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Novelis Receives Proceeds Of \$35 Million On Divestment Of Non-Core Assets In Brazil

Company Sells Interest in Calcined Coke Producer and Transfers Hydroelectric Rights

ATLANTA, Nov. 7 /PRNewswire-FirstCall/ -- Novelis Inc. (NYSE: NVL) (TSX: NVL) today announced that it has sold its 25 percent stake in a calcined coke facility in Brazil and has transferred its rights to develop and operate two hydroelectric power plants in the country.

The Company sold the common and preferred shares of its 25 percent interest in Petrocoque S.A. Industria e Comercio to its partners in the business -- Petrobras Quimica SA Petroquisa, Companhia Brasileira de Aluminio, and Universal Empreendimentos e Participacoes Ltda. Petrocoque produces calcined petroleum coke used in the aluminum smelting process.

The Company also today received pre-authorization from Brazil's National Electric Energy Agency (ANEEL) to transfer its rights to develop and operate two hydroelectric power plants at Cacu and Barra dos Coqueiros, Brazil, to steel producer Gerdau Acos Longos S.A. The hydroelectric rights represent a combined generating capacity of 155 megawatts.

Novelis received combined proceeds of \$35 million associated with the divestments and expects to recognize a pre-tax gain of approximately \$26 million in the fourth quarter of 2006.

The divestments are part of a previously announced exploration of options for the Company's non-core, upstream operations in Brazil.

Novelis is the global leader in aluminum rolled products and aluminum can recycling. The company operates in 11 countries and has approximately 12,500 employees. Novelis has the unrivalled capability to provide its customers with a regional supply of technologically sophisticated rolled aluminum products throughout Asia, Europe, North America, and South America. Through its advanced production capabilities, the company supplies aluminum sheet and foil to the automotive and transportation, beverage and food packaging, construction and industrial, and printing markets. For more information, visit <http://www.novelis.com>.

Statements made in this news release which describe Novelis' intentions, expectations or predictions may be forward-looking statements within the meaning of securities laws. Forward-looking statements include statements preceded by, followed by, or including the words "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," or similar expressions. Examples of forward-looking statements in this news release include, among other matters, Novelis' expectation to transfer its rights to develop and operate two hydroelectric power plants and receive combined proceeds of \$35 million associated with

the divestment of Petrocoque and the development rights. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty. Several factors that could impact such forward looking statements include the level of our indebtedness and our ability to generate cash; relationships with, and financial and operating conditions of, our customers and suppliers; changes in the prices and availability of aluminum (or premiums associated with such prices) or other materials and raw materials we use; the effect of metal price ceilings in certain of our sales contracts; our ability to successfully negotiate with our customers to remove or limit metal price ceilings in our contracts; the effectiveness of our metal hedging activities, including our internal used beverage can and smelter hedges; fluctuations in the supply of, and prices for, energy in the areas in which we maintain production facilities; and our ability to access financing for future capital requirements. We do not intend, and we disclaim any obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise. The above list of factors is not exhaustive. Other important risk factors are included under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2005, as amended and filed with the SEC, and may be discussed in subsequent filings with the SEC. Further, the risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2005, as amended, are specifically incorporated by reference into this news release.

SOURCE Novelis Inc.

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