

## CONFLICT MINERALS STATEMENT

### Ellwood Quality Steels and Ellwood National Steel

October, 2012

Ellwood Quality Steels Company ("EQS") and its affiliate Ellwood National Steel Company ("ENS") are aware that certain customers (or customers' customers) are required to make disclosures regarding the origin of "conflict minerals" used to manufacture their products, pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. These "conflict minerals" consist of Columbite-Tantalite ("Coltan") and derivatives thereof (including Tantalum and Niobium), Cassiterite (Tin), Gold and Wolframite (Tungsten). It is our understanding that these federally-imposed disclosure requirements stem from concern that funds from the sale of "conflict minerals" sourced in the Democratic Republic of the Congo and adjoining countries Angola, Burundi, the Central African Republic, Congo, Rwanda, Sudan, Uganda, the United Republic of Tanzania, and Zambia (collectively the "Conflict Countries"), are being used to support armed groups that are responsible for abuses against civilians and other human right violations in the region.

EQS and ENS utilize Tungsten and Niobium in the manufacture of certain grades of steel. Although EQS and ENS are privately owned companies that are not directly subject to Section 1502 of the Dodd-Frank Act, we have asked our current suppliers to tell us the origin of the Tungsten and Niobium that we buy from them. We have been informed that the Tungsten and Niobium that is being supplied to us are not from Conflict Countries. Of course, we have no way of absolutely verifying this information because we buy these minerals from traders and not directly from the mines.

EQS and ENS have informed their suppliers that they do not wish to purchase Tungsten or Niobium sourced from Conflict Countries. We will not knowingly purchase either of these minerals sourced from Conflict Countries, for so long as the Dodd-Frank Act imposes the disclosure requirements described above.