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May 28, 2021

Subject: Boltex Manufacturing Price Announcement

To Our Valued Customers,

I know that I have spoken to most of you over the past few days and I want to express my sincere appreciation for the candid conversations and your perspectives on our industry. As I'm sure I've mentioned to all of you in the past but it is worth repeating now: I have been in this business for almost 40 years and I have never seen a marketplace quite like this one.

When we announced the price increase a month ago, we anticipated that steel prices and manufacturing input costs including machine oil, fuel, packaging and paint would stabilize. Since that time, raw material and manufacturing input costs have risen much higher than we expected as a result of increased demand and capacity constraints, and in some instances, shortages are occurring. We have also experienced record freight rates and labor shortages as the supply of qualified manufacturing workers and truck drivers cannot satisfy the existing demand. Given this current marketplace, we find it necessary to further increase prices on our A105 and A105 150lb & 300lb normalized products.

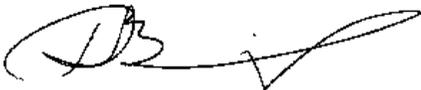
Boltex will raise list prices by 20% on both A105 and A105 150lb & 300lb normalized products as reflected in the new Boltex price sheets which can be found on our website www.boltex.com. These increases will be effective with orders placed on or after June 15th, 2021.

At first glance this increase may seem steep; however, please recall that in June 2019, Boltex was forced to lower list prices by 25% and increase sales incentives due to deteriorating market conditions. The announced 20% increase, in combination with the price increases implemented over the last few months, will only serve to raise prices back to pre-June 2019 levels (i.e., a 33.3% increase is required to recapture a 25% decrease). Additionally, please note that since June 2019 domestic steel billet prices have increased 35% on average, while some larger-sized billet has increased 53% over the same time span. With that in mind, while the 20% increase serves to reestablish historical price levels, it does not address the significant increase in raw material and manufacturing costs.

We continue to have frequent conversations with our major suppliers about pricing and availability and at this moment in time there is little reason to think that conditions are moderating as supply remains constrained. We promise to keep you informed should conditions change.

We appreciate your continued support and look forward to continuing our successful business relationship in the future. If you have any questions, please contact me directly or reach out to your local sales representative for further information.

Kind Regards,



Frank V. Bernobich
President