

Big River Steel, LLC to Build \$1 Billion Plant in Mississippi County, Arkansas Governor to Refer Project to Legislature for Amendment 82 Action

LITTLE ROCK, Arkansas (January 29, 2013) – Big River Steel, LLC today announced plans to build a more than \$1 billion steel mill in Mississippi County, Arkansas that will directly employ more than 500 people with annual average compensation of \$75,000 a year.

The plans are contingent on approval by the legislature authorizing the state to issue \$125 million in general obligation bonds under the authority of Amendment 82 and all necessary regulatory approvals. As required by the Amendment, Governor Mike Beebe will be referring the project to the legislature for its consideration.

This is the first time Amendment 82 has been triggered since its adoption during the November 2004 general election. It allows the state legislature to approve up to 5 percent of the state's general revenue budget to be used for bonding of super economic development projects.

John Correnti is Big River Steel's chief executive officer and heads a group of investors backing the project.

"Having lived in Arkansas for over 20 years and having been involved in building and operating two other world class steel mills in the state, I know first-hand that the quality of the work force in Arkansas is outstanding and well suited for the high-paying jobs we intend to create," said Correnti. "Arkansas's geographic location in the heart of the markets we intend to serve, the state's well-developed transportation infrastructure as well as the availability of reliable electrical power and the 'can do attitude' of the government officials in Little Rock, Mississippi County and Osceola make Arkansas a great place for Big River Steel to make its investment."

"A project of this scope will be a catalyst for job creation, investment and economic development beyond this one facility," Governor Beebe said. "Building Big River Steel will mean up to 2,000 construction jobs, and it will help us recruit more supplier businesses and steel consumers to Northeast Arkansas."

Big River will produce steel for the automotive, oil and gas and electrical energy industries. Construction of the mill will take approximately 20 months from ground breaking which is expected later this year.

"The Big River Steel project will change the demographics of Mississippi County and Osceola in particular, now, and for generations to come," said Osceola Mayor Dickie Kennemore. "It will continue to improve our economy and will positively impact all our citizens and every aspect of their lives, and every entity in our community."

The \$125 million generated by the sale of the bonds will be used as follows:

- \$50 million loan to Big River Steel
- \$50 million for site preparation
- \$20 million for costs associated with piling – subsurface stabilization • \$5 million bond issuance cost

Once Beebe refers the project to the Speaker of the House and President Pro Tempore of the Senate, the legislature will have 20 working days to conduct its own independent economic impact study. The legislation will then work its way through the committee process after which a vote of both houses of the legislature will be taken.

A project of this magnitude involved many entities, public and private, to negotiate terms that make this announcement possible. Among the agencies and companies that worked to bring Big River Steel, LLC to Arkansas include: Governor's Office, Arkansas Economic Development Commission, Arkansas Department of Finance and Administration, Arkansas Development Finance Authority, Arkansas Department of Environmental Quality, Attorney General's Office, Arkansas Department of Workforce Services, Arkansas Capital Corporation and its affiliates, Mississippi County Economic Development, the City of Osceola, Entergy Arkansas, Inc., and BNSF Railway.

All employment inquiries should be made to the Blytheville Office of the Arkansas Department of Workforce Services, P.O. Box 1409, Blytheville, Arkansas 72316. Phone 870-762-2035.