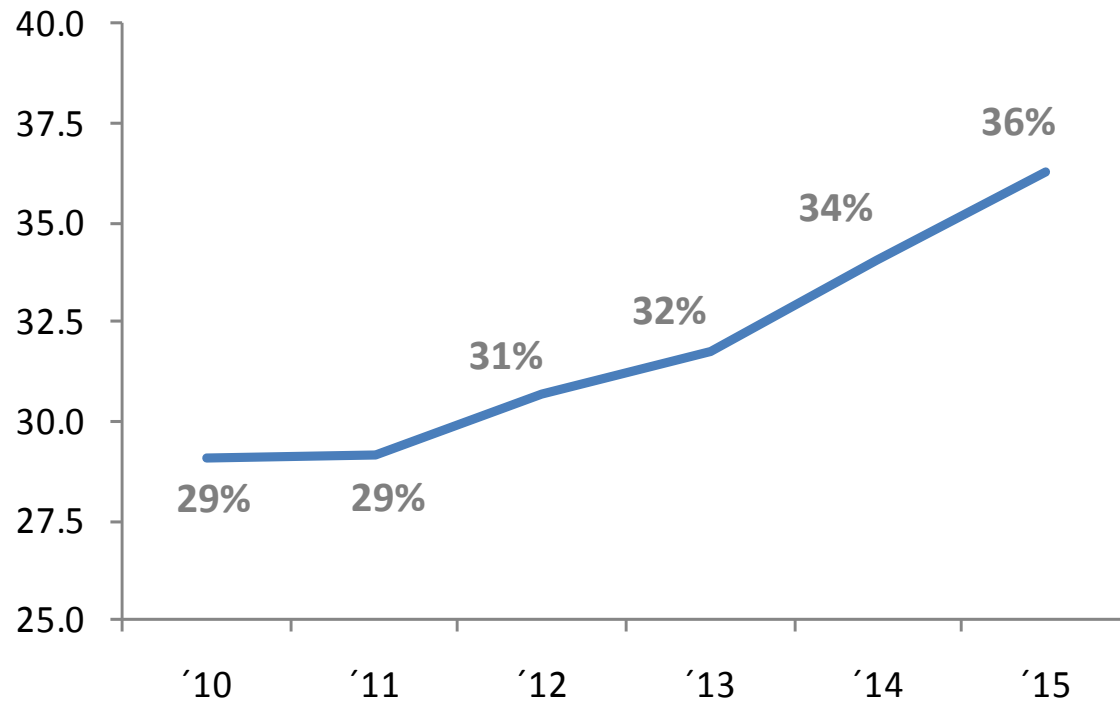
CHINA/INDIA PARTICIPATION IN GLOBAL URBAN POPULATION CHANGE
(participation %; quinquennial data)



...BRIC's growing income will continue to play an increasing role

BRIC'S PARTICIPATION IN WORKING AGE POPULATION INCOME GROWTH*

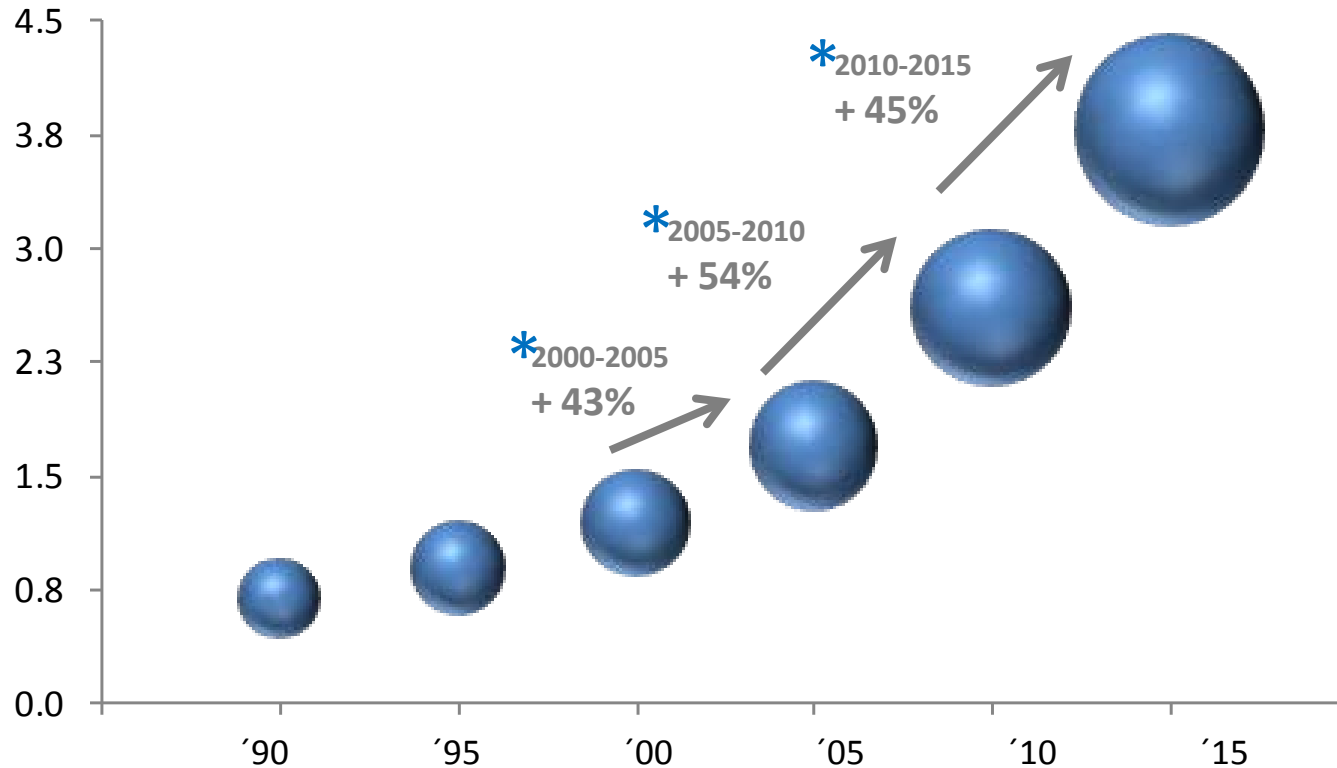
(BRIC'S= Brazil, Russia, India and China; annual data in %)



* Global growth of population between 20 and 50 years old multiplied by GDP per capita at constant 2000 USD
Source: HARBOR intelligence with World Bank and United Nations data

Demography & Income: BRIC'S working age population income to double in '15 vs '05

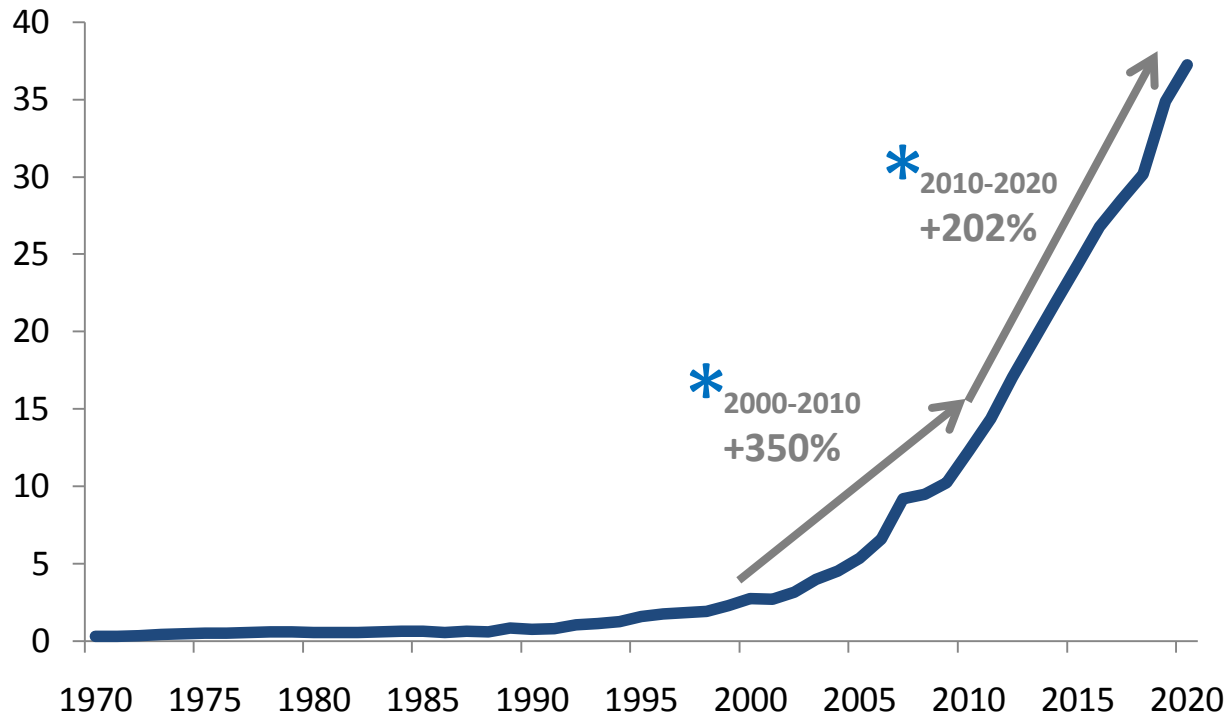
BRIC'S WORKING AGE POPULATION INCOME*
 (BRIC'S= Brazil, Russia, India and China; annual data in trillion dollars)



* Global growth of population between 20 and 50 years old multiplied by GDP per capita at constant 2000 USD
 Source: HARBOR intelligence with World Bank and United Nations data

Aluminum demand per capita in China is expected to double during the current decade

CHINESE PRIMARY ALUMINUM CONSUMPTION PER CAPITA
(Kg per capita)



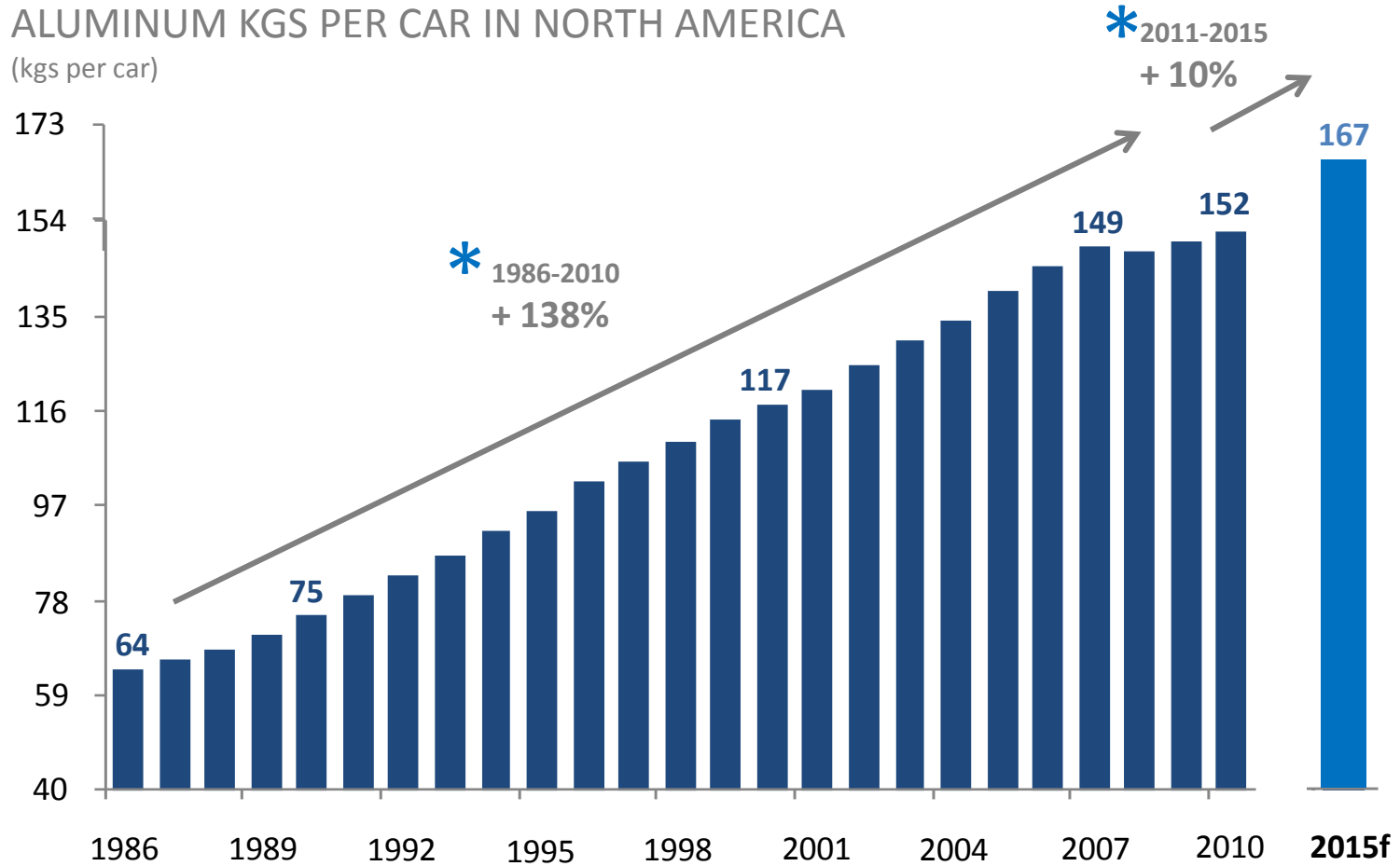
Source: HARBOR Intelligence



Aluminum gaining market share in the auto sector; well positioned vs subs

ALUMINUM KGS PER CAR IN NORTH AMERICA

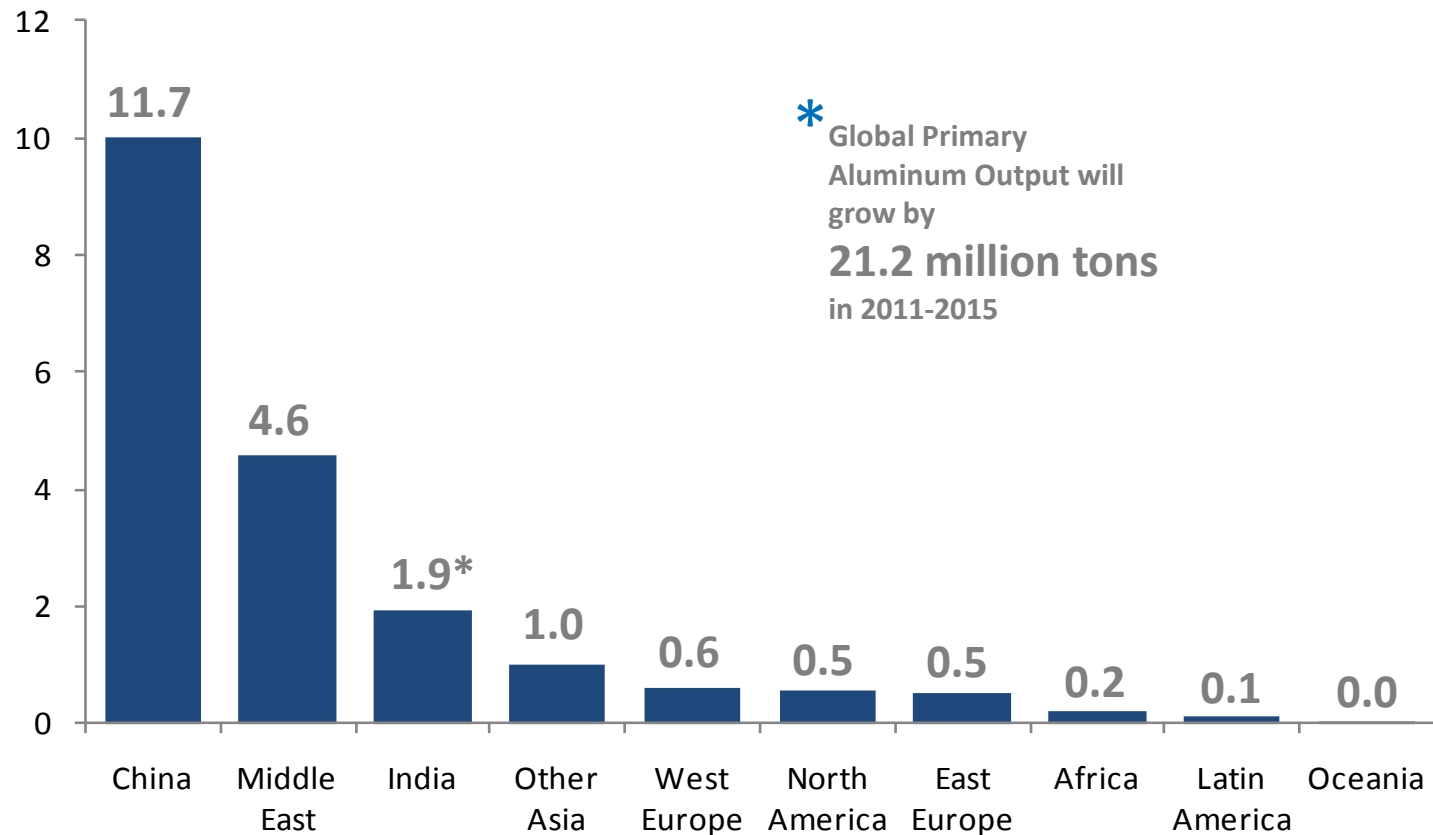
(kgs per car)



Source: HARBOR intelligence with Davenport and Aluminum Association data

Committed output growth not enough

PRIMARY ALUMINUM OUTPUT EXPECTED NET CHANGE IN 2011-2015
 (million tons)



* Assuming Vedanta's Jharsuguda II project is deferred to 2014 and scaled back to 500 ktpy and Korba project deferred to 2013
 Source: HARBOR intelligence