



August 23, 2004

*Monthly Update to Customers, Employees, Suppliers, and Friends of Kaiser Aluminum:*

**In Today's Hearing**

While the company originally proposed an extension of exclusivity through October 31, 2004, after receiving feedback from various creditor constituencies, we reached a mutual agreement to extend exclusivity for all the Kaiser debtor entities to September 27, 2004. The court approved this exclusivity agreement in today's hearing. Discussions continue with the various creditor committees in respect of, among other things, the Intercompany Settlement Agreement, the possibility of accelerated emergence for certain of the alumina subsidiaries, and the company's first half 2005 revised timeline for emergence for certain or all of the other entities. See the company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004 for additional discussion of these matters.

**Liquidity**

Liquidity continues to be adequate and to fluctuate within the \$150-\$180 million range experienced in previous months

Jack A. Hockema  
President and Chief Executive Officer