CENTURY ALUMINUM CO

FORM 10-Q
(Quarterly Report)

Filed 8/9/2005 For Period Ending 6/30/2005

Address	2511 GARDEN ROAD BUILDING A SUITE 200
	MONTEREY, California 93940
Telephone	304-273-6000
CIK	0000949157
Industry	Misc. Fabricated Products
Sector	Basic Materials
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2005.

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____to _____.

Commission file number 0-27918

Century Aluminum Company

(Exact name of Registrant as specified in its Charter)

Delaware	**13-3070826**
(State of Incorporation)	(IRS Employer Identification No.)
2511 Garden Road **Building A, Suite 200** **Monterey, California**	**93940**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (831) 642-9300

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes ☑ No ☐

The registrant had 32,149,154 shares of common stock outstanding at August 4, 2005.

TABLE OF CONTENTS

Table of Contents

PART I — FINANCIAL INFORMATION

Item 1. — Financial Statements.

CENTURY ALUMINUM COMPANY

CONSOLIDATED BALANCE SHEETS
(Dollars in Thousands)
(Unaudited)

	June 30, 2005	December 31, 2004 (Restated)
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 35,174	$ 44,168
Restricted cash	2,027	1,678
Accounts receivable — net	104,575	79,576
Due from affiliates	14,044	14,371
Inventories	104,450	111,284
Prepaid and other current assets	16,172	10,055
Deferred taxes — current portion	23,458	24,642
Total current assets	299,900	285,774
Property, plant and equipment — net	916,008	806,250
Intangible asset — net	81,989	86,809
Goodwill	94,844	95,610
Due from affiliates — less current portion	2,747	—
Other assets	74,614	58,110
Total	$1,470,102	$1,332,553
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable — trade	$ 47,926	$ 47,479
Due to affiliates	44,574	84,815
Accrued and other current liabilities	59,258	53,309
Accrued employee benefits costs — current portion	8,458	8,458
Long-term debt — current portion	561	10,582
Convertible senior notes	175,000	175,000
Industrial revenue bonds	7,815	7,815
Total current liabilities	343,592	387,458
Senior unsecured notes payable	250,000	250,000
Nordural debt	153,739	80,711
Accrued pension benefits costs — less current portion	12,358	10,685
Accrued postretirement benefits costs — less current portion	91,296	85,549
Other liabilities	35,459	34,961
Due to affiliates — less current portion	17,402	30,416
Deferred taxes	94,778	68,273
Total noncurrent liabilities	655,032	560,595
Contingencies and Commitments (See Note 8)		
Shareholders' equity:		
Common stock (one cent par value, 50,000,000 shares authorized; 32,149,154 and 32,038,297 shares outstanding at June 30, 2005 and December 31, 2004, respectively)	321	320
Additional paid-in capital	418,412	415,453
Accumulated other comprehensive loss	(20,626)	(52,186)
Retained earnings	73,371	20,913
Total shareholders' equity	471,478	384,500
Total	$1,470,102	$1,332,553

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY

CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands, Except Per Share Amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2005	2004 (Restated)	2005	2004 (Restated)
NET SALES:				
Third-party customers	$243,329	$225,430	$490,754	$417,776
Related parties	39,927	38,303	77,898	78,051
	283,256	263,733	568,652	495,827
Cost of goods sold	237,908	217,054	471,737	410,795
Gross profit	45,348	46,679	96,915	85,032
Selling, general and administrative expenses	8,046	3,991	16,842	9,399
Operating income	37,302	42,688	80,073	75,633
Interest expense — third party	(6,517)	(11,474)	(13,201)	(21,849)
Interest expense — related party	—	(51)	—	(380)
Interest income	275	244	493	341
Net gain (loss) on forward contracts	24,496	(1,177)	1,001	(13,997)
Other income (expense)	(472)	9	(65)	(605)
Income before income taxes and equity in earnings of joint ventures	55,084	30,239	68,301	39,143
Income tax expense	(19,239)	(11,020)	(26,074)	(14,331)
Income before equity in earnings of joint ventures	35,845	19,219	42,227	24,812
Equity in earnings of joint ventures	4,899	—	10,247	—
Net income	40,744	19,219	52,474	24,812
Preferred dividends	—	(269)	—	(769)
Net income applicable to common shareholders	$ 40,744	$ 18,950	$ 52,474	$ 24,043
EARNINGS PER COMMON SHARE:				
Basic	$ 1.27	$ 0.64	$ 1.63	$ 0.95
Diluted	$ 1.27	$ 0.63	$ 1.63	$ 0.94
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
Basic	32,140	29,629	32,099	25,412
Diluted	32,196	30,542	32,162	25,588

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

	Six months ended June 30,	
	2005	2004 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 52,474	$ 24,812
Adjustments to reconcile net income to net cash provided by operating activities:		
Unrealized net (gain) loss on forward contracts	(3,429)	6,659
Depreciation and amortization	28,050	23,731
Deferred income taxes	26,074	5,994
Pension and other post retirement benefits	7,421	5,376
(Gain) loss on disposal of assets	(4)	695
Non-cash loss on early extinguishment of debt	253	—
Changes in operating assets and liabilities:		
Accounts receivable — net	(24,999)	(8,264)
Due from affiliates	327	(1,059)
Inventories	6,834	(5,768)
Prepaids and other current assets	(5,712)	(2,724)
Accounts payable — trade	(6,745)	(1,294)
Due to affiliates	(9,548)	(3,383)
Accrued and other current liabilities	(3,948)	9,308
Other — net	(8,324)	(2,472)
Net cash provided by operating activities	58,724	51,611
CASH FLOWS FROM INVESTING ACTIVITIES:		
Nordural expansion	(113,654)	—
Purchase of other property, plant and equipment	(5,481)	(5,712)
Business acquisitions, net of cash acquired	(7,000)	(184,869)
Restricted cash deposits	(350)	—
Proceeds from sale of property, plant and equipment	59	—
Net cash used in investing activities	(126,426)	(190,581)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings	145,378	—
Repayment of debt	(83,023)	(20,659)
Financing fees	(4,617)	—
Dividends	(16)	(3,311)
Issuance of common stock	986	209,905
Net cash provided by financing activities	58,708	185,935
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(8,994)	46,965
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	44,168	28,204
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 35,174	$ 75,169

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements
(Dollars in thousands, except per share amounts)
(unaudited)

1. General

The accompanying unaudited interim consolidated financial statements of Century Aluminum Company (the "Company" or "Century") should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2004. In management's opinion, the unaudited interim consolidated financial statements reflect all adjustments, which are of a normal and recurring nature, that are necessary for a fair presentation of financial results for the interim periods presented. Operating results for the first six months of 2005 are not necessarily indicative of the results that may be expected for the year ending December 31, 2005.

2. Acquisitions

Nordural Acquisition

The Company acquired Nordural in April 2004 and accounted for the acquisition as a purchase using the accounting standards established in Statement of Financial Accounting Standards ("SFAS") No. 141, "Business Combinations." In the first quarter of 2005, goodwill decreased $766 from previously reported amounts at year-end as the result of asset allocation adjustments. The Company recognized $94,844 of goodwill in the transaction. None of the goodwill is expected to be deductible for Icelandic tax purposes; however, all of the goodwill is expected to be deductible for U.S. tax purposes. During the second quarter of 2005, the Company determined that certain Nordural earnings would remain invested outside the United States indefinitely.

The purchase price for Nordural was $195,346, allocated as follows:

Allocation of Purchase Price:	
Current assets	$ 41,322
Property, plant and equipment	276,597
Goodwill	94,844
Current liabilities	(25,848)
Long-term debt	(177,898)
Other non-current liabilities	(13,671)
Total purchase price	$ 195,346

The following table represents the unaudited pro forma results of operations for the period ended June 30, 2004 assuming the acquisition occurred on January 1, 2004. The unaudited pro forma amounts may not be indicative of the results that actually would have occurred if the transaction described above had been completed and in effect for the periods indicated. The pro forma results of operations reflect the retroactive restatement of earnings for a change in accounting principle, see Note 3.

	Three months ended June 30, 2004	Six months ended June 30, 2004
Net sales	$272,721	$534,202
Net income	20,381	31,719
Net income available to common shareholders	20,112	30,950
Earnings per share:		
Basic	$ 0.65	$ 1.00
Diluted	$ 0.64	$ 1.00

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

3. Change in Accounting Principle

During the second quarter of fiscal 2005, the Company changed its method of inventory costing from last-in-first-out (LIFO) to first-in-first-out (FIFO). The Company believes that using the FIFO method provides better matching of expenses and revenues and provides more consistent inventory costing on a company-wide basis. Prior to the change approximately 69% of the Company's inventory was valued based upon the LIFO method. The change has been applied retroactively and the financial statements have been restated for all prior periods presented. In the first quarter of 2005, the Company previously reported net income, basic and diluted earnings per share of $11,127 or $0.35 a share. As the result of the change in inventory costing, first quarter 2005 net income increased $603 to $11,730 and basic and diluted earnings per share increased $0.02 to $0.37. The effect of the change on net income for the three and six months ended June 30, 2005 was a (decrease)/increase of ($93) and $510, respectively. The effect of the change on retained earnings for the year ended December 31, 2004 was an increase of $1,683. The effect of the accounting change on income and earnings per share during the three and six month periods ended June 30, 2004, is as follows:

	Three months ended June 30, 2004	Six months ended June 30, 2004
	(Restated)	(Restated)
Net income applicable to common shareholders as reported	18,019	22,319
Change in inventory costing method	931	1,724
Net income applicable to common shareholders as restated	18,950	24,043
Basic earnings per share as reported	0.61	0.88
Change in inventory costing method	0.03	0.07
Basic earnings per share as restated	0.64	0.95
Diluted earnings per share as reported	0.60	0.87
Change in inventory costing method	0.03	0.07
Diluted earnings per share as restated	0.63	0.94

4. Stock-Based Compensation

The Company has elected not to adopt the recognition provisions for employee stock-based compensation as permitted in SFAS No. 123, "Accounting for Stock-Based Compensation." As such, the Company accounts for stock based compensation in accordance with Accounting Principles Board Opinion No. 25 "Accounting for Stock Issued to Employees." No compensation cost has been recognized for the stock option portions of the plan because the exercise prices of the stock options granted were equal to the market value of the Company's stock on the date of grant. Had compensation cost for the Stock Incentive Plan been determined using the fair value method provided under SFAS No. 123, the Company's net income and earnings per share would have changed to the pro forma amounts indicated below:

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

		Three months ended June 30,		Six months ended June 30,	
		2005	2004 (Restated)	2005	2004 (Restated)
Net income applicable to common shareholders	As Reported	$40,744	$18,950	$52,474	$24,043
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects		252	169	1,683	1,046
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects		(392)	(235)	(1,953)	(1,179)
Pro forma net income		$40,604	$18,884	$52,204	$23,910
Basic earnings per share	As reported	$ 1.27	$ 0.64	$ 1.63	$ 0.95
	Pro forma	$ 1.26	$ 0.64	$ 1.63	$ 0.94
Diluted earnings per share	As reported	$ 1.27	$ 0.63	$ 1.63	$ 0.94
	Pro forma	$ 1.26	$ 0.63	$ 1.62	$ 0.93

5. Inventories

Inventories consist of the following:

	June 30, 2005	December 31, 2004
Raw materials	$ 51,064	$ 54,186
Work-in-process	18,693	10,215
Finished goods	4,298	8,954
Operating and other supplies	30,395	37,929
	$104,450	$111,284

Inventories are stated at the lower of cost, using the first-in, first-out method, or market.

6. Goodwill and Intangible Asset

The Company recognized $94,844 of goodwill in the Nordural acquisition, see Note 2. The Company will annually test its goodwill for impairment in the second quarter of the fiscal year and at other times whenever events or circumstances indicate that the carrying amount of goodwill may exceed its fair value. If the carrying value of goodwill exceeds its fair value, an impairment loss will be recognized. The fair value is estimated using market comparable information.

The intangible asset consists of the power contract acquired in connection with the Company's acquisition of the Hawesville facility. The contract value is being amortized over its term (10 years) using a method that results in annual amortization equal to the percentage of a given year's expected gross annual benefit to the total as applied to the total recorded value of the power contract. As of June 30, 2005, the gross carrying amount of the intangible asset was $155,986 with accumulated amortization of $73,997. In April 2005, the Company made a $7,000 post-

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

closing payment to Southwire related to the acquisition of the Hawesville facility. This payment satisfied in full the Company's obligation to pay contingent consideration to Southwire under the acquisition agreement. This post-closing payment obligation was allocated to the acquired fixed assets and intangible asset based on the allocation percentages used in original acquisition. The gross carrying amount of the intangible asset increased $2,394 as a result of this liability.

For the six month periods ended June 30, 2005 and June 30, 2004, amortization expense for the intangible asset totaled $7,214 and $6,164, respectively. For the three month periods ended June 30, 2005 and June 30, 2004, amortization expense for the intangible asset totaled $3,674 and $3,082, respectively.

For the year ending December 31, 2005, the estimated aggregate amortization expense for the intangible asset will be approximately $14,561. The estimated aggregate amortization expense for the intangible asset for the following five years is as follows:

	For the year ending December 31,				
	2006	**2007**	**2008**	**2009**	**2010**
Estimated Amortization Expense	$13,048	$13,991	$15,076	$16,149	$16,379

The intangible asset is reviewed for impairment in accordance with SFAS 142, "Goodwill and Other Intangible Assets," whenever events or circumstances indicate that its net carrying amount may not be recoverable.

7. Debt

Secured First Mortgage Notes

In April 2005, the Company exercised its right to call the remaining 11.75% senior secured first mortgage notes due 2008 at 105.875% of the principal balance, plus accrued and unpaid interest. The early extinguishment of the Notes resulted in a $253 loss reported as other income (expense).

Nordural's Term Loan Facility

On February 15, 2005, Nordural closed and borrowed under a new $365.0 million senior term loan facility. Amounts borrowed under the new term loan facility were used to refinance debt under Nordural's previous term loan facility, and will be used to finance a portion of the costs associated with the ongoing expansion of the Nordural facility and for Nordural's general corporate purposes. Amounts borrowed under Nordural's new term loan facility generally will bear interest at a margin over the applicable Eurodollar rate. Nordural's obligations under the new term loan facility have been secured by a pledge of all of Nordural's shares pursuant to a share pledge agreement with the lenders. In addition, substantially all of Nordural's assets are pledged as security under the loan facility. Nordural is required to make the following minimum repayments of principal on the facility: $15.5 million on February 28, 2007 and $14.0 million on each of August 31, 2007, February 29, 2008, August 31, 2008, February 28, 2009, August 31, 2009 and February 28, 2010. If Nordural makes a dividend payment (dividends are not permitted until the Nordural facility has been expanded to a production level of 212,000 metric tons per year), it must simultaneously make a repayment of principal in an amount equal to 50% of the dividend. The new term loan facility is non-recourse to Century Aluminum Company. All outstanding principal must be repaid at final maturity on February 28, 2010.

Nordural's loan facility contains customary covenants, including limitations on additional indebtedness, investments, capital expenditures (other than related to the expansion project), dividends, and hedging agreements. Nordural is also subject to various financial covenants, including a net worth covenant and certain maintenance covenants, including minimum interest coverage and debt service coverage beginning December 31, 2006.

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

8. Contingencies and Commitments

Environmental Contingencies

The Company believes its current environmental liabilities do not have, and are not likely to have, a material adverse effect on the Company's financial condition, results of operations or liquidity. However, there can be no assurance that future requirements at currently or formerly owned or operated properties will not result in liabilities which may have a material adverse effect.

Century Aluminum of West Virginia, Inc. ("Century of West Virginia") continues to perform remedial measures at its Ravenswood facility pursuant to an order issued by the Environmental Protection Agency ("EPA") in 1994 (the "3008(h) Order"). Century of West Virginia also conducted a RCRA facility investigation ("RFI") under the 3008(h) Order evaluating other areas at the Ravenswood facility that may have contamination requiring remediation. The RFI has been approved by appropriate agencies. Century of West Virginia has completed interim remediation measures at two sites identified in the RFI, and the Company believes no further remediation will be required. A Corrective Measures Study, which will formally document the conclusion of these activities, is being completed with the EPA. The Company believes a significant portion of the contamination on the two sites identified in the RFI is attributable to the operations of other third parties and is their financial responsibility.

Prior to the Company's purchase of the Hawesville facility, the EPA issued a final Record of Decision ("ROD") under the Comprehensive Environmental Response, Compensation and Liability Act. By agreement, Southwire is to perform all obligations under the ROD. Century Kentucky, LLC ("Century Kentucky") has agreed to operate and maintain the ground water treatment system required under the ROD on behalf of Southwire, and Southwire will reimburse Century Kentucky for any expense that exceeds $400 annually.

Century is a party to an EPA Administrative Order on Consent (the "Order") pursuant to which other past and present owners of an alumina refining facility at St. Croix, Virgin Islands have agreed to carry out a Hydrocarbon Recovery Plan to remove and manage hydrocarbons floating on groundwater underlying the facility. Pursuant to the Hydrocarbon Recovery Plan, recovered hydrocarbons and groundwater are delivered to the adjacent petroleum refinery where they are received and managed. Lockheed Martin Corporation ("Lockheed"), which sold the facility to one of the Company's affiliates, Virgin Islands Alumina Corporation ("Vialco"), in 1989, has tendered indemnity and defense of this matter to Vialco pursuant to terms of the Lockheed–Vialco Asset Purchase Agreement. Management does not believe Vialco's liability under the Order or its indemnity to Lockheed will require material payments. Through June 30, 2005, the Company has expended approximately $440 on the Recovery Plan. Although there is no limit on the obligation to make indemnification payments, the Company expects the future potential payments under this indemnification to comply with the Order will be approximately $200, which may be offset in part by sales of recoverable hydrocarbons.

On May 5, 2005, a complaint was filed by the Commissioner of the Department of Planning and Natural Resources, in his capacity as Trustee for Natural Resources of the United States Virgin Islands against the Company, Vialco and other parties. The complaint alleges damages to natural resources caused by alleged releases from the alumina refinery facility at St. Croix and the adjacent petroleum refinery. Lockheed has tendered indemnity and defense of the case to Vialco pursuant to terms of the Lockheed-Vialco Asset Purchase Agreement. The complaint seeks unspecified monetary damages, costs and attorney fees.

It is the Company's policy to accrue for costs associated with environmental assessments and remedial efforts when it becomes probable that a liability has been incurred and the costs can be reasonably estimated. The aggregate environmental-related accrued liabilities were $706 and $596 at June 30, 2005 and December 31, 2004, respectively. All accrued amounts have been recorded without giving effect to any possible future recoveries. With respect to cost for ongoing environmental compliance, including maintenance and monitoring, such costs are expensed as incurred.

Because of the issues and uncertainties described above, and the Company's inability to predict the requirements of the future environmental laws, there can be no assurance that future capital expenditures and costs for environmental compliance will not have a material adverse effect on the Company's future financial condition, results of operations, or liquidity. Based upon all available information, management does not believe that the

outcome of these environmental matters will have a material adverse effect on the Company's financial condition, results of operations, or liquidity .

Legal Contingencies

The Company has pending against it or may be subject to various lawsuits, claims and proceedings related primarily to employment, commercial, environmental and safety and health matters. Although it is not presently possible to determine the outcome of these matters, management believes their ultimate disposition will not have a material adverse effect on the Company's financial condition, results of operations, or liquidity.

Power Commitments

The Hawesville facility currently purchases all of its power from Kenergy Corporation ("Kenergy"), a local retail electric cooperative, under a power supply contract that expires at the end of 2010. Kenergy acquires the power it provides to the Hawesville facility mostly from a subsidiary of LG&E Energy Corporation ("LG&E"), with delivery guaranteed by LG&E. The Hawesville facility currently purchases all of its power from Kenergy at fixed prices. Approximately 130 megawatts ("MW") or 27% of the Hawesville facility's power requirements are unpriced in calendar years 2006 through 2010. The Company will negotiate the price for the unpriced portion of the contract at such times as the Company deems appropriate.

The Company purchases all of the electricity requirements for the Ravenswood facility from Ohio Power Company, a unit of American Electric Power Company, under a fixed price power supply agreement that runs through December 31, 2005. Under a new power contract approved by the Public Services Commission of West Virginia, Appalachian Power Company has agreed to supply power to the Ravenswood facility from January 1, 2006 through December 31, 2010; provided that after December 31, 2007, Century Aluminum of West Virginia, Inc. may terminate the agreement by providing 12 months notice of termination.

The Mt. Holly facility purchases all of its power from the South Carolina Public Service Authority at rates established by published schedules. The Mt. Holly facility's current power contract expires December 31, 2015. Power delivered through 2010 will be priced as set forth in currently published schedules, subject to adjustments for fuel costs. Rates for the period 2011 through 2015 will be as provided under then-applicable schedules.

The Nordural facility purchases power from Landsvirkjun, a power company jointly owned by the Republic of Iceland and two Icelandic municipal governments, under a contract due to expire in 2019. The power delivered to the Nordural facility under its current contract is from hydroelectric and geothermal sources, both competitively-priced and renewable sources of power in Iceland, at a rate based on the London Metal Exchange ("LME") price for primary aluminum. In connection with the planned expansion, Nordural has entered into power contracts with Hitaveita Sujurnesja hf. ("Sudurnes Energy") and Orkuveita Reykjavíkur ("Reykjavik Energy") for the supply of the additional power required for the expansion capacity up to 220,000 metric tons per year and with Reykjavik Energy for further expansion up to 260,000 metric tons per year, subject to certain conditions. Power under these agreements will be generated from predominately geothermal resources and prices will be LME-based. By the terms of a Second Amendment to the Landsvirkjun/Nordural Power Contract, dated as of April 21, 2004, Landsvirkjun has agreed on a best commercial efforts basis to provide backup power to Nordural should Sudurnes Energy or Reykjavik Energy be unable to meet the obligations of their contract to provide power for the Nordural expansion capacity.

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

Labor Commitments

Approximately 81% of the Company's U.S. based workforce is represented by the United Steelworker's of America (the "USWA") and working under agreements that expire as follows: March 31, 2006 (Hawesville) and May 31, 2006 (Ravenswood).

Approximately 80% of Nordural's workforce is represented by six national labor unions under an agreement that expires on December 31, 2009.

Other Commitments and Contingencies

The Company's income tax returns are periodically examined by various tax authorities. The Company is currently under audit by the Internal Revenue Service ("IRS") for the tax years through 2002. In connection with such examinations, the IRS has raised issues and proposed tax deficiencies. The Company is reviewing the issues raised by the IRS and plans to contest the proposed tax deficiencies. Based on current information, the Company does not believe that the outcome of the tax audit will have a material impact on the Company's financial condition or results of operations.

At June 30, 2005 and December 31, 2004, the Company had outstanding capital commitments related to the Nordural expansion of $199,847 and $218,800, respectively. The Company's cost commitments for the Nordural expansion may materially change depending on the exchange rate between the U.S. dollar and certain foreign currencies, principally the euro and the Icelandic krona.

9. Forward Delivery Contracts and Financial Instruments

As a producer of primary aluminum products, the Company is exposed to fluctuating raw material and primary aluminum prices. The Company routinely enters into fixed and market priced contracts for the sale of primary aluminum and the purchase of raw materials in future periods.

Primary Aluminum Sales Contracts

Contract	Customer	Volume	Term	Pricing
Pechiney Metal Agreement (1)	Pechiney	125,192 to 146,964 metric tons per year ("mtpy")	Through July 31, 2007	Based on U.S. Midwest market
Glencore Metal Agreement I (2)	Glencore	50,000 mtpy	Through December 31, 2009	LME-based
Glencore Metal Agreement II (3)	Glencore	20,000 mtpy	Through December 31, 2013	Based on U.S. Midwest market
Southwire Metal Agreement (4)	Southwire	108,862 mtpy (high purity molten aluminum)	Through March 31, 2011	Based on U.S. Midwest market
		27,216 mtpy (standard-grade molten aluminum)	Through December 31, 2008	Based on U.S. Midwest market

(1) The Pechiney Metal Agreement was extended through July 31, 2007 when Century of West Virginia signed an agreement with Appalachian Power Company for the supply of electricity beyond that date. Pechiney has the right, upon 12 months notice, to reduce its purchase obligations by 50% under this contract

(2) Referred to as the "New Sales Contract" in the Company's 2004 Annual Report on Form 10-K. The Company accounts for the Glencore Metal Agreement I as a derivative instrument under SFAS No. 133. The Company has not designated the Glencore Metal Agreement I as "normal" because it replaced and substituted for a significant portion of a sales contract which did not qualify for this designation. Because the Glencore Metal Agreement I is variably priced, the Company does not expect significant variability in its fair value, other than changes that might result from the absence of the U.S. Midwest premium.

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

(3) Referred to as the "Glencore Metal Agreement" in the Company's 2004 Annual Report on Form 10-K. The Glencore Metal Agreement II pricing is based on then-current market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.

(4) The Southwire Metal Agreement will automatically renew for additional five-year terms, unless either party provides 12 months notice that it has elected not to renew.

Tolling Contracts

Contract	Customer	Volume	Term	Pricing
Billiton Tolling Agreement (1)	BHP Billiton	90,000 mtpy	Through December 31, 2013	LME-based
Glencore Tolling Agreement (2)	Glencore	90,000 mtpy	Through July 2016	LME-based

(1) Substantially all of Nordural's sales consist of tolling revenues earned under a long-term Alumina Supply, Toll Conversion and Aluminum Metal Supply Agreement between Nordural and a subsidiary of BHP Billiton Ltd. (the "Billiton Tolling Agreement"). Under the Billiton Tolling Agreement, which is for virtually all of Nordural's existing production capacity, Nordural receives an LME-based fee for the conversion of alumina, supplied by BHP Billiton, into primary aluminum. The Company acquired Nordural in April 2004.

(2) The Company entered into a 10-year LME-based alumina tolling agreement for 90,000 metric tons of the expansion capacity at the Nordural facility. The term of the agreement will begin upon completion of the expansion, which is expected to be in late-2006.

Apart from the Pechiney Metal Agreement, Glencore Metal Agreement I, Glencore Metal Agreement II and Southwire Metal Agreement, the Company had forward delivery contracts to sell 93,569 metric tons and 113,126 metric tons of primary aluminum at June 30, 2005 and December 31, 2004, respectively. Of these forward delivery contracts, the Company had fixed price commitments to sell 8,923 metric tons and 6,033 metric tons of primary aluminum at June 30, 2005 and December 31, 2004, respectively, of which none were with Glencore.

Alumina Supply Agreements

The Company is party to long-term agreements with Glencore that supply a fixed quantity of alumina to the Company's Ravenswood and Mt. Holly facilities at prices indexed to the price of primary aluminum quoted on the LME. In addition, as part of the Gramercy acquisition, the Company entered into a long-term agreement on November 2, 2004 with Gramercy Alumina LLC that supplies a fixed quantity of alumina to the Company's Hawesville facility at prices based on the alumina production costs at the Gramercy refinery. A summary of these agreements is provided below. The Company's Nordural facility toll converts alumina provided by BHP Billiton, and will toll convert alumina provided by Glencore beginning in 2006.

Facility	Supplier	Term	Pricing
Ravenswood	Glencore	Through December 31, 2006	LME-based
Mt. Holly	Glencore	Through December 31, 2006 (54% of requirement)	LME-based
Mt. Holly	Glencore	Through January 31, 2008 (46% of requirement)	LME-based
Hawesville	Gramercy Alumina(1)	Through December 31, 2010	Cost-based

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

(1) The alumina supply agreement with Gramercy Alumina LLC, which was entered into on November 2, 2004, replaced the Company's alumina supply agreement with Kaiser.

Anode Purchase Agreement

Nordural has a contract for the supply of anodes for its existing capacity which expires in 2013. Pricing for the anode contract is variable and is indexed to the raw material market for petroleum coke products, certain labor rates, and maintenance cost indices. On August 4, 2005, Nordural signed a memorandum of understanding for the provision of anodes for its presently planned expansion capacity.

Financial Sales Agreements

To mitigate the volatility in its unpriced forward delivery contracts, the Company enters into fixed price financial sales contracts, which settle in cash in the period corresponding to the intended delivery dates of the forward delivery contracts. Certain of these fixed price financial sales contracts are accounted for as cash flow hedges depending on the Company's designation of each contract at its inception.

Fixed Price Financial Sales Contracts at June 30, 2005:

	(Metric Tons)						
	2005	**2006**	**2007**	**2008**	**2009**	**Thereafter**	**Total**
Primary aluminum	103,500	167,950	169,900	109,200	105,000	480,000	1,135,550

At June 30, 2005 and December 31, 2004, the Company had fixed price financial sales contracts with Glencore for 1,135,550 metric tons and 764,933, respectively, of which 374,750 metric tons and 464,333 metric tons, respectively, were designated as cash flow hedges. These fixed price financial sales contracts are scheduled for settlement at various dates in 2005 through 2015. Certain of these sales contracts, for the period 2006 through 2015, contain clauses that trigger additional shipment volume when the market price for a contract month is above the contract ceiling price. These contracts will be settled monthly, and if the market price exceeds the ceiling price for all contract months through 2015, the maximum additional shipment volume would be 760,800 metric tons. The Company had no fixed price financial purchase contracts to purchase aluminum at June 30, 2005 or December 31, 2004.

Additionally, to mitigate the volatility of the natural gas markets, the Company enters into fixed price financial purchase contracts, accounted for as cash flow hedges, which settle in cash in the period corresponding to the intended usage of natural gas.

Fixed Price Financial Purchase Contracts at June 30, 2005:

	(Thousands of DTH)				
	2005	**2006**	**2007**	**2008**	**Total**
Natural Gas	1,990	1,680	780	480	4,930

At June 30, 2005 and December 31, 2004, the Company had fixed price financial purchase contracts for 4.9 million and 4.3 million DTH (one decatherm is equivalent to one million British Thermal Units), respectively. These financial instruments are scheduled for settlement at various dates in 2005 through 2008.

Based on the fair value of the Company's fixed price financial sales contracts for primary aluminum and financial purchase contracts for natural gas that qualify as cash flow hedges as of June 30, 2005, accumulated other

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

comprehensive loss of $8,642 is expected to be reclassified as a reduction to earnings over the next 12 month period.

The forward financial sales and purchase contracts are subject to the risk of non-performance by the counterparties. However, the Company only enters into forward financial contracts with counterparties it determines to be creditworthy. If any counterparty failed to perform according to the terms of the contract, the accounting impact would be limited to the difference between the contract price and the market price applied to the contract volume on the date of settlement.

10. Supplemental Cash Flow Information

	Six months ended June 30,	
	2005	2004
Cash paid for:		
Interest	$13,514	$21,230
Income tax	2,975	198
Cash received for:		
Interest	415	339
Income tax refunds	—	135
Non-cash Investing activities:		
Accrued Nordural expansion costs	7,192	—

11. Asset Retirement Obligations

The reconciliation of the changes in the asset retirement obligations is as follows:

	For the six months ended June 30, 2005	For the Year ended December 31, 2004
Beginning balance, ARO liability	$17,232	$16,495
Additional ARO liability incurred	903	1,383
ARO liabilities settled	(1,439)	(3,379)
Accretion expense	459	2,733
Ending balance, ARO liability	$17,155	$17,232

12. New Accounting Standards

In May 2005, the FASB issued SFAS No. 154, “Accounting Changes and Error Corrections.” This Statement replaces the guidance in APB Opinion No. 20, “Accounting Changes” and FASB Statement No. 3, “Reporting Accounting Changes in Interim Financial Statements.” The Statement provides guidance on the accounting for and reporting of accounting changes and error corrections. It requires retrospective application as the required method for reporting a change in accounting principle, unless impracticable. The Statement differentiates retrospective application for changes in accounting principle and changes in reporting entity from restatement for corrections of errors. In addition, the reporting of a correction of an error by restating previously issued financial statements is also addressed by this Statement. The Statement is effective for fiscal year 2006 and thereafter. The Company is currently assessing the Statement and does not expect the impact of adopting SFAS No. 154 to have a material effect on the Company’s financial position and results of operations.

In December 2004, the Financial Accounting Standards Board (“FASB”) issued SFAS No. 123(R), “Share Based Payment.” This Statement is a revision of FASB Statement No. 123, “Accounting for Stock-Based Compensation” and supersedes Accounting Principles Board (“APB”) Opinion No. 25, “Accounting for Stock

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

Issued to Employees." This statement focuses primarily on accounting for transactions in which a company obtains services in share-based payment transactions. This Statement will require the Company to recognize the grant date fair value of an award of equity-based instruments to employees and the cost will be recognized over the period in which the employees are required to provide service. The Statement is effective for fiscal year 2006 and thereafter. The Company is currently assessing the Statement and does not expect the impact of adopting SFAS No. 123(R) to have a material effect on the Company's financial position and results of operations.

In November 2004, the FASB issued SFAS No. 151, "Inventory Costs." This Statement amends the guidance in Accounting Research Bulletin No. 43, Chapter 4, "Inventory Pricing" to clarify the accounting treatment for certain inventory costs. In addition, the Statement requires that the allocation of production overheads be based on the facilities' normal production capacity. The Statement is effective for fiscal year 2006 and thereafter. The Company is currently assessing the Statement and has not yet determined the impact of adopting SFAS No. 151 on the Company's financial position and results of operations.

13. Comprehensive Income and Accumulated Other Comprehensive Income (Loss)

Comprehensive Income:

	Six months ended June 30,	
	2005	2004
		(Restated)
Net income	$52,474	$ 24,812
Other comprehensive income (loss):		
Net unrealized gain (loss) on financial instruments, net of tax of ($8,762) and $5,848, respectively	15,205	(10,442)
Net amount reclassified to income, net of tax of ($9,413) and ($612), respectively	16,534	1,108
Comprehensive income	$84,033	$ 15,478

Composition of Accumulated Other Comprehensive Loss:

	June 30, 2005	December 31, 2004
Net unrealized loss on financial instruments, net of tax of $9,837 and $28,011	$(17,553)	$(49,113)
Minimum pension liability adjustment, net of tax of $1,728 and $1,728	(3,073)	(3,073)
Total accumulated other comprehensive loss	$(20,626)	$(52,186)

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

14. Earnings Per Share

The following table provides a reconciliation of the computation of the basic and diluted earnings per share:

	Three months ended June 30,					
	2005			2004		
	Income	Shares	Per-Share	Income (Restated)	Shares	Per-Share
Net income	$40,744			$19,219		
Less: Preferred stock dividends	—			(269)		
Basic EPS:						
Income applicable to common shareholders	40,744	32,140	$1.27	18,950	29,629	$0.64
Effect of Dilutive Securities:						
Plus: Incremental shares	—	56		—	162	
Plus: Convertible preferred stock	—	—		269	751	
Diluted EPS:						
Income applicable to common shareholders with assumed conversions	$40,744	32,196	$1.27	$19,219	30,542	$0.63

	Six months ended June 30,					
	2005			2004		
	Income	Shares	Per-Share	Income (Restated)	Shares	Per-Share
Net income	$52,474			$24,812		
Less: Preferred stock dividends	—			(769)		
Basic EPS:						
Income applicable to common shareholders	52,474	32,099	$1.63	24,043	25,412	$0.95
Effect of Dilutive Securities:						
Plus: Incremental shares	—	63		—	176	
Diluted EPS:						
Income applicable to common shareholders with assumed conversions	$52,474	32,162	$1.63	$24,043	25,588	$0.94

Options to purchase 276,913 and 597,593 shares of common stock were outstanding during the periods ended June 30, 2005 and 2004, respectively. At June 30, 2005, 20,000 options were not included in the calculation of diluted EPS because the option's exercise price exceeded the average market price of the common stock.

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

15. Components of Net Periodic Benefit Cost

	Pension Benefits			
	Three months ended June 30,		Six months ended June 30,	
	2005	2004	2005	2004
Service cost	$ 929	$ 775	$ 1,962	$ 1,678
Interest cost	1,222	1,103	2,341	2,129
Expected return on plan assets	(1,506)	(1,175)	(2,950)	(2,376)
Amortization of prior service cost	1,299	211	1,481	421
Amortization of net gain	202	138	314	163
Net periodic benefit cost	$ 2,146	$ 1,052	$ 3,148	$ 2,015

	Other Postemployment Benefits			
	Three months ended June 30,		Six months ended June 30,	
	2005	2004	2005	2004
Service cost	$1,178	$1,184	$2,516	$2,302
Interest cost	2,345	2,131	4,439	3,991
Expected return on plan assets	—	—	—	—
Amortization of prior service cost	(220)	(84)	(439)	(168)
Amortization of net gain	1,093	795	1,857	1,233
Net periodic benefit cost	$4,396	$4,026	$8,373	$7,358

16. Condensed Consolidating Financial Information

The Company's 7.5% Senior Unsecured Notes due 2014 and 1.75% Convertible Senior Notes due 2024 are guaranteed by each of the Company's existing and future domestic subsidiaries other than Nordural U.S. LLC. These notes are not guaranteed by the Company's foreign subsidiaries (the "Non-Guarantor Subsidiaries"). During the quarter, Century Aluminum of Kentucky LLC (the "LLC") became a guarantor subsidiary. In periods prior to this reporting period, the LLC was included in Non-Guarantor Subsidiaries. The Company's policy for financial reporting purposes is to allocate expenses or income to subsidiaries. For the three months ended June 30, 2005 and June 30, 2004, the Company allocated total corporate income/(expense) of $2,505 and ($1,143) to its subsidiaries, respectively. For the six months ended June 30, 2005 and June 30, 2004, the Company allocated total corporate income/(expense) of $1,986 and ($56) to its subsidiaries, respectively. Additionally, the Company charges interest on certain intercompany balances.

The following summarized condensed consolidating balance sheets as of June 30, 2005 and December 31, 2004, condensed consolidating statements of operations for the three and six months ended June 30, 2005 and June 30, 2004 and the condensed consolidating statements of cash flows for the six months ended June 30, 2005 and June 30, 2004 present separate results for Century Aluminum Company, the Guarantor Subsidiaries and the Non-Guarantor Subsidiaries.

This summarized condensed consolidating financial information may not necessarily be indicative of the results of operations or financial position had the Company, the Guarantor Subsidiaries or the Non-Guarantor Subsidiaries operated as independent entities.

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (cotinued)

CONDENSED CONSOLIDATING BALANCE SHEET
As of June 30, 2005

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	$ —	$ 20,263	$ 14,911	$ —	$ 35,174
Restricted cash	2,027	—	—	—	2,027
Accounts receivables — net	94,489	10,086	—	—	104,575
Due from affiliates	222,356	—	688,912	(897,224)	14,044
Inventories	93,647	12,850	—	(2,047)	104,450
Prepaid and other current assets	4,229	6,374	5,569	—	16,172
Deferred taxes — current portion	20,460	—	2,998	—	23,458
Total current assets	437,208	49,573	712,390	(899,271)	299,900
Investment in subsidiaries	12,884	—	365,694	(378,578)	—
Property, plant and equipment — net	464,120	451,537	351	—	916,008
Intangible asset — net	81,989	—	—	—	81,989
Goodwill	—	94,844	—	—	94,844
Due from affiliates — less current portion	—	—	2,747	—	2,747
Deferred taxes — less current portion	—	—	14,343	(14,343)	—
Other assets	41,499	12,233	20,882	—	74,614
Total assets	$1,037,700	$608,187	$1,116,407	$(1,292,192)	$1,470,102
Liabilities and shareholders' equity:					
Accounts payable — trade	$ 28,052	$ 19,874	$ —	$ —	$ 47,926
Due to affiliates	54,768	44,160	168,300	(222,654)	44,574
Industrial revenue bonds	7,815	—	—	—	7,815
Accrued and other current liabilities	17,746	3,101	38,411	—	59,258
Long-term debt — current portion	—	561	—	—	561
Accrued employee benefits costs — current portion	8,458	—	—	—	8,458
Deferred taxes — current	—	—	—	—	—
Convertible senior notes	—	—	175,000	—	175,000
Total current liabilities	116,839	67,696	381,711	(222,654)	343,592
Senior unsecured notes payable	—	—	250,000	—	250,000
Nordural debt	—	153,739	—	—	153,739
Accrued pension benefits costs — less current portion	—	—	12,358	—	12,358
Accrued post retirement benefits costs — less current portion	90,436	—	860	—	91,296
Other liabilities/intercompany loan	440,353	273,040	—	(677,934)	35,459
Due to affiliates — less current portion	17,402	—	—	—	17,402
Deferred taxes — less current portion	90,656	17,149	—	(13,027)	94,778
Total non-current liabilities	638,847	443,928	263,218	(690,961)	655,032
Shareholders' Equity:					
Common stock	60	12	321	(72)	321
Additional paid-in capital	247,016	75,339	418,412	(322,355)	418,412
Accumulated other comprehensive income (loss)	(20,626)	—	(20,626)	20,626	(20,626)
Retained earnings (accumulated deficit)	55,564	21,212	73,371	(76,776)	73,371
Total shareholders' equity	282,014	96,563	471,478	(378,577)	471,478
Total liabilities and equity	$1,037,700	$608,187	$1,116,407	$(1,292,192)	$1,470,102

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

CONDENSED CONSOLIDATING BALANCE SHEET

As of December 31, 2004 (as restated)

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	$ 185	$ 1,759	$ 42,224	$ —	$ 44,168
Restricted cash	1,174	504	—	—	1,678
Accounts receivable — net	71,051	8,449	76	—	79,576
Due from affiliates	168,328	8,474	684,458	(846,889)	14,371
Inventories	73,515	38,688	—	(918)	111,284
Prepaid and other assets	1,514	4,299	4,242	—	10,055
Deferred taxes — current portion	24,018	293	—	331	24,642
Total current assets	339,785	62,466	731,000	(847,447)	285,774
Investment in subsidiaries	66,393	—	270,178	(336,571)	—
Property, plant and equipment — net	464,418	341,692	140	—	806,250
Intangible asset — net	—	86,809	—	—	86,809
Goodwill	—	95,610	—	—	95,610
Other assets	20,391	16,792	20,927	—	58,110
Total assets	$890,987	$603,369	$1,022,245	$(1,184,048)	$1,332,553
Liabilities and shareholders' equity:					
Accounts payable — trade	$ 12,000	$ 35,479	$ —	$ —	$ 47,479
Due to affiliates	84,151	2,499	162,150	(163,985)	84,815
Industrial revenue bonds	7,815	—	—	—	7,815
Accrued and other current liabilities	15,545	10,023	27,741	—	53,309
Long term debt — current portion	—	704	9,878	—	10,582
Accrued employee benefits costs — current portion	6,507	1,951	—	—	8,458
Convertible senior notes	—	—	175,000	—	175,000
Total current liabilities	126,018	50,656	374,769	(163,985)	387,458
Senior unsecured notes payable	—	—	250,000	—	250,000
Nordural debt	—	80,711	—	—	80,711
Accrued pension benefit costs — less current portion	—	—	10,685	—	10,685
Accrued postretirement benefit costs — less current portion	56,947	27,812	790	—	85,549
Other liabilities/intercompany loan	479,213	239,124	—	(683,376)	34,961
Due to affiliates — less current portion	30,416	—	—	—	30,416
Deferred taxes	47,509	19,379	1,501	(116)	68,273
Total noncurrent liabilities	614,085	367,026	262,976	(683,492)	560,595
Shareholders' Equity:					
Common stock	59	13	320	(72)	320
Additional paid-in capital	188,424	242,818	415,453	(431,242)	415,453
Accumulated other comprehensive income (loss)	(51,665)	(521)	(52,186)	52,186	(52,186)
Retained earnings (accumulated deficit)	14,066	(56,623)	20,913	42,557	20,913
Total shareholders' equity	150,884	185,687	384,500	(336,571)	384,500
Total liabilities and shareholders' equity	$890,987	$603,369	$1,022,245	$(1,184,048)	$1,332,553

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the Three months ended June 30, 2005

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	$208,879	$34,450	$ —	$ —	$243,329
Related parties	39,927	—	—	—	39,927
	248,806	34,450	—	—	283,256
Cost of goods sold	220,967	21,649	—	(4,708)	237,908
Gross profit	27,839	12,801	—	4,708	45,348
Selling, general and administrative expenses	8,046	—	—	—	8,046
Operating income	19,793	12,801	—	4,708	37,302
Interest expense – third party	(6,236)	(281)	—	—	(6,517)
Interest income (expense) – affiliates	6,584	(6,584)	—	—	—
Interest income	252	23	—	—	275
Net gain on forward contracts	24,496	—	—	—	24,496
Other income (expense), net	(890)	418	—	—	(472)
Income before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	43,999	6,377	—	4,708	55,084
Income tax (expense) benefit	(19,028)	1,484	—	(1,695)	(19,239)
Income before equity in earnings (loss) of subsidiaries	24,970	7,861	—	3,013	35,845
Equity in earnings (loss) of subsidiaries and joint ventures	8,390	50	40,744	(44,285)	4,899
Net income (loss)	$ 33,361	$ 7,911	$40,744	$(41,272)	$ 40,744

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the Three Months Ended June 30, 2004
(as restated)

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	$203,947	$ 21,483	$ —	$ —	$225,430
Related parties	38,303	—	—	—	38,303
	242,250	21,483	—	—	263,733
Cost of goods sold	199,447	100,372	—	(82,765)	217,054
Reimbursement from owner	—	(82,805)	—	82,805	—
Gross profit (loss)	42,803	3,916	—	(40)	46,679
Selling, general and administrative expenses	3,991	—	—	—	3,991
Operating income (loss)	38,812	3,916	—	(40)	42,688
Interest expense – third party	(8,578)	(2,896)	—	—	(11,474)
Interest expense – related party	(51)	—	—	—	(51)
Interest income	195	22	—	27	244
Net loss on forward contracts	(1,177)	—	—	—	(1,177)
Other income (expense), net	(61)	59	—	11	9
Income (loss) before taxes, minority interest and cumulative effect of change in accounting principle	29,140	1,101	—	(2)	30,239
Income tax (expense) benefit	(10,747)	(1,444)	—	1,171	(11,020)
Income (loss) before equity in earnings (loss) of subsidiaries	18,393	(343)	—	1,169	19,219
Equity in earnings (loss) of subsidiaries	(1,910)	—	19,219	(17,309)	—
Net income (loss)	$ 16,483	$ (343)	$19,219	$(16,140)	$ 19,219

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the Six months ended June 30, 2005

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	$422,589	$ 68,165	$ —	$ —	$490,754
Related parties	77,898	—	—	—	77,898
	500,487	68,165	—	—	568,652
Cost of goods sold	428,346	48,099	—	(4,708)	471,737
Gross profit	72,141	20,066	—	4,708	96,915
Selling, general and administrative expenses	16,842	—	—	—	16,842
Operating income	55,299	20,066	—	4,708	80,073
Interest expense – third party	(12,654)	(547)	—	—	(13,201)
Interest income (expense) – affiliates	11,333	(11,333)	—	—	—
Interest income	419	74	—	—	493
Net gain on forward contracts	1,001	—	—	—	1,001
Other income (expense), net	(887)	822	—	—	(65)
Income before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	54,511	9,082	—	4,708	68,301
Income tax expense	(21,788)	(2,591)	—	(1,695)	(26,074)
Income (loss) before equity in earnings (loss) of subsidiaries	32,723	6,491	—	3,013	42,227
Equity in earnings (loss) of subsidiaries and joint ventures	4,850	5,397	52,474	(52,474)	10,247
Net income (loss)	$ 37,573	$ 11,888	$52,474	$(49,461)	$ 52,474

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the Six months Ended June 30, 2004
(as restated)

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	$396,293	$ 21,483	$ —	$ —	$417,776
Related parties	78,051	—	—	—	78,051
	474,344	21,483	—	—	495,827
Cost of goods sold	390,106	183,556	—	(162,867)	410,795
Reimbursement from owners	—	(162,941)	—	162,941	—
Gross profit (loss)	84,238	868	—	(74)	85,032
Selling, general and administrative expenses	9,399	—	—	—	9,399
Operating income (loss)	74,839	868	—	(74)	75,633
Interest expense — third party	(18,921)	(2,928)	—	—	(21,849)
Interest expense — related party	(380)	—	—	—	(380)
Interest income	267	22	—	52	341
Net loss on forward contracts	(13,997)	—	—	—	(13,997)
Other income (expense), net	(682)	57	—	20	(605)
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries	41,126	(1,981)	—	(2)	39,143
Income tax (expense) benefit	(15,229)	(1,444)	—	2,342	(14,331)
Equity in earnings (loss) of subsidiaries	(3,821)	—	24,812	(20,991)	—
Net income (loss)	$ 22,076	$ (3,425)	$24,812	$ (18,651)	$ 24,812

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Six Months Ended June 30, 2005

	Combined Guarantor Subsidiaries	Combined Non-guarantor Subsidiaries	The Company	Consolidated
Net cash provided by operating activities	$ 4,666	$ 54,058	$ —	$ 58,724
Investing activities:				
Nordural expansion	—	(113,654)	—	(113,654)
Purchase of property, plant and equipment, net	(3,572)	(1,584)	(325)	(5,481)
Business acquisitions, net of cash acquired	—	—	(7,000)	(7,000)
Restricted cash deposits	(350)	—	—	(350)
Proceeds from sale of property, plant and equipment	6	53	—	59
Net cash used in investing activities	(3,916)	(115,185)	(7,325)	(126,426)
Financing activities:				
Borrowings	—	145,378	—	145,378
Repayment of debt	—	(72,494)	(10,529)	(83,023)
Financing fees	—	(4,617)	—	(4,617)
Intercompany transactions	(935)	11,364	(10,429)	—
Dividends	—	—	(16)	(16)
Issuance of common stock	—	—	986	986
Net cash provided by (used in) financing activities	(935)	79,631	(19,988)	58,708
Net increase (decrease) in cash and cash equivalents	(185)	18,504	(27,313)	(8,994)
Cash and cash equivalents, beginning of period	185	1,759	42,224	44,168
Cash and cash equivalents, end of period	$ —	$ 20,263	$ 14,911	$ 35,174

CENTURY ALUMINUM COMPANY

Notes to Consolidated Financial Statements — (continued)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Six Months Ended June 30, 2004 (as restated)

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	$ 55,058	$ (3,447)	$ —	$ 51,611
Investing activities:				
Purchase of property, plant and equipment, net	(3,618)	(2,094)	—	(5,712)
Acquisitions, net of cash acquired	—	—	(184,869)	(184,869)
Net cash used in investing activities	(3,618)	(2,094)	(184,869)	(190,581)
Financing activities:				
Repayment of debt	—	(6,659)	(14,000)	(20,659)
Dividends	—	—	(3,311)	(3,311)
Intercompany transactions	(51,146)	26,522	24,624	—
Issuance of common stock	—	—	209,905	209,905
Net cash provided by (used in) financing activities	(51,146)	19,864	217,218	185,935
Net increase in cash	293	14,323	32,349	46,965
Cash, beginning of period	104	—	28,100	28,204
Cash, end of period	$ 397	$14,323	$ 60,449	$ 75,169

FORWARD — LOOKING STATEMENTS — CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES REFORM ACT OF 1995.

This Quarterly Report on Form 10-Q contains forward-looking statements. The Company has based these forward-looking statements on current expectations and projections about future events. Many of these statements may be identified by the use of forward-looking words such as “expects,” “anticipates,” “plans,” “believes,” “projects,” “estimates,” “intends,” “should,” “could,” “would,” “will,” and “potential” and similar words. These forward-looking statements are subject to risks, uncertainties and assumptions including, among other things, those discussed under Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and Part I, Item 1, “Financial Statements and Supplementary Data,” and:

- The Company’s high level of indebtedness reduces cash available for other purposes, such as the payment of dividends, and limits the Company’s ability to incur additional debt and pursue its growth strategy;
- The cyclical nature of the aluminum industry causes variability in the Company’s earnings and cash flows;
- The loss of a customer to whom the Company delivers molten aluminum would increase the Company’s production costs;
- Glencore International AG owns a large percentage of the Company’s common stock and has the ability to influence matters requiring shareholder approval;
- The Company could suffer losses due to a temporary or prolonged interruption of the supply of electrical power to its facilities, which can be caused by unusually high demand, blackouts, equipment failure, natural disasters or other catastrophic events;
- Due to volatile prices for alumina, the principal raw material used in primary aluminum production, the Company’s raw materials costs could be materially impacted if the Company experiences changes to or disruptions in its current alumina supply arrangements, or if production costs at the Company’s recently acquired alumina refining operations increase significantly;
- By expanding the Company’s geographic presence and diversifying its operations through the acquisition of bauxite mining, alumina refining and additional aluminum reduction assets, the Company is exposed to new risks and uncertainties that could adversely affect the overall profitability of its business;
- Changes in the relative cost of certain raw materials and energy compared to the price of primary aluminum could affect the Company’s margins;
- Most of the Company’s employees are unionized and any labor dispute or failure to successfully renegotiate an existing labor agreement could materially impair the Company’s ability to conduct its production operations at its unionized facilities;
- The Company is subject to a variety of environmental laws that could result in unanticipated costs or liabilities;
- The Company may not realize the expected benefits of its growth strategy if it is unable to successfully integrate the businesses it acquires; and
- The Company cannot guarantee that the Company’s subsidiary Nordural will be able to complete its expansion in the time forecast or without significant cost overruns or that the Company will be able to realize the expected benefits of the expansion.

Although the Company believes the expectations reflected in its forward-looking statements are reasonable, the Company cannot guarantee its future performance or results of operations. All forward-looking statements in this filing are based on information available to the Company on the date of this filing; however, the Company is not obligated to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. When reading any forward-looking statements in this filing, the reader should consider the risks described above and elsewhere in this report as well as those described in the Company’s Annual Report on Form

10-K for the year ended December 31, 2004. Given these uncertainties and risks, the reader should not place undue reliance on these forward-looking statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

The following discussion reflects Century's historical results of operations, which do not include results for the Nordural facility until it was acquired in April 2004 and the Company's equity interest in the earnings of Gramercy Alumina LLC ("GAL") and St. Ann Bauxite Limited ("SABL") until the Company acquired a 50% joint venture interest in those companies in October 2004. All periods have been restated to reflect the Company's change in inventory valuation.

Century's financial highlights include:

	Three months ended June 30,		Six months ended June 30,	
	2005	2004	2005	2004
	(In thousands, except per share data)			
		(Restated)		(Restated)
Net sales:				
Third-party customers	$243,329	$225,430	$490,754	$417,776
Related party customers	39,927	38,303	77,898	78,051
Total	$283,256	$263,733	$568,652	$495,827
Net income	$ 40,744	$ 19,219	$ 52,474	$ 24,812
Net income applicable to common shareholders	$ 40,744	$ 18,950	$ 52,474	$ 24,043
Earnings per common share:				
Basic	$ 1.27	$ 0.64	$ 1.63	$ 0.95
Diluted	$ 1.27	$ 0.63	$ 1.63	$ 0.94

Net sales: Net sales for the three months ended June 30, 2005 increased $19.5 million or 7%, to $283.3 million. Higher price realizations for primary aluminum in the second quarter 2005, due to improved London Metal Exchange ("LME") prices and Midwest premiums for primary aluminum, contributed an additional $13.3 million in sales that were partially offset by $4.8 million in reduced direct shipment revenues. Direct shipments were 6.1 million pounds less than the previous year period due to production and inventory differences between quarters. The additional volume provided by Nordural for the three months ended June 30, 2005 contributed $11.0 million to the quarterly net sales increase.

Net sales for the six months ended June 30, 2005 increased $72.8 million or 15%, to $568.7 million. Higher price realizations for primary aluminum in the current period, due to improved London Metal Exchange ("LME") prices and Midwest premiums for primary aluminum, contributed an additional $41.0 million in sales that were partially offset by $12.9 million in reduced direct shipment revenues. Direct shipments were 16.0 million pounds less than the previous year period due to fewer days in the first six months of 2005 versus 2004 and production and inventory differences between periods. The additional volume provided by Nordural for the six months ended June 30, 2005 contributed $44.7 million to the quarterly net sales increase.

Gross profit: Gross profit for the three months ended June 30, 2005 decreased $1.3 million to $45.3 million from $46.7 million, for the same period in 2004. Improved price realizations net of increased alumina costs improved gross profit by $5.8 million and the net increased shipment volume, a result of the Nordural facility acquisition, contributed $4.1 million in additional gross profit. Offsetting these gains were $11.2 million in net cost increases during the current quarter comprised of a decline in raw material quality and increased replacement of pot

cells, $4.6 million; higher power costs, $2.9 million; increased net amortization and depreciation charges, $1.7 million and; other spending, $2.0 million.

Gross profit for the six months ended June 30, 2005 increased $11.9 million to $96.9 million from $85.0 million, for the same period in 2004. Improved price realizations net of increased alumina costs improved gross profit by $23.9 million and the net increased shipment volume, a result of the Nordural facility acquisition, contributed $13.4 million in additional gross profit. Partially offsetting these gains were $25.4 million in net cost increases during the current period comprised of: a decline in raw material quality and increased replacement of pot cells, $10.1 million; higher power costs, $6.1 million; increased net amortization and depreciation charges, $4.3 million and; other spending, $4.9 million.

Selling, general and administrative expenses: Selling, general and administrative expenses for the three months ended June 30, 2005 increased $4.1 million to $8.0 million relative to the same period in 2004. Approximately 61%, or $2.5 million of the increase, was a result of increased compensation and pension expense, with the remaining increase in expense associated with increased audit, other professional fees and other general expenses. In addition, the allowance for bad debts was reduced $0.6 million in the second quarter of 2004, reflecting the settlement of a claim.

Selling, general and administrative expenses for the six months ended June 30, 2005 increased $7.4 million to $16.8 million relative to the same period in 2004. Approximately 65%, or $4.8 million of the increase, was a result of increased compensation and pension expense, with the remaining increase in expense associated with increased audit, other professional fees and other general expenses. In addition, allowance for bad debts was reduced $0.6 million in six months ended June 30, 2004, reflecting the settlement of a claim.

Net gain/loss on forward contracts : Net gain on forward contracts for the three months ended June 30, 2005 was $24.5 million as compared to a net loss of $1.2 million for the same period in 2004. For the six months ended June 30, 2005, net gain on forward contracts was $1.0 million as compared to a net loss of $14.0 for the same period in 2004. The gain reported for the three and six months ended June 30, 2005, was primarily a result of mark-to-market gains associated with the Company's long term financial sales contracts which do not qualify for cash flow hedge accounting. The loss reported for the three and six month period ended June 30, 2004, primarily relates to the early termination of a fixed price forward sales contract with Glencore.

Tax provision: Income tax expense for the three months and six months ended June 30, 2005 increased $8.2 million and $11.7 million, respectively, from the same periods in 2004. The changes in income tax expense are due to the changes in income before income taxes and changes in the equity in earnings of joint ventures which were partially offset by the discontinuance of accrual for United States taxes on Nordural's earnings resulting from a decision that such earnings would remain invested outside the United States indefinitely.

Equity in earnings of joint ventures: Equity in earnings from the Gramercy assets, which were acquired on October 1, 2004, was $4.9 million and $10.2 million for the three and six months ended June 30, 2005, respectively. These earnings represent the Company's share of profits from third party bauxite and hydrate sales.

Liquidity and Capital Resources

The Company's statements of cash flows for the six months ended June 30, 2005 and 2004 are summarized below:

	Six months ended June 30,	
	2005	2004
	(dollars in thousands)	
Net cash provided by operating activities	$ 58,724	$ 51,611
Net cash used in investing activities	(126,426)	(190,581)
Net cash provided by financing activities	58,708	185,935
Net increase (decrease) in cash and cash equivalents	$ (8,994)	$ 46,965

Net cash from operating activities in the first six months of 2005 increased $7.1 million to $58.7 million from the comparable 2004 period of $51.6 million. The increase in net cash provided by operating activities during the first six months of 2005 was the result of the April 2004 Nordural facility acquisition, and improved market conditions, as discussed above. Due to a banking delay, the Company received a June 30 th payment for $24.8 million on July 1, 2005. Absent the error, net cash from operating activities in the first six months of 2005 would have been $83.6 million.

The Company's net cash used in investing activities for the six month period ended June 30, 2005 was $126.4 million, primarily a result of the ongoing expansion of the Nordural facility. The Company's remaining net cash used for investing activities consisted of capital expenditures to maintain and improve plant operations and a payment of $7.0 million to Southwire in connection with the 2001 acquisition of the Hawesville facility. The Company was required to make post-closing payments of up to $7.0 million if the LME price exceeded specified levels during any of the seven years following closing. The payment was made in April 2005. During the six month period ended June 30, 2004, the Company used cash to acquire the Nordural facility and for capital expenditures to maintain and improve plant operations.

Net cash provided by financing activities during the first six months of 2005 was $58.7 million as a result of borrowings under Nordural's new $365.0 million senior term loan facility. Amounts borrowed under the new term loan facility during the period were used to finance a portion of the costs associated with the ongoing expansion of the Nordural facility. During the six months ended June 30, 2005, the Company used cash of $83.0 million to retire the Nordural senior term facility, the senior secured first mortgage notes and debt related to the Landsvirkjun power contract.

Liquidity

The Company's principal sources of liquidity are cash flow from operations, available borrowings under the Company's revolving credit facility and Nordural's new term loan facility. The Company believes these sources will provide sufficient liquidity to meet working capital needs, fund capital improvements, and provide for debt service requirements. At June 30, 2005, the Company had borrowing availability of $100.0 million under its revolving credit facility, subject to customary covenants, with no outstanding borrowings. As of June 30, 2005, the Company had remaining borrowing availability of $220.0 million under Nordural's $365.0 million term loan facility.

The Company's principal uses of cash are operating costs, payments of principal and interest on the Company's outstanding debt, the funding of capital expenditures and investments in related businesses, working capital and other general corporate requirements. During 2004, the Company refinanced its public debt obligations and commenced work on the expansion of the Nordural facility, which the Company believes are transactions that may favorably impact the current and future financial condition and results of operations of the Company.

Capital Resources

The Company anticipates capital expenditures of approximately $20.0 million in 2005, exclusive of the Nordural expansion. The revolving credit facility limits the Company's ability to make capital expenditures at its

U.S. reduction facilities; however, the Company believes that the amount permitted will be adequate to maintain its properties and business and comply with environmental requirements.

The Company has commenced work on an expansion of the Nordural facility that will increase its annual production capacity from 90,000 metric tons to 220,000 metric tons. The Company estimates the expansion will cost approximately $473.0 million. The Company plans to finance the current expansion project through cash flow and borrowings under Nordural's term loan facility, which is non-recourse to Century Aluminum Company.

The Nordural expansion will require approximately $330.0 million of capital expenditures in 2005. Through June 30, 2005, the Company had outstanding capital commitments related to the Nordural expansion of $199.8 million. The Company's cost commitments for the Nordural expansion may materially change depending on the exchange rate between the U.S. dollar and certain foreign currencies, principally the euro and the Icelandic krona. Approximately 64% of the expected project costs for the Nordural expansion are denominated in currencies other than the U.S. dollar, primarily the euro and the krona. As of June 30, 2005, the Company had no hedges to mitigate the Company's foreign currency exposure. The expansion is projected to be substantially completed by mid-2006 with the final 8,000 metric tons of capacity projected to be completed by mid-2007.

In February 2005, Nordural closed and borrowed under a new $365.0 million senior term loan facility. Amounts borrowed under the new term loan facility were used to refinance debt under Nordural's existing term loan facility, and will be used to finance a portion of the costs associated with the ongoing expansion of the Nordural facility and for Nordural's general corporate purposes. Amounts borrowed under Nordural's term loan facility generally bear interest at a margin over the applicable Eurodollar rate.

In April 2005, the Company signed an agreement with Hitaveita Sujurnesja hf. ("Sudurnes Energy") and Orkuveita Reykjavíkur ("Reykjavik Energy") to purchase the power required to further expand the production capacity of the Nordural facility. Under the agreement, Sudurnes Energy will provide 15 megawatts ("MW') of power annually, which will permit Nordural to expand the plant's annual capacity by an additional 8,000 metric tons to 220,000 metric tons by mid-2007, and Reykjavik Energy has agreed to deliver 70 MW annually, which will allow a further expansion to 260,000 metric tons by the fourth quarter of 2008. The power agreement and the construction of additional production capacity are each subject to the satisfaction of certain conditions. The Company is considering various options for financing the additional capacity.

Other Contingencies

The Company's income tax returns are periodically examined by various tax authorities. The Company is currently under audit by the Internal Revenue Service ("IRS") for the tax years through 2002. In connection with such examinations, the IRS has raised issues and proposed tax deficiencies. The Company is reviewing the issues raised by the IRS and has filed an administrative appeal within the IRS, contesting the proposed tax deficiencies. The Company believes that its tax position is well-supported and, based on current information, does not believe that the outcome of the tax audit will have a material impact on the Company's financial condition or results of operations.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Commodity Prices

The Company is exposed to the price of primary aluminum. The Company manages its exposure to fluctuations in the price of primary aluminum by selling aluminum at fixed prices for future delivery and through financial instruments as well as by purchasing alumina under certain of its supply contracts at prices tied to the same indices as the Company's aluminum sales contracts (see Item 1, Notes to the Consolidated Financial Statements, Note 9 – Forward Delivery Contracts and Financial Instruments). The Company's risk management activities do not include trading or speculative transactions.

Apart from the Pechiney Metal Agreement, Glencore Metal Agreement I, Glencore Metal Agreement II and Southwire Metal Agreement, the Company had forward delivery contracts to sell 93,569 metric tons and 113,126

metric tons of primary aluminum at June 30, 2005 and December 31, 2004, respectively. Of these forward delivery contracts, the Company had fixed price commitments to sell 8,923 metric tons and 6,033 metric tons of primary aluminum at June 30, 2005 and December 31, 2004, respectively, of which none were with Glencore.

At June 30, 2005 and December 31, 2004, the Company had fixed price financial sales contracts with Glencore for 1,135,550 metric tons and 764,933, respectively, of which 374,750 metric tons and 464,333 metric tons, respectively, were designated as cash flow hedges. These fixed price financial sales contracts are scheduled for settlement at various dates in 2005 through 2015. Certain of these sales contracts, for the period 2006 through 2015, contain clauses that trigger additional shipment volume when the market price for a contract month is above the contract ceiling price. These contracts will be settled monthly, and if the market price exceeds the ceiling price for all contract months through 2015, the maximum additional shipment volume would be 760,800 metric tons. The Company had no fixed price financial purchase contracts to purchase aluminum at June 30, 2005 or December 31, 2004.

Fixed Price Financial Sales Contracts at June 30, 2005:

	(Metric Tons)						
	2005	**2006**	**2007**	**2008**	**2009**	**Thereafter**	**Total**
Primary aluminum	103,500	167,950	169,900	109,200	105,000	480,000	1,135,550

Additionally, to mitigate the volatility of the natural gas markets, the Company enters into fixed price financial purchase contracts, accounted for as cash flow hedges, which settle in cash in the period corresponding to the intended usage of natural gas. At June 30, 2005 and December 31, 2004, the Company had fixed price financial purchase contracts for 4.9 million and 4.3 million DTH (one decatherm is equivalent to one million British Thermal Units), respectively. These financial instruments are scheduled for settlement at various dates in 2005 through 2008.

Fixed Price Financial Purchase Contracts at June 30, 2005:

	(Thousands of DTH)				
	2005	**2006**	**2007**	**2008**	**Total**
Natural Gas	1,990	1,680	780	480	4,930

On a hypothetical basis, a $20 per ton increase or decrease in the market price of primary aluminum is estimated to have an unfavorable or favorable impact of $4.8 million after tax on accumulated other comprehensive income for the contracts designated as cash flow hedges, and $9.7 million on net income for the contracts designated as derivatives, for the period ended June 30, 2005 as a result of the forward primary aluminum financial sales contracts outstanding at June 30, 2005.

On a hypothetical basis, a $0.50 per DTH decrease or increase in the market price of natural gas is estimated to have an unfavorable or favorable impact of $1.6 million after tax on accumulated other comprehensive income for the period ended June 30, 2005 as a result of the forward natural gas financial purchase contracts outstanding at June 30, 2005.

The Company’s metals and natural gas risk management activities are subject to the control and direction of senior management. The metals related activities are regularly reported to the Board of Directors of Century.

This quantification of the Company’s exposure to the commodity price of aluminum is necessarily limited, as it does not take into consideration the Company’s inventory or forward delivery contracts, or the offsetting impact on

the sales price of primary aluminum products. Because all of the Company's alumina contracts, except the alumina contract with GAL for the Hawesville facility, are indexed to the LME price for aluminum, they act as a natural hedge for approximately 11% of the Company's production. As of June 30, 2005, approximately 53% and 44% of the Company's production for the years 2005 and 2006, respectively, was either hedged by the alumina contracts, Nordural electrical power and tolling contracts, and/or by fixed price forward delivery and financial sales contracts.

Nordural. Substantially all of Nordural's revenues are derived from a Toll Conversion Agreement with a subsidiary of BHP Billiton whereby it converts alumina provided to it into primary aluminum for a fee based on the LME price for primary aluminum. Because of this agreement, Nordural's revenues are subject to the risk of decreases in the market price of primary aluminum; however, Nordural is not exposed to increases in the price for alumina, the principal raw material used in the production of primary aluminum. In addition, under its power contract, Nordural purchases power at a rate which is a percentage of the LME price for primary aluminum, providing Nordural with a natural hedge against downswings in the market for primary aluminum.

Nordural is exposed to foreign currency risk due to fluctuations in the value of the U.S. dollar as compared to the euro and the Icelandic krona. Under its Toll Conversion and power contracts, Nordural's revenues and power costs are based on the LME price for primary aluminum, which is denominated in U.S. dollars. There is no currency risk associated with these contracts. Nordural's labor costs are denominated in Icelandic krona and a portion of its anode costs are denominated in euros. As a result, an increase or decrease in the value of those currencies relative to the U.S. dollar would affect Nordural's operating margins.

Nordural does not currently have financial instruments to hedge commodity or currency risk. Nordural may hedge such risks in the future, including the purchase of aluminum put options to hedge Nordural's commodity risk.

Interest Rates

Interest Rate Risk. The Company's primary debt obligations are the outstanding senior unsecured notes, convertible notes, the Nordural debt, borrowings under its revolving credit facility, if any, and the IRBs that the Company assumed in connection with the Hawesville acquisition. Because the senior unsecured notes and convertible notes bear a fixed rate of interest, changes in interest rates do not subject the Company to changes in future interest expense with respect to these borrowings. Borrowings under the Company's revolving credit facility, if any, are at variable rates at a margin over LIBOR or the Fleet National Bank base rate, as defined in the revolving credit facility. The IRBs bear interest at variable rates determined by reference to the interest rate of similar instruments in the industrial revenue bond market. At June 30, 2005, Nordural had approximately $153.7 million of long-term debt consisting primarily of obligations under the Nordural loan facility. Borrowings under Nordural's loan facility bear interest at a margin over the applicable LIBOR rate. At June 30, 2005, Nordural had $147.3 million of liabilities which bear interest at a variable rate.

At June 30, 2005, the Company had $155.1 million of variable rate borrowings. A hypothetical one percentage point increase or decrease in the interest rate would increase or decrease the Company's annual interest expense by $1.6 million, assuming no debt reduction. The Company does not currently hedge its interest rate risk, but may do so in the future through interest rate swaps which would have the effect of fixing a portion of its floating rate debt.

The Company's primary financial instruments are cash and short-term investments, including cash in bank accounts and other highly rated liquid money market investments and government securities.

Item 4. Controls and Procedures

a. Evaluation of Disclosure Controls and Procedures

As of June 30, 2005, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures. Based upon that evaluation, the Company's management, including the Chief Executive Officer and the Chief Financial Officer, concluded that the Company's disclosure controls and procedures were effective.

b. Changes in Internal Control over Financial Reporting

During the quarter ended June 30, 2005, the Company had no changes in internal control over financial reporting that would have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II. OTHER INFORMATION

Item 6. Exhibit Index

Exhibit Number	Description of Exhibit
4.1	Supplemental Indenture No. 1 for Century Aluminum Company's 7.5% Senior Notes, dated as of August 26,2004, among Century Aluminum Company, as issuer, the guarantors party thereto and Wilmington Trust Company, as trustee
4.2	Supplemental Indenture No. 3 for Century Aluminum Company's 1.75% Convertible Senior Notes, dated as of October 26,2004, among Century Aluminum Company, as issuer, the guarantors party thereto and Wilmington Trust Company, as trustee
10.1	Amended and Restated Tolling Agreement, dated as of February 10, 2005, between Nordural ehf and Glencore AG*
10.2	Amendment Agreement to Employment Agreement, dated as of June 28, 2005, by and between Century Aluminum Company and Craig A. Davis
10.3	Second Amendment Agreement to Employment Agreement, dated as of June 28, 2005, by and between Century Aluminum Company and Gerald J. Kitchen
10.4	Second Amendment Agreement to Employment Agreement, dated as of June 28, 2005, by and between Century Aluminum Company and David W. Beckley
10.5	Second Amendment of the Century Aluminum Company Supplemental Income Retirement Benefit Plan
10.6	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and Craig A. Davis
10.7	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and Gerald J. Kitchen
10.8	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and David W. Beckley
10.9	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and Jack E. Gates
10.10	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and Daniel J. Krofcheck
10.11	Summary of base compensation for Named Executive Officers
10.12	Consulting Agreement, effective as of January 1, 2006, by and between Century Aluminum Company and Gerald J. Kitchen
18.1	Independent Registered Public Accounting Firm Letter regarding a Change in Accounting Principle.
31.1	Certification of Chief Executive Officer
31.2	Certification of Chief Financial Officer
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350

* Confidential information has been omitted from this exhibit pursuant to a request for confidential treatment and filed separately with the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Century Aluminum Company

Date: August 9, 2005 By: /s/ Craig A. Davis
Craig A. Davis
Chairman and Chief Executive Officer

Date: August 9, 2005 By: /s/ David W. Beckley
David W. Beckley
Executive Vice-President/Chief Financial Officer

Table of Contents

Exhibit Index

Exhibit Number	Description of Exhibit
4.1	Supplemental Indenture No. 1 for Century Aluminum Company's 7.5% Senior Notes, dated as of August 26,2004, among Century Aluminum Company, as issuer, the guarantors party thereto and Wilmington Trust Company, as trustee
4.2	Supplemental Indenture No. 3 for Century Aluminum Company's 1.75% Convertible Senior Notes, dated as of October 26,2004, among Century Aluminum Company, as issuer, the guarantors party thereto and Wilmington Trust Company, as trustee
10.1	Amended and Restated Tolling Agreement, dated as of February 10, 2005, between Nordural ehf and Glencore AG*
10.2	Amendment Agreement to Employment Agreement, dated as of June 28, 2005, by and between Century Aluminum Company and Craig A. Davis
10.3	Second Amendment Agreement to Employment Agreement, dated as of June 28, 2005, by and between Century Aluminum Company and Gerald J. Kitchen
10.4	Second Amendment Agreement to Employment Agreement, dated as of June 28, 2005, by and between Century Aluminum Company and David W. Beckley
10.5	Second Amendment of the Century Aluminum Company Supplemental Income Retirement Benefit Plan
10.6	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and Craig A. Davis
10.7	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and Gerald J. Kitchen
10.8	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and David W. Beckley
10.9	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and Jack E. Gates
10.10	Severance Protection Agreement, dated as of August 1, 2005, by and between Century Aluminum Company and Daniel J. Krofcheck
10.11	Summary of base compensation for Named Executive Officers
10.12	Consulting Agreement, effective as of January 1, 2006, by and between Century Aluminum Company and Gerald J. Kitchen
18.1	Independent Registered Public Accounting Firm Letter regarding a Change in Accounting Principle.
31.1	Certification of Chief Executive Officer
31.2	Certification of Chief Financial Officer
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350

* Confidential information has been omitted from this exhibit pursuant to a request for confidential treatment and filed separately with the Securities and Exchange Commission.

Exhibit 4.1

SUPPLEMENTAL INDENTURE

dated as of July 27, 2005

among

CENTURY ALUMINUM COMPANY,
as Issuer

CENTURY ALUMINUM OF KENTUCKY LLC ,
as a Guarantor

and

WILMINGTON TRUST COMPANY ,
as Trustee

---

7 ½ % SENIOR NOTES DUE 2014

THIS SUPPLEMENTAL INDENTURE (this " **Supplemental Indenture** "), entered into as of July 27, 2005 and effective from and after June 29, 2005, among Century Aluminum Company, a Delaware corporation (the " **Company** "), Century Aluminum of Kentucky LLC, a Delaware limited liability company, as a Guarantor (the " **Undersigned** ") and Wilmington Trust Company, as trustee (the " **Trustee** ").

RECITALS

WHEREAS, the Company, the Guarantors party thereto and the Trustee entered into the Indenture, dated as of August 26, 2004 (the " **Indenture** "), relating to the Company's 7½% Senior Notes due 2014 (the " **Notes** ");

WHEREAS, as a condition to the Trustee entering into the Indenture and the purchase of the Notes by the Holders, the Company agreed pursuant to the Indenture to cause the Undersigned, from and after the "repayment date" (as defined in the Indenture) to provide a Note Guaranty and to execute this Supplemental Indenture to evidence such Note Guaranty; and

WHEREAS, the "repayment date" as defined in the Indenture has occurred.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties to this Supplemental Indenture, effective from and after June 29, 2005, hereby agree as follows:

SECTION 1. Capitalized terms used herein and not otherwise defined herein are used as defined in the Indenture.

SECTION 2. The Undersigned, by its execution of this Supplemental Indenture, agrees to be a Guarantor under the Indenture and to be bound by the terms of the Indenture applicable to Guarantors, including, but not limited to, Article 10 thereof.

SECTION 3. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 4. This Supplemental Indenture may be signed in various counterparts which together will constitute one and the same instrument.

SECTION 5. This Supplemental Indenture is an amendment supplemental to the Indenture and the Indenture and this Supplemental Indenture will henceforth be read together.

SECTION 6. The Trustee makes no representation as to the validity or adequacy of this Supplemental Indenture or the recitals contained herein.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

CENTURY ALUMINUM COMPANY,
as Issuer

By: /s/ Peter C. McGuire
Name: Peter C. McGuire
Title: Vice President and
Associate General Counsel

CENTURY ALUMINUM OF
KENTUCKY LLC, as a Guarantor

By: /s/ Peter C. McGuire
Name: Peter C. McGuire
Title: Assistant Secretary

WILMINGTON TRUST COMPANY, as
Trustee

By: /s/ Kristin F. Long
Name: Kristin F. Long
Title: Financial Services Officer

Exhibit 4.2

SUPPLEMENTAL INDENTURE No. 3

dated as of July 27, 2005

among

CENTURY ALUMINUM COMPANY,
as Issuer

CENTURY ALUMINUM OF KENTUCKY LLC ,
as a Guarantor

and

WILMINGTON TRUST COMPANY ,
as Trustee

1.75% CONVERTIBLE SENIOR NOTES DUE AUGUST 1, 2024

THIS SUPPLEMENTAL INDENTURE (this " **Supplemental Indenture** "), entered into as of July 27, 2005 and effective from and after June 29, 2005, is among Century Aluminum Company, a corporation duly organized under the laws of the State of Delaware (the " **Company** "), Century Aluminum of Kentucky LLC, a limited liability company duly organized under the laws of the State of Delaware, as a Guarantor (the " **Undersigned** ") and Wilmington Trust Company, as trustee (the " **Trustee** ").

RECITALS

WHEREAS, the Company and the Trustee entered into the Indenture, dated as of August 9, 2004 (the " **Original Indenture,** " as amended by the Supplemental Indenture No. 1, dated as of October 26, 2004, between the Company and the Trustee, the Supplemental Indenture No. 2, dated as of October 26, 2004, among the Company, the Guarantors party thereto and the Trustee, and as amended and supplemented by this Supplemental Indenture, is hereinafter called the " **Indenture** "), relating to the Company's 1.75% Convertible Senior Notes due August 1, 2024 (the " **Securities** ");

WHEREAS, the Company has agreed in Section 6.09 of the Indenture to cause certain of its Subsidiaries to provide Securities Guaranties in certain circumstances; and

WHEREAS, the Undersigned is required pursuant to such Section 6.09 to execute and deliver this Supplemental Indenture to evidence its Securities Guaranty.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties to this Supplemental Indenture, effective from and after June 29, 2005, hereby agree as follows:

Section 1. Capitalized terms used herein and not otherwise defined herein are used as defined in the Indenture.

Section 2. The Undersigned, by its execution of this Supplemental Indenture, agrees to be a Guarantor under the Indenture on the terms set forth below.

Section 3. Subject to the provisions in this Supplemental Indenture, the Guarantor hereby irrevocably and unconditionally guarantees, jointly and severally, on a senior unsecured basis, the full and punctual payment (or delivery, as the case may be), if and when due, of (i) the principal amount or interest due on any Security, whether on the Final Maturity Date, upon redemption or repurchase, or otherwise, (ii) the Make Whole Premium payable, if any, on any Security, and (iii) all other amounts payable by the Company under the Indenture (including, without limitation, the Company's obligation to deliver Cash, Common Stock, or other securities, assets or property (including Cash) upon conversion of the Securities). Upon failure by the Company to pay (or deliver, as the case may be) punctually any such amount if and when due, the Guarantor shall forthwith on demand pay (or deliver, as the case may be) the amount (or consideration) not so paid (or delivered) at the place and in the manner specified in the Indenture. To the extent that the Company has an election to deliver the form of payment, the Guarantor shall have the same right of election.

Section 4. The obligations of the Guarantor are unconditional and absolute and, without limiting the generality of the foregoing, will not be released, discharged or otherwise affected by

(i) any extension, renewal, settlement, compromise, waiver or release in respect of any obligation of the Company under the Indenture or any Security, by operation of law or otherwise;

(ii) any modification or amendment of or supplement to the Indenture or any Security;

(iii) any change in the corporate existence, structure or ownership of the Company, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting the Company or its assets or any resulting release or discharge of any obligation of the Company contained in the Indenture or any Security;

(iv) the existence of any claim, set-off or other rights which the Guarantor may have at any time against the Company, the Trustee or any other Person, whether in connection with the Indenture or any unrelated transactions; *provided* that nothing herein prevents the assertion of any such claim by separate suit or compulsory counterclaim;

(v) any invalidity or unenforceability relating to or against the Company for any reason of the Indenture or any Security, or any provision of applicable law or regulation purporting to prohibit the payment by the Company of the principal amount, Make Whole Premium, if any, or interest due on any Security or any other amount payable by the Company under the Indenture; or

(vi) any other act or omission to act or delay of any kind by the Company, the Trustee or any other Person or any other circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable discharge of or defense to the Guarantor's obligations hereunder.

Section 5. The Guarantor's obligations under its Securities Guaranty will remain in full force and effect until the principal of, Make Whole Premium, if any, and interest on the Securities and all other amounts payable by the Company (including, without limitation, the Company's obligation to deliver Cash, Common Stock, or other securities, assets or property (including Cash) upon conversion of the Securities) under the Indenture have been paid in full. If at any time any payment of the principal of, Make Whole Premium, if any, or interest on any Security or any other amount payable by the Company (including, without limitation, the Company's obligation to deliver Cash, Common Stock, or other securities, assets or property (including Cash) upon conversion of the Securities) under the Indenture is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy or reorganization of the Company or otherwise, the Guarantor's obligations hereunder with respect to such payment will be reinstated as though such payment had been due but not made at such time.

Section 6. Each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and any notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against the Company or any other Person.

Section 7. Upon making any payment with respect to any obligation of the Company pursuant to this Supplemental Indenture, the Guarantor making such payment will be subrogated to the rights of the payee against the Company with respect to such obligation; *provided* that the Guarantor may not enforce either any right of subrogation, or any right to receive payment in the nature of contribution, or otherwise, from any other Guarantor, with respect to such payment so long as any amount payable by the Company hereunder or under the Securities remains unpaid.

Section 8. If acceleration of the time for payment of any amount payable by the Company under the Indenture or the Securities is stayed upon the insolvency, bankruptcy or reorganization of the Company, all such amounts otherwise subject to acceleration under the terms of the Indenture are nonetheless payable by the Guarantor hereunder forthwith on demand by the Trustee or the Holders.

Section 9. Notwithstanding anything to the contrary in this Supplemental Indenture, the Guarantor, and by its acceptance of Securities, each Holder, hereby confirms that it is the intention of all such parties that the Securities Guaranty of such Guarantor not constitute a fraudulent conveyance under applicable fraudulent conveyance provisions of the United States Bankruptcy Code or any comparable provision of state law. To effectuate that intention, the Trustee, the Holders and the Guarantor hereby irrevocably agree that the obligations of the Guarantor under its Securities Guaranty are limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance provisions of the United States Bankruptcy Code or any comparable provision of state law.

Section 10. The execution by the Undersigned of this Supplemental Indenture evidences the Securities Guaranty of such Guarantor, whether or not the person signing as an officer of the Guarantor still holds that office at the time of authentication of any Security. The delivery of any Security by the Trustee after authentication constitutes due delivery of the Securities Guaranty set forth in the Indenture on behalf of the Guarantor.

Section 11. The Securities Guaranty of the Guarantor will terminate and be automatically released upon the release or discharge of the guarantee of the Senior Notes of such Guarantor as set forth in Section 6.09(b) of the Indenture.

Section 12. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York.

Section 13. This Supplemental Indenture may be signed in various counterparts which together will constitute one and the same instrument.

Section 14. This Supplemental Indenture is an amendment supplemental to the Indenture and the Indenture and this Supplemental Indenture will henceforth be read together.

Section 15. The recitals contained in this Supplemental Indenture shall be taken as the statements of the Company and the Guarantors, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Supplemental Indenture.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

CENTURY ALUMINUM COMPANY,
as Issuer

By: /s/ Peter C. McGuire
Name: Peter C. McGuire
Title: Vice President and
Associate General Counsel

WILMINGTON TRUST COMPANY, as
Trustee

By: /s/ Kristin F. Long
Name: Kristin F. Long
Title: Financial Services Officer

CENTURY ALUMINUM OF
KENTUCKY LLC, as a Guarantor

By: /s/ Peter C. McGuire
Name: Peter C. McGuire
Title: Assistant Secretary

Exhibit 10.1

AMENDED AND RESTATED TOLL CONVERSION AGREEMENT

by Nordural ehf and Glencore AG

as of February 10, 2005

TABLE OF CONTENTS

AMENDED AND RESTATED TOLL CONVERSION AGREEMENT

AMENDED AND RESTATED TOLL CONVERSION AGREEMENT

THIS AMENDED AND RESTATED TOLL CONVERSION AGREEMENT is entered into as of February 10, 2005, by Nordural ehf, a company organized and existing under the laws of the Republic of Iceland (" **Nordural** "), and Glencore AG ("Glencore"), a company organized and existing under the laws of Switzerland (" **Glencore** ").

Recitals

A. Nordural owns and operates an aluminum reduction plant at Grundartangi, Iceland (the " **Plant** ").

B. Nordural and Glencore entered into an agreement dated August 1, 2004, (the " **Initial Agreement** ") which provided for the delivery of Alumina by Glencore and the conversion of such Alumina into primary aluminum at the Plant, pursuant to the terms thereof.

Terms of Agreement

The parties hereto, intending legally to be bound by this Agreement, hereby agree as follows:

Article I

DEFINITIONS

1.1 Definitions. In this Agreement, unless inconsistent with the context, the words and expressions set forth below shall have the following meanings:

“ **Affiliate** ” means any other person or entity directly or indirectly controlling, controlled by, or under common control with, such person or entity, whether through the ownership of voting securities, by contract or otherwise.

“ **Alumina** ” means alumina meeting the Permitted Source Specifications.

“Alumina Delivery” means the delivery of Alumina by Glencore duty unpaid at the Discharge Port pursuant to Section 3.1.2.

“ **Alumina Load Port** ” means the port at which Alumina is loaded onto a Vessel for delivery to Nordural pursuant to the terms of this Agreement.

“Aluminum Delivery” means the delivery by Nordural of Product pursuant to Section 4.3.1.

“ **Aluminum Load Port** ” means the port of Grundartangi, Iceland or such other port in Iceland as may be agreed between the parties.

“ **Applicable Laws** ” means any applicable laws, codes, rules and regulations, any applicable judgments, decrees, writs and injunctions of any court, arbitration panel, arbitrator or Regulatory Authority and any applicable orders, licenses, permits, directives or other actions of any Regulatory Authority.

“ **Bailed Property** ” means all Alumina delivered by Glencore pursuant to this Agreement from the point of Alumina Delivery to Nordural as specified in Section 6.1.1 (including Alumina in transit from the Discharge Port, from the Discharge Port to the Plant, and Alumina in storage and in the process of Conversion at the Plant), and all Product produced

hereunder up to the point of delivery by Nordural to Glencore as specified in Article IV (including Product in transit to storage or in storage at the Plant), or any combination of the foregoing. " **Bailed Property** " shall not include Alumina in metal pads in the pots or any residue, slag or by-products of the Conversion process.

" **Contract Year** " means the twelve (12)-month period from January 1 through December 31 of each year during which this Agreement is in effect, except that (i) for the year in which the Start Date occurs, " **Contract Year** " shall mean that portion of such year from the Start Date through December 31 of such year, and (ii) for the year in which the End Date occurs, "Contract Year" shall mean that portion of such year from January 1 through the End Date.

" **Conversion** " means the electrolytic reduction of Alumina into molten aluminum and casting molten aluminum into primary aluminum, and the verb "convert" shall have the corresponding meaning.

" **Conversion Charge** " shall have the meaning specified in Section 5.1.

" **Discharge Port** " means the port of Grundartangi, Iceland, or such other port in Iceland as may be agreed by the parties.

" **End Date** " shall have the meaning specified in Section 9.1.1.

" **Event of Default** " shall have the meaning specified in Section 10.1.

" **Force Majeure** " shall have the meaning specified in Section 8.1.

" **Iceland Business Day** " means any day other than a Saturday, Sunday or a day on which banking institutions in the Republic of Iceland are required or permitted to close.

“ **Lien** ” means any mortgage, pledge, lien, charge, encumbrance, lease or other security interest of any kind.

“ **LME** ” shall have the meaning specified in Section 5.1.3.

“ **LME Price** ” shall have the meaning specified in Section 5.1.3.

“ **Metal Premium** ” shall be calculated in accordance with Exhibit E.

“ **MT** ” means a unit of metric weight equal to 1,000 kilograms or 2,204.62 Pounds.

“ **Nomination** ” shall have the meaning specified in Section 3.2.1.

“ **Notices** ” shall have the meaning specified in Section 11.6.

“ **Permitted Source** ” means any of the following sources of alumina: Aughinish, EurAllumina, San Ciprian, Alunorte, Bauxilum, Suriname or any Jamaican source.

“ **Permitted Source Specifications** ” shall have the meaning specified in Section 3.3.

“ **Plant** ” shall have the meaning specified in Recital A.

“ **Potline Two** ” means the newly constructed potline facility at the Plant which, upon commissioning, will have an initial production capacity of 122,000 MT of primary aluminum per annum.

“ **Pound** ” means a unit of weight of 16 ounces avoirdupois.

“ **Product** ” means primary aluminum products in the form of ingot and sow having the specifications set forth in Section 4.2.

“ **Product Specifications** ” means the specifications for primary aluminum set forth in Exhibit D, as the same may be amended from time to time by agreement of the parties.

“ **Quotation Period** ” means the month prior to the month of scheduled delivery, irrespective of physical delivery.

“ **Regulatory Authority** ” means any national, regional, European Union, municipal, local or other government or any department, commission, board, agency or taxing authority thereof.

“ **SHINC** ” means Sundays and holidays included, except:

Time Start	Date Start	Time End	Date End	Comment
11:30	December 24	7:30	December 27	Christmas
11:30	December 31	7:30	January 2	New year
19:30	Friday before first Monday of August	7:30	Tuesday thereafter	“Labour day” weekend
00:00	Thursday before Easter	7:30	Tuesday thereafter	Easter weekend
00:00	June 17	7:30	June 18	Independence Day
19:00	Friday before 7 th weekend after Easter	7:30	Tuesday thereafter	

“ **Start Date** ” shall have the meaning specified in Section 2.1.

" **Vessel** " means any vessel suitable for the transportation of Alumina nominated by Glencore pursuant to Section 3.2 and Exhibit A.

1.2 References in Agreement. In this Agreement, unless the context otherwise requires:

1.2.1 References to an Article, Section or Exhibit shall be construed as references to that specific Article or Section of, or Exhibit to, this Agreement.

1.2.2 References to a document (including this Agreement), or to any provision of any document, shall be construed as references to that document or provision as amended or supplemented from time to time upon the written agreement of the parties thereto and with any further consent which may be required.

Article II

TERM

2.1 Term. This Agreement shall be effective from the date on which Potline Two is commissioned (but in no event earlier than July 1, 2006) (the " **Start Date** ") and shall continue until the tenth (10th) anniversary of the Start Date, unless earlier terminated or extended as provided in this Agreement. The parties acknowledge that base inventories of Alumina will be needed for commissioning and first start up of Potline Two which is estimated to be February 15, 2006, and they agree that prior to the Start Date they will endeavor to negotiate the terms of an Alumina sale from, or other arrangement with, Glencore to Nordural as a way to resolve such shortage. If resolved, the parties also agree they shall coordinate the delivery of such additional

Alumina so that inventories of Alumina are available for processing as Nordural ramps up production in Potline 2.

2.2 Coordination of Alumina and Product Flow. In order to make the flow of Alumina and Product hereunder efficient for the parties, Glencore and Nordural shall coordinate the timing of Alumina and Product shipments and deliveries, taking into consideration port availability and congestion, the Conversion process and storage and shipment scheduling to be made hereunder. In connection therewith, Glencore and Nordural also shall discuss/meet at least quarterly to establish the laydays for Alumina and Product shipments to be made hereunder.

Article III

ALUMINA

3.1 Alumina Inventory and Delivery Obligations.

3.1.1 In order to assure secure and continuous production of Product in potline 2, the Plant must maintain a permanent alumina inventory in storage at the silo. Glencore's proportionate share of this inventory will be 12,500 MT from October 15 to April 15 and 10,000 MT during the rest of the year, and Glencore will maintain this amount of alumina inventory during the term of this Agreement. Glencore will have not less than 10,000 MT of Alumina in inventory on or before July 1, 2006. As of the termination date of this Agreement, Nordural will have converted the Glencore inventory to Product which will be available for delivery to Glencore.

3.1.2 In addition to the permanent inventory Glencore must deliver pursuant to Section 3.1.1, during each Contract Year, Glencore shall deliver or cause to be delivered to Nordural for Conversion at the Plant 174,150 MT (+/-5%, at the option of Glencore) of Alumina at the Discharge Port, under appropriate bills of lading or other documents of title; provided, however, that the annual quantity of Alumina required to be delivered hereunder shall be pro rated for any Contract Year of less than twelve (12) months. Deliveries of Alumina hereunder shall be approximately evenly spread throughout each Contract Year, and Glencore shall make monthly declarations of the quantities and dates of its Alumina Deliveries. All Alumina Deliveries hereunder shall be deemed to occur when the Alumina passes the Vessel rail at the Discharge Port.

3.2 Alumina Delivery Procedures.

3.2.1 Glencore shall give or cause to be given to Nordural a notice of nomination (the " **Nomination** ") not less than twenty (20) days prior to the estimated time of sailing of the relevant Vessel. The Nomination shall specify:

(a) the name of the Vessel or substitute;

(b) the Alumina Load Port;

(c) the approximate quantity of Alumina to be loaded;

(d) the estimated time of arrival of the Vessel at the Discharge Port;

(e) the source of the Alumina;

(f) confirmation that the Vessel crew has ITF or comparable labor contracts; and

(g) any other relevant details.

3.2.2 Nordural shall notify Glencore of its acceptance or rejection of the Vessel within two (2) Iceland Business Days after its receipt of the Nomination. Acceptance shall not be unreasonably withheld.

3.2.3 Glencore is aware that Nordural has obligations to notify shipping schedules to the harbor authorities in Iceland, and Glencore will use reasonable efforts to notify the timing of individual shipments to Nordural as far in advance as possible.

3.2.4 Delivery will be in accordance with the loading and discharge requirements specified in Exhibit A. Nordural shall provide Glencore reasonable advance notice regarding any changes to delivery schedules or the dock facility requirements at the Discharge Port during the term of this Agreement, and any change which materially impairs Glencore's ability to meet its Alumina delivery obligations shall be subject to Glencore's approval, which shall not be unreasonably withheld.

3.2.5 Glencore shall be responsible for paying all costs, insurance and freight and all other standard and customary charges, but excluding harbor dues, to effect delivery of its Alumina on board the Vessel at the Discharge Port. Nordural shall pay harbor dues, if any, related to Alumina Deliveries.

3.2.6 The Vessel shall be discharged free of expense to Glencore at the rate of 6,000 MT per weather working day of twenty-four (24) running hours, SHINC; provided the Vessel is in all respects ready and Nordural has full and unimpeded access to the Vessel's holds.

3.2.7 All charges for demurrage and half-despatch for Alumina unloading at the Discharge Port hereunder shall be for the account of Nordural.

3.2.8 Glencore undertakes that it will at all times use properly enclosed Vessels for delivery of Alumina to the Discharge Port so as to enable Nordural to comply with the obligations imposed under its environmental operating permit or similar licenses.

3.2.9 Risk of loss and/or damage to all Alumina supplied by Glencore shall pass to Nordural when the Alumina passes the rail of the Vessel at the Discharge Port.

3.3 Quality of Alumina; Source. All Alumina to be delivered by Glencore hereunder shall be supplied from a Permitted Source and shall conform to the specifications set forth in Exhibit B (the "Permitted Source Specifications").

3.4 Sampling and Analysis; Non-Conforming Alumina. Alumina shall be sampled and analyzed at the Alumina Load Port in the manner and under the procedures set forth in Exhibit C, or as otherwise agreed from time to time by the parties.

3.5 Weights. Glencore shall deliver or cause to be delivered to Nordural documentation evidencing the bill of lading weight for each Alumina Delivery. The bill of lading weight shall be determined by means of a Vessel displacement survey in the light and loaded condition at the Alumina Load Port, or by means of scale weights. The bill of lading weight shall presumptively establish the loaded Alumina weight. However, Nordural shall have

the right to verify, at its own expense, such weight by draft survey. If there is a discrepancy of greater than .2% between the weight as indicated on the bill of lading and the Nordural draft survey, Glencore shall pay the cost of surveying and the parties shall promptly meet and confer in good faith to determine what adjustment (if any) should be made to the presumptively established weight of such shipment.

3.6 Stored Alumina. There shall be no charge to Glencore for storage of Alumina delivered to Nordural in accordance with the terms of this Agreement.

Article IV

CONVERSION; DELIVERY OF ALUMINUM

4.1 Conversion Ratio. Nordural will convert alumina delivered by Glencore hereunder into primary aluminum metal as specified in Section 4.2 at the rate of * MT of alumina per MT of primary aluminum, provided that the Alumina delivered by Glencore meets the Permitted Source Specifications.

4.2 Aluminum Specifications. Nordural will cast all aluminum metal produced hereunder to primary unalloyed aluminum ingots, in a standard weight of 12 to 26 kilograms per ingot, packed in strapped bundles of approximately 1 MT each, and meeting the specifications set forth in Exhibit D. Notwithstanding the foregoing, Nordural may cast a maximum of 10% of aluminum metal produced hereunder as sow with maximum piece weight of 750 kilograms each. Nordural shall provide a chemical analysis for every batch of Product produced in accordance with this Agreement.

* Confidential information has been omitted from this exhibit pursuant to a request for confidential treatment and filed separately with the Securities and Exchange Commission.

4.3 Scheduling of Aluminum Delivery.

4.3.1 Subject to Glencore's compliance with its obligations relating to delivery of Alumina, and excluding the inventory Glencore must provide pursuant to Section 3.1.1, Nordural shall deliver to Glencore the amount of Product produced per annum, based on the conversion ratio set forth in Section 4.1, for the Alumina delivered by Glencore to Nordural during such Contract Year. The Product shall be delivered for transport as directed by Glencore, as evenly spread as practicable during each Contract Year; provided , however , that the annual quantity of Product required to be delivered hereunder shall be pro rated for any Contract Year of less than twelve (12) months. Aluminum Delivery shall be deemed to occur when the Product passes the Vessel rail at the Aluminum Load Port.

4.3.2 Glencore shall take delivery from Nordural of all Product converted for Glencore's account in accordance with this Agreement.

4.4 Releases; Stored Aluminum.

4.4.1 Not less than seven (7) days prior to the date Glencore wishes to have Product loaded aboard a Vessel, Glencore shall give Nordural a release for each lot of Product confirming the tonnage and delivery dates of each such lot. Glencore's withdrawals of Product from storage shall be subject to reasonable limitations based upon the capacity of the loading facilities of the Plant.

4.4.2 Nordural shall prepare such shipping or delivery documentation as may be reasonably required by Glencore (including bills of lading, analysis certificates, material safety data sheets, and certified weight certificates).

4.4.3 At Glencore's request, Nordural shall store up to 7,000 MT of Product at any time at the Plant. Such storage may be open or enclosed. All Product which Glencore requests be stored shall be placed in storage at the Plant as provided in Section 6.3. There shall be no charge to Glencore for storage of up to 7,000 MT of Product at the Plant. If Glencore requests Nordural to store more than 7,000 MT of Product, and Nordural is able to accommodate Glencore's request, Glencore shall pay Nordural the reasonable costs Nordural incurs in making such accommodation.

4.5 Weights and Analysis. Product to be delivered by Nordural to Glencore shall be sampled and weighed by Nordural, and a certificate of such analysis shall accompany each shipment. Weights and analyses so made shall be deemed to be correct, but Glencore shall have the right to verify, at its expense, weights within 30 days after Aluminum Delivery and analysis within 30 days after delivery to final customer. In the event Glencore disagrees with Nordural's weight determination by an amount in excess of 0.2% or its analysis, the parties shall promptly meet and confer in good faith to reach agreement. Any weight mistake in excess of 0.2% shall be promptly corrected by Nordural or Glencore, as the case may be. If Nordural's weight determination is 0.2% or greater less than the surveyor's weight determination, the costs of such surveyor shall be borne by Nordural. In all other cases it shall be borne by Glencore. If the parties disagree regarding Aluminum quality, the procedure set forth for Alumina in Exhibit C (iii) shall apply mutatis mutandis .

4.6 Loading Costs; Shipping Arrangements. The parties agree that Nordural's costs of loading Product are less if Glencore ships Product by container. They further agree they will cooperate with one another to the extent reasonably possible in making shipping arrangements which are in the best interests of both parties. In this spirit, Glencore, at its option,

shall arrange for either container Vessels or bulk Vessels to be brought into the Aluminum Loading Port. Nordural, at its expense, shall make arrangements for Product to be containerized and transported, or transported in bulk, as the case may be, and in each case, from the Plant to the Aluminum Loading Port for delivery onto the Vessel arranged for by Glencore. Nordural shall be responsible for stowing the Product on board such ship. All costs of shipping shall be for Glencore's account and paid directly by Glencore. Nordural shall pay harbor fees, if any, associated with shipping Product from the Aluminum Loading Port.

4.7 Point of Delivery; Transfer of Risk of Loss. Risk of loss and/or damage to any Product supplied by Nordural shall pass to Glencore when the Product passes the Vessel's rail at the Aluminum Loading Port.

Article V

CONVERSION CHARGE AND PAYMENT TERMS

5.1 Conversion Charge. The "Conversion Charge" for each MT of Product delivered hereunder shall be as follows:

5.1.1 For the first 90,000 MT of Product delivered pursuant to this Agreement, *% of the LME Price plus the Metal Premium (calculated in accordance with Exhibit E);

5.1.2 Thereafter, *% of the LME Price plus the Metal Premium (calculated in accordance with Exhibit E).

* Confidential information has been omitted from this exhibit pursuant to a request for confidential treatment and filed separately with the Securities and Exchange Commission.

5.1.3 As used in this Agreement, the " **LME Price** " means the official London Metal Exchange (" **LME** ") High Grade cash settlement quotation, as published by Metal Bulletin, in U.S. dollars averaged over the Quotation Period.

If the LME shall cease to trade aluminum or the aluminum settlement price of the LME is no longer published, "LME Price" shall mean the generally accepted substitute for such published price. If there is no such generally accepted substitute the parties in good faith shall select a substitute. If the parties cannot agree on a substitute, then either party may refer the determination to arbitration under Section 11.5.

5.2 The Conversion Charge is based on Alumina delivery and covers the following services:

5.2.1 unloading Alumina Vessel at the Discharge Port at a minimum rate of 6,000 MT per day pro rata SHINC;

5.2.2 use of storage facility at the Plant for maximum 37,000 MT of Alumina;

5.2.3 production of Product at the Plant;

5.2.4 storage for a maximum 7,000 MT of Product at the Plant;

5.2.5 loading Product onto the Vessel pursuant to Section 4.6;

5.2.6 delivery of Product as ingot in 1 MT bundles; and

5.2.7 delivery of Product as sow in pieces.

5.3 Invoices; General Payment Terms. The Conversion Charge shall be invoiced weekly on Monday for Product produced by Nordural through the preceding Sunday. Each invoice shall be payable by Glencore within five (5) days after receipt thereof.

5.4 Method of Payment. All amounts required to be paid by Glencore to Nordural under this Agreement shall be paid in U.S. Dollars by wire transfer of immediately available funds to a bank account designated by Nordural.

Article VI

TITLE, STORAGE AND INSURANCE

6.1 Title; Bailment.

6.1.1 The bailment created by the performance of this Agreement shall commence when the Alumina is delivered by Glencore to Nordural (passing the Vessel's rail at the Discharge Port) and shall terminate when the Product is delivered by Nordural to Glencore (passing the Vessel's rail at the Aluminum Load Port) with the provisions of Article IV, and includes any period during which Product belonging to Glencore is stored at the Plant.

6.1.2 Nordural covenants that all Alumina delivered by Glencore pursuant to this Agreement which has not been converted into Product and all Product that has been produced for Glencore, shall be at all times free and clear of any Lien of any nature whatsoever, excluding only those Liens (i) created by or attributable to Glencore, or (ii) arising by operation of law and, except during the continuance of any breach by Glencore, Nordural shall not at any time directly or indirectly assert for its benefit, or create, incur, assume or suffer to exist for the

benefit of any creditor, any Lien upon or with respect to the Bailed Property, title thereto or interest therein. Nordural shall promptly, at its own expense, take such action as may be necessary to duly discharge any such Lien.

6.1.3 Nordural acknowledges and agrees that by execution of this Agreement it does not have nor will it obtain, and by its performance under this Agreement it does not have nor will it obtain, any title to the Bailed Property or any property right or interest, legal or equitable therein, except for its right to possession for purposes of transportation, storage and Conversion as provided in this Agreement. All Alumina delivered by Glencore under this Agreement shall be considered to have been delivered for Conversion only. No Alumina or Aluminum shall be bought or sold hereunder, except as the parties may mutually agree in writing. No Alumina shall be redelivered as Alumina except in the event this Agreement is terminated pursuant to Articles IX or X. Nordural shall be deemed to be an ordinary bailee with respect to the Bailed Property and shall be obliged to replace, at its own expense, any Bailed Property which suffers any damage, loss, theft or destruction, partial or complete, while in the possession of Nordural. Such replaced Bailed Property shall meet the specifications therefore required under this Agreement, and shall constitute accessions to the Bailed Property and title thereto shall vest and remain in Glencore. Notwithstanding the foregoing provisions of this Section 6.1.4, in lieu of replacing any Bailed Property as provided above, Nordural may at its option pay damages to Glencore with respect to such Bailed Property to compensate Glencore for the loss or damage incurred.

6.1.4 Nordural's duties and performance under this Agreement shall be those of independent contractor and nothing contained in this Agreement shall be deemed to make Glencore a partner, joint venturer or otherwise liable for the performance of Nordural's

obligations under this Agreement or any other agreement or with respect to the operation of the Plant.

6.1.5 Title and ownership of all Alumina supplied by Glencore to Nordural for Conversion including liquid aluminum in pots, shall remain vested in Glencore. Title to all residue and process by-products of the Conversion process and all materials Nordural uses in the Conversion process also shall be and remain in Nordural, and Nordural shall be responsible for, and agrees to comply with all Applicable Laws relating to the disposition of such residue, process by-products and materials. Nordural will indemnify and hold harmless Glencore from and against any liabilities, costs and expenses incurred by Glencore resulting from the non-compliance by Nordural of Applicable Laws in connection with Nordural's Conversion operations hereunder.

6.1.6 Nordural shall maintain accurate, detailed and current inventory records in respect of all Bailed Property at the Plant or elsewhere and shall submit the same to Glencore upon Glencore's request thereof. Glencore shall have the right, exercisable directly or through its accountants or other representatives, and at its own risk and expense, to verify each such inventory or Bailed Property during the Plant's ordinary business office hours upon forty-eight (48) hours prior notice.

6.1.7 Nordural hereby grants and shall continue to grant a security interest in favor of Glencore in and to all Bailed Property converted for Glencore hereunder. Such grant of a security interest is intended by Nordural and Glencore to be solely as a precaution against the holding by any court of applicable jurisdiction (notwithstanding the intention of the parties hereto) that Glencore is not the owner of the Bailed Property. Nordural agrees to execute and

deliver to Glencore from time to time such documents and to take such other steps as are reasonably requested by Glencore to perfect such security interest.

6.2 Taxes. All taxes levied on or with respect to the Bailed Property shall be paid directly by Glencore. Nordural shall promptly send to Glencore any notice or other communication received by Nordural relating to any such tax.

6.3 Segregated Storage; Holding Certificates; Financing Statements.

6.3.1 Nordural shall cause Product belonging to Glencore to be stored in segregated areas which may be out doors. Promptly after receipt of Glencore's shipment instructions, Nordural shall deliver Product to Glencore's carrier at the Aluminum Load Port in accordance with Article IV of this Agreement.

6.3.2 Nordural shall take such commercially reasonable measures as appropriate to confirm Glencore's ownership of all Bailed Property, including:

(a) marking such product with a distinctive mark acceptable to Glencore which shall be sufficient to identify that product as the property of Glencore,

(b) issuing a holding certificate in customary form reasonably acceptable to Glencore, and

(c) executing and filing financing statements and documents of a similar nature in favor of Glencore.

6.4 Insurance. Nordural shall maintain such insurance relating to Conversion and storage operations of the Plant as may be necessary to protect Glencore's interests in the Bailed Property. Nordural shall have no liability to Glencore for any loss of, or claim, relating to Glencore's Alumina or Product stored at Nordural's facilities, or any third party claims against Glencore, to the extent that Nordural is not able to recover under its insurance policies as a result of any act, neglect, error or omission on the part of Glencore or any of its employees or agents.

Article VII

WARRANTIES; LIMITATION OF LIABILITY

7.1 Warranties. Subject to Section 7.2, Nordural warrants that Product delivered to Glencore under this Agreement shall conform to the Product Specifications, and shall be free from defects in material and workmanship. Glencore warrants that the Alumina it delivers for conversion under this Agreement shall conform to the specifications set forth in Exhibit B.

7.2 Inspection and Non-Conforming Product.

7.2.1 Provided it is produced from alumina which meets Permitted Source Specifications, all Product delivered hereunder shall meet the Product Specifications. Product shall be subject to rejection by Glencore upon presentation of sufficient evidence by Glencore to Nordural of a failure to meet such specifications. Should Glencore elect to reject any Product delivered hereunder for failure to meet such specifications, Nordural shall pay damages to Glencore with respect to such rejected Product as provided in Section 7.2.3. All Product shall

remain subject to Glencore's inspection rights notwithstanding any prior payment made therefore by Glencore.

7.2.2 Glencore will be deemed to have accepted the weight of an Aluminum Delivery if it fails to give Nordural written notice of rejection within 30 days after Aluminum Delivery and the quality if it fails to give Nordural written notices of rejection within 30 after delivery to a final customer. Such notice shall describe in reasonable detail the defects upon which rejection is based.

7.2.3 If any Aluminum Delivery fails to conform to the warranties set forth in Section 7.1 of this Agreement, and timely notice is given to Nordural, Nordural's sole liability shall be to pay to Glencore the amount, if any, by which the market value of the Product as delivered is less than the market value of conforming Product, in each case determined as of the delivery date. The foregoing limitation on Nordural's liability shall not in any way affect Nordural's obligation to deliver Product conforming to the specifications applicable under this Agreement with respect to particular Product deliveries, or limit Glencore's right to treat Nordural's repeated breach as an Event of Default.

7.3 Warranty Limitation. THE PARTIES EXPRESSLY AGREE THAT NO WARRANTIES SHALL BE IMPLIED UNDER THIS AGREEMENT, WHETHER OF UTILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE OR MERCHANTABILITY OR OF ANY OTHER TYPE, AND FURTHER THAT NO WARRANTIES OF ANY SORT ARE MADE HEREUNDER EXCEPT THE WARRANTIES EXPRESSLY STATED IN SECTION 7.1.

Article VIII

FORCE MAJEURE

8.1 Force Majeure. If the performance of this Agreement by a party (other than the giving of any notice required to be given or payment of monies due under this Agreement) is hindered, delayed or prevented, directly or indirectly, by reason of any war, conditions of war, acts of enemies, national emergency, revolution, riots, sabotage or other similar disorders; failure of transportation; fire, flood, windstorm, explosion, or other acts of God; strikes, lock-outs, or other labor disturbances; delay in construction of electrical power plants or power transmission lines required to provide electrical power to the Plant; breakdown of plants or equipment; inability for any of the reasons set forth herein to secure or delay in securing machinery, equipment, materials, supplies, transportation, transportation facilities, fuel or power; orders or acts of any government or governmental agency or authority; interference by civil or military authority; or any other cause whether or not of the nature or character specifically enumerated above which is beyond the reasonable control of such party (“ **Force Majeure** ”) (i) such party shall be excused from the performance of this Agreement (other than giving of any notice required to be given or payment of monies due under this Agreement) while and to the extent that such party is hindered, delayed or prevented from so performing by Force Majeure, and (ii) the performance of this Agreement shall be resumed as soon as practicable after such Force Majeure is removed. In general, events, such as increases in the price of electrical power, which prevent the Plant from operating profitably, shall not be considered events of Force Majeure. However, Nordural’s inability to obtain power would be a Force Majeure.

8.2 Either party shall give notice to the other as soon as practicable after the occurrence of Force Majeure and insofar as known, the probable extent to which such party will be unable to perform or be delayed in performing its obligations. The party claiming Force Majeure shall exercise due diligence to eliminate or remedy any such causes hindering, delaying or preventing its performance and shall give the other party prompt written notice when that has been accomplished; provided, however, that the settlement of strikes or other events of labor unrest will be entirely within the discretion of the party having the difficulty and that such party will not be required to settle such strikes or labor unrest by acceding to the demands of the opposing party when such course of action is deemed inadvisable in the discretion of the party having the difficulty.

8.3 The term of this Agreement shall be extended for the duration of any Force Majeure and the Conversion Charge for each Aluminum Delivery in effect for the extended term shall be the same as the Conversion Charge in effect for Aluminum Deliveries scheduled but not delivered during the period of Force Majeure.

Article IX

TERMINATION; EFFECT OF TERMINATION

9.1 Termination. In addition to any termination arising under Article X, this Agreement shall terminate on the earliest of:

9.1.1 The date which is the tenth (10 th) anniversary of the Start Date (the " **End Date** "), or if any Force Majeure contemplated by Section 8.1 occurs, such later date as is

determined by extending the End Date by the duration of the period of Force Majeure, or such later date agreed to by the parties in writing; or

9.1.2 The date on which Glencore or Nordural terminates this Agreement in accordance with Article 10 by reason of an Event of Default.

9.2 Effect of Termination.

9.2.1 Glencore's obligation to make Alumina Deliveries shall terminate as follows:

(a) If termination occurs under Section 9.1.1, on the date upon which Glencore shall complete Alumina Delivery of the quantity of Alumina required to permit conversion and Aluminum Delivery by the relevant termination date under Section 9.1.1; or

(b) If termination occurs under Section 9.1.2, on the date upon which this Agreement is terminated.

9.2.2 Termination of this Agreement for whatever reason shall not affect:

(a) Nordural's duty to complete the conversion of any Alumina then in process (unless the Plant's operations have ceased), and to store and deliver to Glencore, as specified by Glencore, any Alumina not used for conversion and any Product in Nordural's possession;

(b) Glencore's duty to pay Nordural any Conversion Charges with respect to Aluminum Deliveries theretofore made by Nordural or

for Aluminum Deliveries thereafter made by Nordural for Alumina in process of being converted at the time of termination;

(c) Any other duties of either party which by their nature are to be performed after termination of this Agreement; or

(d) Nordural's warranties regarding Product under Article VII.

Article X

TERMINATION FOR DEFAULT

10.1 Grounds for Termination. After the occurrence of any of the following events (each an " **Event of Default** "), then the non-defaulting party may terminate this Agreement by notice to the other:

10.1.1 The other party fails to perform or breaches any provision of this Agreement (other than any failure or breach excused by reason of Force Majeure under Article VIII), and such failure or breach is not remedied within a period of thirty (30) days after notice from the party not in default to the other party.

10.1.2 The other party:

(a) consents to the appointment of a receiver, trustee or liquidator of itself or of a substantial part of its property, or admits in writing its inability to pay its debts generally as they come due, or makes a general assignment for the benefit of creditors; or

(b) files a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization in a proceeding under any bankruptcy or insolvency law (as now or hereafter in effect) or any other now existing or future law providing for the reorganization or winding-up of corporations, or providing for an agreement, composition, extension or adjustment with its creditors; or

(c) is named the debtor or a defendant in any case, action or proceeding under any law referred to in clause (b) filed against the other party, and such action or proceeding is not withdrawn or dismissed within sixty (60) days after it is commenced.

10.1.3 Any material provision of this Agreement shall at any time for any reason cease to be binding on or enforceable against the other party, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the other party or any Regulatory Authority, or the other party shall deny that it has any further liability or obligation under this Agreement.

10.1.4 The performance by the other party of substantially all of its obligations under this Agreement is prevented by reason of Force Majeure which shall have continued for a period of more than six (6) months.

10.1.5 Any of the Bailed Property is attached or seized pursuant to a court order in connection with a legal proceeding instituted against the other party, or is subjected to levy in execution of judgment, and such order or levy is not vacated, dismissed or stayed within thirty (30) days.

10.2 Consequences of Termination for Default. If this Agreement is terminated by reason of an Event of Default as provided in Section 10.1, upon Glencore's demand and by the date specified in such demand, and upon payment of any Conversion Charges and all other amounts then due and payable, Nordural shall deliver all Bailed Property to Glencore at the Plant free and clear of all Liens created by Nordural and in the condition required by this Agreement. The risk and all costs of assembling the Bailed Property, ready for shipment, shall be borne by Nordural unless this Agreement is terminated by Nordural, in which event all such risk and costs shall be borne by Glencore. Nordural consents and agrees that if it fails to perform its obligations to deliver the Bailed Property to Glencore as required above, Glencore may enter the Plant and surrounding property and remove all Bailed Property at Nordural's cost.

Article XI

MISCELLANEOUS

11.1 Entire Agreement; Amendment. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes any prior expressions of intent or understandings with respect to such subject matter. This Agreement may only be amended, modified, supplemented or released by an instrument in writing signed by a duly authorized officer of each of the parties.

11.2 Headings. Headings used in this Agreement are for convenience of reference only, and shall not limit or otherwise affect the scope or interpretation of any provision.

11.3 Waiver; Cumulative Rights. The failure, or delay, of either party to require performance by the other of any provision of this Agreement shall not affect such party's right to require performance of that provision unless and until performance has been waived in writing. Each and every right granted under this Agreement or any other document or instrument delivered hereunder or in connection herewith, or allowed at law or in equity, shall be cumulative and may be exercised in part or in whole from time to time.

11.4 Governing Law. This Agreement shall be subject to and construed under the laws of the State of New York, U.S.A., excluding the rules of conflicts or choice of law and excluding the United Nations Convention on Contracts for the International Sale of Goods.

11.5 Dispute Resolution. Any controversy arising out of or relating to this Agreement shall be settled by arbitration administered in accordance with the commercial arbitration rules of the American Arbitration Association. The arbitration panel shall consist of three (3) arbitrators. The arbitration proceedings shall take place in New York, New York, U.S.A. and shall be conducted in the English language. The decision of the arbitral panel shall be final and binding upon the parties and non-appealable. Judgment on the award may be entered and enforced in any court having jurisdiction over the party against whom such judgment is sought to be entered or enforced.

11.6 Notices. All notices, demands or other communications (collectively, "Notices") required or permitted to be given under this Agreement shall be in writing, either delivered by hand to the other party at that party's address set forth below, or sent by prepaid air overnight or express courier or by facsimile transmission, to the other party's address and facsimile number (if applicable) set forth below, and shall be effective on the date the hand

delivery, air overnight or express courier or facsimile transmission is received by the other party. A copy of the text of any Notice given by facsimile transmission shall be sent by prepaid air overnight or express courier or delivered by hand, to the address set forth below within a reasonable time thereafter, provided such confirmation shall not be required if the recipient acknowledges receipt of the facsimile Notice.

Notices shall be sent:

If to Nordural:

Nordural ehf
301 Akranes
Grundartangi
Iceland
Attention: Managing Director
Facsimile No.: (354) 430-1001

with a copy to:

Century Aluminum Company
2511 Garden Road
Building A, Suite 200
Monterey, CA 93940
Attention: General Counsel
Facsimile No.: (831) 642-9328

If to Glencore:

Glencore AG
Baarermattstrasse 3
P.O. Box 777
CH-6341 Baar
Switzerland
Attention: Alumina/Aluminum Department
Phone: 41 41 709 2000
Facsimile No.: 41 41 709 3000

Any change in the address or facsimile transmission number of a party (or copy recipient) for the purposes of Notice under this Section shall be communicated to the other parties in the manner set forth in this Section for providing Notice.

11.7 Illegality; Severability.

11.7.1 The various provisions of this Agreement shall be considered legally severable, and if any provision of this Agreement or the application of any such provision to any party or circumstances shall be held invalid by a court of competent jurisdiction, the remainder of this Agreement, including without limitation the remainder of the provision held invalid, or the application of such provision to any party or circumstances other than those as to which it is held invalid, shall not be affected thereby.

11.7.2 If any provision of this Agreement is prohibited or unenforceable in any jurisdiction, such fact alone shall not render such provision invalid or unenforceable in any other jurisdiction.

11.7.3 To the extent permitted by Applicable Laws, each of Nordural and Glencore hereby waives any provision of Applicable Laws which renders any provision of this Agreement prohibited or unenforceable in any respect.

11.8 Counterparts. This Agreement may be signed in any number of counterparts, and any single counterpart or a set of counterparts signed, in either case, by all the parties hereto shall constitute a full and original agreement for all purposes.

11.9 Assignment. Except as set forth below, no assignment, delegation or subcontracting of any of the rights or duties of any party to a non-Affiliate of such party shall be

permitted without the written consent of the other party, and any purported assignment without such written consent shall be null and void. Nordural shall also have the right to assign its interest to its lenders as may be required by Nordural's loan agreements.

The parties have caused this Agreement to be duly executed as of the date first above written, whereupon it enters into full force and effect in accordance with its terms.

NORDURAL EHF

By: _____
Name: _____
Title: _____

GLENCORE AG

By: _____
Name: _____
Title: _____

EXHIBIT A

LOADING/DISCHARGE CONDITIONS IN GRUNDARTANGI PORT

Length of key:	400 meters
Draft:	13 – 14 meters
Cranes:	No cranes on harbor. Mobile cranes available

EXHIBIT B

PERMITTED SOURCE SPECIFICATIONS FOR ALUMINA

AUGHINISH (AUG) ALUMINA SPECIFICATIONS
AUGHINISH/IRELAND

	TYPICAL	PRODUCER GUARANTEES
Al2O3		98.500 MIN
Na2O %	0.370	0.500 MAX
Fe2O3 %	0.018	0.030 MAX
CaO %	0.008	0.025 MAX
SiO2 %	0.009	0.020 MAX
TiO2 %	0.001	0.005 MAX
V2O5	0.003	0.006 MAX
P2O5 %	0.001	0.0025 MAX
ZnO %	0.002	0.004 MAX
BET m2/gr	69.000	60 MIN/80 MAX
LOI (300-1100 C) %	0.700	1.20 MAX
- 325 Mesh %	7.000	12.00 MAX
Attrition Index	10.000	20.00 MAX
Alpha Alumina	<5.000	

EURALLUMINA (EUR) ALUMINA SPECIFICATIONS
PORTO VESME/ITALY

	TYPICAL	PRODUCER GUARANTEES
Al2O3 %	99.400	99.000 MIN
SiO2 %	0.010	0.020 MAX
Fe2O3 %	0.015	0.020 MAX
TiO2 %	0.003	0.004 MAX
V2O5 %	0.002	0.004 MAX
Na2O %	0.330	0.450 MAX
CaO %	0.019	0.030 MAX
P2O5 %	0.001	0.002 MAX
ZnO %	0.001	0.002 MAX
MnO2 %	0.001	0.001 MAX
LOI (300-1000 C) %	0.820	1.00 MAX
+ 100 Mesh %	0.700	5.00 MAX
- 325 Mesh %	4.000	10.00 MAX
BET m2/gr	75.000	65 MIN/90 MAX
Alpha alumina %	5-10	4 MIN/20 MAX
Angle of repose		33 MAX

ALCOA/INESPAL (ESP) ALUMINA SPECIFICATIONS
SAN CIPRIAN/SPAIN

	TYPICAL	PRODUCER GUARANTEES
Chemical Specification:		
SiO2 %	0.007	0.020 MAX
Fe203 %	0.020	0.025 MAX
Na2O %	0.350	0.500 MAX
CaO %	0.005	0.030 MAX
TiO2 %	0.003	0.005 MAX
ZnO %	0.001	0.005 MAX
P2O5 %	NR	0.003 MAX
V2O5 %	0.002	0.005 MAX
Ga2O3 %	0.010	0.020 MAX
Physical Specification:		
+ 100 Mesh %	3.0	10.00 MAX
- 325 Mesh %	9.0	12.00 MAX
- 20 micron %*	2.0	3.00 MAX
LOI (300-1000oC) %	0.6	1.20 MAX
Surface Area (BET) m2/g	70.0	60 MIN - 80 MAX

* Effective March 01, 2000 measured by Coulter LS100Q Laser instrument.

ALUNORTE (ANO) ALUMINA SPECIFICATIONS
VILA DO CONDE/BRASIL

	TYPICAL	PRODUCER GUARANTEES
SiO2 %	0.015	0.025 MAX
Fe2O3 %	0.015	0.025 MAX
TiO2 %	0.002	0.005 MAX
V2O5 %	0.002	0.005 MAX
Na2O %	0.400	0.500 MAX
CaO %	0.025	0.050 MAX
P2O5 %	0.001	0.003 MAX
ZnO %	0.003	0.008 MAX
MnO	0.001	0.002 MAX
LOI (300-1000o C) %	—	1.00 MAX
+ 100 Mesh %	0.50	2.00 MAX
- 325 Mesh %	8.00	10.00 MAX
BET m^2/gr 60.00		
Alpha Phase %	5.00	10.00 MAX
Bulk Density (g/l)	1000	1050

INTERALUMINA (INT) ALUMINA SPECIFICATIONS
PORTO MATANZAS/VENEZUELA

	TYPICAL	PRODUCER GUARANTEES
Al2O3 %	98.500	98.350 MIN
SiO2 %	0.011	0.030 MAX
Fe2O3 %	0.010	0.030 MAX
TiO2 %	0.002	0.005 MAX
V2O5 %	0.002	0.003 MAX
Na2O %	0.460	0.600 MAX
CaO %	0.025	0.050 MAX
P2O5 %	0.001	0.002 MAX
ZnO %	0.003	
Moisture (0-300 C) %	0.90	
LOI (300-1000 C) %	0.85	1.00 MAX
+ 100 Mesh %	3.00	10.00 MAX
- 325 Mesh %	9.00	12.00 MAX
BET m2/gr	74.00	
Bulk Density g/l	1200	

SURINAM (SUR) ALUMINA SPECIFICATIONS
PARANAM/SURINAM

	TYPICAL	PRODUCER GUARANTEES
Al2O3 %		98.300 MIN
SiO2 %	0.015	0.030 MAX
Fe2O3 %	0.010	0.030 MAX
TiO2 %	0.003	0.005 MAX
V2O5 %	0.002	0.005 MAX
Na2O %	0.470	0.600 MAX
CaO %	0.045	0.060 MAX
P2O5 %	0.001	0.003 MAX
ZnO %	0.001	0.005 MAX
LOI (300-1200 C) %	0.80	1.20 MAX
+ 100 Mesh %		10.00 MAX
- 325 Mesh %	9.50	12.00 MAX
BET m2/gr	65.00	

WINDALCO JAMAICA (WIN) ALUMINA SPECIFICATIONS
PORT ESQUIVEL/JAMAICA

	TYPICAL	PRODUCER GUARANTEES
Al2O3 %	98.500	98.350 MIN
SiO2 %	0.022	0.030 MAX
Fe2O3 %	0.009	0.030 MAX
TiO2 %	0.001	0.005 MAX
V2O5 %	0.001	0.005 MAX
Na2O %	0.420	0.600 MAX
CaO %	0.040	0.070 MAX
P2O5 %	0.001	0.003 MAX
ZnO %	0.010	0.020 MAX
LOI (300-1100 C) %	0.95	1.20 MAX
- 325 Mesh %	8.00	12.00 MAX
BET m2/gr	80/90	

ALPART (ALP) ALUMINA SPECIFICATIONS
PORT KAISER/JAMAICA

	TYPICAL	PRODUCER GUARANTEES
Chemical Properties:		
SiO2 %	0.0110	0.0150 MAX
Fe2O3 %	0.0090	0.0140 MAX
Na2O %	0.3700	0.5000 MAX
CaO %	0.0350	0.0500 MAX
ZnO %	0.0090	0.0120 MAX
MnO2 %	0.0013	0.0020 MAX
TiO2 %	0.0012	0.0020 MAX
V2O5 %	0.0024	0.0045 MAX
P2O5 %	0.0008	0.0015 MAX
Physical Properties:		
Loss on Ignition (300-1000 C) %	0.85	1.10 MAX
- 45 microns (1) %	7.50	9.00 MAX
+150 microns %	7.00	11.00 MAX
- 20 microns %	1.20	1.80 MAX
Specific Surface Aera BET m2/gr 75.00		60 MIN/85 MAX
Attrition Index %	18.00	25.00 MAX

JAMALCO ALUMINA SPECIFICATION

Chemical Specification

	Typical (%)	Guaranteed (%)
SiO_2	0.012	0.020 max.
Fe_2O_3	0.014	0.020 max.
Na_2O	0.38	0.50 max.
CaO	0.050	0.060 max.
TiO_2	0.002	0.005 max.
ZnO	0.013	0.020 max.
P_2O_5	0.0015	0.003 max.
V_2O_5	0.002	0.005 max.
Ga_2O_3	0.006	0.010 max

Physical Specification

+100 mesh	3	15 max
- 325 mesh	8.5	12 "
- 20 micron	1.7	3.0 "
L.O.I.(300-1000°C)	0.6	1.1 "
	m^2/g	m^2/g
Surface Area (BET) (Reg.)	67-77	60min - 80 max

Prepared by : W. H. Brancalhoni
Revision # : 9.0
Revision Date : February 1st, 2005
Document : h:\data\tech\customers\current specs\jamspec2005.doc

EXHIBIT C

PROCEDURES FOR SAMPLING AND ANALYSIS OF ALUMINA

(i) A representative sample of each shipment of Alumina shall be taken in accordance with the sampling procedures applicable at the Alumina Load Port. Nordural shall have the right to have a representative present (at Nordural's expense) at such sampling. The sample so taken shall be divided into three portions using generally accepted laboratory techniques. One portion shall be promptly dispatched to Nordural, one portion is for Glencore and one portion (the referee sample) shall be held at the alumina production plant for ninety days after the date of the relevant shipment and then disposed of unless Nordural or Glencore have requested (in writing) that it be retained longer.

(ii) Within thirty days after receipt of the sample dispatched to Nordural, Nordural may notify Glencore (with a copy to the production plant holding the referee sample) that the Alumina delivered does not conform to the contractual specification set forth in Exhibit B and the extent of that non-conformity. If Nordural does not notify Glencore within this time the Alumina so delivered shall be deemed to comply with the above specification. If Nordural does notify Glencore within this time, Glencore shall advise Nordural within twenty-one days after such notification is received whether or not Glencore agrees with Nordural's analysis. If Glencore does not agree, the referee sample will be analyzed as soon as possible by a referee laboratory mutually acceptable to the parties. The referee laboratory will analyze the referee sample in accordance with the applicable analytical procedures adopted under the ISO standards and a copy of its analysis shall be made available to both parties. The cost of any referee analysis will be shared equally by Glencore and Nordural.

(iii) If the analysis of the referee laboratory indicates that the referee sample does not conform to the contractual specification set out in Exhibit B or if Glencore accepts that the alumina does not so conform, Glencore and Nordural shall within twenty-one days of such decision meet in good faith to determine whether a reasonable or mutually acceptable adjustment of the Conversion Charge can be made to compensate Nordural for the shipment of Alumina not meeting the contractual specification.

In any case, such difference will not be regarded by Nordural as a cause of rejection of the cargo. For the avoidance of doubt, in determining the adjustment to be made to the Conversion Charge, regard shall be had to any increase in production costs at the Plant resulting from the reduction of alumina not conforming to the contractual specifications set out in Exhibit B.

In the event Glencore and Nordural do not reach a mutually acceptable arrangement, the arbitration provisions under Section 11.5 shall apply.

EXHIBIT D

PRODUCT SPECIFICATIONS

Product delivered under this Agreement shall conform to the following:

Al	minimum 99.70%
Si	maximum 0.10%
Fe	maximum 0.20%

meeting specifications for P1020

EXHIBIT E

CALCULATION OF METAL PREMIUM

The metal premium will be calculated for each shipment of Product as follows:

1) In the event that the 6% duty on imported aluminum into the European Union ("EU") is in place and the European Commission has not announced in the form of publication or otherwise that the duty will be reduced or eliminated, the metal premium shall be *% of the LME.

2) In the event that a change to the duty or a change to Iceland's duty-free status has been announced, Glencore and Nordural shall meet within 30 days of such announcement to negotiate in good faith a premium to cover Product delivered during the transition period. The transition period shall be defined as the period beginning with the month in which the change has been announced and ending in the month prior to the month in which the change will go into effect.

3) Once a change to the duty or a change to Iceland's duty-free status has gone into effect, the metal premium shall be *.

* Confidential information has been omitted from this exhibit pursuant to a request for confidential treatment and filed separately with the Securities and Exchange Commission.

Exhibit 10.2

AMENDMENT AGREEMENT
TO
EMPLOYMENT AGREEMENT

THIS AMENDMENT AGREEMENT (this " Amendment ") is made as of June 28, 2005, by and between Century Aluminum Company, a Delaware corporation (the " Company "), and Craig A. Davis (the " Executive ").

RECITALS

A. The Company and the Executive are parties to an Employment Agreement, made as of December 9, 2003 (the " Employment Agreement ").

B. Pursuant to the terms of the Employment Agreement, Executive is entitled to receive upon retirement, the retirement benefits specified in the Employment Agreement.

C. Executive is also a participant under the Company's Supplemental Retirement Income Benefit Plan (" SERP ").

D. The Company has amended the terms of the SERP, which affects the retirement benefits afforded the Executive under the Employment Agreement.

D. Executive and the Company have agreed to amend the Employment Agreement on the terms and conditions set forth in this Amendment to conform the retirement benefits provided in the Employment Agreement to those provide in the SERP.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Retirement Benefits . The introduction to Section 4.2, Section 4.2(a), Section 4.2(b) and Section 4.2(c) of the Employment Agreement are hereby deleted and replace in their entirety with the following:

"4.2 Retirement Benefits . Notwithstanding any provisions of the Qualified Plan or the Internal Revenue Code of 1986, as at any time amended, and the regulations thereunder (the " Code "), it is the intention of the parties that Executive shall receive, upon his retirement, an annual retirement benefit of approximately $930,000, estimated as of the date of this Amendment to equal 50% of Executive's Targeted Retirement Income (as defined in the Company's Supplemental Retirement Income Benefit Plan, as amended, or " SERB Plan "). Accordingly, Executive shall be entitled to receive retirement benefits as follows:

(a) Qualified Plan Benefits. The Executive shall be entitled to receive, upon his retirement as provided for in the Company's Employees' Retirement Plan (the " Qualified Plan "), benefits under the Qualified Plan computed as set forth in that plan.

(b) Supplemental Executive Retirement Benefits. In addition to benefits the Executive is entitled to receive under the Qualified Plan, Executive shall be a participant

in, and be entitled to receive supplemental executive benefits under, the SERB Plan, which SERB Plan is incorporated into this Agreement by this reference.

(c) Vesting. The Supplemental Executive Retirement Benefits described in Section 4.2(b) shall be fully vested, and upon the termination of Executive's employment, he shall be entitled to receive the same as provided in Section 4.2(d)."

2. Incorporation of Amendment Agreement . Except as explicitly set forth in this Amendment, the parties do not intend to modify the terms and conditions of the Employment Agreement, those terms and conditions shall remain in full force and effect, and they shall be incorporated into this Amendment by this reference.

CENTURY ALUMINUM COMPANY

By: /s/ Gerald J. Kitchen
Gerald J. Kitchen
Title: Executive Vice President

/s/ Craig A. Davis
Craig A. Davis

Exhibit 10.3

SECOND AMENDMENT AGREEMENT
TO
EMPLOYMENT AGREEMENT

THIS SECOND AMENDMENT AGREEMENT (this " Amendment ") is made as of June 28, 2005, by and between Century Aluminum Company, a Delaware corporation (the " Company "), and Gerald J. Kitchen (the " Executive ").

RECITALS

A. The Company and the Executive are parties to an Employment Agreement, made as of January 1, 2002, as amended by that Amendment Agreement, dated as of December 9, 2003 (the " Employment Agreement ").

B. Pursuant to the terms of the Employment Agreement, Executive is entitled to receive upon retirement, the retirement benefits specified in the Employment Agreement.

C. Executive is also a participant under the Company's Supplemental Retirement Income Benefit Plan (" SERP ").

D. The Company has amended the terms of the SERP, which affects the retirement benefits afforded the Executive under the Employment Agreement.

D. Executive and the Company have agreed to amend the Employment Agreement on the terms and conditions set forth in this Amendment to conform the retirement benefits provided in the Employment Agreement to those provide in the SERP.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Retirement Benefits . The introduction to Section 4.2, Section 4.2(a), Section 4.2(b) and Section 4.2(c) of the Employment Agreement are hereby deleted and replace in their entirety with the following:

"4.2 Retirement Benefits . Notwithstanding any provisions of the Qualified Plan or the Internal Revenue Code of 1986, as at any time amended, and the regulations thereunder (the " Code "), it is the intention of the parties that Executive shall receive, upon his retirement, an annual retirement benefit of approximately $293,000, estimated as of the date of this Amendment to equal 50% of Executive's Targeted Retirement Income (as defined in the Company's Supplemental Retirement Income Benefit Plan, as amended, or " SERB Plan "). Accordingly, Executive shall be entitled to receive retirement benefits as follows:

(a) Qualified Plan Benefits. The Executive shall be entitled to receive, upon his retirement as provided for in the Company's Employees' Retirement Plan (the " Qualified Plan "), benefits under the Qualified Plan computed as set forth in that plan.

(b) Supplemental Executive Retirement Benefits. In addition to benefits the Executive is entitled to receive under the Qualified Plan, Executive shall be a participant

in, and be entitled to receive supplemental executive benefits under, the SERB Plan, which SERB Plan is incorporated into this Agreement by this reference.

(c) Vesting. The Supplemental Executive Retirement Benefits described in Section 4.2(b) shall be fully vested, and upon the termination of Executive's employment, he shall be entitled to receive the same as provided in Section 4.2(d); provided, however, if the Executive is receiving disability payments from the Company, the Supplemental Executive Retirement Benefits will be reduced by the amount of the disability payments."

2. Incorporation of Amendment Agreement . Except as explicitly set forth in this Amendment, the parties do not intend to modify the terms and conditions of the Employment Agreement, those terms and conditions shall remain in full force and effect, and they shall be incorporated into this Amendment by this reference.

CENTURY ALUMINUM COMPANY

By: /s/ Craig A. Davis
Title: Chairman and Chief Executive Officer

/s/ Gerald J. Kitchen
Gerald J. Kitchen

Exhibit 10.4

SECOND AMENDMENT AGREEMENT
TO
EMPLOYMENT AGREEMENT

THIS SECOND AMENDMENT AGREEMENT (this " Amendment ") is made as of June 28, 2005, by and between Century Aluminum Company, a Delaware corporation (the " Company "), and David W. Beckley (the " Executive ").

RECITALS

A. The Company and the Executive are parties to an Employment Agreement, made as of January 1, 2002, as amended by that Amendment Agreement, dated as of December 9, 2003, and as further amended by that Amendment Agreement, dated as of March 22, 2005 (the " Employment Agreement ").

B. Pursuant to the terms of the Employment Agreement, Executive is entitled to receive upon retirement, the retirement benefits specified in the Employment Agreement.

C. Executive is also a participant under the Company's Supplemental Retirement Income Benefit Plan (" SERP ").

D. The Company has amended the terms of the SERP, which affects the retirement benefits afforded the Executive under the Employment Agreement.

D. Executive and the Company have agreed to amend the Employment Agreement on the terms and conditions set forth in this Amendment to conform the retirement benefits provided in the Employment Agreement to those provide in the SERP.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Retirement Benefits . The introduction to Section 4.2, Section 4.2(a), Section 4.2(b) and Section 4.2(c) of the Employment Agreement are hereby deleted and replace in their entirety with the following:

"4.2 Retirement Benefits . Notwithstanding any provisions of the Qualified Plan or the Internal Revenue Code of 1986, as at any time amended, and the regulations thereunder (the " Code "), it is the intention of the parties that Executive shall receive, upon his retirement, an annual retirement benefit of approximately $258,000, estimated as of the date of this Amendment to equal 50% of Executive's Targeted Retirement Income (as defined in the Company's Supplemental Retirement Income Benefit Plan, as amended, or " SERB Plan "). Accordingly, Executive shall be entitled to receive retirement benefits as follows:

(a) Qualified Plan Benefits. The Executive shall be entitled to receive, upon his retirement as provided for in the Company's Employees' Retirement Plan (the " Qualified Plan "), benefits under the Qualified Plan computed as set forth in that plan.

(b) Supplemental Executive Retirement Benefits. In addition to benefits the Executive is entitled to receive under the Qualified Plan, Executive shall be a participant

in, and be entitled to receive supplemental executive benefits under, the SERB Plan, which SERB Plan is incorporated into this Agreement by this reference.

(c) Vesting. The Supplemental Executive Retirement Benefits described in Section 4.2(b) shall be fully vested, and upon the termination of Executive's employment, he shall be entitled to receive the same as provided in Section 4.2(d); provided, however, if the Executive is receiving disability payments from the Company, the Supplemental Executive Retirement Benefits will be reduced by the amount of the disability payments."

2. Incorporation of Amendment Agreement . Except as explicitly set forth in this Amendment, the parties do not intend to modify the terms and conditions of the Employment Agreement, those terms and conditions shall remain in full force and effect, and they shall be incorporated into this Amendment by this reference.

CENTURY ALUMINUM COMPANY

By: /s/ Gerald J. Kitchen
Gerald J. Kitchen

Title: Executive Vice President

/s/ David W. Beckley
David W. Beckley

Exhibit 10.5

SECOND AMENDMENT OF THE
CENTURY ALUMINUM COMPANY
SUPPLEMENTAL RETIREMENT INCOME BENEFIT PLAN

WHEREAS, Century Aluminum Company (the "Company") adopted the Century Aluminum Company Supplemental Retirement Income Benefit Plan effective as of January 1, 2001 (the "Plan"); and

WHEREAS, the Company wishes to further amend the Plan to modify the manner in which the enhanced retirement benefit ("EPB") is calculated and to clarify the calculation of the unlimited pension benefit ("UPB"); and

WHEREAS, the Company may so amend the Plan with the approval of the Compensation Committee under Section 13 thereof;

NOW, THEREFORE, effective as of June 28, 2005, the Plan is amended as follows:

1. Paragraph (a) of Section 5 **Amount of Supplemental Retirement Income Benefit** is amended to read in full as follows:

(a) **Unlimited Pension Benefit (UPB).** An annual retirement benefit for life shall be payable under the Plan to a Participant equal to the additional annual benefit which would have accrued to the Participant under the Pension Plan if certain annual benefit and compensation limitations imposed by applicable law were disregarded and if the calculation of "Final Average Monthly Compensation" under the Pension Plan was modified as described in subparagraph (iii) below (the **"unlimited pension benefit"** or **"UPB"**), the amount of which shall be determined as follows:

(i) The limitation on annual benefits under the Pension Plan with respect to such Participant under Section 415 of the Code shall be disregarded;

(ii) The dollar limitation of Section 401(a)(17) of the Code on the amount of annual compensation that may be taken into account under the Pension Plan shall be disregarded;

(iii) "Final Average Monthly Compensation" under the Pension Plan shall be calculated by reference to "Compensation" in any three calendar years (out of the last ten calendar years of employment) which produces the highest monthly average; and

(iv) The annual amount payable to the Participant under the Pension Plan (after the limitations described in subparagraphs (i) and (ii) above and before the modification described in subparagraph (iii) above) shall be credited against and shall reduce the UPB payable under the Plan.

2. The following concluding sentence is added to paragraph (b) **Enhanced Retirement Benefit ("ERB")** of Section 5:

Notwithstanding the immediately preceding sentence, the Participant's ERB shall be adjusted as follows:

(i) Increased to the extent the Participant's ERB would be higher if his Targeted Retirement Income had been based on actual pay (base pay and cash bonuses) during any three calendar years out of his last ten calendar year of employment with the Company that produces the highest average annual pay; and

(ii) Reduced to the extent the Participant's Supplemental Benefit Accrual under Appendix A to the Pension Plan payable annually in excess of the annual amount that would otherwise have been payable to the Participant under the Pension Plan exceeds the Participant's UPB.

TO RECORD THE ADOPTION OF THIS SECOND AMENDMENT OF THE PLAN WITH THE APPROVAL OF THE COMPENSATION COMMITTEE, Century Aluminum Company has caused this document to be executed on its behalf by its duly authorized officer.

CENTURY ALUMINUM COMPANY

Dated: June 28, 2005

By: /s/ Gerald J. Kitchen
Gerald J. Kitchen

Title: Executive Vice President

Exhibit 10.6

SEVERANCE PROTECTION AGREEMENT

THIS AGREEMENT , made as of the 1 st day of August 2005, by and between the Company (as hereinafter defined) and Craig A. Davis (the " Executive "), amends and restates that Severance Protection Agreement between the parties made as of the 1 st day of January 2002, as amended.

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the " Board ") recognizes that the possibility of a Change in Control (as hereinafter defined) exists and that the threat or the occurrence of a Change in Control can result in significant distractions of its key management personnel because of the uncertainties inherent in such a situation;

WHEREAS, the Board has determined that it is essential and in the best interest of the Company and its stockholders to retain the services of the Executive in the event of a threat or the occurrence of a Change in Control and to ensure his continued dedication and efforts in such event without undue concern for his personal financial and employment security; and

WHEREAS, the Executive is the Chairman of the Board and Chief Executive Officer of the Company and in order to induce the Executive to remain in the employ of the Company, particularly in the event of a threat or the occurrence of a Change in Control, the Company desires to enter into this Agreement with the Executive to provide the Executive with certain benefits if his employment is terminated as a result of, or in connection with, a Change in Control;

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is hereby agreed as follows:

1. Term of Agreement . This Agreement shall be effective as of August 1, 2005, and shall continue in effect until December 31, 2005; provided, however, that commencing on January 1, 2006, and on each January 1 thereafter, the term of this Agreement shall automatically be extended for one year, subject however, to termination as provided in the last sentence of this Section 1; and provided further, however, that the term of this Agreement shall not expire prior to the later of (i) the expiration of 36 months after the occurrence of a Change in Control during the term of this Agreement, or (ii) until such time as all benefits to be provided for hereunder have been provided in full. Except as otherwise provided herein, this Agreement and the rights and obligations of each party shall terminate if the Executive or the Company terminates the Executive's employment prior to the occurrence of a Change in Control.

2. Definitions .

2.1. Accrued Compensation . For purposes of this Agreement, " Accrued Compensation " shall mean any and all amounts or rights earned, accrued or vested through the Termination Date (as hereinafter defined) but not paid as of the Termination Date, including (i) base salary, (ii) reimbursement for reasonable and necessary expenses incurred by the Executive on behalf of the Company during the period ending on the Termination Date, (iii) vacation pay, (iv) bonuses, incentive compensation (other than the Pro Rata Bonus (as hereinafter defined)),

and such other benefits as may be provided in Executive's employment agreement with the Company, including, without limitation, Supplemental Retirement and retiree health benefits.

2.2. Cause . For purposes of this Agreement, a termination of employment is for " Cause " if the Executive (a) has disregarded a direct, material order of the Board, the substance of which order is (i) a proper duty of the Executive under the terms of his employment agreement, (ii) permitted by law, and (iii) otherwise permitted by his employment agreement, which disregard continues after 15 days' opportunity and failure to cure, or (b) has been convicted of a felony or any crime involving moral turpitude.

2.3. Change in Control . For purposes of this Agreement, a " Change in Control " shall mean any of the following events:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the " Voting Securities ") by any " Person " (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934) immediately after which such Person has " Beneficial Ownership " (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934) of 20% or more of the combined voting power of the Company's then outstanding Voting Securities or, in the case of Glencore International AG and its affiliates (collectively, " Glencore "), Beneficial Ownership of 50% or more of such Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired by any Person other than Glencore in a Non-Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control . A " Non-Control Acquisition " shall mean an acquisition by (1) an employee benefit plan (or a trust forming a part thereof) maintained by (x) the Company or (y) any corporation or other Person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a " Subsidiary "), (2) the Company or any Subsidiary, or (3) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The individuals who, as of the date hereof, are members of the Board (the " Incumbent Board "), cease for any reason to constitute at least two-thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Agreement, be considered a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened " Election Contest " (as described in Rule 14a-11 promulgated under the Securities Exchange Act of 1934) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a " Proxy Contest ") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(c) Approval by stockholders of the Company of:

(1) A merger, consolidation or reorganization involving the Company, unless

(i) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least 70% of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the " Surviving Corporation ") in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least two-thirds of the members of the board of directors of the Surviving Corporation, and

(iii) no Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of 15% or more of the then outstanding Voting Securities) has Beneficial Ownership of 15% or more of the combined voting power of the Surviving Corporation's then outstanding voting securities (a transaction described in clauses (i) through (iii) above shall herein be referred to as a " Non-Control Transaction ");

(2) A complete liquidation or dissolution of the Company; or

(3) An agreement for the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the " Subject Person ") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities beneficially owned by the Subject Person, then a Change in Control shall occur.

(d) Notwithstanding anything contained in this Agreement to the contrary, if the Executive's employment is terminated prior to a Change in Control and the Executive reasonably demonstrates that such termination (i) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control and who effectuates a Change in Control (a " Third Party ") or (ii) otherwise occurred in connection with, or in anticipation of, a Change in Control which actually occurs, then for all purposes of this

Agreement, the date of a Change in Control with respect to the Executive shall mean the date immediately prior to the date of such termination of the Executive's employment.

2.4. Company . For purposes of this Agreement, the " Company " shall mean Century Aluminum Company, a Delaware corporation, and shall include its Successors and Assigns (as hereinafter defined) **.** As used in this Agreement, the term "affiliates" shall include any company controlled by, controlling, or under common control with, the Company.

2.5. Disability . For purposes of this Agreement, " Disability " shall mean a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties with the Company for a period of 180 consecutive days and the Executive has not returned to his full time employment prior to the Termination Date as stated in the Notice of Termination (as hereinafter defined).

2.6. Good Reason .

(a) For purposes of this Agreement, " Good Reason " shall mean the occurrence after a Change in Control of any of the events or conditions described in subsections (1) through (9) hereof:

(1) a change in the Executive's status, title, position or responsibilities (including reporting responsibilities) which, in the Executive's reasonable judgment, represents an adverse change from his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; the assignment to the Executive of any duties or responsibilities which, in the Executive's reasonable judgment, are inconsistent with his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; or any removal of the Executive from or failure to reappoint or reelect him to any of such offices or positions, except in connection with the termination of his employment for Disability, Cause, as a result of his death or by the Executive other than for Good Reason;

(2) a reduction in the Executive's base salary or the failure of the Company to (i) pay to the Executive an annual bonus in cash at least equal to the annual bonus paid to the Executive for the most recently completed fiscal year prior to the Change in Control, such bonus to be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the annual bonus is awarded, unless the Executive shall elect to defer the receipt of such annual bonus, (ii) increase the Executive's base salary, annual bonus and any other incentive compensation, including performance shares and options, consistent with the Company's practice prior to the Change in Control or, if greater, as the same may be increased from time to time for other key executive officers of the Company and its affiliated companies, or (iii) pay to the Executive any compensation or benefits to which he is entitled within five days of the date due;

(3) the Company's requiring the Executive to be based at any place outside a 30-mile radius from the Company's offices where he was based prior to the

Change in Control, except for reasonably required travel on the Company's business which is not materially greater than such travel requirements prior to the Change in Control;

(4) the failure by the Company to (A) continue in effect (without reduction in benefit level and/or reward opportunities) any material compensation or employee benefit plan (including, without limitation, long-term disability, medical, dental, life insurance, flexible spending account, pre-tax insurance premiums, vacation pay, pension and profit-sharing) in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, unless such plans are replaced with plans that provide substantially equivalent compensation or benefits to the Executive, (B) provide the Executive with compensation and benefits, in the aggregate, at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each other employee benefit plan, program and practice in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, or (C) permit the Executive to participate in any or all incentive, savings, retirement plans and benefit plans, fringe benefits, practices, policies and programs applicable generally to other key executives of the Company and its affiliated companies;

(5) the insolvency or the filing (by any party, including the Company) of a petition for bankruptcy of the Company, which petition is not dismissed within 60 days;

(6) any material breach by the Company of any provision of this Agreement;

(7) any purported termination of the Executive's employment for Cause by the Company which does not comply with the terms of Section 2.2;

(8) the disposition of all, or substantially all, of the assets of the Company; or

(9) the failure of the Company to obtain an agreement, satisfactory to the Executive, from any Successors and Assigns to assume and agree to perform this Agreement, as contemplated in Section 6 hereof.

(b) Any event or condition described in Section 2.6(a)(l) through (9) above which occurs prior to a Change in Control but which the Executive reasonably demonstrates (1) was at the request of a Third Party, or (2) otherwise arose in connection with, or in anticipation of, a Change in Control which actually occurs, shall constitute Good Reason for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

2.7. Highest Annual Bonus . For purposes of this Agreement, " Highest Annual Bonus " shall mean an amount equal to the highest bonus or bonuses paid or payable to the Executive in any of the five most recently completed fiscal years prior to the Change in Control (or such shorter period that the Executive has been employed).

2.8. Highest Base Salary . For purposes of this Agreement, " Highest Base Salary " shall mean the Executive's annual base salary at the highest rate in effect during the five-year period (or such shorter period that the Executive has been employed) prior to the Change in Control, and shall include all amounts of his base salary that are deferred under the qualified and non-qualified employee benefit plans of the Company or any other agreement or arrangement.

2.9. Notice of Termination . For purposes of this Agreement, following a Change in Control, " Notice of Termination " shall mean a written notice of termination from the Company of the Executive's employment which indicates the specific termination provision in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated **.** The Notice of Termination shall also specify the relevant Termination Date.

2.10. Pro Rata Bonus . For purposes of this Agreement, " Pro Rata Bonus " shall mean an amount equal to the Highest Annual Bonus multiplied by a fraction, the numerator of which is the number of days elapsed in the fiscal year through the Termination Date and the denominator of which is 365.

2.11. Successors and Assigns . For purposes of this Agreement, " Successors and Assigns " shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

2.12. Termination Date . For purposes of this Agreement, " Termination Date " shall mean in the case of the Executive's death, his date of death, in the case of the Executive's resignation for any reason, the last day of his employment, and in all other cases, the date specified in the Notice of Termination; provided, however, that if the Executive's employment is terminated by the Company for Cause or due to Disability, the date specified in the Notice of Termination shall be at least 30 days after the date the Notice of Termination is given to the Executive, provided, that in the case of Disability the Executive shall not have returned to the full-time performance of his duties during such period of at least 30 days.

3. Termination of Employment .

3.1. If, during the term of this Agreement, the Executive's employment with the Company shall be terminated within 36 months following a Change in Control, the Executive shall be entitled to the following compensation and benefits:

(a) If the Executive's employment with the Company shall be terminated (1) by the Company for Cause or Disability, (2) by reason of the Executive's death, or (3) by the Executive other than for Good Reason, the Company shall pay to the Executive the Accrued Compensation and, if such termination is other than by the Company for Cause, a Pro Rata Bonus.

(b) If the Executive's employment with the Company shall be terminated by reason of the Executive's death or disability, the Executive, or his beneficiaries or personal representatives, as the case may be, shall be entitled to receive the greater of those amounts described in Section 3.1(a) above or such other compensation and benefits as may be provided

for in their employment and other agreements for termination of employment under similar circumstances.

(c) If the Executive's employment with the Company shall be terminated for any reason other than as specified in Section 3.1(a), the Executive shall be entitled to the following:

(i) the Company shall pay the Executive all Accrued Compensation and a Pro Rata Bonus;

(ii) the Company shall pay the Executive as severance pay and in lieu of any further compensation for periods subsequent to the Termination Date, in a single payment an amount in cash equal to three times the sum of (A) the Highest Base Salary and (B) the Highest Annual Bonus, in each case calculated to include amounts deferred under the Company's qualified and non-qualified plans;

(iii) for a period of 36 months after the Termination Date (the " Continuation Period "), the Company shall, at its expense, continue on behalf of the Executive and his dependents and beneficiaries all employee benefits provided (x) to the Executive at any time during the one year period prior to the Change in Control or at any time thereafter or (y) to other similarly situated executives who continue in the employ of the Company during the Continuation Period, including, but not limited to, long-term disability, medical, dental, life insurance, flexible spending account and pre-tax insurance premiums.

The coverage and benefits (including deductibles and costs) provided in this Section 3.1(c)(iii) during the Continuation Period shall be no less favorable to the Executive and his dependents and beneficiaries than the most favorable of such coverage and benefits during any of the periods referred to in clauses (x) and (y) above **.** The Company's obligation hereunder with respect to the foregoing benefits shall be limited to the extent that the Executive obtains any such benefits pursuant to a subsequent employer's benefit plans, in which case the Company may reduce the coverage of any benefits it is required to provide the Executive hereunder as long as the aggregate coverage and benefits of the combined benefit plans is no less favorable to the Executive than the coverage and benefits required to be provided hereunder **.** This subsection (iii) shall not be interpreted so as to limit any benefits to which the Executive, his dependents or beneficiaries may be entitled under any of the Company's employee benefit plans, programs or practices following the Executive's termination of employment, including, without limitation, retiree medical and life insurance benefits;

(iv) the Company shall credit the Executive for pension purposes with three years of service beyond the Termination Date and shall pay to the Executive in a single payment an amount in cash equal to the excess of (A) the Recalculated Retirement Benefit (as provided in this Section 3.1(c)(iv)) had (w) the Executive remained employed by the Company for the additional three

complete years of credited service, (x) his annual compensation during such period been equal to the Highest Base Salary and the Highest Annual Bonus, (y) the benefit accrual formulas of each retirement plan remained no less advantageous to the Executive than those in effect immediately preceding the date on which a Change in Control occurred and the Company made employer contributions to each defined contribution plan in which the Executive was a participant at the Termination Date in an amount equal to the amount of such contribution for the plan year immediately preceding the Termination Date, and (z) he been fully (100%) vested in his benefit under each retirement plan in which the Executive was a participant, over (B) the lump sum actuarial equivalent of the aggregate retirement benefit the Executive is actually entitled to receive under such retirement plans **.** For purposes of this subsection (iv), the " Recalculated Retirement Benefit " shall mean the lump sum actuarial equivalent of the aggregate retirement benefit the Executive would have been entitled to receive under the Company's qualified pension plan (the " Qualified Plan ") **.** For purposes of this subsection (iv), the "actuarial equivalent" shall be determined in accordance with the actuarial assumptions used for the calculation of benefits under the Qualified Plan as applied prior to the Termination Date in accordance with such plans' past practices; and

(v) (A) the restrictions on any outstanding incentive awards (including restricted stock and performance share units) granted to the Executive under the 1996 Stock Incentive Plan, as amended from time to time, or under any other incentive plan or arrangement shall lapse and such incentive awards shall become 100% vested and all stock options granted to the Executive shall become immediately exercisable and shall become 100% vested (and restrictions on any stock issued upon exercise of stock options shall lapse), and Section 6.B of the 1996 Stock Incentive Plan Implementation Guidelines notwithstanding, all performance shares awarded to the Executive pursuant to the Guidelines shall be valued at 100% as though the Company had achieved its target for each respective Plan Period, and an equal number of shares of common stock shall be awarded to the Executive, and (B) the Executive shall have the right to require the Company to purchase, for cash, any shares of unrestricted stock or shares purchased upon exercise of any options or received pursuant to a performance share award at a price equal to the fair market value of such shares on the date of purchase by the Company.

(d) The amounts provided for in Sections 3.1(a), 3.1(c)(i), 3.1(c)(ii) and 3.1(c)(iv) shall be paid in a single lump sum cash payment within five days after the Executive's Termination Date (or earlier, if required by applicable law).

(e) The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to the Executive in any subsequent employment except as provided in Section 3.1(c)(iii) **.** Notwithstanding the foregoing, the Executive agrees that during the Continuation Period, he shall not (i) solicit any employees of the Company to leave the Company's employ to work for

any company with which the Executive is employed, or (ii) employ any employee who is employed by the Company at any time during the Continuation Period **.** A breach of either of the foregoing covenants will result in the Executive forfeiting any further benefits to which he is entitled pursuant to Section 3.1(c)(iii), although the Executive shall not be required to return any payments to the Company that have been made to the Executive prior to the date of such breach.

3.2. (a) Except as otherwise provided in Section 3.1(b), the severance pay and benefits provided for in this Section 3 shall be in lieu of any other severance or termination pay to which the Executive may be entitled under any employment agreement or any Company severance or termination plan, program, practice or arrangement.

(b) The Executive's entitlement to any other compensation benefits shall be determined in accordance with the Company's employee benefit plans and other applicable programs, policies and practices then in effect.

(c) Notwithstanding anything to the contrary in this Agreement, if the Executive is terminated by the Company after the occurrence of a Change in Control and is subsequently rehired by the Company at any time thereafter, the Executive shall not be entitled to any further benefits under Section 3.1(c)(iii) of this Agreement although the Executive shall not be required to return any payments to the Company which have been made to the Executive prior to the date the Executive is rehired.

4. Notice of Termination . Following a Change in Control, any purported termination of the Executive's employment by the Company shall be communicated by Notice of Termination to the Executive. For purposes of this Agreement, no such purported termination shall be effective without such Notice of Termination.

5. Excise Tax Payments .

(a) If any payment or benefit (within the meaning of Section 280G(b)(2) of the Internal Revenue Code of 1986, as amended (the " Code ")) to the Executive or for his benefit paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise in connection with, or arising out of, his employment with the Company or a change in ownership or effective control of the Company or of a substantial portion of its assets (each a " Payment " and collectively, the " Payments "), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the " Excise Tax "), then the Executive will be entitled to receive an additional payment (a " Gross-Up Payment "), such that the net amount retained by the Executive, after deduction and/or payment of any Excise Tax on the Payments and the Gross-Up Payment and any federal, state and local income tax on the Gross-Up Payment (including any interest or penalties, other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on his return, imposed with respect to such taxes), shall be equal to the Payments.

(b) An initial determination as to whether a Gross-Up Payment is required pursuant to this Agreement and the amount of such Gross-Up Payment shall be made at the

Company's expense by an accounting firm selected by the Company and reasonably acceptable to the Executive which is designated as one of the four largest accounting firms in the United States (the " Accounting Firm "). The Accounting Firm shall provide its determination (the " Determination "), together with detailed supporting calculations and documentation to the Company and the Executive within five days of the Termination Date if applicable, or such other time as requested by the Executive (provided the Executive reasonably believes that any of the Payments may be subject to the Excise Tax) and if the Accounting Firm determines that no Excise Tax is payable by the Executive as provided in Section 5(a) above, it shall furnish the Executive with an opinion reasonably acceptable to the Executive to such effect. Within ten days of the delivery of the Determination to the Executive, the Executive shall have the right to dispute the Determination (the " Dispute "). The Gross-Up Payment, if any, as determined pursuant to this Paragraph 5(b) shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. The existence of the Dispute shall not in any way affect the Executive's right to receive the Gross-Up Payment in accordance with the Determination. Upon the final resolution of a Dispute, the Company shall promptly pay to the Executive any additional amount required by such resolution. If there is no Dispute, the Determination shall be binding, final and conclusive upon the Company and the Executive subject to the application of Section 5(c) below.

(c) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross-Up Payment (or a portion thereof) will be paid which should not have been paid (an " Excess Payment ") or a Gross-Up Payment (or a portion thereof) which should have been paid will not have been paid (an " Underpayment "). An Underpayment shall be deemed to have occurred (i) upon notice (formal or informal) to the Executive from any governmental taxing authority that the Executive's tax liability (whether in respect of the Executive's current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Company has failed to make a sufficient Gross-Up Payment, (ii) upon a determination by a court, (iii) by reason of a determination by the Company (which shall include the position taken by the Company, together with its consolidated group, on its federal income tax return) or (iv) upon the resolution of the Dispute to the Executive's satisfaction. If an Underpayment occurs, the Executive shall promptly notify the Company and the Company shall promptly, but in any event, at least five days prior to the date on which the applicable government taxing authority has requested payment, pay to the Executive an additional Gross-Up Payment equal to the amount of the Underpayment plus any interest and penalties (other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on the Executive's return) imposed on the Underpayment. An Excess Payment shall be deemed to have occurred upon a Final Determination (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments (or portion thereof) with respect to which the Executive had previously received a Gross-Up Payment. A " Final Determination " shall be deemed to have occurred when the Executive has received from the applicable government taxing authority a refund of taxes or other reduction in the Executive's tax liability by reason of the Excess Payment and upon either (x) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds the Executive and such taxing authority, or if a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (y) the

statute of limitations with respect to the Executive's applicable tax return has expired. If an Excess Payment is determined to have been made, the amount of the Excess Payment shall be treated as a loan by the Company to the Executive and the Executive shall pay to the Company on demand (but not less than 10 days after the determination of such Excess Payment and written notice has been delivered to the Executive) the amount of the Excess Payment plus interest at an annual rate equal to the Applicable Federal Rate provided for in Section 1274(d) of the Code from the date the Gross-Up Payment (to which the Excess Payment relates) was paid to the Executive until the date of repayment to the Company.

(d) Notwithstanding anything contained in this Agreement to the contrary, if, according to the Determination, an Excise Tax will be imposed on any Payment or Payments, the Company shall pay to the applicable government taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Company has actually withheld from the Payment or Payments.

6. Successors' Binding Agreement .

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its Successors and Assigns and the Company shall require any Successors and Assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

7. Fees and Expenses . The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as they become due as a result of (a) the Executive's termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination of employment), (b) the Executive seeking to obtain or enforce any right or benefit provided by this Agreement (including, but not limited to, any such fees and expenses incurred in connection with the Dispute and any other matter arising under Section 5, including the existence and amount of any Excess Payment or Underpayment and issues with respect to the Gross-Up Payment, whether as a result of any applicable government taxing authority proceeding, audit or otherwise, or by any other plan or arrangement maintained by the Company under which the Executive is or may be entitled to receive benefits); provided, however, that any such action by the Executive is commenced in good faith and for good reason, and (c) the Executive's hearing before the Board as contemplated in Section 2.2 of this Agreement; provided, however, that the circumstances set forth in clauses (a) and (b) (other than as a result of the Executive's termination of employment under circumstances described in Section 2.3(d)) occurred on or after a Change in Control.

8. Notices . For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by

certified mail, return receipt requested, postage prepaid, addressed to the respective addresses for the parties set forth on Exhibit A hereto or to any other addresses as the respective parties may designate by notice delivered pursuant to this Section 8; provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company **.** All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

9. Non-Exclusivity of Rights . Except as otherwise provided in Section 3.2(a), nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any other agreements with the Company **.** Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

10. Settlement of Claims . The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

11. Modification, Waiver and Miscellaneous . No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company **.** No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time **.** No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law and Jurisdiction . This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without giving effect to the conflict of laws principles thereof. Any claims arising under or related to this Agreement shall be settled by binding arbitration pursuant to the rules of the American Arbitration Association or such other rules as to which the parties may agree. The arbitration shall take place in San Francisco, California, within 30 days following service of notice of such dispute by one party on the other. The arbitration shall be conducted before a panel of three arbitrators, one to be selected by each of the parties and the third to be selected by the other two. The panel of arbitrators shall have no authority to order a modification or amendment of this Agreement. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties, and may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such award is rendered or such party's property as a basis of judgment and of the issuance of execution for its collection.

13. Severability . The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Entire Agreement . Except as otherwise provided below, this Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof **.** If the Executive and the Company have also entered into an employment agreement, and there is an inconsistency between the terms of this Agreement and the terms of such employment agreement, then the Agreement which provides terms most favorable to the Executive shall govern.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Executive has executed this Agreement as of the day and year first above written.

CENTURY ALUMINUM COMPANY

By: /s/ Gerald J. Kitchen
Name: GERALD J. KITCHEN
Title: EXECUTIVE VICE PRESIDENT
GENERAL COUNSEL

CRAIG A. DAVIS

By: /s/ Craig A. Davis
Name: CRAIG A. DAVIS
Title: EXECUTIVE

Exhibit 10.7

SEVERANCE PROTECTION AGREEMENT

THIS AGREEMENT , made as of the 1 st day of August 2005, by and between the Company (as hereinafter defined) and Gerald J. Kitchen (the " Executive "), amends and restates that Severance Protection Agreement between the parties made as of the 1 st day of January 2002, as amended.

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the " Board ") recognizes that the possibility of a Change in Control (as hereinafter defined) exists and that the threat or the occurrence of a Change in Control can result in significant distractions of its key management personnel because of the uncertainties inherent in such a situation;

WHEREAS, the Board has determined that it is essential and in the best interest of the Company and its stockholders to retain the services of the Executive in the event of a threat or the occurrence of a Change in Control and to ensure his continued dedication and efforts in such event without undue concern for his personal financial and employment security; and

WHEREAS, the Executive is the Executive Vice President, General Counsel and Chief Administrative Officer of the Company and in order to induce the Executive to remain in the employ of the Company, particularly in the event of a threat or the occurrence of a Change in Control, the Company desires to enter into this Agreement with the Executive to provide the Executive with certain benefits if his employment is terminated as a result of, or in connection with, a Change in Control;

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is hereby agreed as follows:

1. Term of Agreement . This Agreement shall be effective as of August 1, 2005, and shall continue in effect until December 31, 2005; provided, however, that commencing on January 1, 2006, and on each January 1 thereafter, the term of this Agreement shall automatically be extended for one year, subject however, to termination as provided in the last sentence of this Section 1; and provided further, however, that the term of this Agreement shall not expire prior to the later of (i) the expiration of 36 months after the occurrence of a Change in Control during the term of this Agreement, or (ii) until such time as all benefits to be provided for hereunder have been provided in full. Except as otherwise provided herein, this Agreement and the rights and obligations of each party shall terminate if the Executive or the Company terminates the Executive's employment prior to the occurrence of a Change in Control.

2. Definitions .

2.1. Accrued Compensation . For purposes of this Agreement, " Accrued Compensation " shall mean any and all amounts or rights earned, accrued or vested through the Termination Date (as hereinafter defined) but not paid as of the Termination Date, including (i) base salary, (ii) reimbursement for reasonable and necessary expenses incurred by the Executive on behalf of the Company during the period ending on the Termination Date, (iii) vacation pay, (iv) bonuses, incentive compensation (other than the Pro Rata Bonus (as hereinafter defined)),

and such other benefits as may be provided in Executive's employment agreement with the Company, including, without limitation, Supplemental Retirement and retiree health benefits.

2.2. Cause . For purposes of this Agreement, a termination of employment is for " Cause " if the Executive (a) has disregarded a direct, material order of the Board, the substance of which order is (i) a proper duty of the Executive under the terms of his employment agreement, (ii) permitted by law, and (iii) otherwise permitted by his employment agreement, which disregard continues after 15 days' opportunity and failure to cure, or (b) has been convicted of a felony or any crime involving moral turpitude.

2.3. Change in Control . For purposes of this Agreement, a " Change in Control " shall mean any of the following events:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the " Voting Securities ") by any " Person " (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934) immediately after which such Person has " Beneficial Ownership " (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934) of 20% or more of the combined voting power of the Company's then outstanding Voting Securities or, in the case of Glencore International AG and its affiliates (collectively, " Glencore "), Beneficial Ownership of 50% or more of such Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired by any Person other than Glencore in a Non-Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control . A " Non-Control Acquisition " shall mean an acquisition by (1) an employee benefit plan (or a trust forming a part thereof) maintained by (x) the Company or (y) any corporation or other Person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a " Subsidiary "), (2) the Company or any Subsidiary, or (3) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The individuals who, as of the date hereof, are members of the Board (the " Incumbent Board "), cease for any reason to constitute at least two-thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Agreement, be considered a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened " Election Contest " (as described in Rule 14a-11 promulgated under the Securities Exchange Act of 1934) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a " Proxy Contest ") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(c) Approval by stockholders of the Company of:

(1) A merger, consolidation or reorganization involving the Company, unless

(i) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least 70% of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the " Surviving Corporation ") in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least two-thirds of the members of the board of directors of the Surviving Corporation, and

(iii) no Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of 15% or more of the then outstanding Voting Securities) has Beneficial Ownership of 15% or more of the combined voting power of the Surviving Corporation's then outstanding voting securities (a transaction described in clauses (i) through (iii) above shall herein be referred to as a " Non-Control Transaction ");

(2) A complete liquidation or dissolution of the Company; or

(3) An agreement for the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the " Subject Person ") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities beneficially owned by the Subject Person, then a Change in Control shall occur.

(d) Notwithstanding anything contained in this Agreement to the contrary, if the Executive's employment is terminated prior to a Change in Control and the Executive reasonably demonstrates that such termination (i) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control and who effectuates a Change in Control (a " Third Party ") or (ii) otherwise occurred in connection with, or in anticipation of, a Change in Control which actually occurs, then for all purposes of this

Agreement, the date of a Change in Control with respect to the Executive shall mean the date immediately prior to the date of such termination of the Executive's employment.

2.4. Company . For purposes of this Agreement, the " Company " shall mean Century Aluminum Company, a Delaware corporation, and shall include its Successors and Assigns (as hereinafter defined) **.** As used in this Agreement, the term "affiliates" shall include any company controlled by, controlling, or under common control with, the Company.

2.5. Disability . For purposes of this Agreement, " Disability " shall mean a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties with the Company for a period of 180 consecutive days and the Executive has not returned to his full time employment prior to the Termination Date as stated in the Notice of Termination (as hereinafter defined).

2.6. Good Reason .

(a) For purposes of this Agreement, " Good Reason " shall mean the occurrence after a Change in Control of any of the events or conditions described in subsections (1) through (9) hereof:

(1) a change in the Executive's status, title, position or responsibilities (including reporting responsibilities) which, in the Executive's reasonable judgment, represents an adverse change from his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; the assignment to the Executive of any duties or responsibilities which, in the Executive's reasonable judgment, are inconsistent with his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; or any removal of the Executive from or failure to reappoint or reelect him to any of such offices or positions, except in connection with the termination of his employment for Disability, Cause, as a result of his death or by the Executive other than for Good Reason;

(2) a reduction in the Executive's base salary or the failure of the Company to (i) pay to the Executive an annual bonus in cash at least equal to the annual bonus paid to the Executive for the most recently completed fiscal year prior to the Change in Control, such bonus to be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the annual bonus is awarded, unless the Executive shall elect to defer the receipt of such annual bonus, (ii) increase the Executive's base salary, annual bonus and any other incentive compensation, including performance shares and options, consistent with the Company's practice prior to the Change in Control or, if greater, as the same may be increased from time to time for other key executive officers of the Company and its affiliated companies, or (iii) pay to the Executive any compensation or benefits to which he is entitled within five days of the date due;

(3) the Company's requiring the Executive to be based at any place outside a 30-mile radius from the Company's offices where he was based prior to the

Change in Control, except for reasonably required travel on the Company's business which is not materially greater than such travel requirements prior to the Change in Control;

(4) the failure by the Company to (A) continue in effect (without reduction in benefit level and/or reward opportunities) any material compensation or employee benefit plan (including, without limitation, long-term disability, medical, dental, life insurance, flexible spending account, pre-tax insurance premiums, vacation pay, pension and profit-sharing) in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, unless such plans are replaced with plans that provide substantially equivalent compensation or benefits to the Executive, (B) provide the Executive with compensation and benefits, in the aggregate, at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each other employee benefit plan, program and practice in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, or (C) permit the Executive to participate in any or all incentive, savings, retirement plans and benefit plans, fringe benefits, practices, policies and programs applicable generally to other key executives of the Company and its affiliated companies;

(5) the insolvency or the filing (by any party, including the Company) of a petition for bankruptcy of the Company, which petition is not dismissed within 60 days;

(6) any material breach by the Company of any provision of this Agreement;

(7) any purported termination of the Executive's employment for Cause by the Company which does not comply with the terms of Section 2.2;

(8) the disposition of all, or substantially all, of the assets of the Company; or

(9) the failure of the Company to obtain an agreement, satisfactory to the Executive, from any Successors and Assigns to assume and agree to perform this Agreement, as contemplated in Section 6 hereof.

(b) Any event or condition described in Section 2.6(a)(l) through (9) above which occurs prior to a Change in Control but which the Executive reasonably demonstrates (1) was at the request of a Third Party, or (2) otherwise arose in connection with, or in anticipation of, a Change in Control which actually occurs, shall constitute Good Reason for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

2.7. Highest Annual Bonus . For purposes of this Agreement, " Highest Annual Bonus " shall mean an amount equal to the highest bonus or bonuses paid or payable to the Executive in any of the five most recently completed fiscal years prior to the Change in Control (or such shorter period that the Executive has been employed).

2.8. Highest Base Salary . For purposes of this Agreement, " Highest Base Salary " shall mean the Executive's annual base salary at the highest rate in effect during the five-year period (or such shorter period that the Executive has been employed) prior to the Change in Control, and shall include all amounts of his base salary that are deferred under the qualified and non-qualified employee benefit plans of the Company or any other agreement or arrangement.

2.9. Notice of Termination . For purposes of this Agreement, following a Change in Control, " Notice of Termination " shall mean a written notice of termination from the Company of the Executive's employment which indicates the specific termination provision in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated **.** The Notice of Termination shall also specify the relevant Termination Date.

2.10. Pro Rata Bonus . For purposes of this Agreement, " Pro Rata Bonus " shall mean an amount equal to the Highest Annual Bonus multiplied by a fraction, the numerator of which is the number of days elapsed in the fiscal year through the Termination Date and the denominator of which is 365.

2.11. Successors and Assigns . For purposes of this Agreement, " Successors and Assigns " shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

2.12. Termination Date . For purposes of this Agreement, " Termination Date " shall mean in the case of the Executive's death, his date of death, in the case of the Executive's resignation for any reason, the last day of his employment, and in all other cases, the date specified in the Notice of Termination; provided, however, that if the Executive's employment is terminated by the Company for Cause or due to Disability, the date specified in the Notice of Termination shall be at least 30 days after the date the Notice of Termination is given to the Executive, provided, that in the case of Disability the Executive shall not have returned to the full-time performance of his duties during such period of at least 30 days.

3. Termination of Employment .

3.1. If, during the term of this Agreement, the Executive's employment with the Company shall be terminated within 36 months following a Change in Control, the Executive shall be entitled to the following compensation and benefits:

(a) If the Executive's employment with the Company shall be terminated (1) by the Company for Cause or Disability, (2) by reason of the Executive's death, or (3) by the Executive other than for Good Reason, the Company shall pay to the Executive the Accrued Compensation and, if such termination is other than by the Company for Cause, a Pro Rata Bonus.

(b) If the Executive's employment with the Company shall be terminated by reason of the Executive's death or disability, the Executive, or his beneficiaries or personal representatives, as the case may be, shall be entitled to receive the greater of those amounts described in Section 3.1(a) above or such other compensation and benefits as may be provided

for in their employment and other agreements for termination of employment under similar circumstances.

(c) If the Executive's employment with the Company shall be terminated for any reason other than as specified in Section 3.1(a), the Executive shall be entitled to the following:

(i) the Company shall pay the Executive all Accrued Compensation and a Pro Rata Bonus;

(ii) the Company shall pay the Executive as severance pay and in lieu of any further compensation for periods subsequent to the Termination Date, in a single payment an amount in cash equal to three times the sum of (A) the Highest Base Salary and (B) the Highest Annual Bonus, in each case calculated to include amounts deferred under the Company's qualified and non-qualified plans;

(iii) for a period of 36 months after the Termination Date (the " Continuation Period "), the Company shall, at its expense, continue on behalf of the Executive and his dependents and beneficiaries all employee benefits provided (x) to the Executive at any time during the one year period prior to the Change in Control or at any time thereafter or (y) to other similarly situated executives who continue in the employ of the Company during the Continuation Period, including, but not limited to, long-term disability, medical, dental, life insurance, flexible spending account and pre-tax insurance premiums.

The coverage and benefits (including deductibles and costs) provided in this Section 3.1(c)(iii) during the Continuation Period shall be no less favorable to the Executive and his dependents and beneficiaries than the most favorable of such coverage and benefits during any of the periods referred to in clauses (x) and (y) above **.** The Company's obligation hereunder with respect to the foregoing benefits shall be limited to the extent that the Executive obtains any such benefits pursuant to a subsequent employer's benefit plans, in which case the Company may reduce the coverage of any benefits it is required to provide the Executive hereunder as long as the aggregate coverage and benefits of the combined benefit plans is no less favorable to the Executive than the coverage and benefits required to be provided hereunder **.** This subsection (iii) shall not be interpreted so as to limit any benefits to which the Executive, his dependents or beneficiaries may be entitled under any of the Company's employee benefit plans, programs or practices following the Executive's termination of employment, including, without limitation, retiree medical and life insurance benefits;

(iv) the Company shall credit the Executive for pension purposes with three years of service beyond the Termination Date and shall pay to the Executive in a single payment an amount in cash equal to the excess of (A) the Recalculated Retirement Benefit (as provided in this Section 3.1(c)(iv)) had (w) the Executive remained employed by the Company for the additional three

complete years of credited service, (x) his annual compensation during such period been equal to the Highest Base Salary and the Highest Annual Bonus, (y) the benefit accrual formulas of each retirement plan remained no less advantageous to the Executive than those in effect immediately preceding the date on which a Change in Control occurred and the Company made employer contributions to each defined contribution plan in which the Executive was a participant at the Termination Date in an amount equal to the amount of such contribution for the plan year immediately preceding the Termination Date, and (z) he been fully (100%) vested in his benefit under each retirement plan in which the Executive was a participant, over (B) the lump sum actuarial equivalent of the aggregate retirement benefit the Executive is actually entitled to receive under such retirement plans **.** For purposes of this subsection (iv), the " Recalculated Retirement Benefit " shall mean the lump sum actuarial equivalent of the aggregate retirement benefit the Executive would have been entitled to receive under the Company's qualified pension plan (the " Qualified Plan ") **.** For purposes of this subsection (iv), the "actuarial equivalent" shall be determined in accordance with the actuarial assumptions used for the calculation of benefits under the Qualified Plan as applied prior to the Termination Date in accordance with such plans' past practices; and

(v) (A) the restrictions on any outstanding incentive awards (including restricted stock and performance share units) granted to the Executive under the 1996 Stock Incentive Plan, as amended from time to time, or under any other incentive plan or arrangement shall lapse and such incentive awards shall become 100% vested and all stock options granted to the Executive shall become immediately exercisable and shall become 100% vested (and restrictions on any stock issued upon exercise of stock options shall lapse), and Section 6.B of the 1996 Stock Incentive Plan Implementation Guidelines notwithstanding, all performance shares awarded to the Executive pursuant to the Guidelines shall be valued at 100% as though the Company had achieved its target for each respective Plan Period, and an equal number of shares of common stock shall be awarded to the Executive, and (B) the Executive shall have the right to require the Company to purchase, for cash, any shares of unrestricted stock or shares purchased upon exercise of any options or received pursuant to a performance share award at a price equal to the fair market value of such shares on the date of purchase by the Company.

(d) The amounts provided for in Sections 3.1(a), 3.1(c)(i), 3.1(c)(ii) and 3.1(c)(iv) shall be paid in a single lump sum cash payment within five days after the Executive's Termination Date (or earlier, if required by applicable law).

(e) The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to the Executive in any subsequent employment except as provided in Section 3.1(c)(iii) **.** Notwithstanding the foregoing, the Executive agrees that during the Continuation Period, he shall not (i) solicit any employees of the Company to leave the Company's employ to work for

any company with which the Executive is employed, or (ii) employ any employee who is employed by the Company at any time during the Continuation Period **.** A breach of either of the foregoing covenants will result in the Executive forfeiting any further benefits to which he is entitled pursuant to Section 3.1(c)(iii), although the Executive shall not be required to return any payments to the Company that have been made to the Executive prior to the date of such breach.

3.2. (a) Except as otherwise provided in Section 3.1(b), the severance pay and benefits provided for in this Section 3 shall be in lieu of any other severance or termination pay to which the Executive may be entitled under any employment agreement or any Company severance or termination plan, program, practice or arrangement.

(b) The Executive's entitlement to any other compensation benefits shall be determined in accordance with the Company's employee benefit plans and other applicable programs, policies and practices then in effect.

(c) Notwithstanding anything to the contrary in this Agreement, if the Executive is terminated by the Company after the occurrence of a Change in Control and is subsequently rehired by the Company at any time thereafter, the Executive shall not be entitled to any further benefits under Section 3.1(c)(iii) of this Agreement although the Executive shall not be required to return any payments to the Company which have been made to the Executive prior to the date the Executive is rehired.

4. Notice of Termination . Following a Change in Control, any purported termination of the Executive's employment by the Company shall be communicated by Notice of Termination to the Executive. For purposes of this Agreement, no such purported termination shall be effective without such Notice of Termination.

5. Excise Tax Payments .

(a) If any payment or benefit (within the meaning of Section 280G(b)(2) of the Internal Revenue Code of 1986, as amended (the " Code ")) to the Executive or for his benefit paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise in connection with, or arising out of, his employment with the Company or a change in ownership or effective control of the Company or of a substantial portion of its assets (each a " Payment " and collectively, the " Payments "), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the " Excise Tax "), then the Executive will be entitled to receive an additional payment (a " Gross-Up Payment "), such that the net amount retained by the Executive, after deduction and/or payment of any Excise Tax on the Payments and the Gross-Up Payment and any federal, state and local income tax on the Gross-Up Payment (including any interest or penalties, other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on his return, imposed with respect to such taxes), shall be equal to the Payments.

(b) An initial determination as to whether a Gross-Up Payment is required pursuant to this Agreement and the amount of such Gross-Up Payment shall be made at the

Company's expense by an accounting firm selected by the Company and reasonably acceptable to the Executive which is designated as one of the four largest accounting firms in the United States (the " Accounting Firm "). The Accounting Firm shall provide its determination (the " Determination "), together with detailed supporting calculations and documentation to the Company and the Executive within five days of the Termination Date if applicable, or such other time as requested by the Executive (provided the Executive reasonably believes that any of the Payments may be subject to the Excise Tax) and if the Accounting Firm determines that no Excise Tax is payable by the Executive as provided in Section 5(a) above, it shall furnish the Executive with an opinion reasonably acceptable to the Executive to such effect. Within ten days of the delivery of the Determination to the Executive, the Executive shall have the right to dispute the Determination (the " Dispute "). The Gross-Up Payment, if any, as determined pursuant to this Paragraph 5(b) shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. The existence of the Dispute shall not in any way affect the Executive's right to receive the Gross-Up Payment in accordance with the Determination. Upon the final resolution of a Dispute, the Company shall promptly pay to the Executive any additional amount required by such resolution. If there is no Dispute, the Determination shall be binding, final and conclusive upon the Company and the Executive subject to the application of Section 5(c) below.

(c) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross-Up Payment (or a portion thereof) will be paid which should not have been paid (an " Excess Payment ") or a Gross-Up Payment (or a portion thereof) which should have been paid will not have been paid (an " Underpayment "). An Underpayment shall be deemed to have occurred (i) upon notice (formal or informal) to the Executive from any governmental taxing authority that the Executive's tax liability (whether in respect of the Executive's current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Company has failed to make a sufficient Gross-Up Payment, (ii) upon a determination by a court, (iii) by reason of a determination by the Company (which shall include the position taken by the Company, together with its consolidated group, on its federal income tax return) or (iv) upon the resolution of the Dispute to the Executive's satisfaction. If an Underpayment occurs, the Executive shall promptly notify the Company and the Company shall promptly, but in any event, at least five days prior to the date on which the applicable government taxing authority has requested payment, pay to the Executive an additional Gross-Up Payment equal to the amount of the Underpayment plus any interest and penalties (other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on the Executive's return) imposed on the Underpayment. An Excess Payment shall be deemed to have occurred upon a Final Determination (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments (or portion thereof) with respect to which the Executive had previously received a Gross-Up Payment. A " Final Determination " shall be deemed to have occurred when the Executive has received from the applicable government taxing authority a refund of taxes or other reduction in the Executive's tax liability by reason of the Excess Payment and upon either (x) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds the Executive and such taxing authority, or if a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (y) the

statute of limitations with respect to the Executive's applicable tax return has expired. If an Excess Payment is determined to have been made, the amount of the Excess Payment shall be treated as a loan by the Company to the Executive and the Executive shall pay to the Company on demand (but not less than 10 days after the determination of such Excess Payment and written notice has been delivered to the Executive) the amount of the Excess Payment plus interest at an annual rate equal to the Applicable Federal Rate provided for in Section 1274(d) of the Code from the date the Gross-Up Payment (to which the Excess Payment relates) was paid to the Executive until the date of repayment to the Company.

(d) Notwithstanding anything contained in this Agreement to the contrary, if, according to the Determination, an Excise Tax will be imposed on any Payment or Payments, the Company shall pay to the applicable government taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Company has actually withheld from the Payment or Payments.

6. Successors' Binding Agreement .

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its Successors and Assigns and the Company shall require any Successors and Assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

7. Fees and Expenses . The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as they become due as a result of (a) the Executive's termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination of employment), (b) the Executive seeking to obtain or enforce any right or benefit provided by this Agreement (including, but not limited to, any such fees and expenses incurred in connection with the Dispute and any other matter arising under Section 5, including the existence and amount of any Excess Payment or Underpayment and issues with respect to the Gross-Up Payment, whether as a result of any applicable government taxing authority proceeding, audit or otherwise, or by any other plan or arrangement maintained by the Company under which the Executive is or may be entitled to receive benefits); provided, however, that any such action by the Executive is commenced in good faith and for good reason, and (c) the Executive's hearing before the Board as contemplated in Section 2.2 of this Agreement; provided, however, that the circumstances set forth in clauses (a) and (b) (other than as a result of the Executive's termination of employment under circumstances described in Section 2.3(d)) occurred on or after a Change in Control.

8. Notices . For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by

certified mail, return receipt requested, postage prepaid, addressed to the respective addresses for the parties set forth on Exhibit A hereto or to any other addresses as the respective parties may designate by notice delivered pursuant to this Section 8; provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company **.** All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

9. Non-Exclusivity of Rights . Except as otherwise provided in Section 3.2(a), nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any other agreements with the Company **.** Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

10. Settlement of Claims . The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

11. Modification, Waiver and Miscellaneous . No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company **.** No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time **.** No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law and Jurisdiction . This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without giving effect to the conflict of laws principles thereof. Any claims arising under or related to this Agreement shall be settled by binding arbitration pursuant to the rules of the American Arbitration Association or such other rules as to which the parties may agree. The arbitration shall take place in San Francisco, California, within 30 days following service of notice of such dispute by one party on the other. The arbitration shall be conducted before a panel of three arbitrators, one to be selected by each of the parties and the third to be selected by the other two. The panel of arbitrators shall have no authority to order a modification or amendment of this Agreement. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties, and may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such award is rendered or such party's property as a basis of judgment and of the issuance of execution for its collection.

13. Severability . The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Entire Agreement . Except as otherwise provided below, this Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof **.** If the Executive and the Company have also entered into an employment agreement, and there is an inconsistency between the terms of this Agreement and the terms of such employment agreement, then the Agreement which provides terms most favorable to the Executive shall govern.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Executive has executed this Agreement as of the day and year first above written.

CENTURY ALUMINUM COMPANY

By: /s/ Craig A. Davis
Name: CRAIG A. DAVIS
Title: CHIEF EXECUTIVE OFFICER
CHAIRMAN

GERALD J. KITCHEN

By: /s/ Gerald J. Kitchen
Name: GERALD J. KITCHEN
Title: EXECUTIVE

Exhibit 10.8

SEVERANCE PROTECTION AGREEMENT

THIS AGREEMENT , made as of the 1 st day of August 2005, by and between the Company (as hereinafter defined) and David W. Beckley (the " Executive "), amends and restates that Severance Protection Agreement between the parties made as of the 1 st day of January 2002, as amended.

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the " Board ") recognizes that the possibility of a Change in Control (as hereinafter defined) exists and that the threat or the occurrence of a Change in Control can result in significant distractions of its key management personnel because of the uncertainties inherent in such a situation;

WHEREAS, the Board has determined that it is essential and in the best interest of the Company and its stockholders to retain the services of the Executive in the event of a threat or the occurrence of a Change in Control and to ensure his continued dedication and efforts in such event without undue concern for his personal financial and employment security; and

WHEREAS, the Executive is the Executive Vice President and Chief Financial Officer of the Company and in order to induce the Executive to remain in the employ of the Company, particularly in the event of a threat or the occurrence of a Change in Control, the Company desires to enter into this Agreement with the Executive to provide the Executive with certain benefits if his employment is terminated as a result of, or in connection with, a Change in Control;

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is hereby agreed as follows:

1. Term of Agreement . This Agreement shall be effective as of August 1, 2005, and shall continue in effect until December 31, 2005; provided, however, that commencing on January 1, 2006, and on each January 1 thereafter, the term of this Agreement shall automatically be extended for one year, subject however, to termination as provided in the last sentence of this Section 1; and provided further, however, that the term of this Agreement shall not expire prior to the later of (i) the expiration of 36 months after the occurrence of a Change in Control during the term of this Agreement, or (ii) until such time as all benefits to be provided for hereunder have been provided in full. Except as otherwise provided herein, this Agreement and the rights and obligations of each party shall terminate if the Executive or the Company terminates the Executive's employment prior to the occurrence of a Change in Control.

2. Definitions .

2.1. Accrued Compensation . For purposes of this Agreement, " Accrued Compensation " shall mean any and all amounts or rights earned, accrued or vested through the Termination Date (as hereinafter defined) but not paid as of the Termination Date, including (i) base salary, (ii) reimbursement for reasonable and necessary expenses incurred by the Executive on behalf of the Company during the period ending on the Termination Date, (iii) vacation pay, (iv) bonuses, incentive compensation (other than the Pro Rata Bonus (as hereinafter defined)),

and such other benefits as may be provided in Executive's employment agreement with the Company, including, without limitation, Supplemental Retirement and retiree health benefits.

2.2. Cause . For purposes of this Agreement, a termination of employment is for " Cause " if the Executive (a) has disregarded a direct, material order of the Board, the substance of which order is (i) a proper duty of the Executive under the terms of his employment agreement, (ii) permitted by law, and (iii) otherwise permitted by his employment agreement, which disregard continues after 15 days' opportunity and failure to cure, or (b) has been convicted of a felony or any crime involving moral turpitude.

2.3. Change in Control . For purposes of this Agreement, a " Change in Control " shall mean any of the following events:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the " Voting Securities ") by any " Person " (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934) immediately after which such Person has " Beneficial Ownership " (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934) of 20% or more of the combined voting power of the Company's then outstanding Voting Securities or, in the case of Glencore International AG and its affiliates (collectively, " Glencore "), Beneficial Ownership of 50% or more of such Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired by any Person other than Glencore in a Non-Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control . A " Non-Control Acquisition " shall mean an acquisition by (1) an employee benefit plan (or a trust forming a part thereof) maintained by (x) the Company or (y) any corporation or other Person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a " Subsidiary "), (2) the Company or any Subsidiary, or (3) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The individuals who, as of the date hereof, are members of the Board (the " Incumbent Board "), cease for any reason to constitute at least two-thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Agreement, be considered a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened " Election Contest " (as described in Rule 14a-11 promulgated under the Securities Exchange Act of 1934) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a " Proxy Contest ") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(c) Approval by stockholders of the Company of:

(1) A merger, consolidation or reorganization involving the Company, unless

(i) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least 70% of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the " Surviving Corporation ") in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least two-thirds of the members of the board of directors of the Surviving Corporation, and

(iii) no Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of 15% or more of the then outstanding Voting Securities) has Beneficial Ownership of 15% or more of the combined voting power of the Surviving Corporation's then outstanding voting securities (a transaction described in clauses (i) through (iii) above shall herein be referred to as a " Non-Control Transaction ");

(2) A complete liquidation or dissolution of the Company; or

(3) An agreement for the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the " Subject Person ") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities beneficially owned by the Subject Person, then a Change in Control shall occur.

(d) Notwithstanding anything contained in this Agreement to the contrary, if the Executive's employment is terminated prior to a Change in Control and the Executive reasonably demonstrates that such termination (i) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control and who effectuates a Change in Control (a " Third Party ") or (ii) otherwise occurred in connection with, or in anticipation of, a Change in Control which actually occurs, then for all purposes of this

Agreement, the date of a Change in Control with respect to the Executive shall mean the date immediately prior to the date of such termination of the Executive's employment.

2.4. Company . For purposes of this Agreement, the " Company " shall mean Century Aluminum Company, a Delaware corporation, and shall include its Successors and Assigns (as hereinafter defined) **.** As used in this Agreement, the term "affiliates" shall include any company controlled by, controlling, or under common control with, the Company.

2.5. Disability . For purposes of this Agreement, " Disability " shall mean a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties with the Company for a period of 180 consecutive days and the Executive has not returned to his full time employment prior to the Termination Date as stated in the Notice of Termination (as hereinafter defined).

2.6. Good Reason .

(a) For purposes of this Agreement, " Good Reason " shall mean the occurrence after a Change in Control of any of the events or conditions described in subsections (1) through (9) hereof:

(1) a change in the Executive's status, title, position or responsibilities (including reporting responsibilities) which, in the Executive's reasonable judgment, represents an adverse change from his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; the assignment to the Executive of any duties or responsibilities which, in the Executive's reasonable judgment, are inconsistent with his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; or any removal of the Executive from or failure to reappoint or reelect him to any of such offices or positions, except in connection with the termination of his employment for Disability, Cause, as a result of his death or by the Executive other than for Good Reason;

(2) a reduction in the Executive's base salary or the failure of the Company to (i) pay to the Executive an annual bonus in cash at least equal to the annual bonus paid to the Executive for the most recently completed fiscal year prior to the Change in Control, such bonus to be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the annual bonus is awarded, unless the Executive shall elect to defer the receipt of such annual bonus, (ii) increase the Executive's base salary, annual bonus and any other incentive compensation, including performance shares and options, consistent with the Company's practice prior to the Change in Control or, if greater, as the same may be increased from time to time for other key executive officers of the Company and its affiliated companies, or (iii) pay to the Executive any compensation or benefits to which he is entitled within five days of the date due;

(3) the Company's requiring the Executive to be based at any place outside a 30-mile radius from the Company's offices where he was based prior to the

Change in Control, except for reasonably required travel on the Company's business which is not materially greater than such travel requirements prior to the Change in Control;

(4) the failure by the Company to (A) continue in effect (without reduction in benefit level and/or reward opportunities) any material compensation or employee benefit plan (including, without limitation, long-term disability, medical, dental, life insurance, flexible spending account, pre-tax insurance premiums, vacation pay, pension and profit-sharing) in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, unless such plans are replaced with plans that provide substantially equivalent compensation or benefits to the Executive, (B) provide the Executive with compensation and benefits, in the aggregate, at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each other employee benefit plan, program and practice in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, or (C) permit the Executive to participate in any or all incentive, savings, retirement plans and benefit plans, fringe benefits, practices, policies and programs applicable generally to other key executives of the Company and its affiliated companies;

(5) the insolvency or the filing (by any party, including the Company) of a petition for bankruptcy of the Company, which petition is not dismissed within 60 days;

(6) any material breach by the Company of any provision of this Agreement;

(7) any purported termination of the Executive's employment for Cause by the Company which does not comply with the terms of Section 2.2;

(8) the disposition of all, or substantially all, of the assets of the Company; or

(9) the failure of the Company to obtain an agreement, satisfactory to the Executive, from any Successors and Assigns to assume and agree to perform this Agreement, as contemplated in Section 6 hereof.

(b) Any event or condition described in Section 2.6(a)(l) through (9) above which occurs prior to a Change in Control but which the Executive reasonably demonstrates (1) was at the request of a Third Party, or (2) otherwise arose in connection with, or in anticipation of, a Change in Control which actually occurs, shall constitute Good Reason for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

2.7. Highest Annual Bonus . For purposes of this Agreement, " Highest Annual Bonus " shall mean an amount equal to the highest bonus or bonuses paid or payable to the Executive in any of the five most recently completed fiscal years prior to the Change in Control (or such shorter period that the Executive has been employed).

2.8. Highest Base Salary . For purposes of this Agreement, " Highest Base Salary " shall mean the Executive's annual base salary at the highest rate in effect during the five-year period (or such shorter period that the Executive has been employed) prior to the Change in Control, and shall include all amounts of his base salary that are deferred under the qualified and non-qualified employee benefit plans of the Company or any other agreement or arrangement.

2.9. Notice of Termination . For purposes of this Agreement, following a Change in Control, " Notice of Termination " shall mean a written notice of termination from the Company of the Executive's employment which indicates the specific termination provision in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated **.** The Notice of Termination shall also specify the relevant Termination Date.

2.10. Pro Rata Bonus . For purposes of this Agreement, " Pro Rata Bonus " shall mean an amount equal to the Highest Annual Bonus multiplied by a fraction, the numerator of which is the number of days elapsed in the fiscal year through the Termination Date and the denominator of which is 365.

2.11. Successors and Assigns . For purposes of this Agreement, " Successors and Assigns " shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

2.12. Termination Date . For purposes of this Agreement, " Termination Date " shall mean in the case of the Executive's death, his date of death, in the case of the Executive's resignation for any reason, the last day of his employment, and in all other cases, the date specified in the Notice of Termination; provided, however, that if the Executive's employment is terminated by the Company for Cause or due to Disability, the date specified in the Notice of Termination shall be at least 30 days after the date the Notice of Termination is given to the Executive, provided, that in the case of Disability the Executive shall not have returned to the full-time performance of his duties during such period of at least 30 days.

3. Termination of Employment .

3.1. If, during the term of this Agreement, the Executive's employment with the Company shall be terminated within 36 months following a Change in Control, the Executive shall be entitled to the following compensation and benefits:

(a) If the Executive's employment with the Company shall be terminated (1) by the Company for Cause or Disability, (2) by reason of the Executive's death, or (3) by the Executive other than for Good Reason, the Company shall pay to the Executive the Accrued Compensation and, if such termination is other than by the Company for Cause, a Pro Rata Bonus.

(b) If the Executive's employment with the Company shall be terminated by reason of the Executive's death or disability, the Executive, or his beneficiaries or personal representatives, as the case may be, shall be entitled to receive the greater of those amounts described in Section 3.1(a) above or such other compensation and benefits as may be provided

for in their employment and other agreements for termination of employment under similar circumstances.

(c) If the Executive's employment with the Company shall be terminated for any reason other than as specified in Section 3.1(a), the Executive shall be entitled to the following:

(i) the Company shall pay the Executive all Accrued Compensation and a Pro Rata Bonus;

(ii) the Company shall pay the Executive as severance pay and in lieu of any further compensation for periods subsequent to the Termination Date, in a single payment an amount in cash equal to three times the sum of (A) the Highest Base Salary and (B) the Highest Annual Bonus, in each case calculated to include amounts deferred under the Company's qualified and non-qualified plans;

(iii) for a period of 36 months after the Termination Date (the " Continuation Period "), the Company shall, at its expense, continue on behalf of the Executive and his dependents and beneficiaries all employee benefits provided (x) to the Executive at any time during the one year period prior to the Change in Control or at any time thereafter or (y) to other similarly situated executives who continue in the employ of the Company during the Continuation Period, including, but not limited to, long-term disability, medical, dental, life insurance, flexible spending account and pre-tax insurance premiums.

The coverage and benefits (including deductibles and costs) provided in this Section 3.1(c)(iii) during the Continuation Period shall be no less favorable to the Executive and his dependents and beneficiaries than the most favorable of such coverage and benefits during any of the periods referred to in clauses (x) and (y) above **.** The Company's obligation hereunder with respect to the foregoing benefits shall be limited to the extent that the Executive obtains any such benefits pursuant to a subsequent employer's benefit plans, in which case the Company may reduce the coverage of any benefits it is required to provide the Executive hereunder as long as the aggregate coverage and benefits of the combined benefit plans is no less favorable to the Executive than the coverage and benefits required to be provided hereunder **.** This subsection (iii) shall not be interpreted so as to limit any benefits to which the Executive, his dependents or beneficiaries may be entitled under any of the Company's employee benefit plans, programs or practices following the Executive's termination of employment, including, without limitation, retiree medical and life insurance benefits;

(iv) the Company shall credit the Executive for pension purposes with three years of service beyond the Termination Date and shall pay to the Executive in a single payment an amount in cash equal to the excess of (A) the Recalculated Retirement Benefit (as provided in this Section 3.1(c)(iv)) had (w) the Executive remained employed by the Company for the additional three

complete years of credited service, (x) his annual compensation during such period been equal to the Highest Base Salary and the Highest Annual Bonus, (y) the benefit accrual formulas of each retirement plan remained no less advantageous to the Executive than those in effect immediately preceding the date on which a Change in Control occurred and the Company made employer contributions to each defined contribution plan in which the Executive was a participant at the Termination Date in an amount equal to the amount of such contribution for the plan year immediately preceding the Termination Date, and (z) he been fully (100%) vested in his benefit under each retirement plan in which the Executive was a participant, over (B) the lump sum actuarial equivalent of the aggregate retirement benefit the Executive is actually entitled to receive under such retirement plans **.** For purposes of this subsection (iv), the " Recalculated Retirement Benefit " shall mean the lump sum actuarial equivalent of the aggregate retirement benefit the Executive would have been entitled to receive under the Company's qualified pension plan (the " Qualified Plan ") **.** For purposes of this subsection (iv), the "actuarial equivalent" shall be determined in accordance with the actuarial assumptions used for the calculation of benefits under the Qualified Plan as applied prior to the Termination Date in accordance with such plans' past practices; and

(v) (A) the restrictions on any outstanding incentive awards (including restricted stock and performance share units) granted to the Executive under the 1996 Stock Incentive Plan, as amended from time to time, or under any other incentive plan or arrangement shall lapse and such incentive awards shall become 100% vested and all stock options granted to the Executive shall become immediately exercisable and shall become 100% vested (and restrictions on any stock issued upon exercise of stock options shall lapse), and Section 6.B of the 1996 Stock Incentive Plan Implementation Guidelines notwithstanding, all performance shares awarded to the Executive pursuant to the Guidelines shall be valued at 100% as though the Company had achieved its target for each respective Plan Period, and an equal number of shares of common stock shall be awarded to the Executive, and (B) the Executive shall have the right to require the Company to purchase, for cash, any shares of unrestricted stock or shares purchased upon exercise of any options or received pursuant to a performance share award at a price equal to the fair market value of such shares on the date of purchase by the Company.

(d) The amounts provided for in Sections 3.1(a), 3.1(c)(i), 3.1(c)(ii) and 3.1(c)(iv) shall be paid in a single lump sum cash payment within five days after the Executive's Termination Date (or earlier, if required by applicable law).

(e) The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to the Executive in any subsequent employment except as provided in Section 3.1(c)(iii) **.** Notwithstanding the foregoing, the Executive agrees that during the Continuation Period, he shall not (i) solicit any employees of the Company to leave the Company's employ to work for

any company with which the Executive is employed, or (ii) employ any employee who is employed by the Company at any time during the Continuation Period **.** A breach of either of the foregoing covenants will result in the Executive forfeiting any further benefits to which he is entitled pursuant to Section 3.1(c)(iii), although the Executive shall not be required to return any payments to the Company that have been made to the Executive prior to the date of such breach.

3.2. (a) Except as otherwise provided in Section 3.1(b), the severance pay and benefits provided for in this Section 3 shall be in lieu of any other severance or termination pay to which the Executive may be entitled under any employment agreement or any Company severance or termination plan, program, practice or arrangement.

(b) The Executive's entitlement to any other compensation benefits shall be determined in accordance with the Company's employee benefit plans and other applicable programs, policies and practices then in effect.

(c) Notwithstanding anything to the contrary in this Agreement, if the Executive is terminated by the Company after the occurrence of a Change in Control and is subsequently rehired by the Company at any time thereafter, the Executive shall not be entitled to any further benefits under Section 3.1(c)(iii) of this Agreement although the Executive shall not be required to return any payments to the Company which have been made to the Executive prior to the date the Executive is rehired.

4. Notice of Termination . Following a Change in Control, any purported termination of the Executive's employment by the Company shall be communicated by Notice of Termination to the Executive. For purposes of this Agreement, no such purported termination shall be effective without such Notice of Termination.

5. Excise Tax Payments .

(a) If any payment or benefit (within the meaning of Section 280G(b)(2) of the Internal Revenue Code of 1986, as amended (the " Code ")) to the Executive or for his benefit paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise in connection with, or arising out of, his employment with the Company or a change in ownership or effective control of the Company or of a substantial portion of its assets (each a " Payment " and collectively, the " Payments "), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the " Excise Tax "), then the Executive will be entitled to receive an additional payment (a " Gross-Up Payment "), such that the net amount retained by the Executive, after deduction and/or payment of any Excise Tax on the Payments and the Gross-Up Payment and any federal, state and local income tax on the Gross-Up Payment (including any interest or penalties, other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on his return, imposed with respect to such taxes), shall be equal to the Payments.

(b) An initial determination as to whether a Gross-Up Payment is required pursuant to this Agreement and the amount of such Gross-Up Payment shall be made at the

Company's expense by an accounting firm selected by the Company and reasonably acceptable to the Executive which is designated as one of the four largest accounting firms in the United States (the " Accounting Firm "). The Accounting Firm shall provide its determination (the " Determination "), together with detailed supporting calculations and documentation to the Company and the Executive within five days of the Termination Date if applicable, or such other time as requested by the Executive (provided the Executive reasonably believes that any of the Payments may be subject to the Excise Tax) and if the Accounting Firm determines that no Excise Tax is payable by the Executive as provided in Section 5(a) above, it shall furnish the Executive with an opinion reasonably acceptable to the Executive to such effect. Within ten days of the delivery of the Determination to the Executive, the Executive shall have the right to dispute the Determination (the " Dispute "). The Gross-Up Payment, if any, as determined pursuant to this Paragraph 5(b) shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. The existence of the Dispute shall not in any way affect the Executive's right to receive the Gross-Up Payment in accordance with the Determination. Upon the final resolution of a Dispute, the Company shall promptly pay to the Executive any additional amount required by such resolution. If there is no Dispute, the Determination shall be binding, final and conclusive upon the Company and the Executive subject to the application of Section 5(c) below.

(c) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross-Up Payment (or a portion thereof) will be paid which should not have been paid (an " Excess Payment ") or a Gross-Up Payment (or a portion thereof) which should have been paid will not have been paid (an " Underpayment "). An Underpayment shall be deemed to have occurred (i) upon notice (formal or informal) to the Executive from any governmental taxing authority that the Executive's tax liability (whether in respect of the Executive's current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Company has failed to make a sufficient Gross-Up Payment, (ii) upon a determination by a court, (iii) by reason of a determination by the Company (which shall include the position taken by the Company, together with its consolidated group, on its federal income tax return) or (iv) upon the resolution of the Dispute to the Executive's satisfaction. If an Underpayment occurs, the Executive shall promptly notify the Company and the Company shall promptly, but in any event, at least five days prior to the date on which the applicable government taxing authority has requested payment, pay to the Executive an additional Gross-Up Payment equal to the amount of the Underpayment plus any interest and penalties (other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on the Executive's return) imposed on the Underpayment. An Excess Payment shall be deemed to have occurred upon a Final Determination (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments (or portion thereof) with respect to which the Executive had previously received a Gross-Up Payment. A " Final Determination " shall be deemed to have occurred when the Executive has received from the applicable government taxing authority a refund of taxes or other reduction in the Executive's tax liability by reason of the Excess Payment and upon either (x) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds the Executive and such taxing authority, or if a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (y) the

statute of limitations with respect to the Executive's applicable tax return has expired. If an Excess Payment is determined to have been made, the amount of the Excess Payment shall be treated as a loan by the Company to the Executive and the Executive shall pay to the Company on demand (but not less than 10 days after the determination of such Excess Payment and written notice has been delivered to the Executive) the amount of the Excess Payment plus interest at an annual rate equal to the Applicable Federal Rate provided for in Section 1274(d) of the Code from the date the Gross-Up Payment (to which the Excess Payment relates) was paid to the Executive until the date of repayment to the Company.

(d) Notwithstanding anything contained in this Agreement to the contrary, if, according to the Determination, an Excise Tax will be imposed on any Payment or Payments, the Company shall pay to the applicable government taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Company has actually withheld from the Payment or Payments.

6. Successors' Binding Agreement .

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its Successors and Assigns and the Company shall require any Successors and Assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

7. Fees and Expenses . The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as they become due as a result of (a) the Executive's termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination of employment), (b) the Executive seeking to obtain or enforce any right or benefit provided by this Agreement (including, but not limited to, any such fees and expenses incurred in connection with the Dispute and any other matter arising under Section 5, including the existence and amount of any Excess Payment or Underpayment and issues with respect to the Gross-Up Payment, whether as a result of any applicable government taxing authority proceeding, audit or otherwise, or by any other plan or arrangement maintained by the Company under which the Executive is or may be entitled to receive benefits); provided, however, that any such action by the Executive is commenced in good faith and for good reason, and (c) the Executive's hearing before the Board as contemplated in Section 2.2 of this Agreement; provided, however, that the circumstances set forth in clauses (a) and (b) (other than as a result of the Executive's termination of employment under circumstances described in Section 2.3(d)) occurred on or after a Change in Control.

8. Notices . For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by

certified mail, return receipt requested, postage prepaid, addressed to the respective addresses for the parties set forth on Exhibit A hereto or to any other addresses as the respective parties may designate by notice delivered pursuant to this Section 8; provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company **.** All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

9. Non-Exclusivity of Rights . Except as otherwise provided in Section 3.2(a), nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any other agreements with the Company **.** Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

10. Settlement of Claims . The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

11. Modification, Waiver and Miscellaneous . No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company **.** No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time **.** No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law and Jurisdiction . This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without giving effect to the conflict of laws principles thereof. Any claims arising under or related to this Agreement shall be settled by binding arbitration pursuant to the rules of the American Arbitration Association or such other rules as to which the parties may agree. The arbitration shall take place in San Francisco, California, within 30 days following service of notice of such dispute by one party on the other. The arbitration shall be conducted before a panel of three arbitrators, one to be selected by each of the parties and the third to be selected by the other two. The panel of arbitrators shall have no authority to order a modification or amendment of this Agreement. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties, and may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such award is rendered or such party's property as a basis of judgment and of the issuance of execution for its collection.

13. Severability . The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Entire Agreement . Except as otherwise provided below, this Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof **.** If the Executive and the Company have also entered into an employment agreement, and there is an inconsistency between the terms of this Agreement and the terms of such employment agreement, then the Agreement which provides terms most favorable to the Executive shall govern.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Executive has executed this Agreement as of the day and year first above written.

CENTURY ALUMINUM COMPANY

By: /s/ Gerald J. Kitchen
Name: GERALD J. KITCHEN
Title: EXECUTIVE VICE PRESIDENT
GENERAL COUNSEL

DAVID W. BECKLEY

By: /s/ David W. Beckley
Name: DAVID W. BECKLEY
Title: EXECUTIVE

Exhibit 10.9

SEVERANCE PROTECTION AGREEMENT

THIS AGREEMENT , made as of the 1st day of August 2005, by and between the Company (as hereinafter defined) and E. Jack Gates (the " Executive "), amends and restates that Severance Protection Agreement between the parties made as of the 14th day of October 2003.

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the " Board ") recognizes that the possibility of a Change in Control (as hereinafter defined) exists and that the threat or the occurrence of a Change in Control can result in significant distractions of its key management personnel because of the uncertainties inherent in such a situation;

WHEREAS, the Board has determined that it is essential and in the best interest of the Company and its stockholders to retain the services of the Executive in the event of a threat or the occurrence of a Change in Control and to ensure his continued dedication and efforts in such event without undue concern for his personal financial and employment security; and

WHEREAS, the Executive is the Executive Vice President and Chief Operating Officer of the Company and in order to induce the Executive to remain in the employ of the Company, particularly in the event of a threat or the occurrence of a Change in Control, the Company desires to enter into this Agreement with the Executive to provide the Executive with certain benefits if his employment is terminated as a result of, or in connection with, a Change in Control;

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is hereby agreed as follows:

1. Term of Agreement . This Agreement shall be effective as of August 1, 2005, and shall continue in effect until January 1, 2006; provided, however, that commencing on January 1, 2006, and on each January 1 thereafter, the term of this Agreement shall automatically be extended for one year, subject however, to termination as provided in the last sentence of this Section 1; and provided further, however, that the term of this Agreement shall not expire prior to the later of (i) the expiration of 36 months after the occurrence of a Change in Control during the term of this Agreement, or (ii) until such time as all benefits to be provided for hereunder have been provided in full. Except as otherwise provided herein, this Agreement and the rights and obligations of each party shall terminate if the Executive or the Company terminates the Executive's employment prior to the occurrence of a Change in Control.

2. Definitions .

2.1. Accrued Compensation . For purposes of this Agreement, " Accrued Compensation " shall mean any and all amounts or rights earned, accrued or vested through the Termination Date (as hereinafter defined) but not paid as of the Termination Date, including (i) base salary, (ii) reimbursement for reasonable and necessary expenses incurred by the Executive on behalf of the Company during the period ending on the Termination Date, (iii) vacation pay, (iv) bonuses, incentive compensation (other than the Pro Rata Bonus (as hereinafter defined)),

and such other benefits as may be provided in Executive's employment agreement with the Company, including, without limitation, Supplemental Retirement, and health benefits.

2.2. Cause . For purposes of this Agreement, a termination of employment is for " Cause " if the Executive (a) has disregarded a direct, material order of the Board, the substance of which order is (i) a proper duty of the Executive under the terms of his employment agreement, (ii) permitted by law, and (iii) otherwise permitted by his employment agreement, which disregard continues after 15 days' opportunity and failure to cure, or (b) has been convicted of a felony or any crime involving moral turpitude.

2.3. Change in Control . For purposes of this Agreement, a " Change in Control " shall mean any of the following events:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the " Voting Securities ") by any " Person " (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934) immediately after which such Person has " Beneficial Ownership " (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934) of 20% or more of the combined voting power of the Company's then outstanding Voting Securities or, in the case of Glencore International AG and its affiliates (collectively, " Glencore "), Beneficial Ownership of 50% or more of such Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired by any Person other than Glencore in a Non-Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control . A " Non-Control Acquisition " shall mean an acquisition by (1) an employee benefit plan (or a trust forming a part thereof) maintained by (x) the Company or (y) any corporation or other Person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a " Subsidiary "), (2) the Company or any Subsidiary, or (3) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The individuals who, as of the date hereof, are members of the Board (the " Incumbent Board "), cease for any reason to constitute at least two-thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Agreement, be considered a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened " Election Contest " (as described in Rule 14a-11 promulgated under the Securities Exchange Act of 1934) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a " Proxy Contest ") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(c) Approval by stockholders of the Company of:

(1) A merger, consolidation or reorganization involving the Company, unless

(i) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least 70% of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the " Surviving Corporation ") in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least two-thirds of the members of the board of directors of the Surviving Corporation, and

(iii) no Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of 15% or more of the then outstanding Voting Securities) has Beneficial Ownership of 15% or more of the combined voting power of the Surviving Corporation's then outstanding voting securities (a transaction described in clauses (i) through (iii) above shall herein be referred to as a " Non-Control Transaction ");

(2) A complete liquidation or dissolution of the Company; or

(3) An agreement for the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the " Subject Person ") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities beneficially owned by the Subject Person, then a Change in Control shall occur.

(d) Notwithstanding anything contained in this Agreement to the contrary, if the Executive's employment is terminated prior to a Change in Control and the Executive reasonably demonstrates that such termination (i) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control and who effectuates a Change in Control (a " Third Party ") or (ii) otherwise occurred in connection with, or in anticipation of, a Change in Control which actually occurs, then for all purposes of this

Agreement, the date of a Change in Control with respect to the Executive shall mean the date immediately prior to the date of such termination of the Executive's employment.

2.4. Company . For purposes of this Agreement, the " Company " shall mean Century Aluminum Company, a Delaware corporation, and shall include its Successors and Assigns (as hereinafter defined) **.** As used in this Agreement, the term "affiliates" shall include any company controlled by, controlling, or under common control with, the Company.

2.5. Disability . For purposes of this Agreement, " Disability " shall mean a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties with the Company for a period of 180 consecutive days and the Executive has not returned to his full time employment prior to the Termination Date as stated in the Notice of Termination (as hereinafter defined).

2.6. Good Reason .

(a) For purposes of this Agreement, " Good Reason " shall mean the occurrence after a Change in Control of any of the events or conditions described in subsections (1) through (9) hereof:

(1) a change in the Executive's status, title, position or responsibilities (including reporting responsibilities) which, in the Executive's reasonable judgment, represents an adverse change from his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; the assignment to the Executive of any duties or responsibilities which, in the Executive's reasonable judgment, are inconsistent with his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; or any removal of the Executive from or failure to reappoint or reelect him to any of such offices or positions, except in connection with the termination of his employment for Disability, Cause, as a result of his death or by the Executive other than for Good Reason;

(2) a reduction in the Executive's base salary or the failure of the Company to (i) pay to the Executive an annual bonus in cash at least equal to the annual bonus paid to the Executive for the most recently completed fiscal year prior to the Change in Control, such bonus to be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the annual bonus is awarded, unless the Executive shall elect to defer the receipt of such annual bonus, (ii) increase the Executive's base salary, annual bonus and any other incentive compensation, including performance shares and options, consistent with the Company's practice prior to the Change in Control or, if greater, as the same may be increased from time to time for other key executive officers of the Company and its affiliated companies, or (iii) pay to the Executive any compensation or benefits to which he is entitled within five days of the date due;

(3) the Company's requiring the Executive to be based at any place outside a 30-mile radius from the Company's offices where he was based prior to the

Change in Control, except for reasonably required travel on the Company's business which is not materially greater than such travel requirements prior to the Change in Control;

(4) the failure by the Company to (A) continue in effect (without reduction in benefit level and/or reward opportunities) any material compensation or employee benefit plan (including, without limitation, long-term disability, medical, dental, life insurance, flexible spending account, pre-tax insurance premiums, vacation pay, pension and profit-sharing) in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, unless such plans are replaced with plans that provide substantially equivalent compensation or benefits to the Executive, (B) provide the Executive with compensation and benefits, in the aggregate, at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each other employee benefit plan, program and practice in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, or (C) permit the Executive to participate in any or all incentive, savings, retirement plans and benefit plans, fringe benefits, practices, policies and programs applicable generally to other key executives of the Company and its affiliated companies;

(5) the insolvency or the filing (by any party, including the Company) of a petition for bankruptcy of the Company, which petition is not dismissed within 60 days;

(6) any material breach by the Company of any provision of this Agreement;

(7) any purported termination of the Executive's employment for Cause by the Company which does not comply with the terms of Section 2.2;

(8) the disposition of all, or substantially all, of the assets of the Company; or

(9) the failure of the Company to obtain an agreement, satisfactory to the Executive, from any Successors and Assigns to assume and agree to perform this Agreement, as contemplated in Section 6 hereof.

(b) Any event or condition described in Section 2.6(a)(l) through (9) above which occurs prior to a Change in Control but which the Executive reasonably demonstrates (1) was at the request of a Third Party, or (2) otherwise arose in connection with, or in anticipation of, a Change in Control which actually occurs, shall constitute Good Reason for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

2.7. Highest Annual Bonus . For purposes of this Agreement, " Highest Annual Bonus " shall mean an amount equal to the highest bonus or bonuses paid or payable to the Executive in any of the five most recently completed fiscal years prior to the Change in Control (or such shorter period that the Executive has been employed).

2.8. Highest Base Salary . For purposes of this Agreement, " Highest Base Salary " shall mean the Executive's annual base salary at the highest rate in effect during the five-year period (or such shorter period that the Executive has been employed) prior to the Change in Control, and shall include all amounts of his base salary that are deferred under the qualified and non-qualified employee benefit plans of the Company or any other agreement or arrangement.

2.9. Notice of Termination . For purposes of this Agreement, following a Change in Control, " Notice of Termination " shall mean a written notice of termination from the Company of the Executive's employment which indicates the specific termination provision in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated **.** The Notice of Termination shall also specify the relevant Termination Date.

2.10. Pro Rata Bonus . For purposes of this Agreement, " Pro Rata Bonus " shall mean an amount equal to the Highest Annual Bonus multiplied by a fraction, the numerator of which is the number of days elapsed in the fiscal year through the Termination Date and the denominator of which is 365.

2.11. Successors and Assigns . For purposes of this Agreement, " Successors and Assigns " shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

2.12. Termination Date . For purposes of this Agreement, " Termination Date " shall mean in the case of the Executive's death, his date of death, in the case of the Executive's resignation for any reason, the last day of his employment, and in all other cases, the date specified in the Notice of Termination; provided, however, that if the Executive's employment is terminated by the Company for Cause or due to Disability, the date specified in the Notice of Termination shall be at least 30 days after the date the Notice of Termination is given to the Executive, provided, that in the case of Disability the Executive shall not have returned to the full-time performance of his duties during such period of at least 30 days.

3. Termination of Employment .

3.1. If, during the term of this Agreement, the Executive's employment with the Company shall be terminated within 36 months following a Change in Control, the Executive shall be entitled to the following compensation and benefits:

(a) If the Executive's employment with the Company shall be terminated (1) by the Company for Cause or Disability, (2) by reason of the Executive's death, or (3) by the Executive other than for Good Reason, the Company shall pay to the Executive the Accrued Compensation and, if such termination is other than by the Company for Cause, a Pro Rata Bonus.

(b) If the Executive's employment with the Company shall be terminated by reason of the Executive's death or disability, the Executive, or his beneficiaries or personal representatives, as the case may be, shall be entitled to receive the greater of those amounts described in Section 3.1(a) above or such other compensation and benefits as may be provided

for in their employment and other agreements for termination of employment under similar circumstances.

(c) If the Executive's employment with the Company shall be terminated for any reason other than as specified in Section 3.1(a), the Executive shall be entitled to the following:

(i) the Company shall pay the Executive all Accrued Compensation and a Pro Rata Bonus;

(ii) the Company shall pay the Executive as severance pay and in lieu of any further compensation for periods subsequent to the Termination Date, in a single payment an amount in cash equal to three times the sum of (A) the Highest Base Salary and (B) the Highest Annual Bonus, in each case calculated to include amounts deferred under the Company's qualified and non-qualified plans;

(iii) for a period of 36 months after the Termination Date (the " Continuation Period "), the Company shall, at its expense, continue on behalf of the Executive and his dependents and beneficiaries all employee benefits provided (x) to the Executive at any time during the one year period prior to the Change in Control or at any time thereafter or (y) to other similarly situated executives who continue in the employ of the Company during the Continuation Period, including, but not limited to, long-term disability, medical, dental, life insurance, flexible spending account and pre-tax insurance premiums.

The coverage and benefits (including deductibles and costs) provided in this Section 3.1(c)(iii) during the Continuation Period shall be no less favorable to the Executive and his dependents and beneficiaries than the most favorable of such coverage and benefits during any of the periods referred to in clauses (x) and (y) above **.** The Company's obligation hereunder with respect to the foregoing benefits shall be limited to the extent that the Executive obtains any such benefits pursuant to a subsequent employer's benefit plans, in which case the Company may reduce the coverage of any benefits it is required to provide the Executive hereunder as long as the aggregate coverage and benefits of the combined benefit plans is no less favorable to the Executive than the coverage and benefits required to be provided hereunder **.** This subsection (iii) shall not be interpreted so as to limit any benefits to which the Executive, his dependents or beneficiaries may be entitled under any of the Company's employee benefit plans, programs or practices following the Executive's termination of employment, including, without limitation, retiree medical and life insurance benefits;

(iv) the Company shall credit the Executive for pension purposes with three years of service beyond the Termination Date and shall pay to the Executive in a single payment an amount in cash equal to the excess of (A) the Recalculated Retirement Benefit (as provided in this Section 3.1(c)(iv)) had (w) the Executive remained employed by the Company for the additional three

complete years of credited service, (x) his annual compensation during such period been equal to the Highest Base Salary and the Highest Annual Bonus, (y) the benefit accrual formulas of each retirement plan remained no less advantageous to the Executive than those in effect immediately preceding the date on which a Change in Control occurred and the Company made employer contributions to each defined contribution plan in which the Executive was a participant at the Termination Date in an amount equal to the amount of such contribution for the plan year immediately preceding the Termination Date, and (z) he been fully (100%) vested in his benefit under each retirement plan in which the Executive was a participant, over (B) the lump sum actuarial equivalent of the aggregate retirement benefit the Executive is actually entitled to receive under such retirement plans **.** For purposes of this subsection (iv), the " Recalculated Retirement Benefit " shall mean the lump sum actuarial equivalent of the aggregate retirement benefit the Executive would have been entitled to receive under the Company's qualified pension plan (the " Qualified Plan ") **.** For purposes of this subsection (iv), the "actuarial equivalent" shall be determined in accordance with the actuarial assumptions used for the calculation of benefits under the Qualified Plan as applied prior to the Termination Date in accordance with such plans' past practices; and

(v) (A) the restrictions on any outstanding incentive awards (including restricted stock and performance share units) granted to the Executive under the 1996 Stock Incentive Plan, as amended from time to time, or under any other incentive plan or arrangement shall lapse and such incentive awards shall become 100% vested and all stock options granted to the Executive shall become immediately exercisable and shall become 100% vested (and restrictions on any stock issued upon exercise of stock options shall lapse), and Section 6.B of the 1996 Stock Incentive Plan Implementation Guidelines notwithstanding, all performance shares awarded to the Executive pursuant to the Guidelines shall be valued at 100% as though the Company had achieved its target for each respective Plan Period, and an equal number of shares of common stock shall be awarded to the Executive, and (B) the Executive shall have the right to require the Company to purchase, for cash, any shares of unrestricted stock or shares purchased upon exercise of any options or received pursuant to a performance share award at a price equal to the fair market value of such shares on the date of purchase by the Company.

(d) The amounts provided for in Sections 3.1(a), 3.1(c)(i), 3.1(c)(ii) and 3.1(c)(iv) shall be paid in a single lump sum cash payment within five days after the Executive's Termination Date (or earlier, if required by applicable law).

(e) The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to the Executive in any subsequent employment except as provided in Section 3.1(c)(iii) **.** Notwithstanding the foregoing, the Executive agrees that during the Continuation Period, he shall not (i) solicit any employees of the Company to leave the Company's employ to work for

any company with which the Executive is employed, or (ii) employ any employee who is employed by the Company at any time during the Continuation Period **.** A breach of either of the foregoing covenants will result in the Executive forfeiting any further benefits to which he is entitled pursuant to Section 3.1(c)(iii), although the Executive shall not be required to return any payments to the Company that have been made to the Executive prior to the date of such breach.

3.2. (a) Except as otherwise provided in Section 3.1(b), the severance pay and benefits provided for in this Section 3 shall be in lieu of any other severance or termination pay to which the Executive may be entitled under any employment agreement or any Company severance or termination plan, program, practice or arrangement.

(b) The Executive's entitlement to any other compensation benefits shall be determined in accordance with the Company's employee benefit plans and other applicable programs, policies and practices then in effect.

(c) Notwithstanding anything to the contrary in this Agreement, if the Executive is terminated by the Company after the occurrence of a Change in Control and is subsequently rehired by the Company at any time thereafter, the Executive shall not be entitled to any further benefits under Section 3.1(c)(iii) of this Agreement although the Executive shall not be required to return any payments to the Company which have been made to the Executive prior to the date the Executive is rehired.

4. Notice of Termination . Following a Change in Control, any purported termination of the Executive's employment by the Company shall be communicated by Notice of Termination to the Executive. For purposes of this Agreement, no such purported termination shall be effective without such Notice of Termination.

5. Excise Tax Payments .

(a) If any payment or benefit (within the meaning of Section 280G(b)(2) of the Internal Revenue Code of 1986, as amended (the " Code ")) to the Executive or for his benefit paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise in connection with, or arising out of, his employment with the Company or a change in ownership or effective control of the Company or of a substantial portion of its assets (each a " Payment " and collectively, the " Payments "), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the " Excise Tax "), then the Executive will be entitled to receive an additional payment (a " Gross-Up Payment "), such that the net amount retained by the Executive, after deduction and/or payment of any Excise Tax on the Payments and the Gross-Up Payment and any federal, state and local income tax on the Gross-Up Payment (including any interest or penalties, other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on his return, imposed with respect to such taxes), shall be equal to the Payments.

(b) An initial determination as to whether a Gross-Up Payment is required pursuant to this Agreement and the amount of such Gross-Up Payment shall be made at the

Company's expense by an accounting firm selected by the Company and reasonably acceptable to the Executive which is designated as one of the four largest accounting firms in the United States (the " Accounting Firm "). The Accounting Firm shall provide its determination (the " Determination "), together with detailed supporting calculations and documentation to the Company and the Executive within five days of the Termination Date if applicable, or such other time as requested by the Executive (provided the Executive reasonably believes that any of the Payments may be subject to the Excise Tax) and if the Accounting Firm determines that no Excise Tax is payable by the Executive as provided in Section 5(a) above, it shall furnish the Executive with an opinion reasonably acceptable to the Executive to such effect. Within ten days of the delivery of the Determination to the Executive, the Executive shall have the right to dispute the Determination (the " Dispute "). The Gross-Up Payment, if any, as determined pursuant to this Paragraph 5(b) shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. The existence of the Dispute shall not in any way affect the Executive's right to receive the Gross-Up Payment in accordance with the Determination. Upon the final resolution of a Dispute, the Company shall promptly pay to the Executive any additional amount required by such resolution. If there is no Dispute, the Determination shall be binding, final and conclusive upon the Company and the Executive subject to the application of Section 5(c) below.

(c) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross-Up Payment (or a portion thereof) will be paid which should not have been paid (an " Excess Payment ") or a Gross-Up Payment (or a portion thereof) which should have been paid will not have been paid (an " Underpayment "). An Underpayment shall be deemed to have occurred (i) upon notice (formal or informal) to the Executive from any governmental taxing authority that the Executive's tax liability (whether in respect of the Executive's current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Company has failed to make a sufficient Gross-Up Payment, (ii) upon a determination by a court, (iii) by reason of a determination by the Company (which shall include the position taken by the Company, together with its consolidated group, on its federal income tax return) or (iv) upon the resolution of the Dispute to the Executive's satisfaction. If an Underpayment occurs, the Executive shall promptly notify the Company and the Company shall promptly, but in any event, at least five days prior to the date on which the applicable government taxing authority has requested payment, pay to the Executive an additional Gross-Up Payment equal to the amount of the Underpayment plus any interest and penalties (other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on the Executive's return) imposed on the Underpayment. An Excess Payment shall be deemed to have occurred upon a Final Determination (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments (or portion thereof) with respect to which the Executive had previously received a Gross-Up Payment. A " Final Determination " shall be deemed to have occurred when the Executive has received from the applicable government taxing authority a refund of taxes or other reduction in the Executive's tax liability by reason of the Excess Payment and upon either (x) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds the Executive and such taxing authority, or if a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (y) the

statute of limitations with respect to the Executive's applicable tax return has expired. If an Excess Payment is determined to have been made, the amount of the Excess Payment shall be treated as a loan by the Company to the Executive and the Executive shall pay to the Company on demand (but not less than 10 days after the determination of such Excess Payment and written notice has been delivered to the Executive) the amount of the Excess Payment plus interest at an annual rate equal to the Applicable Federal Rate provided for in Section 1274(d) of the Code from the date the Gross-Up Payment (to which the Excess Payment relates) was paid to the Executive until the date of repayment to the Company.

(d) Notwithstanding anything contained in this Agreement to the contrary, if, according to the Determination, an Excise Tax will be imposed on any Payment or Payments, the Company shall pay to the applicable government taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Company has actually withheld from the Payment or Payments.

6. Successors' Binding Agreement .

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its Successors and Assigns and the Company shall require any Successors and Assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

7. Fees and Expenses . The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as they become due as a result of (a) the Executive's termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination of employment), (b) the Executive seeking to obtain or enforce any right or benefit provided by this Agreement (including, but not limited to, any such fees and expenses incurred in connection with the Dispute and any other matter arising under Section 5, including the existence and amount of any Excess Payment or Underpayment and issues with respect to the Gross-Up Payment, whether as a result of any applicable government taxing authority proceeding, audit or otherwise, or by any other plan or arrangement maintained by the Company under which the Executive is or may be entitled to receive benefits); provided, however, that any such action by the Executive is commenced in good faith and for good reason, and (c) the Executive's hearing before the Board as contemplated in Section 2.2 of this Agreement; provided, however, that the circumstances set forth in clauses (a) and (b) (other than as a result of the Executive's termination of employment under circumstances described in Section 2.3(d)) occurred on or after a Change in Control.

8. Notices . For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by

certified mail, return receipt requested, postage prepaid, addressed to the respective addresses for the parties set forth on Exhibit A hereto or to any other addresses as the respective parties may designate by notice delivered pursuant to this Section 8; provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company **.** All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

9. Non-Exclusivity of Rights . Except as otherwise provided in Section 3.2(a), nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any other agreements with the Company **.** Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

10. Settlement of Claims . The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

11. Modification, Waiver and Miscellaneous . No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company **.** No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time **.** No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law and Jurisdiction . This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without giving effect to the conflict of laws principles thereof. Any claims arising under or related to this Agreement shall be settled by binding arbitration pursuant to the rules of the American Arbitration Association or such other rules as to which the parties may agree. The arbitration shall take place in San Francisco, California, within 30 days following service of notice of such dispute by one party on the other. The arbitration shall be conducted before a panel of three arbitrators, one to be selected by each of the parties and the third to be selected by the other two. The panel of arbitrators shall have no authority to order a modification or amendment of this Agreement. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties, and may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such award is rendered or such party's property as a basis of judgment and of the issuance of execution for its collection.

13. Severability . The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Entire Agreement . Except as otherwise provided below, this Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof **.** If the Executive and the Company have also entered into an employment agreement, and there is an inconsistency between the terms of this Agreement and the terms of such employment agreement, then the Agreement which provides terms most favorable to the Executive shall govern.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Executive has executed this Agreement as of the day and year first above written.

CENTURY ALUMINUM COMPANY

By: /s/ Gerald J. Kitchen
Name: GERALD J. KITCHEN
Title: EXECUTIVE VICE PRESIDENT
GENERAL COUNSEL

E. JACK GATES

By: /s/ E. Jack Gates
Name: E. JACK GATES
Title: EXECUTIVE

Exhibit 10.10

SEVERANCE PROTECTION AGREEMENT

THIS AGREEMENT , made as of the 1st day of August 2005, by and between the Company (as hereinafter defined) and Daniel J. Krofcheck (the " Executive ").

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the " Board ") recognizes that the possibility of a Change in Control (as hereinafter defined) exists and that the threat or the occurrence of a Change in Control can result in significant distractions of its key management personnel because of the uncertainties inherent in such a situation;

WHEREAS, the Board has determined that it is essential and in the best interest of the Company and its stockholders to retain the services of the Executive in the event of a threat or the occurrence of a Change in Control and to ensure his continued dedication and efforts in such event without undue concern for his personal financial and employment security; and

WHEREAS, the Executive is the Treasurer of the Company and in order to induce the Executive to remain in the employ of the Company, particularly in the event of a threat or the occurrence of a Change in Control, the Company desires to enter into this Agreement with the Executive to provide the Executive with certain benefits if his employment is terminated as a result of, or in connection with, a Change in Control;

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is hereby agreed as follows:

1. Term of Agreement . This Agreement shall be effective as of August 1, 2005, and shall continue in effect until January 1, 2007; provided, however, that commencing on January 1, 2007, and on each January 1 thereafter, the term of this Agreement shall automatically be extended for one year, subject however, to termination as provided in the last sentence of this Section 1; and provided further, however, that the term of this Agreement shall not expire prior to the later of (i) the expiration of 36 months after the occurrence of a Change in Control during the term of this Agreement, or (ii) until such time as all benefits to be provided for hereunder have been provided in full. Except as otherwise provided herein, this Agreement and the rights and obligations of each party shall terminate if the Executive or the Company terminates the Executive's employment prior to the occurrence of a Change in Control.

2. Definitions .

2.1. Accrued Compensation . For purposes of this Agreement, " Accrued Compensation " shall mean any and all amounts or rights earned, accrued or vested through the Termination Date (as hereinafter defined) but not paid as of the Termination Date, including (i) base salary, (ii) reimbursement for reasonable and necessary expenses incurred by the Executive on behalf of the Company during the period ending on the Termination Date, (iii) vacation pay, (iv) bonuses, incentive compensation (other than the Pro Rata Bonus (as hereinafter defined)), and health benefits.

2.2. Cause . For purposes of this Agreement, a termination of employment is for " Cause " if the Executive (a) has disregarded a direct, material order of the Board, the substance of which order is (i) a proper duty of the Executive under the terms of his employment, (ii) permitted by law, and (iii) otherwise permitted by his employment, which disregard continues after 15 days' opportunity and failure to cure, or (b) has been convicted of a felony or any crime involving moral turpitude.

2.3. Change in Control . For purposes of this Agreement, a " Change in Control " shall mean any of the following events:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the " Voting Securities ") by any " Person " (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934) immediately after which such Person has " Beneficial Ownership " (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934) of 20% or more of the combined voting power of the Company's then outstanding Voting Securities or, in the case of Glencore International AG and its affiliates (collectively, " Glencore "), Beneficial Ownership of 50% or more of such Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired by any Person other than Glencore in a Non-Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control . A " Non-Control Acquisition " shall mean an acquisition by (1) an employee benefit plan (or a trust forming a part thereof) maintained by (x) the Company or (y) any corporation or other Person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a " Subsidiary "), (2) the Company or any Subsidiary, or (3) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The individuals who, as of the date hereof, are members of the Board (the " Incumbent Board "), cease for any reason to constitute at least two-thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Agreement, be considered a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened " Election Contest " (as described in Rule 14a-11 promulgated under the Securities Exchange Act of 1934) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a " Proxy Contest ") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(c) Approval by stockholders of the Company of:

(1) A merger, consolidation or reorganization involving the Company, unless

(i) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least 70% of the

combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the " Surviving Corporation ") in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least two-thirds of the members of the board of directors of the Surviving Corporation, and

(iii) no Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of 15% or more of the then outstanding Voting Securities) has Beneficial Ownership of 15% or more of the combined voting power of the Surviving Corporation's then outstanding voting securities (a transaction described in clauses (i) through (iii) above shall herein be referred to as a " Non-Control Transaction ");

(2) A complete liquidation or dissolution of the Company; or

(3) An agreement for the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the " Subject Person ") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities beneficially owned by the Subject Person, then a Change in Control shall occur.

(d) Notwithstanding anything contained in this Agreement to the contrary, if the Executive's employment is terminated prior to a Change in Control and the Executive reasonably demonstrates that such termination (i) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control and who effectuates a Change in Control (a " Third Party ") or (ii) otherwise occurred in connection with, or in anticipation of, a Change in Control which actually occurs, then for all purposes of this Agreement, the date of a Change in Control with respect to the Executive shall mean the date immediately prior to the date of such termination of the Executive's employment.

2.4. Company . For purposes of this Agreement, the " Company " shall mean Century Aluminum Company, a Delaware corporation, and shall include its Successors and Assigns (as hereinafter defined) **.** As used in this Agreement, the term "affiliates" shall include any company controlled by, controlling, or under common control with, the Company.

2.5. Disability . For purposes of this Agreement, " Disability " shall mean a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties with the Company for a period of 180 consecutive days and the Executive has not returned to his full time employment prior to the Termination Date as stated in the Notice of Termination (as hereinafter defined).

2.6. Good Reason .

(a) For purposes of this Agreement, " Good Reason " shall mean the occurrence after a Change in Control of any of the events or conditions described in subsections (1) through (9) hereof:

(1) a change in the Executive's status, title, position or responsibilities (including reporting responsibilities) which, in the Executive's reasonable judgment, represents an adverse change from his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; the assignment to the Executive of any duties or responsibilities which, in the Executive's reasonable judgment, are inconsistent with his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; or any removal of the Executive from or failure to reappoint or reelect him to any of such offices or positions, except in connection with the termination of his employment for Disability, Cause, as a result of his death or by the Executive other than for Good Reason;

(2) a reduction in the Executive's base salary or the failure of the Company to (i) pay to the Executive an annual bonus in cash at least equal to the annual bonus paid to the Executive for the most recently completed fiscal year prior to the Change in Control, such bonus to be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the annual bonus is awarded, unless the Executive shall elect to defer the receipt of such annual bonus, (ii) increase the Executive's base salary, annual bonus and any other incentive compensation, including performance shares and options, consistent with the Company's practice prior to the Change in Control or, if greater, as the same may be increased from time to time for other key executive officers of the Company and its affiliated companies, or (iii) pay to the Executive any compensation or benefits to which he is entitled within five days of the date due;

(3) the Company's requiring the Executive to be based at any place outside a 30-mile radius from the Company's offices where he was based prior to the Change in Control, except for reasonably required travel on the Company's business which is not materially greater than such travel requirements prior to the Change in Control;

(4) the failure by the Company to (A) continue in effect (without reduction in benefit level and/or reward opportunities) any material compensation or employee benefit plan (including, without limitation, long-term disability, medical, dental, life insurance, flexible spending account, pre-tax insurance premiums, vacation pay, pension and profit-sharing) in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, unless such plans are replaced with plans that provide substantially equivalent compensation or benefits to the Executive, (B) provide the Executive with compensation and benefits, in the aggregate, at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each other employee benefit plan, program and practice in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, or (C) permit the Executive to participate in any or all incentive, savings, retirement plans and benefit plans, fringe benefits, practices, policies and programs applicable generally to other key executives of the Company and its affiliated companies;

(5) the insolvency or the filing (by any party, including the Company) of a petition for bankruptcy of the Company, which petition is not dismissed within 60 days;

(6) any material breach by the Company of any provision of this Agreement;

(7) any purported termination of the Executive's employment for Cause by the Company which does not comply with the terms of Section 2.2;

(8) the disposition of all, or substantially all, of the assets of the Company; or

(9) the failure of the Company to obtain an agreement, satisfactory to the Executive, from any Successors and Assigns to assume and agree to perform this Agreement, as contemplated in Section 6 hereof.

(b) Any event or condition described in Section 2.6(a)(l) through (9) above which occurs prior to a Change in Control but which the Executive reasonably demonstrates (1) was at the request of a Third Party, or (2) otherwise arose in connection with, or in anticipation of, a Change in Control which actually occurs, shall constitute Good Reason for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

2.7. Highest Annual Bonus . For purposes of this Agreement, " Highest Annual Bonus " shall mean an amount equal to the highest bonus or bonuses paid or payable to the Executive in any of the five most recently completed fiscal years prior to the Change in Control (or such shorter period that the Executive has been employed).

2.8. Highest Base Salary . For purposes of this Agreement, " Highest Base Salary " shall mean the Executive's annual base salary at the highest rate in effect during the five-year period (or such shorter period that the Executive has been employed) prior to the Change in

Control, and shall include all amounts of his base salary that are deferred under the qualified and non-qualified employee benefit plans of the Company or any other agreement or arrangement.

2.9. Notice of Termination . For purposes of this Agreement, following a Change in Control, " Notice of Termination " shall mean a written notice of termination from the Company of the Executive's employment which indicates the specific termination provision in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated **.** The Notice of Termination shall also specify the relevant Termination Date.

2.10. Pro Rata Bonus . For purposes of this Agreement, " Pro Rata Bonus " shall mean an amount equal to the Highest Annual Bonus multiplied by a fraction, the numerator of which is the number of days elapsed in the fiscal year through the Termination Date and the denominator of which is 365.

2.11. Successors and Assigns . For purposes of this Agreement, " Successors and Assigns " shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

2.12. Termination Date . For purposes of this Agreement, " Termination Date " shall mean in the case of the Executive's death, his date of death, in the case of the Executive's resignation for any reason, the last day of his employment, and in all other cases, the date specified in the Notice of Termination; provided, however, that if the Executive's employment is terminated by the Company for Cause or due to Disability, the date specified in the Notice of Termination shall be at least 30 days after the date the Notice of Termination is given to the Executive, provided, that in the case of Disability the Executive shall not have returned to the full-time performance of his duties during such period of at least 30 days.

3. Termination of Employment .

3.1. If, during the term of this Agreement, the Executive's employment with the Company shall be terminated within 36 months following a Change in Control, the Executive shall be entitled to the following compensation and benefits:

(a) If the Executive's employment with the Company shall be terminated (1) by the Company for Cause or Disability, (2) by reason of the Executive's death, or (3) by the Executive other than for Good Reason, the Company shall pay to the Executive the Accrued Compensation and, if such termination is other than by the Company for Cause, a Pro Rata Bonus.

(b) If the Executive's employment with the Company shall be terminated by reason of the Executive's death or disability, the Executive, or his beneficiaries or personal representatives, as the case may be, shall be entitled to receive the greater of those amounts described in Section 3.1(a) above or such other compensation and benefits as may be provided for in their employment and other agreements for termination of employment under similar circumstances.

(c) If the Executive's employment with the Company shall be terminated for any reason other than as specified in Section 3.1(a), the Executive shall be entitled to the following:

(i) the Company shall pay the Executive all Accrued Compensation and a Pro Rata Bonus;

(ii) the Company shall pay the Executive as severance pay and in lieu of any further compensation for periods subsequent to the Termination Date, in a single payment an amount in cash equal to two times the sum of (A) the Highest Base Salary and (B) the Highest Annual Bonus, in each case calculated to include amounts deferred under the Company's qualified and non-qualified plans;

(iii) for a period of 24 months after the Termination Date (the " Continuation Period "), the Company shall, at its expense, continue on behalf of the Executive and his dependents and beneficiaries all employee benefits provided (x) to the Executive at any time during the one year period prior to the Change in Control or at any time thereafter or (y) to other similarly situated executives who continue in the employ of the Company during the Continuation Period, including, but not limited to, long-term disability, medical, dental, life insurance, flexible spending account and pre-tax insurance premiums.

The coverage and benefits (including deductibles and costs) provided in this Section 3.1(c)(iii) during the Continuation Period shall be no less favorable to the Executive and his dependents and beneficiaries than the most favorable of such coverage and benefits during any of the periods referred to in clauses (x) and (y) above **.** The Company's obligation hereunder with respect to the foregoing benefits shall be limited to the extent that the Executive obtains any such benefits pursuant to a subsequent employer's benefit plans, in which case the Company may reduce the coverage of any benefits it is required to provide the Executive hereunder as long as the aggregate coverage and benefits of the combined benefit plans is no less favorable to the Executive than the coverage and benefits required to be provided hereunder **.** This subsection (iii) shall not be interpreted so as to limit any benefits to which the Executive, his dependents or beneficiaries may be entitled under any of the Company's employee benefit plans, programs or practices following the Executive's termination of employment, including, without limitation, retiree medical and life insurance benefits;

(iv) the Company shall credit the Executive for pension purposes with two years of service beyond the Termination Date and shall pay to the Executive in a single payment an amount in cash equal to the excess of (A) the Recalculated Retirement Benefit (as provided in this Section 3.1(c)(iv)) had (w) the Executive remained employed by the Company for the additional two complete years of credited service, (x) his annual compensation during such period been equal to the Highest Base Salary and the Highest Annual Bonus, (y) the benefit accrual formulas of each retirement plan remained no less advantageous to the Executive than those in effect immediately preceding the date

on which a Change in Control occurred and the Company made employer contributions to each defined contribution plan in which the Executive was a participant at the Termination Date in an amount equal to the amount of such contribution for the plan year immediately preceding the Termination Date, and (z) he been fully (100%) vested in his benefit under each retirement plan in which the Executive was a participant, over (B) the lump sum actuarial equivalent of the aggregate retirement benefit the Executive is actually entitled to receive under such retirement plans **.** For purposes of this subsection (iv), the " Recalculated Retirement Benefit " shall mean the lump sum actuarial equivalent of the aggregate retirement benefit the Executive would have been entitled to receive under the Company's qualified pension plan (the " Qualified Plan ") **.** For purposes of this subsection (iv), the "actuarial equivalent" shall be determined in accordance with the actuarial assumptions used for the calculation of benefits under the Qualified Plan as applied prior to the Termination Date in accordance with such plans' past practices; and

(v) (A) the restrictions on any outstanding incentive awards (including restricted stock and performance share units) granted to the Executive under the 1996 Stock Incentive Plan, as amended from time to time, or under any other incentive plan or arrangement shall lapse and such incentive awards shall become 100% vested and all stock options granted to the Executive shall become immediately exercisable and shall become 100% vested (and restrictions on any stock issued upon exercise of stock options shall lapse), and Section 6.B of the 1996 Stock Incentive Plan Implementation Guidelines notwithstanding, all performance shares awarded to the Executive pursuant to the Guidelines shall be valued at 100% as though the Company had achieved its target for each respective Plan Period, and an equal number of shares of common stock shall be awarded to the Executive, and (B) the Executive shall have the right to require the Company to purchase, for cash, any shares of unrestricted stock or shares purchased upon exercise of any options or received pursuant to a performance share award at a price equal to the fair market value of such shares on the date of purchase by the Company.

(d) The amounts provided for in Sections 3.1(a), 3.1(c)(i), 3.1(c)(ii) and 3.1(c)(iv) shall be paid in a single lump sum cash payment within five days after the Executive's Termination Date (or earlier, if required by applicable law).

(e) The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to the Executive in any subsequent employment except as provided in Section 3.1(c)(iii) **.** Notwithstanding the foregoing, the Executive agrees that during the Continuation Period, he shall not (i) solicit any employees of the Company to leave the Company's employ to work for any company with which the Executive is employed, or (ii) employ any employee who is employed by the Company at any time during the Continuation Period **.** A breach of either of the foregoing covenants will result in the Executive forfeiting any further benefits to which he is

entitled pursuant to Section 3.1(c)(iii), although the Executive shall not be required to return any payments to the Company that have been made to the Executive prior to the date of such breach.

3.2. (a) Except as otherwise provided in Section 3.1(b), the severance pay and benefits provided for in this Section 3 shall be in lieu of any other severance or termination pay to which the Executive may be entitled under any employment agreement or any Company severance or termination plan, program, practice or arrangement.

(b) The Executive's entitlement to any other compensation benefits shall be determined in accordance with the Company's employee benefit plans and other applicable programs, policies and practices then in effect.

(c) Notwithstanding anything to the contrary in this Agreement, if the Executive is terminated by the Company after the occurrence of a Change in Control and is subsequently rehired by the Company at any time thereafter, the Executive shall not be entitled to any further benefits under Section 3.1(c)(iii) of this Agreement although the Executive shall not be required to return any payments to the Company which have been made to the Executive prior to the date the Executive is rehired.

4. Notice of Termination . Following a Change in Control, any purported termination of the Executive's employment by the Company shall be communicated by Notice of Termination to the Executive. For purposes of this Agreement, no such purported termination shall be effective without such Notice of Termination.

5. Excise Tax Payments .

(a) If any payment or benefit (within the meaning of Section 280G(b)(2) of the Internal Revenue Code of 1986, as amended (the " Code ")) to the Executive or for his benefit paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise in connection with, or arising out of, his employment with the Company or a change in ownership or effective control of the Company or of a substantial portion of its assets (each a " Payment " and collectively, the " Payments "), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the " Excise Tax "), then the Executive will be entitled to receive an additional payment (a " Gross-Up Payment "), such that the net amount retained by the Executive, after deduction and/or payment of any Excise Tax on the Payments and the Gross-Up Payment and any federal, state and local income tax on the Gross-Up Payment (including any interest or penalties, other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on his return, imposed with respect to such taxes), shall be equal to the Payments.

(b) An initial determination as to whether a Gross-Up Payment is required pursuant to this Agreement and the amount of such Gross-Up Payment shall be made at the Company's expense by an accounting firm selected by the Company and reasonably acceptable to the Executive which is designated as one of the four largest accounting firms in the United States (the " Accounting Firm "). The Accounting Firm shall provide its determination (the

" Determination "), together with detailed supporting calculations and documentation to the Company and the Executive within five days of the Termination Date if applicable, or such other time as requested by the Executive (provided the Executive reasonably believes that any of the Payments may be subject to the Excise Tax) and if the Accounting Firm determines that no Excise Tax is payable by the Executive as provided in Section 5(a) above, it shall furnish the Executive with an opinion reasonably acceptable to the Executive to such effect. Within ten days of the delivery of the Determination to the Executive, the Executive shall have the right to dispute the Determination (the " Dispute "). The Gross-Up Payment, if any, as determined pursuant to this Paragraph 5(b) shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. The existence of the Dispute shall not in any way affect the Executive's right to receive the Gross-Up Payment in accordance with the Determination. Upon the final resolution of a Dispute, the Company shall promptly pay to the Executive any additional amount required by such resolution. If there is no Dispute, the Determination shall be binding, final and conclusive upon the Company and the Executive subject to the application of Section 5(c) below.

(c) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross-Up Payment (or a portion thereof) will be paid which should not have been paid (an " Excess Payment ") or a Gross-Up Payment (or a portion thereof) which should have been paid will not have been paid (an " Underpayment "). An Underpayment shall be deemed to have occurred (i) upon notice (formal or informal) to the Executive from any governmental taxing authority that the Executive's tax liability (whether in respect of the Executive's current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Company has failed to make a sufficient Gross-Up Payment, (ii) upon a determination by a court, (iii) by reason of a determination by the Company (which shall include the position taken by the Company, together with its consolidated group, on its federal income tax return) or (iv) upon the resolution of the Dispute to the Executive's satisfaction. If an Underpayment occurs, the Executive shall promptly notify the Company and the Company shall promptly, but in any event, at least five days prior to the date on which the applicable government taxing authority has requested payment, pay to the Executive an additional Gross-Up Payment equal to the amount of the Underpayment plus any interest and penalties (other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on the Executive's return) imposed on the Underpayment. An Excess Payment shall be deemed to have occurred upon a Final Determination (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments (or portion thereof) with respect to which the Executive had previously received a Gross-Up Payment. A " Final Determination " shall be deemed to have occurred when the Executive has received from the applicable government taxing authority a refund of taxes or other reduction in the Executive's tax liability by reason of the Excess Payment and upon either (x) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds the Executive and such taxing authority, or if a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (y) the statute of limitations with respect to the Executive's applicable tax return has expired. If an Excess Payment is determined to have been made, the amount of the Excess Payment shall be treated as a loan by the Company to the Executive and the Executive shall pay to the Company

on demand (but not less than 10 days after the determination of such Excess Payment and written notice has been delivered to the Executive) the amount of the Excess Payment plus interest at an annual rate equal to the Applicable Federal Rate provided for in Section 1274(d) of the Code from the date the Gross-Up Payment (to which the Excess Payment relates) was paid to the Executive until the date of repayment to the Company.

(d) Notwithstanding anything contained in this Agreement to the contrary, if, according to the Determination, an Excise Tax will be imposed on any Payment or Payments, the Company shall pay to the applicable government taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Company has actually withheld from the Payment or Payments.

6. Successors' Binding Agreement .

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its Successors and Assigns and the Company shall require any Successors and Assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

7. Fees and Expenses . The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as they become due as a result of (a) the Executive's termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination of employment), (b) the Executive seeking to obtain or enforce any right or benefit provided by this Agreement (including, but not limited to, any such fees and expenses incurred in connection with the Dispute and any other matter arising under Section 5, including the existence and amount of any Excess Payment or Underpayment and issues with respect to the Gross-Up Payment, whether as a result of any applicable government taxing authority proceeding, audit or otherwise, or by any other plan or arrangement maintained by the Company under which the Executive is or may be entitled to receive benefits); provided, however, that any such action by the Executive is commenced in good faith and for good reason, and (c) the Executive's hearing before the Board as contemplated in Section 2.2 of this Agreement; provided, however, that the circumstances set forth in clauses (a) and (b) (other than as a result of the Executive's termination of employment under circumstances described in Section 2.3(d)) occurred on or after a Change in Control.

8. Notices . For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, addressed to the respective addresses for the parties set forth on Exhibit A hereto or to any other addresses as the respective parties may designate by notice delivered pursuant to this Section 8; provided that all notices to the Company

shall be directed to the attention of the Board with a copy to the Secretary of the Company . All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

9. Non-Exclusivity of Rights . Except as otherwise provided in Section 3.2(a), nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any other agreements with the Company . Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

10. Settlement of Claims . The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

11. Modification, Waiver and Miscellaneous . No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company . No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time . No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law and Jurisdiction . This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without giving effect to the conflict of laws principles thereof. Any claims arising under or related to this Agreement shall be settled by binding arbitration pursuant to the rules of the American Arbitration Association or such other rules as to which the parties may agree. The arbitration shall take place in San Francisco, California, within 30 days following service of notice of such dispute by one party on the other. The arbitration shall be conducted before a panel of three arbitrators, one to be selected by each of the parties and the third to be selected by the other two. The panel of arbitrators shall have no authority to order a modification or amendment of this Agreement. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties, and may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such award is rendered or such party's property as a basis of judgment and of the issuance of execution for its collection.

13. Severability . The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Entire Agreement . Except as otherwise provided below, this Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof **.** If the Executive and the Company have also entered into an employment agreement, and there is an inconsistency between the terms of this Agreement and the terms of such employment agreement, then the Agreement which provides terms most favorable to the Executive shall govern.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Executive has executed this Agreement as of the day and year first above written.

CENTURY ALUMINUM COMPANY

By: /s/ Gerald J. Kitchen
Name: GERALD J. KITCHEN
Title: EXECUTIVE VICE PRESIDENT
GENERAL COUNSEL

DANIEL J. KROFCHECK

By: /s/ Daniel J. Krofcheck
Name: DANIEL J. KROFCHECK
Title: EXECUTIVE

Exhibit 10.11

Summary of Base Salaries for 2005 Named Executive Officers

Effective August 1, 2005, the Compensation Committee of the Company's Board of Directors approved increases to the annual base salaries of the named executive officers, after a review of performance and competitive market data.

Name and Position	Year (as of August 1)	Base Salary
Craig A. Davis		
Chairman and Chief	2005	$913,750
Executive Officer	2004	$850,000
Gerald J. Kitchen		
Executive Vice President, General Counsel,	2005	$307,500
Chief Administrative Officer and Secretary	2004	$291,500
David W. Beckley		
Executive Vice President and	2005	$305,000
Chief Financial Officer	2004	$289,000
E. Jack Gates		
Executive Vice President and	2005	$342,500
Chief Operating Officer	2004	$325,000
Daniel J. Krofcheck		
Vice President and	2005	$212,500
Treasurer	2004	$202,000

The Compensation Committee of the Company's Board of Directors approves annual base salaries for executive officers of the Company each August 1. Accordingly, summary compensation for named executive officers disclosed by the Company in its reports filed with the Securities and Exchange Commission may differ from the amounts set forth above. Information related to the other elements of total compensation for these named executive officers was previously disclosed in the 2005 Proxy Statement filed July 15, 2005.

Exhibit 10.12

CONSULTING AGREEMENT

This Consulting Agreement ("Agreement") is made effective as of January 1, 2006, by and between Century Aluminum Company, a Delaware corporation (the "Company"), and Gerald J. Kitchen ("Consultant").

WHEREAS, Consultant is currently employed by the Company as Executive Vice President, General Counsel and Chief Administrative Officer and intends to retire from employment with the Company on December 31, 2005; and

WHEREAS, Consultant possesses extensive knowledge and experience concerning the Company's business and legal affairs; and

WHEREAS, the Company desires to retain Consultant to be available to render certain consulting services after he retires from employment with the Company under the terms and conditions of this Agreement; and

WHEREAS, Consultant agrees to be available to render certain consulting services for the Company under the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Term of Agreement . The term of this Agreement shall be for a period of twelve (12) months commencing January 1, 2006 and ending December 31, 2006, subject, however, to prior termination as provided in Section 10 of this Agreement.

2. Services . Consultant will be available to render general consulting services as reasonably requested by the Board of Directors of the Company (the "Board") or the Company's Chief Executive Officer during the term of this Agreement which may include, without limitation, assisting in the transition of certain work responsibilities that Consultant previously performed or managed as an employee and officer of the Company, and consulting and advising with respect to legal and strategic issues and projects, including acquisitions and electric power contracts and the Company's development and growth of its Icelandic operations. Consultant will render the consulting services for the Company on an "as needed" basis during the term of this Agreement, and Consultant will make himself reasonably available during the term of this Agreement to meet with authorized representatives of the Company at mutually convenient times as requested by the Chairman of the Board or the Company's Chief Executive Officer for the purposes of, among other things, providing information and assistance on transition issues and reporting on the status of Consultant's consulting activities for the Company; provided, however, Consultant will not be obligated to spend more than nine hundred (900) hours rendering consulting services to the Company during the 12-month term of this Agreement. Consultant will keep a written record of the number of hours spent rendering such consulting services and provide the Company each month with a written summary of the total hours rendered to date. Nothing in this Agreement shall preclude Consultant from performing services for others, either as an employee or an independent contractor, so long as those other services do not interfere

with his rendering of requested services under this Agreement or violate any provision of this Agreement.

3. Best Efforts; Discretion . Consultant agrees to use Consultant's best efforts in rendering services under this Agreement. Except as provided in this Agreement, Consultant will have sole discretion and responsibility for the selection of procedures, processes, working hours, locations, and other incidents of rendering of services under this Agreement.

4. Non-Exclusive . Except for the obligations and restrictions expressly contained in this Agreement, nothing contained herein shall prohibit Consultant from rendering consulting services or providing services as an employee for other persons or entities during the term of this Agreement.

5. Compensation . The Company will compensate Consultant with a monthly retainer at a rate equal to the rate of monthly base salary the Company is paying Consultant at the time he retires from employment with the Company (the "Monthly Fee"). The Monthly Fee for each month during the term hereof shall be payable within five (5) days after the end of that month. The Monthly Fee for each month shall be payable whether or not Consultant shall have been requested to render services in such month.

6. Expenses . The Company will reimburse Consultant for all business and travel expenses incurred by Consultant in rendering consulting services to the Company, provided Consultant's business and travel activities are approved in advance by the Chairman of the Board or the Company's Chief Executive Officer and the reimbursement

of such expenses is consistent with the Company's customary policies and practices that were applicable to Consultant when he was employed by the Company. Prior to such reimbursement, Consultant shall provide the Company with sufficient documentation of such expenditures to satisfy the Company's expense reimbursement guidelines.

7. Relationship of Parties . The parties acknowledge and agree that all of the services to be rendered by Consultant under this Agreement will be performed by Consultant as an independent contractor, and not as an employee, agent, partner, or joint venturer of Company. Consultant does not have, nor will Consultant hold himself out as having, any right, power or authority to create any contract or obligation, expressed or implied, on behalf of, in the name of, or binding on the Company unless the Company's Chief Executive Officer or his designee shall consent thereto in writing. Consultant acknowledges and agrees that Consultant will be a retiree and therefore will not be eligible to participate as an employee in any employee benefit plans or programs of the Company by virtue of this Agreement or the rendering of the services contemplated by this Agreement.

8. Taxes . The parties acknowledge and agree that Consultant will be solely and completely responsible for any and all taxes due and owing to any governmental entity or agency (federal, state and/or local) on any monies or compensation received by Consultant from the Company under this Agreement. Consultant agrees to timely pay all taxes arising from Consultant's receipt of compensation under this Agreement, including, but not limited to, any self-employment taxes.

9. Confidential Information . Except as specifically permitted by this Section 9, and except as required in the course of rendering consulting services to the Company, Consultant will not communicate or divulge to or use for the benefit of himself or any other person, firm, association, or corporation without the prior written consent of the Company, any Confidential Information (as defined herein) owned, or used by the Company or any of its affiliates that may be communicated to, acquired by or learned of by Consultant in the course of, or as a result of, Consultant's consulting relationship with the Company or any of its affiliates. All Confidential Information relating to the business of the Company or any of its affiliates which Consultant shall use or prepare or come into contact with shall become and remain the sole property of the Company or its affiliates.

"Confidential Information" means information not generally known about the Company and its affiliates, services and products, whether written or not, including information relating to business acquisitions or sales, contracts, research, development, purchasing, marketing plans, computer software or programs, any copyrightable material, trade secrets and proprietary information, including, but not limited to, customer lists.

Consultant may disclose Confidential Information to the extent it (i) becomes part of the public domain otherwise than as a result of Consultant's breach hereof or (ii) is required to be disclosed by law. If Consultant is required by applicable law or regulation or by legal process to disclose any Confidential Information, Consultant will provide the Company with prompt notice thereof so as to enable the Company to seek an appropriate protective order.

Upon request by the Company, Consultant agrees to deliver to the Company at the termination of Consultant's engagement, or at such other times as the Company may request, all memoranda, notes, plans, records, reports and other documents (and all copies thereof) containing Confidential Information that Consultant may then possess or have under his control.

10. No Competition . During the term of this Agreement, Consultant will not (except in the course of rendering services under this Agreement), directly or indirectly, on his own behalf or as an officer, director, employee, consultant or other agent of, or as a stockholder, partner or other investor in, any person or entity (other than the Company or its Affiliates (as defined herein):

(a) engage in the aluminum industry to the extent it materially overlaps with the predominant markets of the Company or its Affiliates (a "Competing Business");

(b) directly or indirectly influence or attempt to influence any customer or potential customer (which for purposes of this Agreement, shall mean any person or entity to which the Company or any of its Affiliates marketed (outside of general advertising) its products or services during the six month period prior to any date of determination) to purchase goods, services or products related to a Competing Business from any individual, corporation, partnership, or other entity other than the Company or its Affiliates; or

(c) employ, attempt to employ or solicit for employment in any position related to the conduct of a Competing Business any individual who is an employee of the Company or any of its Affiliates at such time or was an employee of the Company or any of its Affiliates during the six months prior to any date of determination;

provided that the foregoing will not apply to any investment in publicly traded securities constituting less than ten percent (10%) of the outstanding securities in such class. As used herein, "Affiliates" means any other person or entity controlling or controlled by or under common control with the Company.

Consultant represents to the Company that he is willing and able to engage in businesses other than a Competing Business and that compliance with the restrictions set forth in this Section 10 are not unduly burdensome to Consultant. Consultant acknowledges and agrees that the restrictions set forth in this Section 10 are reasonable as to time and scope of activity.

If the provisions of this Section 10 are found by a court of competent jurisdiction to contain unreasonable or unnecessary limitations or restrictions, then such court is hereby directed to reform such provisions to the minimum extent necessary to cause the limitations or restrictions contained therein to be reasonable and enforceable.

11. Termination . This Agreement shall terminate immediately upon the date Consultant has rendered nine hundred (900) hours of consulting services to the Company, dies or incurs a permanent disability, whichever date occurs first. "Permanent disability" shall mean a physical or mental incapacity that is likely to prevent Consultant from

rendering further consulting services to the Company. If this Agreement terminates before December 31, 2006 because Consultant has rendered nine hundred (900) hours of consulting services to the Company, died or incurred a permanent disability, Consultant will be paid as soon as reasonably practicable in a single lump sum additional compensation determined on a prorated basis calculated by multiplying the sum of the Monthly Fee for twelve months times a fraction the numerator of which is the number of hours of service rendered by Consultant hereunder at the time of termination and the denominator of which is nine hundred (900), reduced to no less than zero by the amount of compensation previously paid Consultant pursuant to Section 5 of this Agreement. In the event of Consultant's death, any such additional compensation shall be paid to his surviving spouse or, if none, to his estate.

12. Additional Remedies . Consultant recognizes that irreparable injury will result to the Company and to its business and properties in the event of any breach by Consultant of the confidentiality provisions of Section 9 and that Consultant's continued retention is predicated on the covenants made by him pursuant to such Section. In the event of any breach by Consultant of his obligations under said provisions, the Company shall be entitled, in addition to any other remedies and damages available, to injunctive relief to restrain any such breach by Consultant or by any person or persons acting for or with Consultant in any capacity whatsoever and other equitable relief.

13. Successors and Assigns . This Agreement is intended to bind and inure to the benefit of and be enforceable by the parties and their respective legal representatives,

successors and assigns. Neither this Agreement nor any of the rights hereunder shall be assignable by Consultant.

14. Governing Law; Jurisdiction . This Agreement shall be interpreted and construed in accordance with the laws of the State of California. Each of the Company and Consultant consents to the jurisdiction of any state or federal court sitting in California, in any action or proceeding arising out of or relating to this Agreement.

15. Headings . The section headings used in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement for any purpose or in any way affect the interpretation of this Agreement.

16. Severability . If any provision of this Agreement is adjudged by any court to be void or unenforceable in whole or in part, this adjudication shall not affect the validity of the remainder of this Agreement.

17. Complete Agreement . This Agreement embodies the complete agreement and understanding among the parties, written or oral, which may have related to the subject matter hereof in any way and shall not be amended orally, but only by the mutual agreement of the parties in writing, specifically referencing this Agreement.

18. Counterparts . This Agreement may be executed in one or more separate counterparts, all of which taken together shall constitute one and the same Agreement.

CENTURY ALUMINUM COMPANY

/s/ Craig A. Davis	/s/ Gerald J. Kitchen
By: Craig A. Davis	Gerald J. Kitchen
Title: Chairman and Chief Executive Officer Dated:	
Dated:	

EXHIBIT 18.1: Independent Registered Public Accounting Firm Letter regarding a Change in Accounting Principle.

August 3, 2005

Century Aluminum Company
2511 Garden Road
Building A, Suite 200
Monterey, CA 93940

Dear Sirs:

At your request, we have read the description included in your Quarterly Report on Form 10-Q to the Securities and Exchange Commission for the quarter ended June 30, 2005, of the facts relating to a change in accounting for inventory cost from the last-in, first-out ("LIFO") method to the first-in, first-out ("FIFO") method. We believe, on the basis of the facts so set forth and other information furnished to us by appropriate officials of the Company, that the accounting change described in your Form 10-Q is to an alternative accounting principle that is preferable under the circumstances.

We have not audited any consolidated financial statements of Century Aluminum Company and its consolidated subsidiaries as of any date or for any period subsequent to December 31, 2004. Therefore, we are unable to express, and we do not express, an opinion on the facts set forth in the above-mentioned Form 10-Q, on the related information furnished to us by officials of the Company, or on the financial position, results of operations, or cash flows of Century Aluminum Company and its consolidated subsidiaries as of any date or for any period subsequent to December 31, 2004.

Yours truly,

/s/ DELOITTE & TOUCHE LLP

Pittsburgh, Pennsylvania

EXHIBIT 31.1

CERTIFICATION

I, Craig A. Davis, certify that:

1) I have reviewed this quarterly report on Form 10-Q of the registrant;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report the Company's conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer and I have disclosed, based on the Company's most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2005

/s/ CRAIG A. DAVIS

Title: Chairman and
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, David W. Beckley, certify that:

1) I have reviewed this quarterly report on Form 10-Q of the registrant;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report the Company's conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer and I have disclosed, based on the Company's most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2005

/s/ DAVID W. BECKLEY

Name: David W. Beckley
Title: Executive Vice President and
Chief Financial Officer

Exhibit 32.1

Certification of
the Chief Executive Officer and Chief Financial Officer
pursuant to 18 U.S.C. 1350

In connection with the quarterly report on Form 10-Q of Century Aluminum Company (the "Company") for the quarter ended June 30, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Craig A. Davis, as Chief Executive Officer of the Company, and David W. Beckley, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

1. This Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Craig A. Davis

By: Craig A. Davis
Title: Chief Executive Officer
Date: August 9, 2005

/s/ David W. Beckley

By: David W. Beckley
Title: Chief Financial Officer
Date: August 9, 2005

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.