

1. What was announced?

- Sherwin Alumina announced that it has filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas, in Corpus Christi, TX.
- During the bankruptcy, the Company intends to continue its plant operations in the ordinary course.
- In connection with the Chapter 11 filing, Sherwin also announced that it has entered into an asset purchase agreement with Corpus Christi Alumina, LLC, an affiliate of its senior secured lender Commodity Funding, LLC, which is a subsidiary of Sherwin's ultimate equity owner, Glencore Ltd. Under the terms of the asset purchase agreement, Corpus Christi Alumina will acquire substantially all of Sherwin's assets.
- Corpus Christi Alumina will serve as the "stalking horse bidder" and its bid is subject to higher and otherwise better offers, among other conditions. Sherwin plans to seek approval of the proposed sale as part of confirmation of a Chapter 11 plan. If approved, the proposal would allow the Company to expeditiously complete its Chapter 11 sale process and emerge debt-free.

2. Why is Sherwin doing this?

- Like many other commodity companies, Sherwin has been significantly impacted by the challenging commodity pricing environment. These macro-economic conditions have negatively affected the underlying value of Sherwin's assets.
- Although this was not an easy decision, the Company has determined that the transaction is the proper path forward for Sherwin in a difficult commodity pricing environment.
- During the Chapter 11 process, the Company intends to continue its plant operations in the ordinary course.

3. How will the Chapter 11 process affect day-to-day operations?

- During the bankruptcy, the Company intends to continue its plant operations in the ordinary course.
- We are committed to maintaining safe, productive operations during the Chapter 11 process, and we may still need the products and services you supply for or provide to us.

4. What will happen to Sherwin following the Chapter 11 process?

- During the bankruptcy, the Company intends to continue its plant operations in the ordinary course.
- Beyond that, no final decisions have been made yet and we cannot speculate on what the buyer might do in the future.

5. What is Sherwin's overall financial position?

- The Company has received a commitment for \$40 million in "debtor in possession" ("DIP") financing from Commodity Funding LLC, the Company's primary pre-petition lender, to support its continued post-filing operations.
- Upon approval by the Court, the DIP financing, combined with cash generated from ongoing operations post-filing, will provide sufficient liquidity to support the business during the Chapter 11 process.



6. Will vendors be paid for goods and services they provide to Sherwin on or after the filing date?

- Sherwin intends to pay vendors in full and under normal terms for goods and services provided after January 11, 2016, the date the Company filed for Chapter 11.

7. Will vendors be paid for goods and services they provided to Sherwin before the filing date?

- Federal law prohibits us from paying, and prohibits vendors from collecting, any debts we may owe vendors for goods or services provided to Sherwin before the Chapter 11 filing date, unless specifically authorized by the Court.
- Creditors will be able to file a claim for any pre-petition amounts owed to them.
- Additional information regarding the claims process will be sent to creditors as soon as it is available.

8. Why should I continue to provide you with goods and services if I have pre-petition claims?

- Federal law prohibits us from paying, and prohibits vendors from collecting, any debts we may owe vendors for goods or services provided to Sherwin before the Chapter 11 filing date, unless specifically authorized by the Court.
- Creditors will be able to file a claim for any pre-petition amounts owed to them.
- We value the partnership we have developed with your company.

9. I understand that companies that file for Chapter 11 protection are able to put some vendors on a “ Critical Vendors List” that allows them to continue to be paid under normal terms, even for invoices that are unpaid at the time of the filing. How can I get on that list?

- Typically, the Court only authorizes a very small pool of critical vendor dollars to pay pre-petition obligations.
- We have asked the Bankruptcy Court to authorize Sherwin to pay pre-petition obligations for these critical vendors, provided they continue to provide us with goods and services under the same or better terms.

10. When will Sherwin complete the Chapter 11 process?

- Sherwin plans to seek approval of the proposed sale as part of confirmation of a Chapter 11 plan. If approved, the proposal would allow the Company to expeditiously complete its Chapter 11 sale process and emerge debt-free.
- Feel free to inquire regarding updates as we make progress.

11. How can I obtain more information?

- If you have further questions about the Chapter 11 process, please do not hesitate to reach out to your usual contact at Sherwin.
- Additional information is also available at a website administered by the Company's claims agent, Kurtzman Carson Consultants, at <http://www.kccllc.net/sherwin>.