MEDIA RELEASE

AUSTRALIAN ALUMINIUM COUNCIL LTD

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Accelerating Australian Innovation: Government Investment to Drive a Sustainable Future

The Australian Aluminium Council welcomes the Australian Government's announcement of $750M for Green Metals (including aluminium and alumina) technologies as part of the Innovation Fund administered by the Australian Renewable Energy Agency (ARENA).

The Council recognises that today's announcement is particularly important for Australia's alumina industry. Refining bauxite to produce alumina (aluminium oxide) is the first step in adding value to the raw material, mined in Australia, before that alumina is smelted into aluminium. Australia is already the world's second largest producer and largest exporter of alumina, producing approximately 19 Mt a year. Decarbonising the alumina sector requires targeted investment to de-risk new technologies and accelerate cost reductions through deployment and learning. Today's announcement is a key enabler, supporting Australia's alumina industry in its drive to develop low emission technologies.

In welcoming the announcement, the Council's CEO, Marghanita Johnson, said "Australia has more than 60 years of technical experience in bauxite mining and alumina refining technologies. This deep knowledge benefits not only our domestic industry but also our global customers as they work towards their sustainability goals. Australia's industry collaborates with our world class research agencies helping to develop new technologies for global markets. However, to implement these innovations at scale, we need support to overcome technical, commercial, and market challenges."

Australia is uniquely positioned to lead global decarbonisation efforts in alumina production. Ms Johnson highlighted "Australia's alumina already has one of the world's lowest emissions intensities—around half the global industry average. With the right investment, we can further reduce emissions and strengthen our position as a global leader in sustainable alumina refining."

Aluminium is one of the few commodities where the entire value chain—from bauxite mining, through alumina refining and aluminium smelting to finished consumer products—operates within Australia. This integrated supply chain is critical to maintaining more than 75,000 direct and indirect jobs, predominantly in regional communities, from South Western Australia to the tip of Cape York.

Amid global uncertainty in the sector, the industry reiterates its call for the inclusion of bauxite, alumina and aluminium to Australia's Critical Minerals list. This alignment with key trading partners would send a clear signal that Australia is committed to safeguarding its vital role in the global supply chain. "To ensure minerals critical to the energy transition—like bauxite, alumina, and aluminium—continue to be produced in Australia, we need policy support across the whole value chain, from mine to market," Ms Johnson said. "Today's investment supports the innovative technologies being developed by Australians, reinforcing our industry's critical role in Australia's future."

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ABOUT THE COUNCIL

The Australian Aluminium Council (the Council) represents Australia's bauxite mining, alumina refining, aluminium smelting and downstream processing industries. The aluminium industry has been operating in Australia since 1955, and over the decades has been a significant contributor to the national economy.

It includes six mines which collectively produce over 100 Mt per annum making Australia one of the world's largest producers of bauxite. Australia is the world's largest exporter of alumina with five alumina refineries producing around 18 Mt per annum of alumina. Australia is the seventh largest producer of aluminium, with four aluminium smelters and additional downstream processing industries including more than 20 extrusion presses. Aluminium is Australia's highest earning manufacturing export.

The industry directly employs more than 20,000 people. It also indirectly supports a further 55,000 families predominantly in regional Australia at pay rates 60% above the national manufacturing average. The industry contributes more than A$18 billion to Australia's economy with annual export revenue in excess of A$15 billion.

Aluminium is critical to the global energy transition. By 2050, worldwide demand for aluminium is expected to nearly double. While a growing share will come from recycled sources, increased primary aluminium production will still be necessary—driving comparable growth in bauxite mining and alumina refining.

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