

FOR IMMEDIATE RELEASE

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**Ormet Announces Power Agreement with AEP
Restart of All Six Potlines to Begin Upon Issuance of PUCO Final Order**

Hannibal, Ohio – Ormet announced today that it has reached a long-term agreement with American Electric Power (AEP) under which AEP will provide power to Ormet's operations in Ohio. Ormet and AEP have filed the agreement with the Public Utilities Commission of Ohio (PUCO) and the company expects that the PUCO will issue an order putting the agreement into effect within the next few weeks. The power agreement will make possible the restart of all six potlines at Ormet's Hannibal facility.

Ormet also announced today that it is finalizing arrangements to raise \$160 million to finance the restart of its potlines. The company expects to raise \$30 million in new equity and \$130 million in debt. In anticipation of the restart, Ormet is scheduling physicals for union members, moving alumina up the river to the production facility, and finalizing long term arrangements with several major suppliers. Ormet expects to have two of the six potlines operating as early as January. The four remaining potlines are expected to begin operating within the next six months.

"Everyone was betting against us because there were so many diverse groups that needed to come together," said Ken Campbell, Ormet's CEO. "But that is exactly what happened and I want to thank the USW union leadership and its members, the AEP power company, elected officials at the state and local levels – particularly Ted Strickland and Joy Padgett – the company's salaried work force, the staff of the Public Utility Commissions of Ohio and our shareholders."

USWA District 1 Director, Dave McCall praised the company's major shareholder, MatlinPatterson, noting that MatlinPatterson has continued to be a vital part of the company's turn around. "Once the right management team was put in place, not only was MatlinPatterson instrumental in the working to achieve

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the labor agreement we reached with Ormet earlier this year, but they have continued to support the company to the point that it has been able to reach a power deal with AEP under which the reduction facility can now be re-opened and operated profitably," McCall said. "MatlinPatterson also has agreed to financially support the company's expenditures to restart the plant. Any questions we may have initially had about MatlinPatterson's intentions for Ormet have long since been answered, as they have proven to be smart, fair and straight-forward partners with Ormet and the Steelworkers in this success story."

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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.