



January 14, 2019

Subject: **February 2019 Surcharges**

To Our Customers:

The scrap surcharge for February is \$14.25/CWT, plus an additional \$0.35/CWT for manganese and \$0.00/CWT for Natural Gas based on the January NYMEX settlement price which is less than \$6.60/MMBTU. Alloy surcharges for February will be predicated on the following prices:

| | | |
|-----------|----|--------------------------------|
| Nickel | \$ | 4.92/LB (LME) |
| Moly | \$ | 12.12/LB (Platt's Metals Week) |
| Chrome | \$ | 1.11/LB (Platt's Metals Week) |
| Vanadium | \$ | 50.63/LB (Platt's Metals Week) |
| Manganese | \$ | 1,335/GT (Platt's Metals Week) |

Alloy surcharges for typical grades: (All prices per CWT.)

| Standard Grades | Nickel | Moly | Chrome | Total |
|-----------------|---------|---------|---------|---------|
| 4023 thru 4047 | - | \$ 2.68 | - | \$ 2.68 |
| 4118 | - | \$ 1.29 | \$ 0.39 | \$ 1.68 |
| 4130 thru 4150 | - | \$ 2.15 | \$.74 | \$ 2.89 |
| 4161 | - | \$ 3.22 | \$ 0.62 | \$ 3.84 |
| 4320 | \$ 3.26 | \$ 2.68 | \$ 0.39 | \$ 6.33 |
| 4340 | \$ 3.26 | \$ 2.68 | \$ 0.62 | \$ 6.56 |
| 4615 and 4620 | \$ 3.26 | \$ 2.68 | - | \$ 5.94 |
| 5140 and 5160 | - | - | \$ 0.62 | \$ 0.62 |
| 8615 thru 8655 | \$.98 | \$ 2.15 | \$ 0.39 | \$ 3.52 |
| 8720 and 8740 | \$.98 | \$ 2.68 | \$ 0.39 | \$ 4.05 |
| 8822 | \$.98 | \$ 3.76 | \$ 0.39 | \$ 5.13 |
| 9254 | - | - | \$ 0.54 | \$ 0.54 |
| 9310 | \$ 5.81 | \$ 1.23 | \$.95 | \$7.99 |
| 52100 | - | - | \$ 1.13 | \$ 1.13 |

Please note that vanadium surcharges will be applied to grades with a specified vanadium content.

Please refer any questions you may have to your Republic Steel Sales Representative or Customer Service Representative.

Sincerely,

J. T. Thielens, Jr.
Executive Vice President – Commercial