



**To: Valued Customer of Kentucky Electric Steel**

**Subject: Conflict Minerals Statement**

**Date: June 9, 2017**

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Securities and Exchange Commission Rules adopted in connection therewith, require certain corporations to report the use of "Conflict Minerals" in the manufacture of their products. Generally, Conflict Minerals collectively refers to cassiterite, columbite-tantalite, gold, wolframite, or their derivatives, including tantalum, tin and tungsten, which originate from the Democratic Republic of the Congo or specified adjoining countries (referred to herein as "Covered Countries")

While we, as a privately held company, are not subject to the Conflict Minerals rules and reporting requirements, we understand that our customers may be, and we are committed to helping our customers comply with their reporting requirements.

In order to determine if our manufactured products contain Conflict Minerals, we have conducted a reasonable and good faith survey of our current key suppliers to ascertain their use of any Conflict Minerals in the materials they supply to us. Based on the results of that survey, we can currently represent that, to the best of our knowledge, our manufactured products ***(i) do not contain Conflict Minerals, (ii) contain Conflict Minerals that do not originate in the Covered Countries, and/or (iii) contain Conflict Minerals that originate from recycled or scrap sources.***

We will continue to work with our key suppliers to ensure that we are able to identify the use of Conflict Minerals in our supply chain, and the representations made in this statement remain accurate. To that end, we reserve the right to amend this statement at any time based on subsequent developments or information.

Should you have any questions or concerns regarding this statement, please do not hesitate to contact us.

**Kentucky Electric Steel**