



March 31, 2018

At 12:00am March 31st the transfer of the Gerdau Long Steel North America Beaumont Steel Mill to Optimus Steel, LLC was completed. I wanted to communicate some differences you will see on our wire rod tags.

- Tag color has changed from pantone yellow to white.
- Gerdau logo and company name has been replaced with Optimus.
- The heat number format has change which is explained in further detail below.

The format for Gerdau heat numbers was a 10 character heat number. The first two characters of the heat number identify the mill/furnace where the heat was produced, the next 6 characters identified the heat number and the next 2 characters was a differentiator to identify product batches that were made from the same heat. For example 5212345603, should be read as 52-123456-03 where 52 is the Mill/Furnace number, 123456 is the melt heat number and 03 is the third product made from heat 123456.

The Optimus heat numbers have been simplified in that it will just be a sequential number. The first heat produced by Optimus Steel was OT0000001. This heat number will index for each batch produced. For example OT0000002, OT0000003 etc.

As always I'm available to answer questions on above are anything else concerning our Mill.

Sincerely,

Leonardo Radicchi Soares Cunha
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