



**SHERWIN ALUMINA
COMPANY, LLC**

February 4, 2016

Mr. Ben Lilienfeld
Sub-District Director
United Steelworkers
1300 Rollingbrook Dr. Suite 504
Baytown, Texas 77521

VIA HAND DELIVERY AND CMRRR

Mr. Terry Howard
President
Local 235A
P.O. Box 1601
Corpus Christi, TX 78403

Re: “WARN Act” Notice

Dear Mr. Lilienfeld:

This letter is being sent by Sherwin Alumina Company LLC (“Sherwin” or the “Company”) pursuant to the federal Worker Adjustment and Retraining Notification Act of 1988, better known as “WARN.” The purpose of the letter is to notify United Steelworkers Local 235-A, and the United Steelworkers International Union of certain developments that could result in substantial layoffs and/or a complete cessation of business operations at the Company’s alumina processing plant at 4633 Highway 361, Gregory, Texas 78359 (the “Facility”). Although Sherwin is uncertain whether (or when) layoffs will occur and/or the Facility will permanently suspend its operations, out of an abundance of caution, this letter is being sent to you, as well as the entire Sherwin workforce and all appropriate government agencies, to meet in good faith any applicable legal requirements and to apprise you of very recent developments that may affect your members.

As you know, on January 11, 2016 Sherwin commenced a case under Chapter 11 of the U.S. Bankruptcy Code with the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”) to sell substantially all of its assets to Corpus Christi Alumina, LLC pursuant to a chapter 11 plan or as otherwise approved by the Bankruptcy Court. The Company’s proposed sale, if approved by the Bankruptcy Court, would permit Sherwin to continue to operate the Facility and thereby preserve nearly 2,000 jobs in the Corpus Christi region. The proposed sale also contemplated that Sherwin would continue to operate the Facility, and to maintain its equipment, inventory, and assets for an eventual purchaser. To carry out those plans, the Company secured a \$40-million debtor-in-possession (“DIP”) loan that would permit operations for a few months during the completion of the bankruptcy sale process.

The proposed sale required Sherwin to satisfy certain closing conditions, including, among others, the requirement to reach a new commercial arrangement with the power company that supplies the Gregory plant with steam and electricity, Gregory Power Partners, LLC (“GPP”), and the requirement that Sherwin’s assets be

sold free and clear of any and all obligations. For the plant to survive, it is necessary for the GPP contract to be modified, among other things. However, GPP recently advised the Company that it will not change the pricing terms under its contract. As a result, Sherwin's DIP lender has notified the Company of its decision to withdraw the DIP loan. In addition, Corpus Christi Alumina, LLC, which had signed a purchase agreement with Sherwin to purchase substantially all of the Company's assets, plans to withdraw its bid.

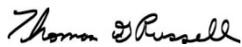
At this time, Sherwin does not plan to immediately suspend its operations, and hopes to continue to work to maximize the value of its business and to identify alternative financing sources and bidders.

However, it is possible that Sherwin may be compelled to permanently cease operations.

As a result, the Company's management is now preparing a plan to suspend operations at the Facility. At this time, Company management's best estimate is that the Facility will cease most or all of its operations and permanently lay off all or substantially all of its employees sometime during the 14-day period between March 17 and March 31, 2016. These layoffs are expected to be permanent, and there are no bumping or other transfer rights from this facility within the Company. While we would have preferred to advise the Union before now of these layoffs, earlier notice was not possible for the reasons explained above, and would have hastened the Facility's shutdown. Enclosed with this notice is a listing of the names of affected Union employees and job titles.

If you have any questions, feel free to contact Mr. John Vasquez at 361/777-2227. We appreciate your patience and continued efforts during this difficult period.

Sincerely,



Thomas G. Russell
President & CEO

CC: Thomas M. Conway, USW
Marshall B. Babson, Seyfarth Shaw