



Global Alumina To Restate 2009 Financial Statements

TORONTO, January 16, 2011 -- 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 that it intends to restate and re-file its audited financial statements for the years ended December 31, 2009 and December 31, 2008, its interim financial statements for the three, six and nine month periods ended March 31, 2010, June 30, 2010 and September 30, 2010, and the related management's discussion and analysis for these periods.

During the preparation of the Company's audited financial statements for the year ended December 31, 2010, Global Alumina determined that the approximately US\$33.3 million in proceeds receivable by Global Alumina in future installments from the Project joint venture partners (the "Receivable"), and the associated approximately US\$19.4 million deferred dilution gain, which were recognized and capitalized onto its balance sheet, should not be recorded on its balance sheet due to the contingent nature of the Receivable. Reversal of the Receivable will reduce its stated assets by approximately US\$33.3 million, reversal of the associated deferred dilution gain will reduce its stated liabilities by approximately US\$19.4 million, and result in a reduction in stated shareholders' equity of approximately US\$13.9 million. Due to the anticipated restatements, the previously issued financial statements for the affected periods should not be relied upon.

The accounting reversal of the Receivable does not reflect any change in its collectability or in the entitlement of Global Alumina to the Receivable upon a binding commitment for debt financing of the Project. Further, the reversal is of a non-cash nature and does not impact the Company's cash position, business activities or prospects.

The restatement of Global Alumina's audited financial statements for the years ended December 31, 2009 and December 31, 2008, its interim financial statements for the three, six and nine month periods ended March 31, 2010, June 30, 2010 and September 30, 2010, is subject to the review and approval of the Audit Committee and the Board of Directors of the Company. The amounts set forth in this press release, including anticipated restatement effects, are unaudited and preliminary and is based on the best information of management of Global Alumina as of the time of issuance of this press release. Global Alumina expects to file the restated financial statements prior to filing its audited financial statements for the year ended December 31, 2010.

About Global Alumina

Global Alumina is in a joint venture through its wholly owned subsidiary, Global Alumina International, Ltd., with BHP Billiton, Dubai Aluminium Company Limited and Mubadala Development Company PJSC, to develop a 3.6 million metric tons per annum steady state capacity alumina refinery in the bauxite-rich region of the Republic of Guinea. Global Alumina is headquartered in Saint John, New Brunswick and has administrative offices in New York, London and Montreal. For further information visit the Company's website at www.globalalumina.com.

Forward Looking Information

Certain information in this press release is "forward looking information", which reflects management's expectations regarding the Company's future growth, results of operations, performance and business

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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 its assets and interests, 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: expectations regarding the financing of the Project and general 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: political developments in Guinea and the transition to a new government and the policies of such new government; the current political and economic risks of investing in a developing country; a decision by the joint venture partners to delay the Project or not to proceed with the Project; material changes to cost estimates and time estimates for development of the Project; operational risks such as access to skilled labour; the failure or delay in obtaining debt financing for the Project; the amount of debt financing available to the Project being insufficient to fund the Project to complete development and certain other factors related to the Project and the factors related to the business of the Company discussed under the heading "Risk Factors" in the Company's Annual Information Form.

The forward looking information contained in this release is based on the following principal assumptions: that the joint venture partners will agree on a timely schedule for development of the Project and will make a decision to proceed with the Project; that general economic conditions will not be 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 resume and be successfully concluded; that the joint venture will be able to acquire necessary labour at currently assumed labour costs and productivity rates; that once approved the development plan for the Project is conducted according to schedule; that general economic factors and trends relating to construction costs remain constant or improve and that the future political and economic climate in Guinea has no material adverse effect on the Project and the new political regime arising from the transition to a new government continues to recognize agreements negotiated by the previous government. Although the forward looking information contained in this release 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 Global Alumina assumes no obligation to update or revise it to reflect new events or circumstances, except as required by applicable law.

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