

**FIRST AMENDMENT**  
**TO TERM LOAN AND SECURITY AGREEMENT**

THIS FIRST AMENDMENT TO TERM LOAN AND SECURITY AGREEMENT (this "Amendment") is entered into as of May 6, 2011 (the "First Amendment Effective Date"), by and among Ormet Corporation, a Delaware corporation ("Parent"), Ormet Primary Aluminum Corporation, a Delaware corporation ("OPAC"), Ormet Aluminum Mill Products Corporation, a Delaware corporation ("Ormet Mill"), and together with Parent and OPAC, each individually a "Borrower" and collectively, "Borrowers"), Specialty Blanks Holding Corporation, a Delaware corporation ("Specialty Holding") and Ormet Railroad Corporation, a Delaware corporation ("Ormet Railroad"), and together with Specialty Holding, each individually a "Guarantor" and collectively, "Guarantors"), the lenders party hereto (each individually, a "Lender" and collectively, "Lenders"), and The Bank of New York Mellon in its capacity as agent for Lenders (in such capacity, "Agent").

W I T N E S S E T H:

WHEREAS, Borrowers, Guarantors, Lenders and Agent have entered into a Term Loan and Security Agreement dated as of March 1, 2010 (as heretofore amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement");

WHEREAS, Borrowers and Guarantors have requested that (a) certain Lenders make additional term loans to Borrowers, and (b) certain other modifications be effected to the Loan Agreement as provided herein; and

WHEREAS, Agent and Lenders have agreed to such amendments on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained herein, and for other valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereto agree as follows:

1. Defined Terms. Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Loan Agreement.

2. Amendments to the Loan Agreement; Consent to Amendment of Revolver Loan Agreement.

(a) Section 1 of the Loan Agreement is hereby amended by adding the following definitions in the correct alphabetical order:

"EDLOP Loan Documents" shall mean, collectively, the following (as the same now exist or may hereafter exist upon the execution and delivery thereof and may hereafter or thereafter, as the case may be, be amended, modified, supplemented, extended, renewed, restated or replaced): (a) the loan agreement between OPAC and the LED and (b) the mortgage, security agreement, or other agreements, documents and

instruments executed or delivered by or on behalf of Borrowers or Guarantors in favor of the LED in connection therewith.

“First Amendment” shall mean the First Amendment to Term Loan and Security Agreement, dated as of May 6, 2011, by and among Borrowers, Guarantors, Lenders and Agent.

“First Amendment Effective Date” means May 6, 2011.

“LED” shall mean the Louisiana Economic Development Corporation, an agency of the Louisiana state government, offering an Economic Development Loan Award Program (EDLOP) or such other replacement or successor governmental agency with the same or similar authority, power and functions.

“Louisiana Vacant Land” shall mean the Real Property of OPAC pledged as collateral under the EDLOP Loan Documents identified as parcel C & D on attached Exhibit C.

“Term A Lender” means, collectively, Wayzata Opportunities Fund II, L.P. and Wayzata Opportunities Fund, LLC, and the other persons made a party to this Agreement as a Lender in accordance with Section 13.7 hereof and holding Term A Loans from time to time, and their respective successors and assigns.

“Term A Loan” shall have the meaning set forth in Section 2.1(a) hereof.

“Term A Note” shall have the meaning set forth in Section 2.2 hereof.

“Term B Lender” means Wayzata Opportunities Fund II, L.P., and the other persons made a party to this Agreement as a Lender in accordance with Section 13.7 hereof and holding Term B Loans from time to time, and their respective successors and assigns.

“Term B Loan” shall have the meaning set forth in Section 2.1(a) hereof.

“Term B Note” shall have the meaning set forth in Section 2.2 hereof.

(b) Section 1 of the Loan Agreement is hereby amended by amending and restating the following defined terms therein to read in their entirety as follows:

“2010 Lender Warrant” shall mean that certain Warrant, dated as of March 1, 2010, by and between Parent and Lenders with respect to the warrants issued in connection with the Term A Loans, as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

“Lenders” shall mean the Term A Lender, the Term B Lender and the other financial institutions who are signatories hereto as Lenders and other persons made a party to this Agreement as a Lender in accordance with Section 13.7 hereof, and their respective successors and assigns; each sometimes being referred to herein individually

as a “Lender”.

“Loans” shall have the meaning set forth in Section 2.1(a) hereof.

“Prepayment Premium” shall mean, (a) with respect to any repayment or prepayment of the Term A Loans occurring during the period from the Closing Date through and including the third anniversary of the Closing Date, an amount equal to the sum of (i) 8.00% of the principal amount of the Loans so prepaid or repaid, plus (ii) if such repayment or prepayment occurs during the period from the Closing Date through and including the second anniversary of the Closing Date, the Make Whole Amount applicable thereto and (b) with respect to any repayment or prepayment of the Term B Loans occurring during the period from the Closing Date through and including the second anniversary of the Closing Date, the Make Whole Amount applicable thereto.

“Pro Rata Share” shall mean (i) as to any Term A Lender (if used with respect to Term A Lenders designated as such), the fraction (expressed as a percentage), with the numerator being the unpaid amount of such Term A Lender’s Term A Loans and the denominator being the aggregate amount of all unpaid Term A Loans, (ii) as to any Term B Lender (if used with respect to Term B Lenders designated as such), the fraction (expressed as a percentage), with the numerator being the unpaid amount of such Term B Lender’s Term B Loans and the denominator being the aggregate amount of all unpaid Term B Loans and (iii) as to any Lender, the fraction (expressed as a percentage), with the numerator being the unpaid amount of such Lender’s Loans and the denominator being the aggregate amount of all unpaid Loans.

(c) Section 2.1(a) of the Loan Agreement is hereby amended by amending and restating such Section in its entirety to read as follows:

Subject to and upon the terms and conditions contained herein, on the Closing Date, each Term A Lender severally (and not jointly) agrees to make a term loan (each a “Term A Loan”) to the Borrowers on the Closing Date in the original principal amount as set forth below such Term A Lender’s signature on the signature pages hereto. Subject to and upon the terms and conditions contained herein and in the First Amendment, on the First Amendment Effective Date, each Term B Lender severally (and not jointly) agrees to make a term loan (each a “Term B Loan” and collectively with each Term A Loan, the “Loans” or “Loan”) to the Borrowers on the First Amendment Effective Date in the original principal amount as set forth below such Term B Lender’s signature on the signature pages to the First Amendment. Proceeds of the Loans shall be advanced in accordance with the instructions set forth in the payment direction letter delivered by the Administrative Borrower pursuant to Section 4.1(r) and the First Amendment, as applicable. Loans that are repaid may not be reborrowed.

(d) Section 2.1(b) of the Loan Agreement is hereby amended by amending and restating such Section in its entirety to read as follows:

The Term A Loans made by the Term A Lenders on the Closing Date and the Term B Loans made by the Term B Lenders on the First Amendment Effective Date

shall, in each case, be made with an original issue discount at least equal to five percent (5%) of the original stated principal amount thereof. Each of the Borrowers, the Guarantors and Lenders agree (i) that the Loans are debt for United States federal income tax purposes, (ii) that the Term A Loans issued to the Borrowers constitute a single debt instrument and the Term B Loans issued to the Borrowers constitute a separate single debt instrument for purposes of Sections 1271 through 1275 of the Internal Revenue Code of 1986, as amended, and any successor thereto (the "Code") and the United States Treasury Regulations ("Treasury Regulations") thereunder (pursuant to Treasury Regulations Section 1.1275-2(c)), that such debt instruments are issued with original issue discount ("OID"), and that such debt instruments are described in Treasury Regulations Section 1.1272-1(c)(2) and therefore is governed by the rules set out in Treasury Regulations Section 1.1272-1(c), including Section 1.1272-1(c)(5), and are not governed by the rules set out in Treasury Regulations Section 1.1275-4, (iii) that any calculation by the Borrowers regarding the amount of OID for any accrual period on Loans shall be subject to the review and approval of Lenders, and (iv) to adhere to this Agreement for federal income tax purposes and not to take any action or file any tax return, report or declaration inconsistent. For purposes other than United States federal income tax purposes, the original issue discount on the Loans shall be deemed to be an origination fee.

(e) Section 2.1(c) of the Loan Agreement is hereby amended by amending and restating such Section in its entirety to read as follows:

Each Borrower, Guarantor and Lender, having adverse interests and as a result of arms-length bargaining, agree that (i) no Lender nor any of its officers, directors, representatives, partners, members or employees has rendered or has agreed to render any services to any Borrower or Guarantor in connection with this Agreement or the extension of funds in respect of the Loans and the 2010 Lender Warrant; (ii) the 2010 Lender Warrant is not being issued as compensation; and (iii) for the purposes and within the meaning of Section 1273(c)(2) of the IRC the issue price of the Term A Loan is \$104,487,494.00, the issue price of the Term B Loan is \$28,500,000.00, and the issue price of the 2010 Lender Warrant is \$12,506.00. Each Borrower, Guarantor and Lender acknowledges that the allocation between the Term A Loans and the 2010 Lender Warrant is based on the relative fair market values of the Term A Loans and the 2010 Lender Warrant. Each Borrower, Guarantor and Lender recognize that this Agreement determines the original issue discount to be taken into account by each Borrower, Guarantor and Lender for federal income tax purposes on the Loans and they agree to adhere to this Agreement for such purposes. For federal, state and local tax purposes, each Borrower, Guarantor and Lender agree to take reporting and other positions with respect to the Loans and the 2010 Lender Warrant which are consistent with the purchase price of the Loans and the 2010 Lender Warrant set forth herein.

(f) Section 2.1(d) of the Loan Agreement is hereby amended by amending and restating such Section in its entirety to read as follows:

Net proceeds of the Term A Loans, the 2010 Lender Warrant and the Term B Loans will be funded by wire transfer of immediately available funds pursuant to written

instructions delivered to Agent by the Administrative Borrower in advance of the Closing Date with respect to the Term A Loans and the 2010 Lender Warrant and in advance of the First Amendment Effective Date with respect to the Term B Loans.

(g) Section 2.2 of the Loan Agreement is hereby amended by amending and restating such Section in its entirety to read as follows:

The Term A Loans shall be evidenced by promissory notes in substantially the form of Exhibit B hereto, dated as of the Closing Date (each a “Term A Note”) and the Term B Loans shall be evidenced by promissory notes in substantially the form of Exhibit A to the First Amendment, dated as of the First Amendment Effective Date (each a “Term B Note”, and collectively with the Term A Notes, the “Notes” or “Note”).

(h) Section 2.4 of the Loan Agreement is hereby amended by inserting, immediately following the period at the end of such Section, the following sentence: “The Borrowers may make prepayments, pursuant to this Section 2.4, (x) while any Term B Loans are outstanding, of Term B Loans (ratably among all Term B Loans), and (y) thereafter, of outstanding Loans (ratably among all outstanding Loans).”

(i) Section 2.5(c) of the Loan Agreement is hereby amended by deleting the phrase “plus, if prepaid on or before the third anniversary of the Closing Date, a prepayment premium in an amount equal to 8.0% of the principal amount so prepaid” contained therein and inserting the phrase “plus, (i) solely in the case of Term A Loans if prepaid on or before the third anniversary of the Closing Date, a prepayment premium in an amount equal to 8.0% of the principal amount so prepaid and (ii) solely in the case of Term B Loans if prepaid on or before the second anniversary of the Closing Date, a prepayment premium in an amount equal to 8.0% of the principal amount so prepaid” in lieu thereof.

(j) Section 2.6 of the Loan Agreement is hereby amended by amending and restating such Section in its entirety to read as follows:

In the event the Term A Loans are repaid or prepaid in whole or in part prior to the third anniversary of the Closing Date or the Term B Loans are repaid or prepaid in whole or in part prior to the second anniversary of the Closing Date, in each case, whether as a result of a voluntary prepayment or by mandatory prepayment (except to the extent such mandatory prepayment arises as a result of a Specified Asset Sale, a Casualty or any condemnation or other taking of property for public use, or as a result of the provisions of Section 2.5(c)) or as a result of declaration, acceleration, demand or otherwise, the Borrowers shall pay a prepayment premium in an amount equal to the Prepayment Premium, as applicable. Such Prepayment Premium, as applicable, shall be due and payable in cash on the date any such repayment or prepayment is made.

(k) Section 6.4(a) of the Loan Agreement is hereby amended by amending and restating such Section in its entirety to read as follows:

All payments on the Obligations shall be paid directly to the Agent Payment Account. Payments received or collected from any Borrower or Guarantor or for the account of any Borrower or Guarantor (including the monetary proceeds of collections or

of realization upon any Collateral) as follows: first, to pay any fees, indemnities and expense reimbursements then due to Agent from any Borrower or Guarantor; second, to pay any amount payable to Lenders pursuant to Section 7.7, ratably to the Lenders in accordance with the amounts payable thereto; third, to pay any fees, indemnities and expense reimbursements then due to Lenders from any Borrower or Guarantor, ratably to Lenders in accordance with the amounts of such fees, indemnities or expense reimbursements payable thereto; fourth, to pay interest due in respect of any Loans, ratably to Lenders in accordance with their Pro Rata Shares (except for interest paid in connection with mandatory prepayments pursuant to Section 2.5(a), which shall be applied among Lenders electing to participating in such prepayment, ratably in accordance with the interest allocable thereto); fifth, to pay any Prepayment Premium due to Lenders in respect of the Loans, ratably to Lenders in accordance with the Prepayment Premium payable thereto; sixth, to pay principal due in respect of the Loans, ratably to Lenders in accordance with their Pro Rata Shares (it being understood and agreed that a voluntary prepayment pursuant to Section 2.4 may be effected solely for Term B Loans, in which case this clause sixth shall require payment of principal in respect of the Term B Loans, ratably to the Term B Lenders (designated as such) in accordance with their Pro Rata Shares); and seventh, to pay any other Obligations whether or not then due, in such order and manner as Required Lenders shall determine. All repayments or prepayments of principal on the Loans shall be deemed to be applied, first, to original issue discount on the Loans forth in Section 2.1(b), then, to the remaining principal of the Loans (in each case allocated among the Loans, or any subset thereof, in accordance with clause sixth above).

(l) Section 7.8 of the Loan Agreement is hereby amended by adding the following clause (c) at the end thereof:

and (c) the Borrowers and the Guarantors shall permit representatives and independent contractors chosen by the Lenders (during normal business hours and after notice to Parent) to visit, inspect and monitor the Borrowers' and Guarantors' premises and facilities located in Burnside, Louisiana and the Borrowers and Guarantors shall pay to the Lenders any costs or expenses associated with such representatives and independent contractors in an amount not to exceed \$50,000 in the aggregate.

(m) Section 8.12(e) of the Loan Agreement is hereby amended by deleting the word "Loans" contained therein and inserting the words "Term A Loans" in lieu thereof.

(n) Section 9.8 of the Loan Agreement is hereby amended by deleting the word "and" after Section 9.8(m), adding a semicolon and the word "and" after Section 9.8(n) and adding new Section 9.8(o) as follows:

"(o) security interests and liens granted in favor of the LED on the Louisiana Vacant Land pursuant to the EDLOP Loan Documents on terms and conditions reasonably acceptable to Required Lenders to secure the Indebtedness owed to the LED to the extent permitted by Section 9.9(o) hereof; provided, that, such security interests and liens are subject to the terms and conditions of an intercreditor agreement among the Revolver Agent, Agent, and the LED, as acknowledged by Borrowers and Guarantors, which shall be in form and substance reasonably

satisfactory to Required Lenders and shall provide first priority to the liens of the LED on the Louisiana Vacant Land (it being agreed that, upon execution of such intercreditor agreement, Agent and, if applicable, Lenders shall execute and deliver to the Borrowers such documents and instruments as may be necessary in connection therewith, including without limitation a duly executed and acknowledged subordination agreement, in recordable form, which agreement shall subordinate the Lien of the Secured Parties securing the Loans to the Lien of the LED securing the obligations under the EDLOP Loan Documents).”

(o) Section 9.9 of the Loan Agreement is hereby amended by the addition of Section 9.9(o) as follows:

“(o) Indebtedness evidenced by or arising under the EDLOP Loan Documents; provided, that,

(i) Agent and Lenders shall have received true, correct and complete copies of all EDLOP Loan Documents, which shall be in form and substance satisfactory to Required Lenders;

(ii) as of the date of the incurrence of such Indebtedness and after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing;

(iii) such Indebtedness may be secured by security interest in or lien on Louisiana Vacant Land to the extent permitted by Section 9.8(o) hereof;

(iv) Borrowers and Guarantors shall not, directly or indirectly, make any payments in respect of such Indebtedness, other than regularly scheduled payments of principal and interest in accordance with the terms of the EDLOP Loan Documents (as in effect on the date hereof) so long as on the date of any such payment and after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing;

(v) Borrowers and Guarantors shall not, directly or indirectly, (A) amend, modify, alter or change any terms of such Indebtedness or any of the EDLOP Loan Documents, except, that, Borrowers and Guarantors may amend, modify, alter or change the terms thereof so as to extend the maturity thereof or defer the timing of any payments in respect thereof, or to forgive or cancel any portion of such Indebtedness (other than pursuant to permitted redemptions, repurchases or payments thereof), or to reduce the interest rate or any fees in connection therewith, or to make any covenants contained therein less restrictive or burdensome as to Borrowers and Guarantors or otherwise more favorable to Borrowers and Guarantors, in each case provided that Borrowers give prompt written notice thereof to Agent and Lender, or (B) redeem, retire, defease, purchase or otherwise acquire such Indebtedness, or set aside or otherwise deposit or invest any sums for such purpose;

(vi) Borrowers and Guarantors shall furnish to Agent and Lenders all EDLOP Loan Documents, notices, demands or other materials concerning such Indebtedness either received by any of Borrowers or Guarantors or on its or their behalf, promptly after receipt thereof, or sent by any of Borrowers or Guarantors or on its or their behalf, concurrently with the sending thereof, as the case may be; and

(vii) the amount of such Indebtedness does not exceed \$2,000,000 in the aggregate at any time outstanding.”

(p) Section 9.17 of the Loan Agreement is hereby amended by replacing Schedule 9.17 to the Loan Agreement with Schedule 9.17 to the Loan Agreement as attached hereto as Annex 1.

(q) Section 13.2(h) of the Loan Agreement is hereby amended by adding the following sentence to the end thereof: “Notwithstanding anything to the contrary, any change after the First Amendment Effective Date in the accounting for lease transactions under GAAP will be disregarded for purposes of calculating Capital Leases and related defined terms, computing the financial covenants and determining compliance with any other covenant under the Financing Agreements.”

(r) Section 13.3(b) of the Loan Agreement is hereby amended by amending and restating the first sentence thereof to read as follows: “Notices and other communications to Agent and Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by Required Lenders or Agent or as otherwise determined by Required Lenders or Agent.”

(s) Section 13.7(a) of the Loan Agreement is hereby amended by inserting, immediately following the phrase “each of which assignees shall become a party to this Agreement as a Lender by execution of an Assignment and Acceptance” contained therein, the phrase “(which shall specify whether the Loans being assigned are Term A Loans, Term B Loans or a specified combination of Term A Loans and Term B Loans)”.

(t) Agent and each Lender hereby consents to an amendment to the Revolver Loan Agreement in the form attached hereto as Exhibit B.

3. Conditions. The effectiveness of this Amendment is subject to the following conditions precedent:

(a) the execution and delivery to Term B Lender of this Amendment by Borrowers, Guarantors, Agent and Lenders;

(b) the execution and delivery to Lenders of the Term B Notes by Borrowers;

(c) Lenders shall have received a certificate of the Secretary (or other officer reasonably acceptable to Required Lenders) of each Borrower and Guarantor, in form and substance satisfactory to Lenders, certifying that attached thereto is a true, correct and complete copy of (i) the resolutions duly adopted by the Governing Body thereof, authorizing the execution, delivery and performance of the First Amendment and documents related thereto, (ii) the articles or certificate of incorporation or formation of thereof, and all amendments thereto, as in effect on the date of such certifications, (iii) the bylaws, operating agreement or other governing document of thereof, as applicable, as in effect on the date of such certifications, (iv) the names of each officer thereof executing the First Amendment and documents related thereto, together with the attestation that such person has been duly elected or appointed and is qualified as an officer thereof on the date hereof, holding the office or offices set forth opposite his or her

name, and the signature set forth opposite his or her name is a specimen of his or her signature (it being understood that Agent and each Lender may conclusively rely on each such certificate until formally advised by a like certificate of any changes therein) and (v) certificates as of a recent date of the good standing under the laws of its jurisdiction of organization and a certificate, if available, of the relevant taxing authorities of such jurisdictions certifying that such Borrower and Guarantor has filed required tax returns and owes no delinquent taxes;

(d) Borrowers shall have paid Agent's amendment fee of \$2,500, and all attorney costs of Agent and Lenders to the extent invoiced prior to or on the First Amendment Effective Date, plus such additional amounts of attorney costs as shall constitute Agent's and Lenders' reasonable estimate of attorney costs incurred or to be incurred through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between Borrowers, Agent and Lenders);

(e) Lenders shall have received such opinion letters of counsel to Borrowers and Guarantors, with respect to the First Amendment and such other matters as Lenders may request, in form and substance satisfactory to Lenders;

(f) Lenders shall have received an executed Certificate of "No Change" by the owner of each property subject to a Mortgage, in form and substance satisfactory to the Lenders;

(g) Lenders shall have received either an executed Amended and Restated Subordination of Mortgage or a Subordination of Deed of Trust, as applicable, by the Revolver Agent for each property subject to a Mortgage (other than with respect to the Mortgage on the property located in Ascension Parish, Louisiana), in form and substance satisfactory to the Lenders;

(h) Lenders shall have received either an executed Mortgage Modification Agreement or Deed of Trust Modification Agreement, as applicable, by the owner of each property subject to a Mortgage (other than with respect to the Mortgage on the property located in Ascension Parish, Louisiana), in form and substance satisfactory to the Lenders;

(i) Lenders shall have received a certificate signed by an officer of Administrative Borrower certifying that (i) the representations and warranties set forth in Section 5 hereof shall be true and correct as of the First Amendment Effective Date and after giving effect to the making of the Term B Loans and (ii) no Default or Event of Default shall exist or have occurred and be continuing on and as of the First Amendment Effective Date and after giving effect to the making of the Term B Loans;

(j) Lenders shall have received an executed and effective amendment to the Revolver Loan Agreement, in form and substance satisfactory to the Lenders (which amendment shall contain evidence satisfactory to Required Lenders that Revolving Agent has consented to this Amendment);

(k) Lenders and Agent shall have received a payment direction letter with respect to the Term B Loans; and

(l) Lenders and Agent shall have received description of Borrowers' and Guarantors'

sources and uses of funds to be received on the First Amendment Effective Date and a funds flow memorandum detailing how funds from each source are to be transferred to particular uses.

4. Agreement in Full Force and Effect as Amended. Except as specifically amended, consented and/or waived hereby, the Loan Agreement and other Financing Agreements shall remain in full force and effect and are hereby ratified and confirmed as so amended. Except as expressly set forth herein, this Amendment shall not be deemed to be a waiver, amendment or modification of any provisions of the Loan Agreement or any other Financing Agreement or any right, power or remedy of Agent or Lenders, nor constitute a waiver of any provision of the Loan Agreement or any other Financing Agreement, or any other document, instrument and/or agreement executed or delivered in connection therewith or of any Default or Event of Default under any of the foregoing, in each case whether arising before or after the date hereof or as a result of performance hereunder or thereunder. This Amendment also shall not preclude the future exercise of any right, remedy, power, or privilege available to Agent and/or Lenders whether under the Loan Agreement, the other Financing Agreements, at law or otherwise and nothing contained herein shall constitute a course of conduct or dealing among the parties hereto. All references to, and terms and provisions of, the Loan Agreement (whether contained in the Loan Agreement or incorporated into, or referenced in, other Financing Agreements) shall be deemed to mean the Loan Agreement as amended or otherwise modified hereby. This Amendment shall not constitute a novation or satisfaction and accord of the Loan Agreement and/or other Financing Agreements, but shall constitute an amendment thereof. The parties hereto agree to be bound by the terms and conditions of the Loan Agreement and Financing Agreements as amended by this Amendment, as though such terms and conditions were set forth herein. Each reference in the Loan Agreement to “this Agreement,” “hereunder,” “hereof,” “herein” or words of similar import shall mean and be a reference to the Loan Agreement as amended by this Amendment, and each reference herein or in any other Financing Agreement to the “Loan Agreement” or “Agreement” shall mean and be a reference to the Loan Agreement as amended and modified by this Amendment.

5. Representations and Warranties. Each Borrower and Guarantor hereby represents and warrants to Agent and Lenders as follows on and as of the First Amendment Effective Date and after giving effect to Section 2 hereof:

(a) each Borrower and Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) the execution, delivery and performance of this Amendment and the transactions contemplated hereunder (i) are all within each Borrower’s and Guarantor’s corporate or limited liability company powers, (ii) have been duly authorized and does not and will not require any registration with, consent or approval of, notice to or action by, any Person (including any governmental agency), (iii) are not in contravention of law or the terms of any Borrower’s or Guarantor’s certificate of incorporation, by laws, certificate of formation, operating agreements or other organizational documentation, or any indenture or material agreement or undertaking to which any Borrower or Guarantor is a party or by which any Borrower or Guarantor or its property are bound and (iv) will not result in the creation or imposition of, or require or give rise to any obligation to grant, any lien, security interest, charge or other encumbrance upon any property of any Borrower or Guarantor, except to the extent

permitted by Section 9.8 of the Loan Agreement;

(c) this Amendment and the other Financing Agreements to which any Borrower or Guarantor is a party constitute the legal, valid and binding obligation of each Borrower or Guarantor, enforceable against such Borrower or Guarantor in accordance with its terms;

(d) no Default or Event of Default exists or shall exist immediately following the consummation of the transactions contemplated hereby;

(e) all representations and warranties by Borrowers and Guarantors contained in the Loan Agreement (other than the last sentence in Section 8.3(a) of the Loan Agreement, and Section 8.6(a) of the Loan Agreement) are true and correct in all material respects as of the date hereof, except to the extent made as of a specific date, in which case each such representation and warranty shall be true and correct as of such date, and attached Exhibit D sets forth all outstanding letters of credit that have been issued for the account of the Borrowers or Guarantors as of April 30, 2011; and

(f) by its signature below, each Borrower and Guarantor agrees that it shall constitute an Event of Default if any representation or warranty made in this Sections 6 is untrue or incorrect in any material respect on and as of the First Amendment Effective Date (or on and as of a specific date, to the extent so provided in Section 5(e) hereof).

6. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by telefacsimile or other electronic method of transmission shall have the same force and effect as the delivery of an original executed counterpart of this Amendment. Any party delivering an executed counterpart of any such agreement by telefacsimile or other electronic method of transmission shall also deliver an original executed counterpart, but the failure to do so shall not affect the validity, enforceability or binding effect of such agreement.

7. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of Borrowers and Guarantors and their successors and assigns and Agent and Lenders and their successors and assigns.

8. Further Assurance. Borrowers and Guarantors and each of their respective Subsidiaries hereby agree from time to time, as and when requested by Agent or Lenders, to execute and deliver or cause to be executed and delivered, all such documents, instruments and agreements and to take or cause to be taken such further or other action as Agent or Lenders may reasonably deem necessary or desirable in order to carry out the intent and purposes of this Amendment, the Loan Agreement and the Financing Agreements.

9. GOVERNING LAW. THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AMENDMENT AND ANY DISPUTE ARISING OUT OF THE RELATIONSHIP BETWEEN THE PARTIES HERETO, WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE, SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK BUT EXCLUDING ANY PRINCIPLES OF CONFLICTS OF LAW OR OTHER RULE OF LAW THAT WOULD CAUSE THE APPLICATION OF THE LAW

OF ANY JURISDICTION OTHER THAN THE LAWS OF THE STATE OF NEW YORK.

10. Severability. Wherever possible, each provision of this Amendment shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Amendment.

11. Reaffirmation. Each of Borrowers and Guarantors as debtor, grantor, pledgor, guarantor, assignor, or in other any other similar capacity in which such Borrower or Guarantor grants liens or security interests in its property or otherwise acts as accommodation party or guarantor, as the case may be, hereby (i) ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under each of the Financing Agreements to which it is a party (after giving effect hereto) and (ii) to the extent such Borrower and Guarantor granted liens on or security interests in any of its property pursuant to any such Financing Agreement as security for or otherwise guaranteed the Obligations under or with respect to the Financing Agreements, ratifies and reaffirms such guarantee and grant of security interests and liens and confirms and agrees that such security interests and liens hereafter secure all of the Obligations as amended hereby. Each Borrower and Guarantor hereby consents to this Amendment and acknowledges that each of the Financing Agreements remains in full force and effect and is hereby ratified and reaffirmed. Except as expressly set forth herein, the execution of this Amendment shall not operate as a waiver of any right, power or remedy of Agent or Lenders, constitute a waiver of any provision of any of the Financing Agreements or serve to affect a novation of the Obligations.

12. Acknowledgment of Rights; Release of Claims. Each Borrower and Guarantor hereby acknowledges that: (a) it has no defenses, claims or set-offs to the enforcement by any Lender or Agent of such Borrower's or Guarantor's liabilities, obligations and agreements on the date hereof; (b) to its knowledge, each Lender and Agent have fully performed all undertakings and obligations owed to it as of the date hereof; and (c) except to the limited extent expressly set forth in this Amendment, each Lender and Agent do not waive, diminish or limit any term or condition contained in the Loan Agreement or any of the other Financing Agreements. In Agent's agreements contained in this Amendment, each Borrower and Guarantor hereby irrevocably releases and forever discharges each Lender and Agent and their respective Affiliates, and each such Person's respective directors, officers, employees, agents, attorneys and representatives (each, a "Released Person") of and from all damages, losses, claims, demands, liabilities, obligations, actions or causes of action whatsoever which such Borrower or Guarantor may now have or claim to have against any Released Person for or because of any matter or thing done, omitted or suffered to be done or omitted by any of the Released Persons prior to and including the date hereof and on account of or in any way concerning, arising out of or founded upon the Loan Agreement or any other Financing Agreement, whether presently known or unknown and of every nature and extent whatsoever.

**[Remainder of page intentionally left blank; signature page follows]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth above.

AGENT

THE BANK OF NEW YORK MELLON, as Agent


By:   
Name: \_\_\_\_\_  
Title: MELINDA VALENTINE  
VICE PRESIDENT

LENDERS

WAYZATA OPPORTUNITIES FUND II, L.P.

By: WOF II GP, L.P., its General Partner

By: WOF II GP, LLC, its General Partner

By:  \_\_\_\_\_

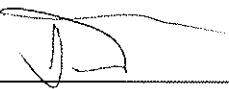
Name: Joseph M. Deignan

Title: Authorized Signatory

Term B Loan: \$30,000,000

WAYZATA OPPORTUNITIES FUND, LLC

By: Wayzata Investment Partners LLC, its Manager

By:  \_\_\_\_\_


Name: Joseph M. Deignan

Title: Authorized Signatory


Term B Loan: \$0

BORROWERS

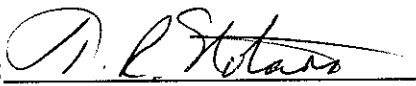
ORMET CORPORATION

By:   
Name: Thomas R. Notaro  
Title: Asst. Secretary & Asst. Treasurer

ORMET PRIMARY ALUMINUM CORPORATION

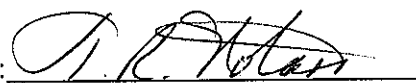
By:   
Name: Thomas R. Notaro  
Title: Asst. Secretary & Asst. Treasurer

ORMET ALUMINUM MILL PRODUCTS CORPORATION

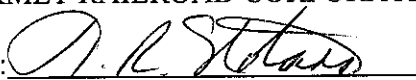
By:   
Name: Thomas R. Notaro  
Title: Asst. Secretary & Asst. Treasurer

GUARANTORS

SPECIALTY BLANKS HOLDING CORPORATION

By:   
Name: Thomas R. Notaro  
Title: Asst. Secretary & Asst. Treasurer

ORMET RAILROAD CORPORATION

By:   
Name: Thomas R. Notaro  
Title: Asst. Secretary & Asst. Treasurer

**Exhibit A**  
**Form of Term B Loan Note**

**Exhibit B**  
**Form of Amendment to Revolver Loan Agreement**

**Exhibit C**  
**Louisiana Vacant Land – Parcels C (Blue) and D (Red)**



**Exhibit D**  
**Letters of Credit**

**Open Letters of Credit-Wells Fargo**

**April 30, 2011**

| <u>L/C #</u> | <u>Beneficiary</u>                      | <u>Amount</u>         | <u>Expiration Date</u> |                      |
|--------------|---|-----------------------|------------------------|----------------------|
| SM226806W    | National Union Fire Insurance           | \$ 50,000.00          | 31-Jul-11              | automatically renews |
| SM226029W    | US Dept of<br>Labor/Longshoreman's      | \$ 500,000.00         | 31-Jul-11              | automatically renews |
| SM226018W    | Ohio Bureau of Workers' Comp            | \$2,550,000.00        | 30-Jun-11              | automatically renews |
| SM226010W    | Ohio Bureau of Workers' Comp            | \$ 461,000.00         | 30-Jun-11              | automatically renews |
| SM226052W    | Louisiana Dept of Labor                 | \$1,000,000.00        | 31-Jul-11              | automatically renews |
| SM229314W    | U.S. Environmental Protection<br>Agency | <u>\$1,500,000.00</u> | 31-Mar-12              | automatically renews |
|              |   | <u>\$6,061,000.00</u> |                        |                      |

**Annex 1**

**SCHEDULE 9.17**

**TO**

**AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT**

**Maximum Capital Expenditures**

- (a) during the fiscal year ending December 31, 2010; an aggregate amount not to exceed \$20,000,000;
- (b) during the fiscal year ending December 31, 2011; an aggregate amount not to exceed \$45,000,000; and
- (c) during the fiscal year ending December 31, 2012 and each fiscal year thereafter; up to \$35,000,000;

provided, that, during the fiscal years ending December 31, 2011 and each fiscal year thereafter, Borrower may carry over an additional \$10,000,000 from the immediately preceding fiscal year.