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COVID-19 Update #1 - 16 March 2020

The news on the outbreak of the coronavirus (COVID-19) continues to change daily and its impact is causing concern across many countries. All of us are concerned about what happens next and how we can plan for this to minimize the impact on our families, our employees and our customers. To keep all our business partners informed KaMin will begin to issue a weekly update on the situation. We will update more often if conditions merit.

Update:

All of our facilities located in Georgia (USA), Belgium and Brazil continue to be fully operational and we are delivering kaolin products with no supply interruptions. Our operations source raw materials both domestically and internationally and are working with our supply partners to ensure we have sufficient supply to weather any short-term supply chain disruptions. We maintain stock of all international raw materials locally as a buffer stock to ensure minor supply chain disruptions will not impact our production schedules. At present we know of no supply chain disruptions that would impact our ability to supply product to our customers.

Our customers are extremely important and we are monitoring our supply chain daily to adjust for any contingencies. We are in constant communication with regional Port Authorities here in the Americas as well as Europe and as of now the Ports are fully operational and supply lines have not been disrupted. We have seen some spot capacity issues on the domestic trucking side in the USA and we are monitoring and working to bring on additional capacity if the need arises. Our Ports for both Bulk and Containerized cargo are closely monitoring the situation and have solid plans in place to flex with both decreases and increases in demand. The Georgia Port Authority did see a precipitous drop in imports at the onset of the COVID-19 break out, however import bookings on the water now show a strong increase which is an important leading indicator for a return to normalcy. Once again the information is changing daily so we will continue to report out if/when new information becomes available.

As the next few weeks are difficult to predict we are encouraging our customers to monitor their inventories closely and where possible maintain maximum inventories to minimize the risk of short-term supply chain disruptions. Our lead times for products sources from our operations remain the same.

KaMin operates three plants in the US, one in Brazil and a distribution hub in Antwerp. These plants provide back up support for one another outlined below:

1. Our plants in the US can produce product as needed to support our other facilities. Should we experience any disruption at one of these facilities we can support from the other locations? Our Wrens plant, which specializes in the production of ultrafine kaolin's, is also backed by our operation in Munguba, Brazil which makes the same types of products.
2. Our export business flows out of the port of Savannah. This is the most efficient way to get products to our customers. While we do not expect any disruption there if there was a disruption products could be exported through nearby ports in Charleston, SC or



- Jacksonville, Florida. We also have the ability to export product from our distribution hub in Antwerp.
3. Our distribution hub in Antwerp also produces kaolin slurry products for our customers in central Europe. Should this facility be impacted we would work with third party make down facilities in the region that could provide kaolin make down support. We are currently working to develop agreements for this back up support plan.

KaMin has employees and customers in all regions of the world and we are monitoring the situation and taking proactive measures to minimize the risk to our employees and to our customers. We will continue to remain vigilant following the recommendations issued by the Center for Disease Control (CDC) and the World Health Organization and also taking proactive steps to ensure the highest level of protection for our employees and our customers. This includes postponing scheduled training events to reduce any risk of inadvertently transmitting the disease through these gatherings and working remotely as is possible to limit social interactions. Safety is and will remain our number one priority.

The changing nature of this situation is certainly a challenge and we want you to know we take our role in the supply of product to you seriously. While we don't know what will happen next we want you to be aware that we are monitoring the situation so as to be well positioned to react to the changing dynamics.

Thank you for your continued business and support. We will send further updates as more information becomes available. If you have specific questions please make your KaMin Business Manager aware and we will work to get you an answer quickly.