

AMENDMENT NO. 11 TO LOAN AND SECURITY AGREEMENT

THIS AMENDMENT NO. 11 TO LOAN AND SECURITY AGREEMENT (this "Amendment No. 11"), dated as of August 28, 2009, is entered into by and among Wachovia Capital Finance Corporation (Central), as agent (in such capacity, "Agent"), for itself and the parties from time to time to the Loan Agreement (as hereinafter defined), as lenders (collectively, together with Agent, "Lenders"), Ormet Corporation ("Parent"), Ormet Primary Aluminum Corporation ("OPAC"), Ormet Aluminum Mill Products Corporation ("Ormet Mill", and together with Parent and OPAC, each individually a "Borrower" and collectively, "Borrowers"), Specialty Blanks Holding Corporation ("Specialty Holding"), Ormet Railroad Corporation ("Ormet Railroad" and together with Specialty Holding, each individually a "Guarantor" and collectively, "Guarantors").

W I T N E S S E T H:

WHEREAS, Agent, Lenders, Borrowers and Guarantors have entered into financing arrangements as set forth in the Loan and Security Agreement, dated February 14, 2007, by and among Agent, Lenders, Borrowers and Guarantors, as amended by Amendment No. 1 to Loan and Security Agreement, dated March 16, 2007, Amendment No. 2 to Loan and Security Agreement, dated April 24, 2007, Amendment No. 3 to Loan and Security Agreement, dated June 5, 2007, Amendment No. 4 to Loan and Security Agreement, dated as of November 1, 2007, Amendment No. 5 to Loan and Security Agreement, dated January 23, 2008, Amendment No. 6 to Loan and Security Agreement, dated March 28, 2008, Amendment No. 7 to Loan and Security Agreement, dated as of April 14, 2008, Amendment No. 8 to Loan and Security Agreement, dated as of April 30, 2008, Amendment No. 9 to Loan and Security Agreement, dated as of September 3, 2008 and Amendment No. 10 to Loan and Security Agreement, dated April 3, 2009 (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement") and other agreements, documents and instruments referred to therein or at any time executed or delivered in connection therewith or related thereto, including this Amendment No. 11 (all of the foregoing, including the Loan Agreement and this Amendment No. 11, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Financing Agreements");

WHEREAS, the parties hereto desire to enter into this Amendment No. 11 to evidence and effectuate certain amendments to the Loan Agreement and the other Financing Agreements subject to the terms and conditions and to the extent set forth herein;

NOW, THEREFORE, in consideration of the premises and covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions.

1.1 Amendment to Definition. The definition of “Adjusted Eurodollar Rate” in the Loan Agreement and any of the other Financing Agreements is hereby replaced with the following:

“Adjusted Eurodollar Rate” shall mean, with respect to each Interest Period for any Eurodollar Rate Loan comprising part of the same borrowing (including conversions, extensions and renewals), the greater of (a) rate per annum determined by dividing (i) the London Interbank Offered Rate for such Interest Period by (ii) a percentage equal to: (A) one (1) minus (B) the Reserve Percentage and (b) two (2.0%) percent. For purposes hereof, “Reserve Percentage” shall mean for any day, that percentage (expressed as a decimal) which is in effect from time to time under Regulation D of the Board of Governors of the Federal Reserve System (or any successor), as such regulation may be amended from time to time or any successor regulation, as the maximum reserve requirement (including, without limitation, any basic, supplemental, emergency, special, or marginal reserves) applicable with respect to Eurocurrency liabilities as that term is defined in Regulation D (or against any other category of liabilities that includes deposits by reference to which the interest rate of Eurodollar Loans is determined), whether or not any Lender has any Eurocurrency liabilities subject to such reserve requirement at that time. Eurodollar Loans shall be deemed to constitute Eurocurrency liabilities and as such shall be deemed subject to reserve requirements without benefits of credits for proration, exceptions or offsets that may be available from time to time to a Lender. The Adjusted Eurodollar Rate shall be adjusted automatically on and as of the effective date of any change in the Reserve Percentage.”

1.2 Interpretation. Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings ascribed to them in the Loan Agreement.

## Section 2. Amendments to Loan Agreement.

2.1 Unused Line Fee. Section 3.2(a) of the Loan Agreement are hereby replaced with the following:

“(a) Borrowers shall pay to Agent, for the account of Lenders, monthly an unused line fee at a rate equal to six hundred twenty-fifths (.625%) percent per annum calculated upon the amount by which \$55,000,000 exceeds the average daily principal balance of the outstanding Revolving Loans, Supplemental Loans and Letters of Credit during the immediately preceding month (or part thereof) while this Agreement is in effect and for so long thereafter as any of the Obligations are outstanding, which fee shall be payable on the first day of each month in arrears.”

2.2 Production of Molten Aluminum. Section 9.20(c) of the Loan Agreement is hereby amended by deleting the words “and thereafter” in the first column in the chart in clause (ii), redesignating clause (iii) as a new clause (iv), and adding a new clause (iii) as follows:

“(iii) Production Months commencing January 2009	Minimum Amount in Metric Tonnes
January 2009	17,500
February 2009	17,500
March 2009	17,500
April 2009	16,405
May 2009	16,958
June 2009	16,405
July 2009	16,958
August 2009	12,946
September 2009	12,474
October 2009	12,890
November 2009	12,474
December 2009	12,890
January 2010 and at all times thereafter	12,890”

Section 3. Representations, Warranties and Covenants. Each Borrower and Guarantor represents, warrants and covenants with, to and in favor of Agent and each Secured Party as follows, which representations, warranties and covenants are continuing and shall survive the execution and delivery hereof, the truth and accuracy of, or compliance with each, together with the representations, warranties and covenants in the other Financing Agreements, being a condition of the effectiveness of this Amendment No. 11:

3.1 This Amendment No. 11 has been duly authorized, executed and delivered by all necessary action on the part of Borrowers and Guarantors which are a party hereto and is in full force and effect as of the date hereof, as the case may be, and the obligations of Borrowers or Guarantors contained herein constitute legal, valid and binding obligations of Borrowers and Guarantors, as the case may be, enforceable against them in accordance with their terms.

3.2 After giving effect to the transactions contemplated herein and hereby and the provisions of this Amendment No. 11, Borrowers, Guarantors and their respective Subsidiaries are not in default under, in violation of or in contravention of, in any respect, any indenture, mortgage, deed of trust, deed to secure debt, material agreement or instrument to which it is a party or by which it or any of its assets or properties may be or are bound.

3.3 Borrowers and Guarantors have obtained any necessary consent and approval from any third party or Governmental Authority required to be obtained by Borrowers and Guarantors and Borrowers and Guarantors do not need to obtain the consent of Supplemental Loan Credit Support Provider, Subordinated Noteholders or the PBGC to execute and deliver, or perform the terms, conditions and agreements contemplated by, this Amendment No. 11.

3.4 All of the representations and warranties set forth in the Loan Agreement as amended hereby, and the other Financing Agreements, are true and correct in all material respects after giving effect to the provisions of this Amendment No. 11, except to the extent any such representation or warranty is made as of a specified date, in which case such representation or warranty shall have been true and correct as of such date.

3.5 After giving effect to the amendments contemplated by this Amendment No. 11, no Default or Event of Default exists or has occurred and is continuing.

Section 4. Conditions Precedent. Concurrently with the execution and delivery hereof, and as a further condition to the effectiveness of this Amendment No. 11 and the agreement of Agent to the modifications and amendments set forth in this Amendment No. 11:

4.1 Agent shall have received, in form and substance satisfactory to Agent, an executed copy of an original or executed original counterparts of this Amendment No. 11 by electronic mail or facsimile (with the originals to be delivered within five (5) Business Days after the date hereof), duly authorized, executed and delivered by each Borrower and Guarantor;

4.2 each Borrower and Guarantor shall deliver, or cause to be delivered, to Agent a true and correct copy of any consent, waiver or approval to or of this Amendment No. 11, which any Borrower or Guarantor is required to obtain from any other Person, and such consent, approval or waiver shall be in a form and substance satisfactory to Agent;

4.3 Agent shall have received such approvals of Lenders and Secured Parties, in form and substance satisfactory to Agent, to the terms and conditions of this Amendment No. 11 as Agent determines are required under the terms of the Loan Agreement; and

4.4 after giving effect to the amendments contemplated by this Amendment No. 11, no Default or Event of Default shall exist or have occurred and be continuing.

Section 5. Acknowledgments by Guarantors.

5.1 Each Guarantor hereby expressly and specifically ratifies, restates and confirms the terms and conditions of its respective Guarantee in favor of Lender and its liability for all of the obligations under such Guarantee by such Guarantor, and all other obligations, liabilities, agreements and covenants thereunder.

5.2 Each Borrower and Guarantor, by its signature below, hereby acknowledges, confirms and agrees that each of the Guarantees executed by such Borrower or such Guarantor, guaranteeing the payment and performance of, in the case of a Borrower, all of the obligations of the other Borrower as set forth in such Guarantee by such Borrower and all

other obligations, liabilities, agreements and covenants thereunder, and, in the case of a Guarantor, all obligations of Borrowers as set forth in such Guarantee by such Guarantor and all other obligations, liabilities, agreements and covenants thereunder, is in full force and effect as of the date hereof.

Section 6. Effect of this Amendment No. 11. This Amendment No. 11 constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior oral or written communications, memoranda, proposals, negotiations, discussions, term sheets and commitments with respect to the subject matter hereof. Except as expressly provided herein, no other changes or modifications to the Loan Agreement or any of the other Financing Agreements, or waivers of or consents under any provisions of any of the foregoing, are intended or implied by this Amendment No. 11, and in all other respects the Financing Agreements are hereby specifically ratified, restated and confirmed by all parties hereto as of the effective date of this Amendment No. 11. The applicable provisions of this Amendment No. 11 and the Loan Agreement shall be read and interpreted as one agreement. To the extent that any provision of the Loan Agreement or any of the other Financing Agreements conflicts with any provision of this Amendment No. 11, the provision of this Amendment No. 11 shall control.

Section 7. Further Assurances. Borrowers and Guarantors shall execute and deliver such additional documents and take such additional action as may be reasonably requested by Agent to effectuate the provisions and purposes of this Amendment No. 11.

Section 8. Governing Law. The validity, interpretation and enforcement of this Amendment No. 11 in 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, without regard to any principle of conflict of laws or other rule of law that would result in the application of the law of any jurisdiction other than the State of New York. Without in any way limiting the foregoing, the parties elect to be governed by New York law in accordance with, and relying on (at least in part), Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York.

Section 9. Binding Effect. This Amendment No. 11 shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

Section 10. Counterparts. This Amendment No. 11 may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original but all of which when taken together shall constitute one and the same instrument. In making proof of this Amendment No. 11, it shall not be necessary to produce or account for more than one counterpart hereof signed by each of the parties hereto. This Amendment No. 11 may be executed and delivered by telecopier (or other electronic transmission of a manually executed counterpart) with the same force and effect as if it were a manually executed and delivered counterpart. Any party delivering an executed counterpart of this Amendment No. 11 by telecopier (or other electronic transmission of a manually executed counterpart) shall also deliver an original executed counterpart of this Amendment No. 11, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Amendment No. 11 as to such party or any other party.

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IN WITNESS WHEREOF, the parties hereto have executed and delivered this Amendment No. 11 as of the date first written above.

WACHOVIA CAPITAL FINANCE CORPORATION (CENTRAL),  
as Agent and a Lender

By: Laura Oliver  
Name: LAURA OLIVER  
Title: VP

ORMET CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ORMET PRIMARY ALUMINUM CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ORMET ALUMINUM MILL PRODUCTS CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SPECIALTY BLANKS HOLDING CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ORMET RAILROAD CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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WACHOVIA CAPITAL FINANCE CORPORATION (CENTRAL),  
as Agent and a Lender

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ORMET CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO

ORMET PRIMARY ALUMINUM CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO

ORMET ALUMINUM MILL PRODUCTS CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO

SPECIALTY BLANKS HOLDING CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO

ORMET RAILROAD CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO