

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	§	Jointly Administered
KAISER ALUMINUM CORPORATION, a	§	Case No. 02-10429 (JKF)
Delaware corporation, <i>et al.</i> ,	§	
	§	
Debtors.	§	Chapter 11

MONTHLY OPERATING REPORT FOR THE PERIOD
AUGUST 1, 2002 TO AUGUST 31, 2002

KAISER ALUMINUM CORPORATION - ALL DEBTORS
MONTHLY OPERATING REPORT
For the Period August 1, 2002 to August 31, 2002

TABLE OF CONTENTS

	<u>Form Number</u>
Declaration of Daniel D. Maddox	N/A
Schedule of Consolidated Cash Receipts and Disbursements	MOR-1
Statements of Operations	MOR-2
Balance Sheets	MOR-3
Liability Not Subject to Compromise - Accounts Payable Aging	MOR-4
Trade Accounts Receivable Aging	MOR-5
Affidavit of Daniel D. Maddox in support of Monthly Operating Report for the period August 1, 2002 through August 31, 2002	N/A
Summary of Risk Management Insurance Policies	N/A

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:
KAISER ALUMINUM CORPORATION, *et al.*

§ Jointly Administered
§ Case No. 02-10429 (JKF)

Debtors.

Chapter 11

MONTHLY OPERATING REPORT

Required Documents	Form No.	Document Attached	Explanation Attached
Schedule of Consolidated Cash Receipts and Disbursements (1)	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations) (2)			
Copies of Bank Statements (2)			
Statements of Operations	MOR-2	X	
Balance Sheets	MOR-3	X	
Status of Post-petition Taxes			X
Copies of IRS Form 6123 or payment receipt			X
Copies of tax returns filed during reporting period			X
Summary of Unpaid Post-petition Debts			X
Liability Not Subject to Compromise - Accounts Payable Aging	MOR-4	X	
Trade Accounts Receivable Aging (3)	MOR-5	X	
Debtor Questionnaire	MOR-6		X

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.


Signature of Authorized Individual *

09/25/02
Date

Daniel D. Maddox
Printed Name of Authorized Individual

Vice President and Controller
Title of Authorized Individual

* Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager if debtor is a limited liability company.

- (1) Per agreement with the Office of the United States Trustee, the debtors are only providing a schedule of consolidated cash receipts and disbursements. Cash expenses, rather than actual disbursements, will be used to calculate the United States Trustee quarterly fees. See MOR-2.
- (2) Per agreement with the Office of the United States Trustee, bank statements and reconciliations are not being provided.
- (3) Per agreement with the Office of the United States Trustee, an accounts receivable reconciliation has not been provided. An accounts receivable aging on a consolidated basis has been provided.

KAISER ALUMINUM CORPORATION - ALL DEBTORS
SCHEDULE OF CONSOLIDATED CASH RECEIPTS AND DISBURSEMENTS (UNAUDITED) (1)
For the Period August 1, 2002 through August 31, 2002

(\$000's)

RECEIPTS

Trade Receivables		
KACC Receivables	\$	71,350
KAI Receivables		44,400
<i>Total Trade Receivables</i>		<u>115,750</u>
Asbestos Insurance Recoveries		<u>25</u>
<i>Total Receipts</i>		<u>115,775</u>

DISBURSEMENTS

Inventory/Raw Materials		30,753
Capital Expenditures		940
Maintenance, Materials, etc.		6,132
Freight		5,215
Utilities/Energy		7,706
Hourly Payroll		5,183
Salaried Payroll		8,490
Medical - Current and Former Employees		7,349
Insurance		737
Workman's Compensation		1,632
Corporate General and Administrative		3,804
JV Fundings - Alumina		25,434
JV Fundings - Primary, Net of Minority Interest Reimbursements		2,031
Other Disbursements		<u>10,490</u>
<i>Total Operating and G & A Disbursements</i>		<u>115,896</u>
Reorganization Items		<u>2,252</u>
<i>Total Disbursements</i>		<u>118,148</u>
Net Cash Flow	\$	<u>(2,373)</u>
Beginning Bank Cash Balances	\$	104,040
Net Cash Flow		<u>(2,373)</u>
Ending Bank Cash Balances		101,667
Reconciling Items		<u>(1,977)</u>
Ending Book Cash Balances	\$	<u>99,690</u> (2)

Notes

(1) Per agreement with the Office of the United States Trustee, the debtors are only providing a schedule of consolidated cash receipts and disbursements. Cash expenses, rather than actual disbursements, will be used to calculate the United States Trustee quarterly fees. See MOR-2.

(2) As of August 31, 2002, the Debtors' consolidated liquidity was approximately \$283.3 million, consisting of cash (per balance sheet) of \$99.7 million and availability under the Debtor in Possession credit facility of \$183.6 million.

KAISER ALUMINUM CORPORATION - ALL DEBTORS
 STATEMENTS OF OPERATIONS (UNAUDITED)
 For the Period August 1, 2002 through August 31, 2002

	ELIMS	KAC	KACC	KAIL	KAAC	KATSI	BELLWOOD	KFC	KSM	KMH	KTMH	KTSMH	OFDCI	KACII	AKRON	KAPI	KCI	ALWIS
TOTAL DEBTORS																		
\$ 118,111	\$ (45,220)	\$ -	\$ 85,376	\$ 58,809	\$ 12,569	\$ -	\$ 6,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Costs and expenses:																		
Cost of products sold (1)	(44,677)	-	92,878	52,717	20	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	(32)	-	5,153	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41
Selling, administrative, research and development and general (1)	-	30	6,772	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-recurring operating items	-	-	3,282	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total costs and expenses (1)	(44,709)	30	108,085	52,719	11,114	20	7,358	-	-	-	-	-	-	-	-	-	-	41
Operating income (loss)	(511)	(30)	(22,709)	6,090	1,455	(20)	(781)	-	-	-	-	-	-	-	-	-	-	(41)
Other income (expense):																		
Interest expense	40	-	(708)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reorganization items (2)	-	-	(3,040)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other -- net (3)	15,706	(18,577)	5,678	(24)	(3,324)	-	3	-	-	-	-	-	-	-	-	-	-	17
Income (loss) before income taxes and minority interests	15,235	(18,607)	(20,779)	6,066	(1,869)	(20)	(778)	-	-	-	-	-	-	-	-	-	-	(24)
(Provision) benefit for income taxes	2,870	(2,870)	(217)	-	(350)	-	-	-	-	-	-	-	-	-	-	-	-	-
Minority interests	(451)	451	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity in income (loss) of subsidiaries	335	-	-	(18)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	\$ 17,989	\$ (21,026)	\$ (20,996)	\$ 6,048	\$ (2,219)	\$ (20)	\$ (778)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (24)

Debtor	Case #	Date Filed	Abbreviation
Kaiser Aluminum Corporation	02-10429 (JKF)	2/12/2002	KAC
Kaiser Aluminum & Chemical Corporation	02-10430 (JKF)	2/12/2002	KACC
Kaiser Aluminum International, Inc.	02-10434 (JKF)	2/12/2002	KAIL
Kaiser Alumina Australia Corporation	02-10432 (JKF)	2/12/2002	KAAC
Kaiser Aluminum Technical Services, Inc.	02-10436 (JKF)	2/12/2002	KATSI
Kaiser Bellwood Corporation	02-10437 (JKF)	2/12/2002	Bellwood
Kaiser Finance Corporation	02-10438 (JKF)	2/12/2002	KFC
Kaiser Sierra Micromills, LLC	02-10441 (JKF)	2/12/2002	KSM
Kaiser Micromill Holdings, LLC	02-10439 (JKF)	2/12/2002	KMH
Kaiser Texas Micromill Holdings, LLC	02-10440 (JKF)	2/12/2002	KTMH
Kaiser Texas Sierra Micromills, LLC	02-10442 (JKF)	2/12/2002	KTSMH
Onward Forge Die Company, Inc.	02-10443 (JKF)	2/12/2002	OFDCI
Kaiser Aluminum & Chemical Investment, Inc.	02-10433 (JKF)	2/12/2002	KACII
Akron Holding Corporation	02-10431 (JKF)	2/12/2002	Akron
Kaiser Aluminum Properties, Inc.	02-10435 (JKF)	2/12/2002	KAPI
Kaiser Center, Inc.	02-10819 (JKF)	3/15/2002	KCI
Alwis Leasing, LLC	02-10818 (JKF)	3/15/2002	Alwis

Notes

- (1) Cash expenses, rather than actual cash disbursements, will be used to calculate the United States Trustee quarterly fees. For all debtors other than KAAC and Bellwood, cash expenses are considered to be the sum of "Cost of products sold" and "Selling, administrative, research and development and general." For KAAC and Bellwood, cash expenses are considered to be Total costs and expenses, included in calculating operating income.
- (2) Reorganization items consist primarily of accrued professional fees.
- (3) Detail Attached - See MOR-2 (CONT).

KALBER ALUMINIUM CORPORATION - ALL DEBTORS
BALANCE SHEETS (UNAUDITED)
As of August 31, 2002
(\$000's)

	BLUMS	KAC	KACC	KAIL	KAAC	KATSI	BELLWOOD	KFC	KSM	KMH	KTMH	KTRSMH	OFDKI	KACJI	AKRON	KAPI	KCI	ALWIS
TOTAL DEBTORS																		
Cash	\$ 99,690	\$ -	\$ 3	\$ 99,440	\$ 167	\$ 20	\$ (4)	\$ 60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4
Receivables:																		
Trade	129,544	(1)	-	57,614	62,436	(943)												351
Other	21,043	(6,482)	(88)	22,993	1,355	1,328												
Inventories	150,587	(6,483)	(88)	80,607	63,791	385												351
Prepaid expenses and other current assets	186,445	(2,915)	-	169,023	3,188	-												136
	25,787	(4,046)	-	28,861	(166)													507
Total current assets	462,569	(13,444)	(85)	577,931	67,146	7,281	215	22,467	-	-	-	-	-	-	-	-	-	998
Investments in and advances to subsidiaries	1,403,928	(1,981,492)	1,574,289	727,959	(2,877)	1,078,337	(1,302)	-	-	1	-	-	6,555	-	-	-	-	2,458
Intercompany receivables/payables, net (1)	(999,370)	(2,190,365)	-	(319,086)	567,249	(185,026)	53,663	(24,124)	1,154,491	(42,176)	(32,546)	-	377	15,267	1	5,066	-	(2,198)
Property, plant, and equipment net	770,797	(3,833)	-	744,751	-	-	-	22,710	-	-	-	-	50	-	-	1,462	-	5,657
Deferred income taxes	(65,495)	(25,732)	-	-	(39,763)	-	8	217	-	-	-	-	-	-	-	-	-	-
Other assets	692,882	(11)	-	679,922	-	-	-	-	-	-	-	-	-	-	-	-	-	12,736
Total assets	\$ 2,265,251	\$ (4,214,877)	\$ 1,574,204	\$ 2,211,477	\$ 631,518	\$ 860,829	\$ 52,584	\$ 21,280	\$ 1,154,491	\$ (42,176)	\$ (32,545)	\$ -	\$ -	\$ 427	\$ 21,822	\$ 1	\$ 6,528	\$ 19,651
Liabilities not subject to compromise:																		
Accounts payable	\$ 51,517	\$ -	\$ -	\$ 48,272	\$ (4,994)	\$ 5,126	\$ (3)	\$ 2,269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 847
Accrued interest	1,742	-	-	1,742	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued salaries, wages, and related expenses	65,462	-	-	62,012	-	778	1,639	-	-	-	-	-	-	-	-	-	-	1,033
Accrued post-retirement benefit - current	54,000	-	-	53,698	-	-	121	-	-	-	-	-	-	-	-	-	-	181
Other accrued liabilities	31,712	370	(48)	26,903	2,804	11	103	-	-	-	-	-	-	-	-	-	-	1,569
Payable to affiliates	31,080	(178,223)	3,129	(88)	10,265	92,227	-	-	103,770	-	-	-	-	-	-	-	-	-
Long term debt - current portion	841	-	-	841	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	236,354	(177,853)	3,081	193,380	5,271	100,157	786	4,132	103,770	-	-	-	-	-	-	-	-	3,630
Long-term liabilities	51,889	(76)	-	55,411	-	-	-	548	-	-	-	-	-	-	-	-	-	(3,994)
Accrued postretirement benefit obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term debt	20,835	-	-	20,835	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities Subject to Compromise (2)	2,579,359	(2,195,127)	2,194,964	2,556,594	-	269	3,796	12,089	-	-	-	-	-	-	-	-	-	4,774
Minority interests	655	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference stock	-	(655)	-	655	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common stock	798	(20,750)	798	15,390	50	-	3	-	1	-	-	-	1	-	-	-	-	304
Additional capital	539,935	(3,311,336)	539,935	2,454,862	100	1,572	23	8,000	746,333	1	1	-	784	46,097	1	-	-	53,522
Accumulated deficit - As of filing date	(983,608)	(898,799)	(982,654)	(694,092)	605,669	765,652	48,128	(699)	304,387	(42,177)	(32,546)	-	(358)	(24,276)	-	6,528	-	(38,368)
Accumulated deficit - Post filing date	(102,513)	98,925	(103,468)	(103,419)	15,478	(6,871)	(152)	(2,790)	-	-	-	-	-	-	-	1	-	(217)
Accumulated other comprehensive income (loss)	(98,452)	98,452	(98,452)	(98,452)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Note receivable from parent	2,191,687	-	-	(2,191,687)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities and equity	\$ 2,265,251	\$ (4,214,877)	\$ 1,574,204	\$ 2,211,477	\$ 631,518	\$ 860,829	\$ 52,584	\$ 21,280	\$ 1,154,491	\$ (42,176)	\$ (32,545)	\$ -	\$ -	\$ 427	\$ 21,822	\$ 1	\$ 6,528	\$ 19,651

Notes
(1) Detail Attached - See MOR-3 (CONT-1)
(2) Detail Attached - See MOR-3 (CONT-2)

KAISER ALUMINUM CORPORATION - ALL DEBTORS
SCHEDULE OF DEBTORS' CONSOLIDATED INTERCOMPANY (PAYABLES TO) / RECEIVABLES FROM NON-DEBTORS, NET
As of August 31, 2002

(\$000's)	\$
Kaiser Bauxite Company	(\$37,108)
Kaiser Jamaica Corporation	20,208
Alpart Jamaica Incorporated	(9,826)
Kaiser Center Properties	(2,819)
Trochus Insurance Co., Ltd.	(12,109)
Kaiser Aluminum & Chemical of Canada Limited	(5,949)
Northwest De-ox Products	1,955
KAE Trading Incorporated	(28,497)
Kaiser Aluminum & Chemical Canada Investment Ltd.	467
Kaiser Aluminum Overseas Incorporated	1
Texada Mines Ltd.	(7,874)
Kaiser Australia Pty Ltd.	(4)
Kaiser Aluminum Russia, Incorporated	1,302
Kaiser Aluminum Mill Products	2,865
Hendy International	(1,396)
Kaiser Aluminum Extrusions International Inc.	(446)
Kaiser Metals Limitada	193
Kaiser Export Company	(23,828)
Kaiser Chandler LLC	(1)
Kaiser Aluminum China Inc.	398
Kaiser Aluminio Limitada	1,239
Kaiser Aluminio Do Brasil Ltda	(4)
Kaiser Aluminum Panama S.A.	(10)
Refractories Engineering & Supplies, Ltd.	(545)
Sequoia Corporation	122
Volta Aluminum Company, Ltd.	(140,655)
Alumina Partners of Jamaica	42,993
Alpart Farms (Jamaica), Ltd.	(42)
	\$ (999,370)
	\$ (999,370)

KAISER ALUMINUM CORPORATION - ALL DEBTORS
LIABILITIES SUBJECT TO COMPROMISE (1)

As of August 31, 2002

(\$000's)	TOTAL DEBTORS	FLIMS	KAC	KACC	KAAC	KAISI	BELLWOOD	KCI
Pre-petition accounts payable	\$ 53,895	-	3	\$ 51,521	\$ -	\$ -	1,878	\$ 443
Accrued interest	44,010	-	-	44,010	-	-	-	-
Other accrued liabilities	44,716	-	-	43,306	-	146	702	562
Accrued pension liabilities	230,010	-	-	225,271	-	2,239	1,829	671
Accrued postretirement medical obligation	649,926	-	-	637,790	-	1,358	7,680	3,098
Environmental accruals	21,643	-	-	21,643	-	-	-	-
Accrued asbestos liability	610,421	-	-	610,421	-	-	-	-
Other long-term liabilities	94,608	(3,440)	3,274	94,452	269	53	-	-
Debt	830,180	(2,191,687)	2,191,687	830,180	-	-	-	-
	\$ 2,579,359	\$ (2,195,127)	\$ 2,194,964	\$ 2,558,594	\$ 269	\$ 3,796	\$ 12,089	\$ 4,774

Notes

(1) The classification of liabilities "subject to compromise" versus those "not subject to compromise" is based on currently available information and analysis. As the Cases proceed and additional information and analysis is completed or, as the Court rules on relevant matters, the classification of amounts between these two categories may change. The amount of any such changes could be significant.

KAISER ALUMINUM CORPORATION - ALL DEBTORS
 LIABILITY NOT SUBJECT TO COMPROMISE - ACCOUNTS PAYABLE AGING
 As of August 31, 2002

(\$000's)

	0 - 30 DAYS	31 - 60 DAYS	61 - 90 DAYS	91 - 120 DAYS	OVER 120 DAYS
TOTAL	\$47,029	\$725	\$220	\$273	\$3,270

Note

(1) Includes priority pre-petition Property and Sales & Use taxes not subject to compromise, of \$5,020 (\$3,076 over 120 days, \$1,656 in 0 - 30 days, with the remainder in 61 - 90, 91 - 120 days). The presentation of the aging of Property and Sales & Use tax amounts has been revised from that reflected in prior monthly operating reports.

KAISER ALUMINUM CORPORATION - ALL DEBTORS
 TRADE ACCOUNTS RECEIVABLE AGING

As of August 31, 2002

(\$000's)

		1 - 30	31 - 60	61 - 90	91 - 120	OVER 120
		PAST DUE	PAST DUE	PAST DUE	PAST DUE	PAST DUE
ALLOWANCE FOR DOUBTFUL ACCOUNTS	CURRENT					
		\$13,151	\$2,116	\$115	\$124	\$9,285
TOTAL						
\$129,544	(\$6,926)	\$111,679	\$13,151	\$2,116	\$115	\$124
						\$9,285

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	§	Jointly Administered
KAISER ALUMINUM CORPORATION, a	§	Case No. 02-10429 (JKF)
Delaware corporation, <i>et al.</i> ,	§	
	§	
Debtors.	§	Chapter 11

AFFIDAVIT OF DANIEL D. MADDOX IN SUPPORT OF
MONTHLY OPERATING REPORT FOR THE PERIOD
AUGUST 1, 2002 TO AUGUST 31, 2002

STATE OF TEXAS)
)
COUNTY OF HARRIS)

Daniel D. Maddox, being duly sworn, deposes and states:

1. I am Vice President and Controller of Kaiser Aluminum Corporation ("Kaiser"), a Delaware corporation and one of the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"). Kaiser is the direct or indirect parent of each of the other Debtors. I am familiar with the Debtors' day-to-day operations and business affairs, including their financial reporting activities, compliance with tax reporting obligations, cash management activities and maintenance of insurance. I am authorized to submit this Affidavit on behalf of the Debtors and in support of the Debtors' monthly operating report for the period August 1, 2002 through August 31, 2002 to the Office of the United States Trustee for the Eastern District of Pennsylvania and the District of Delaware (the "Office of the U.S. Trustee").

2. Except as otherwise indicated, all statements in this Affidavit are based on my personal knowledge, my review of relevant documents or my opinion based upon my experience and knowledge of the Debtors' operations and financial condition.

3. On February 12, 2002 (the "Petition Date"), fifteen of the Debtors commenced their respective reorganization cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§101-1330 (the "Bankruptcy Code"), in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). On March 15, 2002, Debtors Alwis Leasing, LLC and Kaiser Center, Inc. commenced their reorganization cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being administered jointly.

The Monthly Operating Report Requirements

4. Under the Operating Guidelines and Reporting Requirements for Chapter 11 Cases issued by the Office of the U.S. Trustee (the "Operating Guidelines"), a chapter 11 debtor is required to provide monthly operating reports to the Office of the U.S. Trustee, the Bankruptcy Court and any official committee appointed in the debtor's chapter 11 case. These monthly operating reports include, among other things, certain financial reports as well as (a) a schedule detailing the status of postpetition taxes, including copies of tax returns and proof of payment, (b) a schedule summarizing all unpaid postpetition debts, and (c) a questionnaire relating to maintenance of insurance, filing of postpetition tax returns and the sale of assets outside the ordinary course of business. In accordance with an agreement with the Office of the U.S. Trustee, this Affidavit is being submitted in lieu of the postpetition tax schedule (and related documents), the unpaid postpetition debt schedule and the questionnaire that otherwise would be required.

Tax Reporting Compliance

5. Because the Debtors have employees and conduct business in many locations throughout the United States, the Debtors are required to file state payroll tax returns, state income tax returns and state sales tax returns in numerous states. Kaiser or its designee completes and files state and federal payroll tax returns on behalf of all the Debtors.

6. To the best of my knowledge and belief, each of the Debtors has timely paid all state income, sales, use and other taxes that have become due and owing for the period after the Petition Date. Moreover, to the best of my knowledge and belief, Kaiser has timely submitted all of the Debtors' state and federal payroll tax returns that have become due since the Petition Date and has timely paid or remitted all taxes identified in those returns. Kaiser had previously filed an extension to file its consolidated federal income tax return for the year ending December 31, 2001, which extended the due date to September 15, 2002. Kaiser timely filed the consolidated federal income tax return on September 13, 2002.

Maintenance of Insurance

7. Under the Operating Guidelines, a chapter 11 debtor is "required to maintain the following insurance coverage, as appropriate: general comprehensive liability, property loss from fire, theft, water or other extended coverage, workers' compensation, vehicle, products liability, fidelity bonds for employees, and such other coverage as is customary in the debtor's business." Operating Guidelines at ¶ 3. As part of its monthly operating reports, a debtor is required to indicate whether all necessary insurance coverages are in effect, whether all premiums are current, and provide an explanation if any coverages are no longer in effect. See Operating Guidelines Form MOR-5.

8. The Debtors have the same or similar coverage as described in the Operating Guidelines, including coverage that is customary in the Debtors' industry. A schedule of the Debtors' current insurance programs is attached to the Monthly Operating Report and incorporated herein by reference (the "Insurance Schedule"). The Insurance Schedule indicates the types of coverage and the respective deductibles, premiums and policy periods. To the best of my knowledge and belief, all of the insurance coverage maintained by the Debtors, as itemized in the Insurance Schedule, is in full force and effect and all required premium payments have been timely paid.

Financial Reporting and Payment of Postpetition Obligations

9. Other than with respect to ordinary grace periods and disputed items, the Debtors are current on all of their postpetition obligations.


10. The Debtors have not engaged in any intercompany activity outside of the ordinary course of business other than as authorized by the Bankruptcy Court. In addition, the Debtors have sold no assets outside of the ordinary course of business other than pursuant to an order of the Bankruptcy Court.



DANIEL D. MADDOX
VICE PRESIDENT AND CONTROLLER
KAISER ALUMINUM CORPORATION

SWORN TO BEFORE ME and subscribed in my presence this 25 day of September, 2002.

7-21-2003
My Commission Expires:


Notary Public

KAISER ALUMINUM CORPORATION - ALL DEBTORS
RISK MANAGEMENT INSURANCE POLICIES
As of August 31, 2002

POLICY TYPE	POLICY NO.	POLICY PERIOD	INSURER	LIMITS	DEDUCTIBLE/SIR	PREMIUM
Pollution Liability	PE000760201	03/31/01 - 03/31/04	Greenwich Insurance Co.	\$4MM ea. Loss/\$8MM Total Loss at Ravenswood, WV	\$100,000 ea. Loss	\$ 47,356
Pollution Liability	55779/58	09/29/00 - 09/29/07	Lexington Insurance Co.	\$20MM per Claim/Aggregate	\$25,000 ea. Loss	\$ 150,111
Pollution Liability	6191937	08/09/02 - 08/09/03	American Int'l Specialty Ins.	\$5MM each incident/\$8MM section agg	\$50,000 ea. Loss	\$ 45,641
Pollution Liability - UST	ST 8088126	08/09/02 - 08/09/03	Commerce & Industry Ins.	\$10MM Policy agg limit \$500K each incident/\$2MM agg	\$25,000 ea. Loss	\$ 6,918
Marine Package	ARS-2306	04/01/99 - 04/01/03	American International Marine Agency, Inc.	\$1 Million each Occurrence \$235,000 Hull & Machinery - Section III (A) \$30 Million ea. Conveyance - Section IV \$5 Million ea. Barge/ea. Tow	\$100,000 ea. Occ.	\$ 145,350 Annual Premium
Excess Marine Liability	ARS-2307	04/01/99 - 04/01/03	American International Marine Agency, Inc.	\$19 Million CSL excess \$1 Million	None	\$ 21,850 Annual Premium
Excess Marine Liability	ARS-3031	11/02/01 - 11/02/02	Mutual Marine Office, Inc.	\$20 Million excess \$20 Million	None	\$ 39,373
Aviation Products Liab.	ABA0204251	05/01/02 - 05/01/03	Certain Insurance Companies	\$500 Million Aggregate (Total Limit all Groundings)	None	\$ 394,876
Global Property	6506002 and Various	06/01/02 - 06/01/03	Trochus Ins. Co., Ltd. and Various	\$500 MM ea. Occurrence Property Damage / Time Element and in the annual aggregate separately for flood and earthquake subject to \$150 MM ea. Occ./Annual Aggregate CA EQ <i>Subject to sublimits in policy form</i>	\$5M per occ except 5% of total values for CA EQ; Named Windsorm and EQ in Jamaica \$10M	\$ 19,705,670
D&O Liability - Runoff	Various	07/01/02 - 07/01/08	Various	\$125 Million Term Aggregate	\$5MM (Corp. Reimb.)	\$ 1,712,513
D&O Liability	Various	07/01/02 - 07/01/03	Various	\$25 Million Aggregate (Inclusive of Defense Cost)	\$0 Non-Indemnifiable/ \$5M Indemnifiable	\$ 600,850
General Liability	MWZY 55368	10/14/01 - 10/14/02	Old Republic Ins. Co.	\$2MM Prod./Compl. Ops./\$1MM ea. Occ.	\$1 Million (Matching Ded.)	\$ 10,558
Auto Liability	MWFB 18209	10/14/01 - 10/14/02	Old Republic Ins. Co.	\$1 Million CSL	\$1 Million (Matching Ded.)	\$ 10,805
WC/EL	OMWC1080600	10/14/01 - 10/14/02	Old Republic Ins. Co.	\$1MM/\$1MM/\$1MM Policy Limit (incl. Florida)	\$1 Million	\$ 339,856
Excess WC/EL	MWXS567	10/14/01 - 10/14/02	Old Republic Ins. Co.	Statutory WC/\$4 Million EL	\$1MM	\$ 80,394
Excess Liability	Various	10/14/01 - 10/14/02	Various	\$300 Million per Occurrence/Aggregate		\$ 1,324,634
Corporate Fiduciary Liab	Various	12/01/97 - 12/01/02	Various	\$60 Million Annual Aggregate		\$ 661,637
Non-owned Aircraft Liab	S0037457A	12/10/01 - 12/10/02	Indemnity Ins. Co. of NA	\$30 Million ea. Occurrence single limit BI/PD	None	\$ 250
Commercial Crime	CRP 268-75-01	12/31/00-12/31/03	Great American Ins. Co.	\$15 Million per Occurrence	\$100,000 per Occ.	\$ 88,971
TOTAL ALL LINES						\$ 25,387,615

NOTES: 1) Premiums for A part, KBC and Valco are not included in the total, however, all three companies are covered in several of the above policies.



This Schedule of Insurance Coverage is furnished to you as a matter of information only. The insurance afforded by the described policies is subject to all the terms, exclusions and conditions of such policies.