

**FOURTH AMENDMENT TO  
TERM LOAN AND SECURITY AGREEMENT**

THIS FOURTH AMENDMENT TO TERM LOAN AND SECURITY AGREEMENT (this "Amendment") is entered into as of December 26, 2012, by and among Ormet Corporation, a Delaware corporation ("Parent"), Ormet Primary Aluminum Corporation, a Delaware corporation ("OPAC"), Ormet Aluminum Mill Products Corporation, a Delaware corporation ("Ormet Mill", and together with Parent and OPAC, each individually a "Borrower" and collectively, "Borrowers"), Specialty Blanks Holding Corporation, a Delaware corporation ("Specialty Holding") and Ormet Railroad Corporation, a Delaware corporation ("Ormet Railroad", and together with Specialty Holding, each individually a "Guarantor" and collectively, "Guarantors"), and the lenders party hereto (each individually, a "Lender" and collectively, "Lenders").

WITNESSETH:

WHEREAS, The Bank of New York Mellon in its capacity as agent for Lenders (in such capacity, "Agent"), Lenders, Borrowers and Guarantors have entered into financing arrangements as set forth in the Term Loan and Security Agreement, dated March 1, 2010, by and among Agent, Lenders, Borrowers and Guarantors, as amended by that certain First Amendment to Term Loan and Security Agreement, dated as of May 6, 2011, and that certain Second Amendment to Term Loan and Security Agreement, dated as of March 28, 2012, as amended by that certain Third Amendment Term Loan and Security Agreement dated as of September 28, 2012 (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement");

WHEREAS, Borrowers and Guarantors have requested that Lenders amend the Loan Agreement in respect of the certain interest payment due January 1, 2013; and

WHEREAS, Borrowers and Guarantors and Lenders desire to enter into this Amendment to evidence and effectuate such amendments to the Loan Agreement subject to the terms and conditions and to the extent set forth herein.

NOW, THEREFORE, in consideration of the premises and covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Borrowers and Guarantors and Lenders agree as follows:

Section 1. Interpretation. Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings ascribed to them in the Loan Agreement.

Section 2. Interest. Section 3.1(b) of the Loan Agreement is hereby replaced with the following new Section 3.1(b):

“(b) Interest shall be due and payable by Borrowers, quarterly in arrears on the first day of each of January, April, July and October; *provided that*, the interest payment due on October 1, 2012 and January 1, 2013 shall be paid-in-kind by adding the unpaid interest that has accrued pursuant to Section 3.1(a) of the Loan Agreement

through such date to the principal amount of the Loans. Interest shall be calculated on the basis of a three hundred sixty-five (365) or three hundred sixty-six (366) day year, as the case may be.”

Section 3. Representations, Warranties and Covenants. Each Borrower and Guarantor represents, warrants and covenants with, to and in favor of Agent and each Secured Party as follows, which representations, warranties and covenants are continuing and shall survive the execution and delivery hereof, the truth and accuracy of, or compliance with each, together with the representations, warranties and covenants in the other Financing Agreements, being a condition of the effectiveness of this Amendment:

3.1 This Amendment has been duly authorized, executed and delivered by all necessary action on the part of Borrowers and Guarantors which are a party hereto and is in full force and effect as of the date hereof, as the case may be, and the obligations of Borrowers or Guarantors contained herein constitute legal, valid and binding obligations of Borrowers and Guarantors, as the case may be, enforceable against them in accordance with their terms.

3.2 After giving effect to the transactions contemplated herein and hereby and the provisions of this Amendment, Borrowers, Guarantors and their respective Subsidiaries are not in default under, in violation of or in contravention of, in any respect, any indenture, mortgage, deed of trust, deed to secure debt, material agreement or instrument to which it is a party or by which it or any of its assets or properties may be or are bound.

3.3 Borrowers and Guarantors have obtained any necessary consent and approval from any third party or Governmental Authority required to be obtained by Borrowers and Guarantors, including, without limitation an amendment, consent of, or waiver by, Revolver Agent or Revolver Lenders under the Revolver Loan Documents.

3.4 All of the representations and warranties set forth in the Loan Agreement as amended hereby (other than the last sentence in Section 8.3(a) of the Loan Agreement and Section 8.6(a) of the Loan Agreement) are true and correct in all material respects after giving effect to the provisions of this Amendment, except to the extent any such representation or warranty is made as of a specified date, in which case such representation or warranty shall have been true and correct as of such date.

3.5 After giving effect to the amendments contemplated by this Amendment, no Default or Event of Default exists or has occurred and is continuing.

Section 4. Conditions Precedent. Concurrently with the execution and delivery hereof, and as a further condition to the effectiveness of this Amendment and the agreement of Lenders to the modifications and amendments set forth in this Amendment:

4.1 Lenders shall have received, in form and substance satisfactory to Lenders, an executed copy of an original or executed original counterparts of this Amendment by electronic mail or facsimile (with the originals to be delivered within five (5) Business Days after the date hereof), duly authorized, executed and delivered by each Borrower and Guarantor; and

*J. B. M.*  
*12/24*

4.2 after giving effect to the amendments contemplated by this Amendment, no Default or Event of Default shall exist or have occurred and be continuing.

Section 5. Effect of this Amendment. This Amendment constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior oral or written communications, memoranda, proposals, negotiations, discussions, term sheets and commitments with respect to the subject matter hereof. Except as expressly provided herein, no other changes or modifications to the Loan Agreement or any of the other Financing Agreements, or waivers of or consents under any provisions of any of the foregoing, are intended or implied by this Amendment, and in all other respects the Financing Agreements are hereby specifically ratified, restated and confirmed by all parties hereto as of the effective date of this Amendment. The applicable provisions of this Amendment and the Loan Agreement shall be read and interpreted as one agreement. To the extent that any provision of the Loan Agreement or any of the other Financing Agreements conflicts with any provision of this Amendment, the provision of this Amendment shall control.

Section 6. Further Assurances. Borrowers and Guarantors shall execute and deliver such additional documents and take such additional action as may be reasonably requested by Agent or Lenders to effectuate the provisions and purposes of this Amendment.

Section 7. Governing Law. The validity, interpretation and enforcement of this Amendment in any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise shall be governed by the internal laws of the State of New York, without regard to any principle of conflict of laws or other rule of law that would result in the application of the law of any jurisdiction other than the State of New York. Without in any way limiting the foregoing, the parties elect to be governed by New York law in accordance with, and relying on (at least in part), Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York.

Section 8. Binding Effect. This Amendment shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

Section 9. Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original but all of which when taken together shall constitute one and the same instrument. In making proof of this Amendment, it shall not be necessary to produce or account for more than one counterpart hereof signed by each of the parties hereto. This Amendment may be executed and delivered by telecopier (or other electronic transmission of a manually executed counterpart) with the same force and effect as if it were a manually executed and delivered counterpart. Any party delivering an executed counterpart of this Amendment by telecopier (or other electronic transmission of a manually executed counterpart) shall also deliver an original executed counterpart of this Amendment, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Amendment as to such party or any other party.

Section 10. Release. In consideration of, among other things, the Lenders' execution and delivery of this Amendment, each Borrower and each Obligor, on behalf of itself and on behalf of its Subsidiaries, successors and assigns (the "Ormet Parties"), hereby absolutely and

*JBR*  
*12/24*

unconditionally releases, acquits and forever discharges the Agent, each Lender, and their respective subsidiaries, parents, affiliates, officers, directors, employees, agents, attorneys, financial advisors, successors and assigns, both present and former (collectively, the "Lender Parties") from any and all manner of actions, causes of action, suits, debts, controversies, damages, judgments, executions, claims and demands whatsoever, asserted or unasserted, in contract, tort, law or equity which any Ormet Party has or may have against any of the Lender Parties by reason of any action, failure to act, matter or thing whatsoever arising from or based on facts occurring prior to the date of the Amendment in respect of the Financing Agreements, including but not limited to, any claim or defense that relates to, in whole or in part, directly or indirectly, (i) the making or administration of the Loans, including, without limitation, any such claims and defenses based on fraud, mistake, duress, usury or misrepresentation, or any other claim based on so-called "lender liability theories", (ii) any covenants, agreements, duties or obligations set forth in the Financing Agreements, (iii) any actions or omissions of any of the Lender Parties in connection with the initiation or continuing exercise of any right or remedy contained in the Financing Agreements or at law or in equity, (iv) lost profits, (v) loss of business opportunity, (vi) increased financing costs, (vii) increased legal or other administrative fees or (viii) damages to business reputation (collectively, the "Claims"). In entering into this Amendment, each of the Borrowers and Guarantors party hereto consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on any representations, acts or omissions by any of the Lender Parties and each hereby agrees and acknowledges that the validity and effectiveness of the releases set forth herein do not depend in any way on any such representations, acts and/or omissions or the accuracy, completeness or validity hereof. The provisions of this Section shall survive the termination of any or all of the Financing Agreements and payment in full of the Obligations.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

JBR  
12/26

**EXECUTION VERSION**

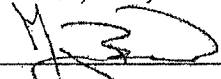
In witness whereof, the parties have executed and delivered this Amendment as of the date first written above.

LENDERS

WAYZATA OPPORTUNITIES FUND II,  
L.P.


By: WOF II GP, L.P., its General Partner

By: WOF II GP, LLC, its General Partner

By:   
Name: **Mary I. Burns**  
Title: **Authorized Signatory**

WAYZATA OPPORTUNITIES FUND, LLC

By: Wayzata Investment Partners LLC, its  
Manager

By:   
Name: **Mary I. Burns**  
Title: **Authorized Signatory**

By:

EXECUTION VERSION

BORROWERS

ORMET CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO

ORMET PRIMARY ALUMINUM CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO

ORMET ALUMINUM MILL PRODUCTS CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO

GUARANTORS

SPECIALTY BLANKS HOLDING CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO

ORMET RAILROAD CORPORATION

By: James B. Riley  
Name: JAMES B. RILEY  
Title: CFO

Fourth JBR 12/31/12