



Global Alumina Releases Second Quarter 2008 Results

TORONTO, ON – August 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 and six month periods ended June 30, 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. All dollar amounts are in U.S. dollars.

Second Quarter 2008 Financial Highlights¹

From April 1, 2008 through June 30, 2008, the Company contributed capital to the Project joint venture totalling \$13 million to fund its one-third share of construction and development costs.

As at June 30, 2008 and August 12, 2008 respectively, the Company had unrestricted cash of \$20.8 million and \$20.1 million, restricted cash totalling \$60.2 million and \$54.3 million in its escrow account to fund future Project capital calls and a \$108.9 million subscription payments receivable.

For the three and six months ended June 30, 2008 the Company recorded net losses of \$1.86 million (\$0.01 per share) and \$3.34 million (\$0.02 per share) respectively, compared with net income of \$84.29 million (\$0.41 per share) and \$78.37 million (\$0.38 per share) for the same period in 2007.

Interest income for the quarter was \$521,355.

The Company expects that funds on hand as of August 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

During the second quarter of 2008, the board of directors of Guinea Alumina Corporation Ltd. ("Guinea Alumina") approved a revised interim budget of \$137.6 million for the period from January 2008 through August 2008. Guinea Alumina's costs capitalized into construction in progress for the quarter were \$36.4 million and included funding for continued Project site works and development, including work on the container quay at the port in Kamsar, foundation piling, and major earthworks at the refinery site, substantial completion of earthworks for the railway, geotechnical investigations and clearing at the port and container quay, and continued 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 \$352.5 million. During the quarter the

¹ 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 June 30, 2008, and represent comparisons between the three and six month periods ended June 30, 2008 and the equivalent periods ended June 30, 2007.

joint venture partners contributed \$37.5 million towards the interim budget (with one joint venture partner contributing the remainder of its second quarter capital calls of \$1.5 million in the third quarter of 2008). The joint venture board is expected to consider for approval before September 30, 2008 a final Project development plan based on the bankable feasibility study of the Project that was completed in the first quarter of 2008.

The Corporation's joint venture partners have not yet made payment of the first and second deferred subscription payments of approximately \$75.55 million in aggregate for their interest in the Project. On June 23, 2008 the Corporation made a formal demand for payment to each of the joint venture partners. At a joint venture shareholders' meeting held July 31, 2008, the joint venture partners agreed a process by which the transfer of the mining concession for the Project would be confirmed.

Guinea Alumina is in the process of raising up to \$2.45 billion of long-term, senior secured project debt financing to fund a portion of the cost of developing the Project. The Project lenders have been identified, a detailed term sheet for the financing is under negotiation and active discussions with the lenders and their advisors are ongoing. The Corporation expects that lender commitments will be in place by year end and that financial closing will occur by March 31, 2009.

On June 8, 2007, the Government of Guinea through the Ministry of Mines and Geology, established the Interministerial Committee for Renegotiation of Conventions and Agreements Mining ("CIRCAM"). CIRCAM is in the process of reviewing mineral resource agreements between the Government of Guinea and foreign corporations. To date no formal communication has been received by CIRCAM or the Government of Guinea with respect to Guinea Alumina's agreements with the Government of Guinea and the Corporation does not expect that any of the rights of Guinea Alumina and its Guinean subsidiary will be affected by the review.

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.

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 approval of the proposed development plan with respect to the Project and the making of a decision by the joint venture partners to proceed with the development of the Project; expectations regarding the financing of the Project, the terms, timing and amount of 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 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 the development costs of the Project in excess of the maximum Project debt financing; 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 Project; 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 data, 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 approval of the 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 applicable law.

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