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PRESS RELEASE

Recovery plan project for Société Le Nickel (SLN):

- Agreement in principle reached between SLN's shareholders on the financing scheme and related arrangements**
- Strengthening of cost reduction and productivity improvement plan**

ERAMET's Board of Directors met today under the chairmanship of Patrick Buffet. The Board approved the project for the cost reduction and productivity improvement plan presented by the Executive Management of SLN, a 56% owned subsidiary of ERAMET. The project focuses on SLN's mines and metallurgical plant in New Caledonia.

The objective is to reduce SLN's cash cost by 25% compared with the 2015 average at end-2017 at an annual rate to USD 4.50/lb on the basis of the economic conditions of early 2016. This project will be submitted to staff representative bodies as well as the SLN's Board of Directors in May 2016.

ERAMET's Board of Directors has also noted that the STCPI¹ has been offered financing by the French government up to €200 million. The STCPI has agreed to ensure its financial contribution share towards SLN's continued operations and the roll-out of the cost reduction and productivity improvement plan project.

For its part, ERAMET's Board of Directors has agreed to provide additional financing of €40 million to ensure SLN's continued operations until end-June, a period that is needed to implement the STCPI's loan to SLN for its contribution share. ERAMET's Board of Directors recalled that since end-2015, ERAMET has had to temporarily provide financing for SLN with the approval of SLN's Board of Directors, for a total amount of €150 million.

After the Board of Directors meeting, Patrick Buffet, Chairman and Chief Executive Officer of ERAMET stated:

"I am pleased that a solution has been found for the current and future financing of SLN, involving its shareholders. Continuing with SLN's turnaround requires the energy and the determination of all parties: employees, SLN shareholders, partners with the support of the New Caledonian government."

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¹ Société Territoriale Calédonienne de Participation Industrielle, the three Caledonian provinces' investment vehicle, with a 34% stake in SLN.



ABOUT ERAMET

ERAMET is a leading global producer of:

- alloying metals, particularly manganese and nickel, used to improve the properties of steel,
- high-performance special steels and alloys used in industries such as aerospace, power generation and tooling.

ERAMET is also developing new activities with high growth potential, such as mineral sands (titanium dioxide and zirconium), lithium and recycling. The Group employs approximately 14,000 people in 21 countries.

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