

## Novelis Extends Exchange Offer

ATLANTA, Oct. 17 /PRNewswire-FirstCall/ -- Novelis Inc. (NYSE: NVL) (TSX: NVL) today announced that it will extend until December 15, 2006, at 5:00 p.m. Eastern Time, its offer to exchange up to \$1.4 billion aggregate principal amount of its 7-1/4% Senior Notes due 2015, which were initially issued and sold in a private placement on February 3, 2005, for an equal aggregate amount of its registered 7-1/4% Senior Notes due 2015.

The original expiration date of the exchange offer was October 31, 2005. The expiration date was initially extended on November 1, 2005, and re-extended on November 7, 2005, January 31, 2006, May 10, 2006, and August 11, 2006. The latest extension started on August 11, 2006, and expires on October 20, 2006. As of October 16, 2006, \$578,378,000 of the old notes had been tendered for exchange.

As a result of the original extension announced on November 1, 2005, the Company began to accrue, beginning November 11, 2005, and until the exchange offer closes (or earlier, in certain circumstances, as provided in the registration rights agreement relating to the Senior Notes), a special interest rate on the Senior Notes equaling an additional 0.25% per annum. The rate of special interest increases 0.25% during each subsequent 90-day period until the exchange offer closes, with the maximum amount of additional special interest at a rate of 1.00% per annum. Accordingly, on August 8, 2006, the rate of special interest increased from 0.75% per annum to 1.00% per annum.

Novelis expects to file a post-effective amendment to the exchange offer registration statement filed with the United States Securities and Exchange Commission (SEC) when the Company is current on its reporting requirements. Except for the extension of the expiration date, all of the other terms of the exchange offer remain as set forth in the exchange offer prospectus dated September 27, 2005. This press release is not an offer to exchange new notes for the old notes or the solicitation of an offer to exchange. Any offer will be made by Novelis Inc. only by means of the exchange offer prospectus.

Any holder of the old notes, who would like to obtain copies of the prospectus and related documents, or with questions regarding the exchange offer, should contact Novelis Inc.'s exchange agent, The Bank of New York Trust Company, N.A., at (212) 815-5098.

Novelis is the global leader in aluminum rolled products and aluminum can recycling. The company operates in 11 countries and has approximately 12,500 employees. Novelis has the unrivaled capability to provide its customers with a regional supply of technologically sophisticated rolled aluminum products throughout Asia, Europe, North America and South America. Through its advanced production capabilities, the company supplies aluminum sheet and foil to the automotive and transportation, beverage and food packaging, construction and industrial, and printing markets. For more information, visit [www.novelis.com](http://www.novelis.com).

Statements made in this news release which describe Novelis' intentions, expectations or predictions may be forward-looking statements within the meaning of securities laws. Examples of forward-looking statements in this news release include, among other matters, Novelis' expectation to file a post-effective amendment when it is current on its reporting requirement and complete the exchange offer. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty. Several factors that could impact Novelis' ability to timely file its delayed SEC reports, file a post-effective amendment to the exchange offer registration statement and complete the exchange offer include our ability to improve and maintain effective internal control over financial reporting and disclosure controls and procedures, our ability to complete the work necessary to prepare our financial statements timely and file our Form 10-Qs for the second and third quarters of 2006, any delay in the effectiveness of our exchange offer registration statement as a result of SEC or other regulatory review and the continued cooperation of our debt holders and other regulatory authorities with respect to any extensions of our SEC filing deadlines. We do not intend, and we disclaim any obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise. The above list of factors is not exhaustive. Other important risk factors are included under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2005, as filed with the SEC, and may be discussed in subsequent filings with the SEC. Further, the risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2005, are specifically incorporated by reference into this news release.

SOURCE Novelis Inc.

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