

**FOR IMMEDIATE RELEASE**

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### **Ormet Announces Burnside Refinery to Close**

Burnside, LA – Ormet Corporation announced today that it will be closing its Burnside Alumina Division by the end of this year. The closure has been forced by the price of alumina, which has dropped dramatically, from more than \$600 per tonne in April to close to \$250 per tonne today.

“The refinery has shut down and reopened several times in the past 20 years, and I expect that’s what will happen again,” said Ken Campbell, Ormet’s CEO. “We kept the facility open as long as we could this time, and did everything in our power to avoid a closure.”

The company sent out 60-day notices to its employees and will begin the process of shutting down. For the next 30 days, the refinery will continue to produce alumina at their current production rate to serve the company’s reduction plant located in Hannibal, Ohio. That plant is in the process of restarting after being idle since January 2005.

The Burnside Bulk Marine Terminal will still operate, however, at a substantially reduced volume. Ultimate resolution of what will happen with the terminal is not yet decided.

Burnside employees will prepare the plant for shut down in such a way that will make it ready to reopen quickly, should alumina prices go back up.

The closure of the refinery is particularly disappointing to Campbell, who, since his arrival at Ormet in April, has been instrumental in negotiating a labor contract, improving employee and management relations, and positioning the refinery for a successful future. “If alumina prices had dropped 30 or 40 percent, we could sustain the hit,” he said. “But no one predicted a decline of this magnitude.” He added the company expects the refinery will restart operations about a year from now at the earliest.

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Campbell also mentioned the company has been in discussions with various groups who have expressed an interest in building other facilities on Ormet's Burnside property that would either make use of the terminal or the refinery. "In light of today's news, we'll continue to pursue those discussions," he said.

Despite the closing, the company will enter into negotiations for the future purchase of bauxite. However, any negotiated prices will be affective for later years, not 2007.

"Sooner or later, we'll turn this place back on as we have in the past," said Campbell. "We just have no way of knowing right now when that will be."

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Headquartered in Hannibal, OH, Ormet Corporation is a major U.S. producer of aluminum, aluminum billet products and smelter-grade alumina. Ormet operates facilities in Ohio and Louisiana and employs approximately 1,300 people.