



## Global Alumina Releases First Quarter 2008 Results

TORONTO, ON – May 12, 2008 – Global Alumina Corporation (TSX: GLA.U) (the "Company" or "Global Alumina"), a corporation participating in a joint venture to develop an alumina refinery, mine and associated infrastructure in the bauxite-rich region of the Republic of Guinea (the "Project"), announced today its financial and operating results for the three-month period ended March 31, 2008. The text of the quarterly unaudited financial statements and management's discussion and analysis can be viewed or printed from the Company's SEDAR reference page at [www.sedar.com](http://www.sedar.com). All dollar amounts are in U.S. dollars.

### First Quarter 2008 Financial Highlights<sup>1</sup>

- From January 1, 2008 through March 31, 2008, the Company contributed capital to the Project joint venture totalling \$14 million to fund its one-third share of construction and development costs.
- As at March 31, 2008 and May 12, 2008 respectively, the Company had unrestricted cash of \$22.1 million and \$21.2 million, restricted cash totalling \$72.8 million and \$73.0 million in its escrow account to fund future Project capital calls and a \$108.9 million subscription payments receivable.
- For the quarter the Company recorded a net loss of \$1.5 million (\$0.01 per share) compared with a net loss of \$5.9 million (\$0.03 per share) for the same quarter in 2007.
- Interest income for the quarter was \$963,904.
- During the quarter 2,685,750 warrants were each exercised for one share of the Company at an exercise price of \$1 for total cash proceeds of \$2,685,750.

The Company expects that funds on hand as of May 12, 2008 will be sufficient to enable it to meet its corporate operating expense requirements through 2012 and to fund its one-third share of Project development cash calls at least through to finalization of debt financing for the Project.

### Significant Corporate Events

On March 13, 2008 board of directors of Guinea Alumina Corporation Ltd. ("Guinea Alumina") accepted as final a bankable feasibility study of the Project ("Feasibility Study") and directed the joint venture's management to complete the Project development plan (the "Development Plan") for the board's consideration by the beginning of June 2008. The Feasibility Study has confirmed the economic viability of the Project and recommends completion of the Project.

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<sup>1</sup> Unless otherwise stated, all financial figures discussed in this announcement are unaudited, prepared in accordance with Canadian generally accepted accounting principles for interim financial statements, expressed in U.S. dollars as at March 31, 2008, and represent comparisons between the three-month period ended March 31, 2008 and the equivalent period ended March 31, 2007.

On March 18, 2008 the joint venture board of directors approved an interim budget of \$110.8 million for the period from January 2008 through May 2008. Guinea Alumina's costs capitalized into construction in progress for the quarter were \$32.2 million and included funding for continued Project site works and development, including work on the container quay at the port in Kamsar, engineering, procurement and construction management services and corporate and staffing costs for the Project through the period bringing total construction in progress from inception to \$316.1 million. During the quarter the joint venture partners contributed \$42 million towards the approved interim budget with Global Alumina contributing \$14 million.

## **About Global Alumina**

Global Alumina and its joint venture partners are developing a 3.6 million metric tons per annum nominal capacity alumina refinery located in the bauxite-rich region of the Republic of Guinea. The joint venture partners in the Project are Global Alumina International, Ltd., a wholly owned subsidiary of the Company, BHP Billiton, Dubai Aluminium Company Limited and Mubadala Development Company PJSC. The Project is one of the most advanced new projects in Guinea with the refinery already in feasibility stage and critical path infrastructure and site work already underway. Global Alumina is positioned to be one of the only companies focused solely on alumina production and sales. The Company offers a first mover advantage over other projects in the region and an opportunity for socially responsible investing in a country that holds over one-third of the world's bauxite resources. Global Alumina is headquartered in Saint John, New Brunswick with operations in Boké, Guinea and has administrative offices in New York, London, Montreal and Conakry, Guinea. For further information visit the company's website at [www.globalalumina.com](http://www.globalalumina.com).

## **Forward Looking Information**

*Certain information in this release is "forward looking information", which reflects management's expectations regarding the Company's future growth, results of operations, performance and business prospects and opportunities. In this release, the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate" and "expect" and similar expressions, as they relate to the Company and the Project, are often, but not always, used to identify forward looking information. Such forward looking information reflects management's current beliefs and is based on information currently available to management. Forward looking information involves significant risks and uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of whether or not or the times at, or by which, such performance or results will be achieved. In particular, this release contains forward looking information pertaining to the following: the achievement of milestones set out in the subscription agreement among Guinea Alumina and its shareholders, the joint venture partners, (the "Subscription Agreement"); the decisions of the joint venture with respect to the conduct of the Project; the making of a decision to proceed with the development of the Project by the joint venture partners; expectations regarding the debt financing of the Project, the terms, timing and amount of such financing and the sources of financing; the amount, nature and timing of capital expenditures to complete the Project; the timing of refinery construction and mine start up; future production levels; expectations regarding the negotiation of contractual rights; prices for alumina and aluminium; operating and other costs; treatment of Guinea Alumina under the fiscal terms of the "tax exhibit" to the Basic Agreement with the Government of Guinea (as described in the Company's Annual Information Form, the "AIF") and the negotiation and terms of agreements relating to the access of Guinea Alumina to and use of certain infrastructure required for the development and operation of the Project and business strategies and plans of management with respect to the Project. A number of factors could cause actual results to differ materially from the results discussed in the forward looking information, including, but not limited to: the failure or delay in fulfilling the conditions precedent necessary for the subsequent subscription payments under the Subscription Agreement to become available to the Company; the limited control by the Company of the assets and operations of the Project and its inability*

*to make major decisions with respect to the Project without agreement from the other joint venture partners; the requirement that the Company hold 85% of subscription proceeds received pursuant to the Subscription Agreement in escrow and the possibility the Company may need to seek additional financing to fund corporate expenses; a delay in finalizing debt financing for the Project; the amount of such financing being insufficient to fund the Project to complete development; the inability of the Company to raise sufficient financing to fund its share of development costs; the possibility that the Company's interest will be diluted if it is unable to meet a capital call with respect to the Project; the current political and economic risks of investing in a developing country; material inaccuracies in the cost estimates and time estimates for development of the Project; a decision of the joint venture partners not to proceed with the development of the Project after the development plan is finalized; construction risks such as cost overruns, delays and shortages of labour, materials or equipment; the Company's dependence on an interest in a single asset; the possible forfeiture of the Mining Concession (as defined in the Company's AIF) in certain circumstances; operational risks such as access to infrastructure and skilled labour; currency fluctuations; price volatility of alumina, aluminium or raw materials; and certain other factors related to the Project discussed under the heading "Risk Factors" in the Company's AIF.*

*The forward looking information contained in this discussion is based on the following principal assumptions: that the estimates and projections in the bankable feasibility study of the Project are within the range of accuracy suggested therein; that the joint venture partners will agree on a final schedule for development of the Project and will make a decision to proceed with the Project upon delivery of a final development plan; that issues relating to the Mining Concession title will be resolved to the satisfaction of the joint venture partners and Project lenders; that general economic conditions will not become adverse to the completion of financing for the Project and will have no material adverse impact on the Project; that the negotiations with prospective Project lenders and between the prospective Project lenders and the Guinean government will be successfully concluded by the end of 2008; that the bidding process for contracted work in connection with the Project will be completed in a competitive manner and that actual costs to complete work will be within the range of quotes provided by contractors to date; that the joint venture will be able to acquire necessary labour at currently assumed labour costs and productivity rates; that the Development Plan for the Project is conducted according to schedule; that general economic factors and trends relating to construction costs remain constant; and that the future political and economic climate in Guinea has no material adverse effect on the Project. Although the forward looking information contained in this discussion is based upon what management of the Company believes are reasonable assumptions, Global Alumina cannot assure investors that actual results will be consistent with this forward looking information. If the assumptions underlying forward looking information prove incorrect or if other risks or uncertainties materialize, actual results may vary materially from those anticipated in this release. This forward looking information is made as of the date of this release, and the Company assumes no obligation to update or revise it to reflect new events or circumstances, except as required by law.*

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