

**FOR IMMEDIATE RELEASE**

**October 31, 2006**

Contact Info:

Linda Regelman

Director of Public Relations

James Communications, Inc.

412-428-0050 or 412.296.2284

[lregelman@jamescomm.net](mailto:lregelman@jamescomm.net)

### **Progress Continues for Ormet**

#### **\$16 Million Bridge Loan Secured, 160 Additional Employees to be Recalled**

Hannibal, Ohio – Ormet announced today that it has secured a bridge loan from majority shareholders MatlinPatterson and Mellon Bank as a means to accelerate efforts to restart the smelter at its Hannibal, Ohio, facility. The loan agreement, which includes up to \$16 million dollars, was entered into after a successful hearing of the Public Utilities Commission of Ohio (PUCO), where no objections were raised to Ormet's proposed long-term agreement with American Electric Power (AEP) to obtain power. These funds will be used to finance the restart until the new loan facility is in place in mid-December.

Approximately 100 hourly employees were called back to the job yesterday and are expected to report to work as soon as tomorrow. An additional 50 employees will be added late next week. This will bring the total active work force in Hannibal to over 300, which includes about 100 employees already at the cast house. The remainder will be dedicated to getting the potlines restarted.

Ormet expects to sign the new power service agreement with AEP on November 8, after the final order is issued by the PUCO as anticipated.

This latest development could potentially result in a restart date for two of the six potlines now as early as late December. Additional employees will be recalled around the time Ormet starts producing aluminum. Ormet's other four potlines are expected to be up and running by late next spring.

# # #

Headquartered in Hannibal, Ohio, 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 when operating at full capacity.