

FOR IMMEDIATE RELEASE

**Ormet Corporation addresses new financial challenges related to recent hurricanes**

On September 30, 2005, Ormet's Chief Financial Officer, Jack Teitz, issued the following statement:

"The recent back-to-back hurricanes in the Gulf of Mexico have had a significant adverse impact on the financial performance of Ormet's alumina facility in Burnside, La. (near Baton Rouge). While the actual physical damage to Ormet's property and operations from the two hurricanes was relatively minor, the resulting impact from reduced production volumes and the subsequent run-up in natural gas prices have resulted in reduced operating margins at the Burnside alumina facility. Despite the relatively strong markets for alumina, Ormet's production levels in August and September were cut back to 75 percent of normal capacity. These volume reductions were caused primarily by the force majeure events that resulted in suspension of the normal supply of natural gas for several days in August and again in September. Furthermore, natural gas availability continues to be constrained and current pricing levels for natural gas have more than doubled in the past four weeks. Based on near-term NYMEX forecasts, natural gas prices are expected to remain at record-high levels through at least April 2006. These extraordinarily high gas prices are an industry-wide issue that are affecting every manufacturing company in the U.S." Teitz said.

Teitz further reported that "As a result of these recent hurricane-induced financial challenges in Louisiana, Ormet will not be in compliance with certain financial covenants as set forth in the company's loan agreements as of September 30, 2005. The company has initiated a dialogue with its lenders and expects to resolve these financial covenant issues in the near future."

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Forward Looking Statements: Certain information included herein is forward-looking. The company believes that the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will be correct and such forward-looking statements should not be unduly relied upon. Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties that may affect actual performance in a materially significant manner.

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