

# OFFER TO PURCHASE

Novelis Inc.

## Offer to Purchase for Cash Any and All of its Outstanding 8.75% Senior Notes due 2020

The Offer (as defined below) will expire at 5:00 p.m., New York City time, on September 13, 2016, unless extended or earlier terminated by Novelis (as defined below) in its sole discretion (such time and date, as the same may be extended or earlier terminated, the “Expiration Time”). Holders (as defined below) will be entitled to receive the Tender Offer Consideration (as defined below) for their Notes (as defined below) only if they validly tender Notes, and do not validly withdraw tendered Notes, before the Expiration Time.

Novelis Inc., a Canadian corporation (“Novelis”), upon the terms and subject to the conditions set forth in this Offer to Purchase (as it may be amended or supplemented from time to time, the “Offer to Purchase”) and in the related Letter of Transmittal (the “Letter of Transmittal”) and the Notice of Guaranteed Delivery, (the “Notice of Guaranteed Delivery” and, collectively with the Offer to Purchase and the Letter of Transmittal, the “Offer Documents”) hereby offers (the “Offer”) to purchase for cash any and all of its outstanding 8.75% Senior Notes due 2020 (the “Notes”), at the price set forth below from each registered holder of such Notes (each a “Holder” and, collectively, the “Holders”). The Offer is conditioned on the satisfaction of certain conditions.

The following pricing table sets forth the material pricing terms for the Offer:

Title of Security	Outstanding Aggregate Principal Amount	CUSIP / ISIN	Tender Offer Consideration <sup>(1)</sup>
8.75% Senior Notes due 2020	\$1,400,000,000	67000XAM8/ US67000XAM83	\$1,048.30

The consideration for each \$1,000 principal amount of the Notes tendered prior to the Expiration Time and accepted for payment pursuant to the Offer shall be \$1,048.30 (the “Tender Offer Consideration”), which will be payable on the Settlement Date (as defined below). In addition, Novelis will pay accrued and unpaid interest on the Notes accepted for purchase from the most recent payment of semi-annual interest preceding the Settlement Date (as defined below) to, but not including, the Settlement Date (the “Accrued Interest”). No tenders will be valid if submitted after the Expiration Time.

If you desire to tender Notes in the Offer and the procedures for book-entry transfer cannot be completed on a timely basis before the Expiration Time, your tender may still be effected if certain conditions are met. See “Terms of the Offer — Procedure for Tendering Notes — Guaranteed Delivery Procedures.”

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(1) Per \$1,000 principal amount of Notes validly tendered and accepted for payment.

*(Continued on next page)*

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*The Dealer Manager for the Offer is:*

**Morgan Stanley**

September 7, 2016

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Upon the terms and subject to the conditions set forth in the Offer Documents, Holders who validly tender (and do not validly withdraw) their Notes prior to the Expiration Time, if such Notes are accepted for payment, shall receive on the Settlement Date (as defined below), the Tender Offer Consideration payable for such tendered Notes. The settlement date in respect of any Notes that are validly tendered and not validly withdrawn prior to the Expiration Time, and accepted by Novelis for purchase in the Offer will be promptly after the Expiration Time (the “Settlement Date”), and is expected to be on or about September 14, 2016. With respect to Notes, if any, accepted for purchase pursuant to the guaranteed delivery procedures, the Holders thereof will receive payment of the Tender Offer Consideration for such accepted Notes (to the extent that such Notes are not delivered prior to the Expiration Time) on the second business day following the Settlement Date, so long as such Notes are delivered by the close of business on the second business day after the Expiration Time. In addition, Novelis will pay accrued and unpaid interest on the Notes accepted for purchase from the most recent payment of semi-annual interest preceding the Settlement Date to, but not including, the Settlement Date (the “Accrued Interest”). No tenders will be valid if submitted after the Expiration Time.

Notes tendered pursuant to the Offer may be validly withdrawn at any time prior to the Expiration Time. Any Notes tendered before the Expiration Time that are not validly withdrawn before the Expiration Time may not be withdrawn thereafter, except as described herein. See “Terms of the Offer—Withdrawal of Tenders.”

Novelis’ obligation to accept for purchase, and to pay for, Notes that are validly tendered and not validly withdrawn pursuant to the Offer is conditioned, among other things, upon the General Conditions (as defined below) and the Financing Condition (as defined below). The Offer is not conditioned on any minimum principal amount of Notes being tendered.

Novelis, in its sole discretion, may, where possible, waive any of the conditions to the Offer. Subject to the terms and conditions of the Offer, Novelis will accept for payment, as promptly as practicable after the Expiration Time, any and all Notes validly tendered and not validly withdrawn.

To the extent that any Notes are not purchased through the Offer, Novelis currently expects that it will redeem such Notes following the expiration of the Offer at a redemption price of 104.375% of the principal amount of the Notes, plus accrued and unpaid interest to, but not including, the date of redemption in accordance with the terms of the Indenture (as defined below). There can be no assurance if or when Novelis would effect any such redemption. See “Purpose of the Offer.”

**None of Novelis or its board of directors and/or affiliates, the Dealer Manager or the Tender and Information Agent (as defined below) is making any recommendation in connection with this Offer.**

The Tender and Information Agent for the Offer is D.F. King & Co., Inc. (“D.F. King”).

## IMPORTANT DATES

Holders of Notes should take note of the following dates in connection with the Offer:

<u>Date</u>	<u>Calendar Date</u>	<u>Event</u>
Expiration Time.....	5:00 p.m., New York City time, on September 13, 2016, unless extended or earlier terminated by Novelis in its sole discretion.	<b>The last day for Holders to tender Notes pursuant to the Offer in order to be eligible to receive the Tender Offer Consideration on the Settlement Date.</b>
Settlement Date .....	Promptly following the Expiration Time. Novelis expects that this date will be on or about September 14, 2016.	<b>Payment of the Tender Offer Consideration for all Notes validly tendered and not withdrawn prior to the Expiration Time, and accepted for payment, plus Accrued Interest.</b>

## CERTAIN OFFER MATTERS

The 8.75% Notes are governed by an indenture dated as of December 17, 2010 (as amended and supplemented to date, the “Indenture”), among Novelis, the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A. (the “Trustee”).

See “Certain Considerations” and “Certain Canadian and U.S. Federal Income Tax Considerations” for a discussion of certain factors that should be considered in evaluating the Offer.

**This Offer to Purchase does not constitute a notice of redemption under the optional redemption provisions of the Indenture.**

Novelis will pay, if all conditions have been met or waived by Novelis in its sole discretion, the Tender Offer Consideration plus Accrued Interest to Holders who validly tender their Notes (and do not withdraw such Notes) prior to the Expiration Time. Payment of the Tender Offer Consideration shall be made on the Settlement Date, following acceptance by Novelis of payment for all Notes that are validly tendered (and not withdrawn) prior to the Expiration Time.

**Holders who desire to receive the Tender Offer Consideration are required to tender and not withdraw their Notes prior to the Expiration Time. Notes tendered prior to the Expiration Time cannot be withdrawn at any time subsequent to the Expiration Time, except as described herein.**

Novelis is seeking to refinance all of the Notes. The refinancing is expected to include an offering of senior notes. Notwithstanding any other provisions of the Offer, the Offer is conditioned upon Novelis, or one of its subsidiaries, raising aggregate proceeds from the refinancing of at least \$1.4 billion on or prior to the Settlement Date on terms reasonably acceptable to Novelis. All or a portion of the net proceeds received from the refinancing would be used to purchase, on the Settlement Date, Notes validly tendered and not validly withdrawn pursuant to the Offer and accepted for payment. Such transaction is defined throughout this Offer to Purchase as the “Financing Transaction.” **Novelis will not be required to accept for purchase any tendered Notes, or pay the Tender Offer Consideration, if Novelis, or one of its subsidiaries, does not receive proceeds from the refinancing of at least \$1.4 billion on or prior to the Settlement Date on terms reasonably acceptable to Novelis (the “Financing Condition”).** Novelis cannot assure you that the proposed Financing Transaction will be successful and Novelis reserves the right to waive any and all conditions of the Offer, including the Financing Condition, prior to the Settlement Date.

**The Offer is also conditioned upon the satisfaction of certain other conditions to the Offer set forth herein (the “General Conditions”).**

**THE CONDITIONS ARE FOR THE SOLE BENEFIT OF NOVELIS. NOVELIS RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO WAIVE ANY ONE OR MORE OF THE CONDITIONS TO ITS OFFER AT ANY TIME, PROVIDED, THAT, IF ANY NOTES ARE ACCEPTED FOR PAYMENT ON THE SETTLEMENT DATE, NOVELIS WILL SIMULTANEOUSLY THEREWITH WAIVE ALL CONDITIONS TO THE OFFER THAT IT IS LEGALLY PERMITTED TO WAIVE. See “Terms of the Offer—Conditions to the Offer.”**

Under no circumstances will any interest be payable because of any delay in the transmission of funds to Holders. Subject to applicable securities laws and the terms set forth in the Offer, Novelis reserves the right (i) to terminate the Offer, (ii) to waive all the unsatisfied conditions to the Offer, (iii) to extend the Offer or (iv) to amend the Offer in any other respect.

## IMPORTANT INFORMATION

Any Holder desiring to tender Notes should complete and sign the Letter of Transmittal, or a facsimile copy in accordance with the instructions therein, mail or deliver it and any other documents required by the Letter of Transmittal to D.F. King, as the tender and information agent (the “Tender and Information Agent”), and (a) deliver the certificates for the tendered Notes to the Tender and Information Agent (or transfer such Notes pursuant to the book-entry transfer procedures described herein), (b) request the Holder’s broker, dealer, commercial bank, trust company or other nominee to effect the transaction or (c) tender through The Depository Trust Company (“DTC”) pursuant to DTC’s Automated Tender Offer Program (“ATOP”). **A Holder with Notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact that broker, dealer, commercial bank, trust company or other nominee if such Holder desires to tender those Notes.** To be valid, tenders must be received by the Tender and Information Agent prior to the Expiration Time.

**THIS OFFER TO PURCHASE, THE LETTER OF TRANSMITTAL AND THE NOTICE OF GUARANTEED DELIVERY CONTAIN IMPORTANT INFORMATION WHICH SHOULD BE READ BEFORE A DECISION IS MADE WITH RESPECT TO THE OFFER.**

No dealer, salesperson or other person is authorized to give any information or to make any representations with respect to the matters described in this Offer to Purchase (which includes the materials appended hereto) other than those contained herein or in the documents incorporated by reference herein and, if given or made, such information or representation must not be relied upon as having been authorized by Novelis or the Dealer Manager. This Offer to Purchase and the related documents do not constitute an offer to buy or the solicitation of an offer to sell any securities. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of Novelis by the Dealer Manager or one or more registered brokers or dealers licensed under the laws of such jurisdiction. Neither the delivery of this Offer to Purchase (which includes the materials appended hereto) nor any purchase of Notes shall, under any circumstances, create any implication that there has been no change in the affairs of Novelis since the date hereof, or that the information herein is correct as of any time subsequent to the date hereof. Nothing in this Offer to Purchase or any of the other Offer Documents constitutes an offer to sell any securities.

This Offer to Purchase has not been filed with or reviewed by any federal or state securities commission or other regulatory authority, nor has any such commission or authority passed upon the fairness or merits of, or upon the accuracy or adequacy of, this Offer to Purchase or any of the other Offer Documents. Any representation to the contrary is unlawful and may be a criminal offense.

## **INCORPORATION OF CERTAIN INFORMATION BY REFERENCE**

Novelis incorporates by reference the documents listed below:

1. Novelis' Annual Report on Form 10-K for the fiscal year ended March 31, 2016;
2. Novelis' Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2016; and
3. Novelis' Current Reports on Form 8-K dated April 1, 2016, June 9, 2016, July 8, 2016, July 22, 2016 and August 30, 2016.

All other documents filed by Novelis under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") after the date of this Offer to Purchase and prior to the Expiration Time will be deemed to be incorporated by reference into this Offer to Purchase and to be a part of this Offer to Purchase from the date of posting of those documents; provided, however, that other than as expressly stated herein, Novelis is not incorporating by reference any information furnished (but not filed) under Item 2.02 or Item 7.01 of any current Report on Form 8-K.

See "Available Information" for more information on how to obtain additional information. Novelis will provide without charge to each Holder, upon written or oral request of such Holder, a copy of any and all of such documents, other than exhibits to such documents not specifically incorporated by reference. Such requests should be directed to the Tender and Information Agent.

You should consider any statement contained in a document incorporated by reference into this Offer to Purchase to be modified or superseded to the extent that a statement contained in the Offer to Purchase, or in any document subsequently filed with the Securities and Exchange Commission that is also incorporated by reference into this Offer to Purchase, modified or conflicts with the earlier statement. You should not consider any statement modified or superseded, except as modified or superseded, to constitute a part of this Offer to Purchase. The information on Novelis' web site and any other web site which is referred to in this Offer to Purchase is not part of this Offer to Purchase.

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## SUMMARY

*The following summary is provided solely for the convenience of the Holders of the Notes. This summary is not intended to be complete and is qualified in its entirety by reference to the full text and more specific details contained elsewhere in this Offer to Purchase and any amendments hereto. Holders of the Notes are urged to read this Offer to Purchase and the related Letter of Transmittal and Notice of Guaranteed Delivery in its entirety. Each of the capitalized terms used in this Summary and not defined herein has the meaning set forth elsewhere in this Offer to Purchase.*

The Purchaser .....	Novelis Inc.
The Offer .....	Novelis is offering to purchase any and all of its outstanding 8.75% Notes for the consideration set forth below.
Purpose of the Offer .....	The primary purpose of the Offer is to refinance the Notes. See “Purpose of the Offer.” The Notes purchased pursuant to the Offer will cease to be outstanding and will be cancelled after such purchase.
Consideration for the Offer .....	<p>The Tender Offer Consideration shall be \$1,048.30 per \$1,000 principal amount of Notes validly tendered prior to the Expiration Time and accepted for payment by Novelis.</p> <p>In addition, Novelis will pay accrued and unpaid interest on the Notes accepted for purchase from the most recent payment of semi-annual interest preceding the Settlement Date to, but not including, the Settlement Date.</p>
Expiration Time .....	The Expiration Time of the Offer shall be 5:00 p.m., New York City time, on September 13, 2016, unless extended or earlier terminated by Novelis in its sole discretion. Notes tendered may be validly withdrawn at any time prior to the Expiration Time.
Settlement Date .....	The Settlement Date in respect of the Notes that are validly tendered, not validly withdrawn, and accepted for payment will be promptly after the Expiration Time, and is expected to be on or about September 14, 2016, unless the Expiration Time is extended by Novelis in its sole discretion.
How to Tender Notes.....	See “Terms of the Offer—Procedures for Tendering Notes.” For further information, call the Tender and Information Agent or the Dealer Manager at their respective phone numbers set forth on the back cover of this Offer to Purchase or consult your broker, dealer, commercial bank or trust company for assistance.
Withdrawal Rights.....	<p>Tenders of Notes may be withdrawn prior to the Expiration Time.</p> <p><b>Notes validly tendered prior to the Expiration Time may not be withdrawn following the Expiration Time, except as described herein.</b> See “Terms of the Offer—Withdrawal of Tenders.”</p>
Untendered Notes; Other Purchases of Notes.....	Notes that are not tendered and accepted for payment pursuant to the Offer will be redeemed following the expiration of the Offer at a redemption price of 104.375% of the principal amount of the Notes, plus accrued and unpaid interest to, but not including, the date of redemption pursuant to the Indenture. However, there can

be no assurance if or when Novelis will effect any redemption, and unless redeemed, such Notes will continue to remain outstanding following the Offer and will continue to be payable in accordance with their terms. If Novelis determines not to redeem the Notes that remain outstanding following the Offer, Novelis may purchase additional Notes through open market purchases, in privately negotiated transactions, through tender offers, by redemption or otherwise. Any future purchase may be on the same terms or on terms that are more or less favorable to Holders of Notes than the terms of the Offer and will depend on various factors existing at that time.

Guaranteed Delivery ..... Holders who desire to tender Notes in the Offer but cannot deliver the Notes prior to the Expiration Time, or who cannot complete the procedure for book-entry transfer on a timely basis, or if time will not permit all required documents to reach the Tender and Information Agent prior to the Expiration Time, may nevertheless tender the Notes, provided that all of the conditions set forth below are satisfied. See “Terms of the Offer — Procedure for Tendering Notes — Guaranteed Delivery Procedures.”

Conditions of the Offer ..... Notwithstanding any other provision of the Offer (or any extensions or amendment thereof), Novelis will not be required to accept for payment, or pay for, any Notes tendered and may terminate the Offer and may, subject to Rule 14e-1 under the Exchange Act, postpone the acceptance of any securities tendered or delay payment for securities accepted for payment, if, among other things:

- (1) the Financing Condition shall not have been satisfied; or
- (2) any of the General Conditions shall not have been satisfied.

Novelis reserves the right, in its sole discretion, to waive any and all conditions of the Offer on or prior to the Settlement Date; provided, that, if any Notes are accepted for payment on the Settlement Date, Novelis will simultaneously therewith waive all conditions to the Offer with respect to the Notes that it is legally permitted to waive.

See “Terms of the Offer—Conditions to the Offer.”

Certain Consequences to Non-Tendering  
Holders of Notes ..... Consummation of the Offer may have adverse consequences for Holders who elect not to tender Notes in the Offer. Some factors which should be considered are: (1) Holders who do not validly tender their Notes prior to the Expiration Time will not be eligible to receive the Tender Offer Consideration; (2) the trading market for the Notes not tendered and accepted for payment is likely to be significantly more limited than the current trading market for the Notes and (3) Novelis currently expects to, but is not required to, redeem all Notes that are not tendered and accepted for payment pursuant to the Offer following the expiration of the Offer at a redemption price of 104.375% of the principal amount of the Notes, plus accrued and unpaid interest to, but not including, the date of redemption. See “Certain Considerations.”

Certain Canadian and U.S. Federal Income  
Tax Considerations ..... For a summary of certain Canadian and U.S. federal income tax  
considerations of the Offer, see “Certain Canadian and U.S.  
Federal Income Tax Considerations.”

Dealer Manager ..... Morgan Stanley & Co. LLC

Tender and Information Agent ..... D.F. King & Co, Inc.

Trustee for the Notes ..... The Bank of New York Mellon Trust Company, N.A.

Further Information ..... Additional copies of this Offer to Purchase, the Letter of  
Transmittal and the Notice of Guaranteed Delivery may be  
obtained by contacting the Tender and Information Agent or the  
Dealer Manager at their respective telephone numbers and  
addresses set forth on the back cover of this Offer to Purchase.

## **INTRODUCTION**

Novelis is the world's leading aluminum rolled products producer, based on shipment volume of 3,123 kt in fiscal 2016, and on capacity, with 15% of the world's flat-rolled aluminum products capacity as of December 31, 2015. Novelis is also the global leader in the recycling of aluminum. Novelis is the only known company of its size and scope focused solely on aluminum rolled products markets and capable of local supply of technologically sophisticated aluminum products in all four major industrialized continents: North America, South America, Europe and Asia. Novelis had "Net sales" of \$10 billion for the year ended March 31, 2016 and approximately \$2.3 billion for the quarter ended June 30, 2016.

## **PURPOSE OF THE OFFER**

The Offer is being effected to refinance the outstanding Notes. The Notes purchased pursuant to the Offer will cease to be outstanding and will be cancelled after such purchase. Notes that are not tendered and accepted for payment pursuant to the Offer are currently expected to be redeemed following the expiration of the Offer at a redemption price of 104.375% of the principal amount of the Notes, plus accrued and unpaid interest to, but not including, the date of redemption pursuant to the Indenture. However, there can be no assurance if or when Novelis will effect any redemption, and unless redeemed, such Notes will continue to remain outstanding following the Offer and will continue to be payable in accordance with their terms. If Novelis determines not to redeem the Notes that remain outstanding following the Offer, Novelis may purchase additional Notes through open market purchases, in privately negotiated transactions, through tender offers, by redemption or otherwise. Any future purchase may be on the same terms or on terms that are more or less favorable to Holders of Notes than the terms of the Offer and will depend on various factors existing at that time. See "Certain Considerations" and "Source and Amount of Funds."

## **TERMS OF THE OFFER**

### **General**

Upon the terms and subject to the conditions set forth in this Offer to Purchase and any supplements or amendments hereto, in the related Letter of Transmittal and in the accompanying Notice of Guaranteed Delivery, Novelis hereby offers to purchase for cash any and all of the outstanding principal amount of the Notes for the Tender Offer Consideration plus Accrued Interest.

Notes tendered prior to the Expiration Time may not be withdrawn at any time subsequent to the Expiration Time, except as described below.

Upon the terms and subject to the conditions hereof (including the terms and conditions of any extension or amendment hereto), including the Financing Condition, Novelis will accept for payment the Notes that are validly tendered (and not validly withdrawn) prior to the Expiration Time. Payment for such Notes will be made on the Settlement Date. Each tendering Holder whose Notes are accepted for payment pursuant to the Offer will receive the same purchase price per \$1,000 principal amount thereof as all other Holders of the Notes whose tenders thereof are so accepted.

Novelis has offered to purchase all of the outstanding Notes in the Offer. Notes that are not tendered and accepted for payment pursuant to the Offer will be redeemed following expiration of the Offer at a redemption price of 104.375% of the principal amount of the Notes, plus accrued and unpaid interest to, but not including, the date of redemption pursuant to the Indenture. However, there can be no assurance if or when Novelis will effect any redemption, and unless redeemed, such Notes will continue to remain outstanding following the Offer and will continue to be payable in accordance with their terms. If Novelis determines not to redeem the Notes that remain outstanding following the Offer, Novelis may purchase additional Notes through open market purchases, in privately negotiated transactions, through tender offers, by redemption or otherwise. Any future purchase may be on the same terms or on terms that are more or less favorable to Holders of Notes than the terms of the Offer and will depend on various factors existing at that time.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any such extension or amendment) and applicable laws, Novelis will pay for Notes validly

tendered (and not validly withdrawn) on the Settlement Date. Payment for any such Notes will be made in cash. Any accrued and unpaid interest payable on the Notes accepted for payment in the Offer to, but not including, the Settlement Date will be paid in cash concurrently with the payment of the Tender Offer Consideration for such Notes. Under no circumstances will any additional amounts be paid by Novelis or the Tender and Information Agent by reason of any delay in making such payment.

Novelis reserves the right (but shall not be obligated), subject to the applicable law, to (i) terminate the Offer and not accept for payment and purchase the tendered Notes and return all tendered Notes to tendering Holders, (ii) waive all the unsatisfied conditions to the Offer and accept for payment and purchase all Notes that are validly tendered prior to the Expiration Time, (iii) extend the Offer at any time and retain the Notes that have been tendered (and not validly withdrawn) during the period or periods for which the Offer is extended or (iv) otherwise amend the Offer. See “—Conditions to the Offer.”

The Offer will expire at the Expiration Time, unless extended in Novelis’ sole discretion. See “—Extension, Amendments and Termination.”

Tender instructions will be accepted in permitted denominations. Notes may only be tendered in authorized denominations. For purposes of the Offer, Novelis will be deemed to have accepted for payment validly tendered Notes if, as and when Novelis gives oral or written notice thereof to the Tender and Information Agent. Payment for Notes accepted for payment pursuant to the Offer will be made by deposit of the aggregate Tender Offer Consideration, plus aggregate Accrued Interest, with the Tender and Information Agent, which will act as agent for the tendering Holders for the purpose of receiving payments from Novelis and transmitting such payments to the tendering Holders. Notes purchased pursuant to the Offer will be paid for in immediately available funds on the Settlement Date.

None of Novelis, the Tender and Information Agent or the Dealer Manager makes any recommendation as to whether or not Holders should tender their Notes pursuant to the Offer and if tendering, the amount of Notes to tender. Holders are urged to review carefully all the information contained in or incorporated by reference into this Offer to Purchase.

### **Procedures for Tendering Notes**

*Valid Tender.* For a Holder to validly tender Notes pursuant to the Offer, a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantee, or (in the case of a book-entry transfer) an Agent’s Message, and any other documents required by the Letter of Transmittal must be received by the Tender and Information Agent at one of its addresses set forth on the back cover of this Offer to Purchase prior to the Expiration Time. In addition, prior to the Expiration Time, either (a) certificates for tendered Notes must be received by the Tender and Information Agent at such address or (b) such Notes must be transferred pursuant to the procedures for book-entry transfer described below (and a confirmation of such tender received by the Tender and Information Agent, including an Agent’s Message if applicable). The term “Agent’s Message” means a message, transmitted by DTC to and received by the Tender and Information Agent and forming a part of a book-entry confirmation, which states that DTC has received an express and unconditional acknowledgment from the tendering participant, which acknowledgment states that such participant has received and agrees to be bound by the related Letter of Transmittal and that Novelis may enforce such Letter of Transmittal against such participant. Only Holders are authorized to tender their Notes.

**The Letter of Transmittal and Notes should be sent to the Tender and Information Agent and not to Novelis or the Dealer Manager.**

**Notes may be validly tendered only pursuant to the terms of the Offer. No conditional tenders of Notes will be accepted.**

Tender instructions will be accepted in minimum denominations of \$2,000 and integral multiples of \$1,000 thereof. Notes may only be tendered in authorized denominations.

In all cases, notwithstanding any other provision hereof, the payment for the Notes tendered and accepted for payment will be made only after timely receipt by the Tender and Information Agent of certificates representing

such Notes or book-entry confirmation, the Letter of Transmittal (or facsimile thereof), properly completed and duly executed, and any required signature guarantees and other documents required by such Letter of Transmittal. Novelis reserves the right to waive any defects, irregularities or conditions of tender as to particular Notes.

If the Notes are held of record in the name of a person other than the signer of the Letter of Transmittal, or if certificates for unpurchased Notes are to be issued to a person other than the registered Holder, the certificates must be endorsed or accompanied by appropriate bond powers, in either case signed exactly as the name of the registered Holder appears on the certificates, with the signature on the certificates or bond powers guaranteed as described below.

*Guaranteed Delivery Procedures.* If a Holder desires to tender Notes in the Offer and the Holder cannot deliver the Notes to the Tender and Information Agent before the Expiration Time, or the Holder cannot complete the procedures for book-entry transfer on a timely basis, or if time will not permit all required documents to reach the Tender and Information Agent before the Expiration Time, the Holder may nevertheless tender the Notes, provided that the Holder satisfies all of the following conditions:

- the Holder makes the tender by or through an eligible guarantor institution;
- guaranteed deliveries may be submitted only in principal amounts equal to minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof;
- the Tender and Information Agent receives by mail, overnight courier or facsimile transmission, before the Expiration Time, a properly completed and duly executed Notice of Guaranteed Delivery, including (where required) a signature guarantee by an eligible guarantor institution in the form set forth in such Notice of Guaranteed Delivery; and
- the Tender and Information Agent receives the Notes, in proper form for transfer, or confirmation of book-entry transfer of the Notes into the Tender and Information Agent's account at the book-entry transfer facility, together with a properly completed and duly executed Letter of Transmittal, or a manually signed facsimile thereof, and including any required signature guarantees, or an Agent's Message, and any other documents required by the Letter of Transmittal, by the close of business on the second business day after the Expiration Time.

The Notice of Guaranteed Delivery may be transmitted in accordance with the usual procedures of the relevant clearing system and the Tender and Information Agent; provided, however, that if the notice is sent by one of the clearing systems through electronic means, it must state that the clearing system has received an express acknowledgment from the Holder on whose behalf the notice is given that the Holder has received and agrees to become bound by the form of the notice to the Tender and Information Agent. If the ATOP procedures are used, the DTC participant need not complete and physically deliver the Notice of Guaranteed Delivery. However, the DTC participant will be bound by the terms of the Offer.

**FOR THE AVOIDANCE OF DOUBT, THE DELIVERY OF SUCH NOTES TENDERED BY GUARANTEED DELIVERY PROCEDURES MUST BE MADE NO LATER THAN THE CLOSE OF BUSINESS ON THE SECOND BUSINESS DAY AFTER THE EXPIRATION TIME; PROVIDED, THAT ACCRUED INTEREST WILL CEASE TO ACCRUE ON THE SETTLEMENT DATE FOR ALL NOTES ACCEPTED IN THE OFFER, INCLUDING THOSE TENDERED BY THE GUARANTEED DELIVERY PROCEDURES SET FORTH ABOVE AND UNDER NO CIRCUMSTANCES WILL ADDITIONAL INTEREST ON THE TENDER OFFER CONSIDERATION BE PAID BY THE COMPANY AFTER THE SETTLEMENT DATE BY REASON OF ANY DELAY ON THE PART OF THE GUARANTEED DELIVERY PROCEDURES.**

*Need for Guarantee of Signature.* Signatures on a Letter of Transmittal or a Notice of Guaranteed Delivery must be guaranteed by a recognized participant (each a "Medallion Signature Guarantor") in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or the Stock Exchange Medallion Program, unless the Notes tendered thereby are tendered (a) by the registered Holder of such Notes and that Holder has not completed either of the boxes entitled "Special Issuance/Delivery Instructions" on the Letter of Transmittal or (b) for the account of a firm that is a member of a registered national securities exchange or the

National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office in the United States (each, an “Eligible Institution”).

*Book-Entry Delivery of the Notes.* Within two business days after the date of this Offer to Purchase, the Tender and Information Agent will establish an account with respect to the Notes at DTC for purposes of the Offer. Any financial institution that is a participant in the DTC system may make book-entry delivery of Notes by causing DTC to transfer such Notes into the Tender and Information Agent’s account in accordance with DTC’s procedure for such transfer. Although delivery of Notes may be effected through book-entry transfer at DTC, the Letter of Transmittal (or facsimile thereof), properly completed and duly executed, together with any required signature guarantees, or (in the case of a book-entry transfer) an Agent’s Message, and any other documents required by the Letter of Transmittal, must be transmitted to and received by the Tender and Information Agent prior to the Expiration Time at one of its addresses set forth on the back cover of this Offer to Purchase. Delivery of such documents to DTC does not constitute delivery to the Tender and Information Agent.

*Tender of Notes Through ATOP.* Novelis expects that the Offer will be eligible for ATOP, the DTC Automated Tender Offer Program. Accordingly, if you are a DTC participant, you may, in lieu of physically completing and signing the Letter of Transmittal and delivering it to the Tender and Information Agent, electronically transmit your acceptance of this Offer by causing DTC to transfer Notes to the Tender and Information Agent in accordance with DTC’s ATOP procedures for transfer. DTC will then send an Agent’s Message to the Tender and Information Agent.

*General.* The tender of Notes pursuant to the Offer by one of the procedures set forth above will constitute a binding agreement between the tendering Holder and Novelis in accordance with the terms and subject to the conditions of the Offer.

The method of delivery of the Letter of Transmittal, Notice of Guaranteed Delivery, certificates for Notes and all other documents required by the Letter of Transmittal, including delivery through DTC, is at the election and risk of the tendering Holder, and the delivery of all such documents will be deemed made only when actually received by the Tender and Information Agent (including, in the case of a book-entry transfer, receipt of a book-entry confirmation). If a Holder chooses to deliver by mail, the recommended method is by registered mail with return receipt requested, properly insured. In all cases, sufficient time should be allowed to ensure timely delivery prior to the Expiration Time.

All questions as to the form of documents and the validity, eligibility (including time of receipt), acceptance for payment and withdrawal of tendered Notes will be determined by Novelis, in its sole discretion, and its determination will be final and binding. Novelis reserves the absolute right to reject any and all tenders of Notes that it determines are not in proper form or the acceptance for payment of or payment for which may, in the opinion of Novelis’ counsel, be unlawful. Novelis also reserves the absolute right in its sole discretion to waive any of the conditions of the Offer or any defect or irregularity in the tender of Notes of any particular Holder, whether or not similar defects or irregularities are waived in the case of other Holders. Novelis’ interpretation of the terms and conditions of the Offer (including the instructions in the Letter of Transmittal and Notice of Guaranteed Delivery) will be final and binding. None of Novelis, the Tender and Information Agent, the Dealer Manager, the Trustee or any other person will be under any duty to give notification of any defects or irregularities in tenders or any notices of withdrawal or will incur liability for failure to give any such notification.

## **Withdrawal of Tenders**

Notes tendered prior to the Expiration Time may be withdrawn at any time prior to the Expiration Time. Generally, Notes may not be withdrawn subsequent to the Expiration Time. However, in the event that the Offer is extended, Notes tendered pursuant to the Offer may be withdrawn at any time before the 10<sup>th</sup> business day after commencement of the Offer. Notes tendered pursuant to the Offer may also be withdrawn at any time after the 60<sup>th</sup> business day after commencement of the Offer if for any reason the Offer has not been consummated within 60 business days after commencement. In addition, in the event of a termination of the Offer, the Notes tendered pursuant to the Offer will be promptly returned to the tendering Holders.

For a withdrawal of Notes to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the Tender and Information Agent at one of its addresses set forth on the back cover of this Offer

to Purchase. The withdrawal notice must specify the name of the person who tendered the Notes to be withdrawn, must contain a description of the Notes to be withdrawn, must specify the certificate numbers shown on the particular certificates evidencing such Notes and the aggregate principal amount represented by such Notes, and must be signed by the Holder of such Notes in the same manner as the original signature on the Letter of Transmittal (including any required signature guarantees) or be accompanied by evidence satisfactory to Novelis that the person withdrawing the tender has succeeded to the beneficial ownership of the Notes. In addition, the notice of withdrawal must specify, in the case of Notes tendered by delivery of certificates for such Notes, the name of the registered Holder (if different from that of the tendering Holder) or, in the case of Notes tendered by book-entry transfer, the name and number of the account at DTC to be credited with the withdrawn Notes. The signature on the notice of withdrawal must be guaranteed by an Eligible Institution unless such Notes have been tendered for the account of an Eligible Institution. If certificates for the Notes to be withdrawn have been delivered or otherwise identified to the Tender and Information Agent, a signed notice of withdrawal will be effective immediately upon receipt by the Tender and Information Agent of a written or facsimile transmission notice of withdrawal even if physical release is not yet effected. Any Notes properly withdrawn will be deemed to be not validly tendered for purposes of the Offer.

Withdrawal of tenders of Notes may not be rescinded, and any Notes properly withdrawn will thereafter be deemed not validly tendered for purposes of the Offer. Properly withdrawn Notes may, however, be retendered by again following one of the procedures described in “—Procedures for Tendering Notes” above at any time prior to the Expiration Time.

Withdrawals of Notes can only be accomplished in accordance with the foregoing procedures.

All questions as to the form and validity (including time of receipt) of notices of withdrawal of tenders will be determined by Novelis, in its sole discretion, which determination shall be final and binding. None of Novelis, the Tender and Information Agent, the Dealer Manager, the Trustee or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification. Novelis reserves the right to waive any defects, irregularities or conditions of tender as to particular Notes.

### **Conditions to the Offer**

Notwithstanding any other provision of the Offer, Novelis shall not be required to accept any Notes for purchase, and may terminate, extend or amend the Offer and may postpone (subject to Rule 14e-1(c) under the Exchange Act, which requires that an offeror pay the consideration offered or return the securities deposited by or on behalf of the Holders thereof promptly after termination or withdrawal of a tender offer) the acceptance of Notes so tendered, if the Financing Condition, which contemplates Novelis, or one of its subsidiaries, raising proceeds of at least \$1.4 billion through the Financing Transaction on or prior to the Settlement Date, on terms and conditions satisfactory to it, shall not have been satisfied.

In addition, Novelis may refuse any Notes for purchase, and may terminate, extend or amend the Offer and may postpone, subject to Rule 14e-1(c) under the Exchange Act, the acceptance of its Notes so tendered if any of the General Conditions, which are as follows, shall not have been satisfied:

A. any action or proceeding instituted, threatened or pending before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with the Offer, that is, or is reasonably likely to be, in Novelis’ reasonable judgment, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of Novelis, its subsidiaries or its affiliates or which would or might, in Novelis’ reasonable judgment, prohibit, prevent, restrict or delay consummation of the Offer;

B. any development which would, in Novelis’ reasonable judgment, materially adversely affect the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospectus of Novelis, its subsidiaries or its affiliates;

C. any order, statute, rule, regulation, executive order, stay, decree, judgment or injunction proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or

governmental, regulatory or administrative agency or instrumentality that, in Novelis' reasonable judgment, would or might prohibit, prevent, restrict or delay consummation of the Offer;

D. any event or likelihood of any event affecting the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of Novelis, its subsidiaries or its affiliates that, in Novelis' reasonable judgment, would or might prohibit, prevent, restrict or delay consummation of the Offer;

E. any objection by the Trustee under an Indenture in any respect to or any action that could, in Novelis' reasonable judgment, adversely affect the consummation of the Offer or any action by a Trustee that challenges the validity or effectiveness of the procedures used by Novelis in the making the Offer, the acceptance of, or payment for, the Notes; and

F. (1) any general suspension of, or limitation on prices for, trading in the U.S. securities or financial markets, (2) any significant change in the price of the Notes which is adverse to Novelis or any of its affiliates, (3) a material impairment in the trading market for debt securities, (4) a declaration of a banking moratorium or any suspension of payments in respect of banks in Canada or the United States, (5) any limitation (whether or not mandatory) by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, or other event that, in Novelis' reasonable judgment, might affect the extension of credit by banks or other lending institutions, (6) (i) any outbreak or escalation of hostilities or acts of terrorism involving Canada or the United States or declaration of a national emergency or war by Canada or the United States or (ii) any other calamity or crisis or any change in political, financial or economic conditions, if the effect of any such event in (i) or (ii), in Novelis' sole judgment, makes it impracticable or inadvisable to proceed with the Offer, or (7) in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof.

The foregoing conditions are for the sole benefit of Novelis and may be asserted by Novelis regardless of the circumstances (including any action or inaction by Novelis) giving rise to such condition or may be waived by Novelis in whole or in part at any time and from time to time in its sole discretion; provided, that, if any Notes are accepted for payment on the Settlement Date, Novelis will simultaneously therewith waive all conditions to the Offer with respect to the Notes that it is legally permitted to waive. If any of the foregoing events shall have occurred, Novelis may, subject to applicable law, (i) terminate the Offer and return all Notes tendered pursuant to the Offer to the tendering Holders, (ii) extend the Offer and retain all tendered Notes until the extended Expiration Time, (iii) otherwise amend the terms of the Offer or modify the consideration to be paid pursuant to the Offer or (iv) waive the unsatisfied condition or conditions with respect to the Offer and accept all tendered Notes. See “—Extension, Amendments and Termination” and “—Procedures for Tendering Notes.” The failure by Novelis at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right or any other right and each such right or other right shall be deemed an ongoing right that may be asserted at any time and from time to time. Any determination by Novelis concerning the events described in this section shall be final and binding upon all persons. All conditions precedent to the consummation of the Offer must be satisfied or waived prior to the expiration of the Offer.

### **Extension, Amendments and Termination**

Novelis expressly reserves the right, at any time or from time to time, regardless of whether or not any of the events set forth in “—Conditions to the Offer” shall have occurred or shall have been determined by Novelis to have occurred, subject to applicable law, (i) to extend the period of time during which the Offer is open and thereby delay acceptance for payment of, and the payment for, any Notes, by giving oral or written notice of such extension to the Tender and Information Agent, (ii) to terminate the Offer early and return all Notes tendered pursuant to the Offer to the tendering Holders and (iii) to otherwise amend the Offer in any respect by giving oral or written notice of such amendment to the Tender and Information Agent.

There can be no assurance that Novelis will exercise its right to extend the Offer. Any extension, waiver, amendment or early termination will be followed as promptly as practicable by the public announcement thereof, with the announcement, in the case of an extension, to be issued no later than 9:00 a.m., New York City time, on the first business day after the previously scheduled Expiration Time, as the case may be. With respect to any change in the Tender Offer Consideration, Novelis will extend the Expiration Time by at least five business days, if the Offer

would otherwise expire during such period. If Novelis makes any other material change to the terms of the Offer, Novelis will extend the Offer for at least three business days, if the Offer would otherwise expire during such period. Novelis will announce any such change in a press release issued at least three business days, or in the case of a change in the Tender Offer Consideration, at least five business days, prior to the expiration of the Offer and prior to 10:00 a.m., New York City time, on the first day of such five- or three-business day period, as applicable. Novelis will also describe any such change in a Current Report on Form 8-K filed with the SEC prior to 12:00 noon, New York City time, on the first day of the five- or three-business day period, as applicable.

Any waiver or amendment to the Offer, including any increase in the Tender Offer Consideration, will apply to all Notes tendered and accepted for payment.

In the event that Novelis terminates the Offer, Novelis shall give immediate notice thereof to the Tender and Information Agent, and all Notes theretofore tendered and not accepted for payment shall be returned promptly to the tendering Holders thereof. In the event that the Offer is withdrawn or otherwise not completed, the Tender Offer Consideration will not be paid or become payable to Holders of the Notes who have validly tendered their Notes in connection with the Offer. See “—Conditions to the Offer.”

### **CERTAIN CONSIDERATIONS**

*In deciding whether to participate in the Offer, each Holder should consider carefully, in addition to the other information contained herein, the following:*

#### **Limited Trading Market**

The Notes are not listed on any national or regional securities exchange or reported on a national quotation system. To the extent that the Notes are traded, prices of such Notes may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. In addition, quotations for securities that are not widely traded, such as the Notes, may differ from actual trading prices and should be viewed as approximations. Holders of Notes are urged to contact their brokers to obtain the best available information as to current market prices. To the extent that Notes are tendered and accepted in the Offer, the trading market for any Notes that are not purchased in the Offer or redeemed by Novelis following the Offer and remain outstanding are likely to become more limited. A debt security with a smaller outstanding principal amount available for trading (a smaller “float”) may command a lower price than would a comparable debt security with a greater float. Therefore, the market price for the Notes not tendered or not purchased may be affected adversely to the extent that the principal amount of the Notes tendered pursuant to the Offer reduces the float. The reduced float may also tend to make the trading price of the Notes more volatile. Holders of unpurchased Notes may attempt to obtain quotations for the Notes from their brokers; however, there can be no assurance that any trading market will exist for the Notes following consummation of the Offer. The extent of the public market for the Notes following consummation of the Offer will depend upon, among other things, the remaining outstanding principal amount of the Notes after the Offer, the number of Holders remaining at such time and the interest in maintaining a market in the Notes on the part of securities firms and whether Novelis determines to redeem any Notes.

#### **Notes Outstanding After the Offer; Redemption**

Following the Offer, with funds provided by the Financing Transaction, Novelis intends to effect a redemption at a redemption price of 104.375% of the principal amount of the Notes, plus accrued and unpaid interest to, but not including, the date of redemption in accordance with the Indenture of all Notes that are not tendered and accepted for payment pursuant to the Offer. However, there can be no assurance if or when Novelis will effect any redemption, and unless redeemed, such Notes will continue to remain outstanding following the Offer and will continue to be payable in accordance with their terms. If Novelis determines not to redeem the Notes that remain outstanding following the Offer, Novelis may purchase additional Notes through open market purchases, in privately negotiated transactions, through tender offers, by redemption or otherwise. Any future purchase may be on the same terms or on terms that are more or less favorable to Holders of Notes than the terms of the Offer and will depend on various factors existing at that time.

**Tax Matters**

See “Certain Canadian and U.S. Federal Income Tax Considerations” for a discussion of certain Canadian and U.S. federal income tax considerations of the Offer.

**Consideration**

The consideration offered to purchase the Notes does not reflect any independent valuation of the Notes and does not take into account the events or changes in financial markets (including interest rates) after the commencement of the Offer. Novelis has not obtained or requested a fairness opinion from any banking or other firm as to the fairness of the consideration offered for the Notes. If a Holder tenders its Notes, such Holder may or may not receive more than or as much value as if such Holder chose to keep them.

**No Recommendation**

Novelis is not making any recommendation concerning the Offer. Neither Novelis nor any member of Novelis’ board of directors, any officer or other affiliate of Novelis, the Dealer Manager, the Tender and Information Agent or the Trustee makes any recommendation to any Holder as to whether such Holder should tender or refrain from tendering its Notes or as to the appropriateness of the Tender Offer Consideration. Neither Novelis nor any member of Novelis’ board of directors, any officer or other affiliate of Novelis, the Dealer Manager, the Tender and Information Agent or the Trustee has authorized any person to make any recommendation with respect to the Offer. Each Holder must make its own decision as to whether to tender its Notes and, if so, the aggregate principal amount of Notes to tender. In doing so, Novelis recommends that each Holder consult its own investment and tax advisors and read carefully and evaluate the information in this Offer to Purchase and the documents incorporated by reference into this Offer to Purchase, including Novelis’ reasons for making the Offer.

## SOURCE AND AMOUNT OF FUNDS

The total amount of funds required by Novelis to pay the Tender Offer Consideration related to the Offer and Accrued Interest on the Notes (assuming all Notes are tendered prior to the Expiration Time) is estimated to be approximately \$1.5 billion. Novelis expects to fund this consideration with a portion of the net proceeds from the Financing Transaction.

## CERTAIN CANADIAN AND U.S. FEDERAL INCOME TAX CONSIDERATIONS

**This summary is of a general nature and is included herein solely for informational purposes. This summary is not intended to be and should not be construed to be legal or tax advice. No representation with respect to the consequences to any particular Holder of the Notes is made. Holders should consult their own advisors with respect to their particular circumstances.**

### Canadian Federal Income Tax Considerations

The following is a general summary of the principal Canadian federal income tax considerations of the Offer to Purchase applicable to a Holder who, at all relevant times for the purposes of the *Income Tax Act* (Canada) (the “Tax Act”), holds the Notes as capital property and deals at arm’s length, and is not affiliated, with Novelis. Generally, the Notes will be considered capital property to a Holder provided that the Holder does not hold the Notes in the course of carrying on a business of buying and selling securities and has not acquired or held them as an adventure or concern in the nature of trade. Certain Holders resident in Canada whose Notes might not otherwise qualify as capital property may, in certain circumstances, be entitled to have such Notes and any other “Canadian securities” (as defined in the Tax Act) owned by such Holder in a particular taxation year of the election and all subsequent taxation years deemed to be capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act for the particular year. Such Holders should consult their own tax advisors having regard to their own particular circumstances.

This summary is based upon the facts set out in the Offer to Purchase, the provisions of the Tax Act and regulations thereunder (the “Regulations”) in force at the date of the Offer to Purchase, all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Tax Proposals”) and the current administrative practices and assessing policies published in writing by the Canada Revenue Agency (the “CRA”) prior to the date hereof. There can be no assurance that the Tax Proposals will be implemented in their current form or at all. This summary is not exhaustive of all possible income tax considerations and, except for the Tax Proposals, does not otherwise take into account or anticipate any changes in law or practice, whether by way of judicial, governmental or legislative decision or action or changes in the administrative practices or assessing policies of the CRA, nor does it take into account tax legislation or considerations of any province or foreign jurisdiction. The income and other tax consequences of the Offer will vary depending on the particular circumstances of the Holder thereof, including the province in which the Holder resides or carries on business.

This summary is not applicable to a holder (i) an interest in which is a “tax shelter investment”, (ii) that is, for purposes of certain rules (referred to as the mark-to-market rules) applicable to securities held by financial institutions, a “financial institution”, (iii) to whom the “functional currency” reporting rules apply, or (iv) that has entered into or will enter into, with respect to the Notes, a “derivative forward agreement”, each as defined in the Tax Act. Such Holders should consult their own tax advisors.

**This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any particular Holder are made. Accordingly, Holders should consult their own tax advisors for advice with respect to the tax consequences to them of holding and disposing of a Note, including the application and effect of the income and other tax laws of any country, province, state or local tax authority.**

### Consequences to Holders Resident in Canada

The following summary is applicable to a Holder who, at all relevant times, for the purposes of the Tax Act and any applicable tax treaty or convention, is or is deemed to be resident in Canada (a “Resident Holder”).

### *Treatment of Tendering Holders*

Generally, for the purposes of the Tax Act and the Regulations, all amounts relating to the acquisition, holding or disposition of the Notes must be converted into Canadian dollars based on the prevailing exchange rates at the relevant times and the amount of interest required to be included in the income of, and capital gains or capital losses realized by, a Resident Holder may be affected by fluctuations in the Canadian/U.S. dollar exchange rate.

The tender of a Note for the Tender Offer Consideration will constitute a disposition for purposes of the Tax Act. On such a disposition, a Resident Holder will generally be required to include in income the amount of Accrued Interest or interest accrued or deemed to accrue on the Note from the date of the last interest payment to the date of disposition to the extent that such amount has not otherwise been included in the Resident Holder's income for that, or a preceding, taxation year. In general, a disposition or deemed disposition of a Note will give rise to a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any accrued interest and any other amount included in computing income and any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base of the Note to the Resident Holder immediately before the disposition.

Any portion of the Tender Offer Consideration, as the case may be, that is considered to be a penalty or bonus payable by Novelis to a Resident Holder of a Note because the Note is repaid on the purchase of the Note before the maturity thereof will be deemed to be interest received at that time by the Resident Holder and will be required to be included in computing the Resident Holder's income as described above, to the extent that such amount can reasonably be considered to relate to, and does not exceed the value at the time of the repayment of, the interest that, but for the purchase, would have been paid or payable by Novelis on the Note for a taxation year of Novelis ending after the purchase.

One-half of the amount of any capital gain (a "taxable capital gain") realized by a Resident Holder in a taxation year generally must be included in the Resident Holder's income for that year, and one-half of the amount of any capital loss (an "allowable capital loss") realized by a Resident Holder in a taxation year must generally be deducted from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances described in the Tax Act.

### *Treatment of Non-Tendering Holders*

A Resident Holder that does not tender Notes under the Offer and that is a corporation, partnership, unit trust or trust of which a corporation or partnership is a beneficiary will be required to include in computing its income for a taxation year all interest on a Note not tendered that accrues to the end of that taxation year or becomes receivable or is received before the end of that taxation year, except to the extent that such amount was included in the income of the particular Resident Holder for a preceding taxation year.

Any other Resident Holder that does not tender Notes under the Offer, including an individual, will be required to include in computing income for a taxation year any interest, including interest in kind, received or receivable or deemed to have been received or receivable (depending on the method regularly followed by the Resident Holder in computing income) on a Note not tendered in that year, to the extent that such amount was not otherwise included in income for a preceding taxation year. Interest that has accrued on a Note not tendered, up to and including the "anniversary date" (as defined in the Tax Act) of the issuance thereof, must be included in income for a taxation year to the extent that such amount has not been previously included in income.

### *Treatment of all Resident Holders*

Individuals or trusts (other than certain trusts) may be subject to an alternative minimum tax under the Tax Act upon realizing net taxable capital gains.

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) throughout its taxation year may be liable to pay a refundable tax on its “aggregate investment income” (as defined in the Tax Act), which generally includes interest and taxable capital gains.

### **Consequences to Holders Not Resident in Canada**

The following summary is applicable to a Holder who, at all relevant times, for the purposes of the Tax Act and any applicable tax treaty or convention, (i) is or is deemed to be not resident in Canada, (ii) does not use or hold, and is not deemed to use or hold, the Notes in a business carried on in Canada, (iii) is entitled to receive all payments under the Notes, including principal and interest and (iv) is not a “specified shareholder” (as defined in subsection 18(5) of the Tax Act) of Novelis and deals at arm’s length with all specified shareholders of Novelis (a “Non-Resident Holder”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that holds such Notes in connection with carrying on an insurance business. This summary does not apply to an authorized foreign bank that carries on a Canadian banking business. The following portion of the summary assumes that (i) no interest paid on the Notes has been in respect of a debt and other obligation to pay an amount to a person with whom Novelis does not deal at arm’s length, within the meaning of the Tax Act and (ii) no amount outstanding on the Notes would be deemed at any relevant time for purposes of the Tax Act to be an amount outstanding as or on account of a debt or other obligation to pay an amount to a “specified non-resident shareholder” (as defined in subsection 18(5) of the Tax Act) or a non-resident person who was not dealing at arm’s length with a “specified shareholder” (as defined in subsection 18(5) of the Tax Act) of Novelis.

#### *Treatment of Tendering Holders*

The payment by Novelis of the Tender Offer Consideration to a Non-Resident Holder pursuant to the Offer will not be subject to Canadian withholding tax.

No other taxes on income (including taxable capital gains) will be payable under the Tax Act in respect of the receipt by a Non-Resident Holder of the of the Tender Offer Consideration and any Accrued Interest in respect of the Notes.

#### *Treatment of Non-Tendering Holders*

Non-Resident Holders that do not tender Notes under the Offer will not be subject to any tax under the Tax Act by reason of the Offer.

Following the Offer, the payment by Novelis of interest, principal or premium on the Notes to Non-Resident Holders should continue to not be subject to from Canadian withholding tax.

### **U.S. Federal Income Tax Consequences**

The following is a summary of certain U.S. federal income tax consequences to U.S. Holders and Non-U.S. Holders (as defined below) of the Offer based upon current provisions of the Internal Revenue Code of 1986, as amended (the “Code”), existing and proposed Treasury regulations promulgated thereunder (the “Treasury Regulations”), rulings, pronouncements, judicial decisions, and administrative interpretations, all of which are subject to change at any time by legislative, judicial or administrative action. Any such changes may be applied retroactively in a manner that could materially and adversely affect a Holder of the Notes. No assurances are provided that the Internal Revenue Service (the “IRS”) will not challenge one or more of the conclusions stated below, and no ruling from the IRS has been or is intended to be sought on any of the matters discussed below. The following summary does not purport to be a complete analysis of all the potential U.S. federal income tax effects relating to the Offer. Without limiting the generality of the foregoing, the summary does not address the tax considerations of any Holder’s particular circumstances or the effect of any special rules applicable to certain types of Holders under U.S. federal income tax laws, including (without limitation): dealers in securities or currencies; insurance companies, thrifts, banks and other financial institutions; tax-exempt entities; regulated investment companies; real estate investment trusts; brokers; persons who hold the Notes as part of a straddle, hedge, conversion transaction, or other integrated investment; traders in securities that elect to use a mark-to-market method of accounting for their securities holdings; persons subject to the alternative minimum tax; persons that have a “functional currency” other than the U.S. dollar; expatriates or former long-term residents of the U.S.; or entities classified as partnerships or investors in such entities that hold the Notes. In addition, the summary is limited to

Holders who (i) are beneficial owners of the Notes and (ii) hold the Notes as “capital assets” within the meaning of Section 1221 of the Code. This discussion does not address any aspect of applicable state, local or foreign tax law or any non-income tax consequences (such as estate or gift tax).

If any entity taxable as a partnership for U.S. federal income tax purposes holds Novelis’ Notes, the U.S. federal income tax treatment of an investor in such an entity will generally depend on the status of the investor and the activities of the entity. Partnerships that are beneficial owners of Notes, and partners in such partnerships, should consult their own tax advisors.

## **U.S. Holders**

For purposes of this discussion, the term “U.S. Holder” means a beneficial owner of a Note that is for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the U.S., (ii) a corporation (or other entity taxable as a corporation) created or organized in or under the laws of the U.S. or any state thereof, or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust (A) if a court within the U.S. is able to exercise primary supervision over the administration of the trust and one or more U.S. persons (as defined in the Code) have the authority to control all substantial decisions of the trust or (B) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

*Tenders of Notes Pursuant to the Offer.* The tender of Notes by a U.S. Holder pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes. Subject to the discussions below under the heading “—Market Discount,” a U.S. Holder who receives cash in exchange for Notes pursuant to the Offer will recognize capital gain or loss for U.S. federal income tax purposes equal to the difference between (i) the cash received in exchange for such Notes, excluding amounts attributable to Accrued Interest (which will be taxable as ordinary income to the extent not previously included in income) and (ii) such U.S. Holder’s adjusted tax basis in such Notes at the time of the disposition. Generally, a U.S. Holder’s adjusted tax basis for a Note will be equal to the cost of the Note to such U.S. Holder increased, if applicable, by any market discount (as described below) previously included in income at such U.S. Holder’s election and decreased (but not below zero) by any amortizable bond premium which an electing U.S. Holder has previously amortized and by any cash payments received on the Note other than payments of stated interest.

Subject to the discussion below under the heading “—Market Discount,” any gain or loss so recognized will generally be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder has held the Notes for more than one year at the time of disposition. A reduced tax rate on net long-term capital gain may apply to individual and other noncorporate U.S. Holders. The deductibility of capital losses is subject to limitations.

For foreign tax credit purposes, any capital gain recognized by a U.S. Holder generally will be U.S. source income. Any gain recharacterized as ordinary interest under the market discount rules discussed below and any amounts attributable to Accrued Interest not previously included in income will be treated as foreign source income, and generally should constitute passive category income. The foreign tax credit rules are complex, and U.S. Holders should consult their tax advisors to determine whether they may be eligible for foreign tax credits and, if they are eligible, how to compute their foreign tax credits.

*Market Discount.* A Note acquired by a U.S. Holder at any time other than at its original issue has “market discount” if its principal amount exceeds its tax basis in the hands of such U.S. Holder immediately after acquisition by more than a statutorily defined de minimis amount. Gain recognized by a U.S. Holder that has acquired a Note with market discount will be subject to tax as ordinary income (rather than capital gain) to the extent of the market discount accrued to the date of the disposition, less any accrued market discount previously reported as ordinary income by reason of a previous election by the U.S. Holder to include market discount in income on a current basis.

*Information Reporting and Backup Withholding.* U.S. Holders of Notes whose Notes are tendered and accepted for payment pursuant to the Offer will be subject to information reporting requirements (unless the U.S. Holder is an exempt recipient). In addition, under certain circumstances U.S. Holders may be subject to backup withholding (currently 28%) on payments made pursuant to the Offer. Backup withholding applies if the U.S. Holder:

- fails to furnish its social security or other taxpayer identification number (“TIN”);
- furnishes an incorrect TIN;
- is notified by the IRS that such Holder is subject to backup withholding because such Holder has previously failed to report payments of interest or dividends properly; or
- fails, under certain circumstances, to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct taxpayer identification number and that the U.S. Holder is not subject to backup withholding.

Backup withholding is not an additional tax. Any amount withheld from a payment to a U.S. Holder under the backup withholding rules is allowable as a credit against such U.S. Holder’s U.S. federal income tax liability, and may entitle such U.S. Holder to a refund, provided that the required information is timely furnished to the IRS. Certain persons are exempt from backup withholding. U.S. Holders of Notes should consult their tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining such exemption.

*Additional Tax on Net Investment Income.* Certain U.S. Holders that are individuals, estates, or trusts will be subject to a 3.8% tax on the lesser of (1) the U.S. Holder’s “net investment income” (or “undistributed net investment income” in the case of estates and trusts) for the relevant taxable year and (2) the excess of the U.S. Holder’s modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between \$125,000 and \$250,000 depending on the individual’s circumstances). Net investment income generally includes interest income and net gains from the disposition of the Notes, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are an individual, estate or trust, you should consult your tax advisor regarding the applicability of this additional tax to income and gains resulting from a disposition of the Notes.

## **Non-U.S. Holders**

The following summary is limited to certain U.S. federal income tax consequences relevant to a beneficial owner of a Note that is, for U.S. federal income tax purposes, an individual, corporation (or other entity taxable as a corporation), estate or trust that is not a U.S. Holder (a “Non-U.S. Holder”).

*Tenders of Notes Pursuant to the Offer.* Subject to the discussions below under the headings “—Accrued Interest,” and “—Information Reporting and Backup Withholding,” a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on any gain realized upon a sale of the Notes pursuant to the Offer, unless (i) the Non-U.S. Holder is an individual present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are satisfied or (ii) such gain is effectively connected with such Non-U.S. Holder’s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment or fixed base maintained by the Non-U.S. Holder) (“U.S. trade or business income”). If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate under an applicable income tax treaty) on the amount by which such Non-U.S. Holder’s capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of the Notes. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain in the same manner as a U.S. Holder, unless otherwise provided in an applicable income tax treaty, and a Non-U.S. Holder that is a corporation could also be subject to a branch profits tax on such Non-U.S. Holder’s effectively connected earnings and profits at a rate of 30% (or at a reduced rate under an applicable income tax treaty).

*Accrued Interest.* Subject to the discussion below under “—Information Reporting and Backup Withholding,” amounts paid in respect of Accrued Interest on the Notes generally will not be subject to U.S. federal income or withholding tax unless the Holder (i) is an insurance company carrying on a United States insurance business to which the Accrued Interest is attributable, within the meaning of the Code, or (ii) has an office or other fixed place of business in the United States to which the Accrued Interest is attributable and derives the Accrued Interest in the active conduct of a banking, financing or similar business within the United States.

*Information Reporting and Backup Withholding.* Information reporting may apply to payments made to a Non-U.S. Holder pursuant to the Offer. Copies of these information returns also may be made available under the provisions of a specific treaty or other agreement to the tax authorities of the country in which the Non-U.S. Holder resides. Backup withholding tax generally will not apply to payments with respect to which the Holder (i) has provided to us, Novelis' paying agent or the broker (A) an IRS Form W-8BEN or an acceptable substitute form upon which it certifies, under penalties of perjury, that it is not a United States person or (B) other documentation upon which the payor may rely to treat the payments as made to a non-United States person in accordance with Treasury Regulations, or (ii) otherwise establishes an exemption. However, the information provided may not be relied on under certain circumstances (for example, if Novelis, its paying agent or the broker has actual knowledge or reason to know that the information provided is false).

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against the Non-U.S. Holder's U.S. federal income tax liability, provided that the required information is timely provided to the IRS. Non-U.S. Holders are encouraged to consult their tax advisors regarding the application of the information reporting and backup withholding rules in their particular situations, the availability of an exemption therefrom, and the procedure for obtaining such an exemption, if available.

**The preceding summary of certain U.S. federal income tax consequences is for general information only and is not legal or tax advice. Accordingly, Holders should consult their own advisors regarding the U.S. federal, state, local and foreign tax consequences to them of the Offer.**

## **DEALER MANAGER; TENDER AND INFORMATION AGENT**

Novelis has retained Morgan Stanley & Co. LLC (the “Dealer Manager”) to act as Dealer Manager for the Offer. In its capacity as Dealer Manager, the Dealer Manager may contact Holders regarding the Offer and may request custodians to forward this Offer to Purchase and related materials to beneficial owners of Notes.

The Dealer Manager will receive certain fees for its services provided as such in connection with the Offer. The Dealer Manager has provided, and may provide in the future, financial, advisory, investment banking and general banking services to Novelis and its affiliates for which it has received and would receive customary fees and commissions. In addition, the Dealer Manager is also acting as an initial purchaser in connection with the Financing Transaction.

Novelis will also reimburse the Dealer Manager, as Dealer Manager, for its reasonable out-of-pocket expenses, including the reasonable expenses and disbursements of its legal counsel. Novelis has also agreed to indemnify the Dealer Manager and its affiliates against certain liabilities under federal or state law or otherwise caused by, relating to or arising out of the Offer. At any given time, the Dealer Manager may trade the Notes or other securities of Novelis for its own account or for the accounts of its customers and, accordingly, may hold a long or short position in the Notes.

D.F. King has been appointed the Tender and Information Agent with respect to the Offer. Novelis will pay the Tender and Information Agent customary fees for its services and reimburse the Tender and Information Agent for its reasonable out-of-pocket expenses in connection therewith. Novelis has also agreed to indemnify the Tender and Information Agent for certain liabilities. Requests for additional copies of the Offer Documents may be directed to the Tender and Information Agent at the address and telephone numbers set forth on the back cover of this Offer to Purchase.

Novelis will pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this Offer to Purchase and related documents to the beneficial owners of the Notes and in handling or forwarding tenders of Notes by their customers.

In connection with the Offer, directors and officers of Novelis and its affiliates may solicit tenders by use of the mails, personally or by telephone, facsimile, telegram, electronic communication or other similar methods. Directors and officers of Novelis will not be specifically compensated for these services.

## **AVAILABLE INFORMATION**

Novelis is a reporting company and therefore files reports with the SEC. Novelis is required pursuant to the Indenture governing the Notes to prepare reports containing all financial information that is required to be contained in a filing with the SEC under the reporting requirements of Section 13 or 15(d) of the Exchange Act. These SEC filings are available to the public from the SEC's web site at [www.sec.gov](http://www.sec.gov) or from Novelis' web site at [www.novelis.com](http://www.novelis.com). However, the information on Novelis' web site does not constitute a part of this Offer to Purchase. To receive copies of public records not posted to the SEC's web site at prescribed rates, you may complete an online form at <http://www.sec.gov>, send a fax to (202) 772-9337 or submit a written request to the SEC, Office of FOIA/PA Operations, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on their public reference room. You may also request a copy of these filings at no cost, by writing to or telephoning the Tender and Information Agent.

## **FORWARD-LOOKING STATEMENTS**

This Offer to Purchase contains forward-looking statements that are based on current expectations, estimates, forecasts and projections about Novelis and the industry in which it operates and beliefs and assumptions made by its management. Words such as "expect," "anticipate," "intend," "plan," "believe," "seek" and "estimate" and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict, including those described below. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Novelis does not intend, and it disclaims any obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Factors that could cause actual results or outcomes to differ from the results expressed or implied by forward-looking statements include, among other things:

- changes in the prices and availability of aluminum (or premiums associated with such prices) or other materials and raw materials Novelis uses;
- the capacity and effectiveness of Novelis' hedging activities;
- relationships with, and financial and operating conditions of, Novelis' customers, suppliers and other stakeholders;
- fluctuations in the supply of, and prices for, energy in the areas in which Novelis maintains production facilities;
- Novelis' ability to access financing, repay existing debt or refinance existing debt to fund current operations and for future capital requirements;
- the level of Novelis' indebtedness and its ability to generate cash to service its indebtedness;
- lowering of Novelis' ratings by a credit rating agency;
- changes in the relative values of various currencies and the effectiveness of Novelis' currency hedging activities;
- factors affecting Novelis' operations, such as litigation, environmental remediation and clean-up costs, labor relations and negotiations, breakdown of equipment and other events;
- impairment of Novelis' goodwill, other intangible assets, and long-lived assets;

- loss of key management and other personnel, or an inability to attract such management and other personnel;
- risks relating to future acquisitions or divestitures;
- Novelis' inability to successfully implement its growth initiatives;
- risks relating to certain joint ventures and subsidiaries that Novelis does not entirely control;
- the effect of derivatives legislation on Novelis' ability to hedge risks associated with its business;
- demand and pricing within the principal markets for Novelis' products as well as seasonality in certain of its customers' industries;
- the impact of restructuring efforts in the future;
- union disputes and other employee relations issues;
- economic, regulatory and political factors within the countries in which Novelis operates or sells its products, including changes in duties or tariffs;
- competition from other aluminum rolled products producers as well as from substitute materials such as steel, glass, plastic and composite materials;
- changes in general economic conditions including deterioration in the global economy;
- cyclical demand and pricing within the principal markets for Novelis' products as well as seasonality in certain of its customers' industries;
- changes in government regulations, particularly those affecting taxes, derivative instruments, environmental, health or safety compliance;
- changes in interest rates that have the effect of increasing the amounts Novelis pays under its credit facilities, other financing agreements and its defined pension plans; and
- the other factors discussed in Novelis' Annual Report on Form 10-K for the fiscal year ended March 31, 2016 and Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2016.

The above list of factors is not exclusive. Novelis believes the forward-looking statements in this Offer to Purchase are reasonable; however, you should not place undue reliance on any forward-looking statements, which are based on current expectations. Further, forward-looking statements speak only as of the date they are made, and Novelis undertakes no obligation to update publicly any of them in light of new information or future events.

Any questions or requests for assistance may be directed to the Dealer Manager at the address and telephone numbers set forth below.

*The Dealer Manager for the Offer is:*

## **Morgan Stanley**

Morgan Stanley & Co. LLC  
Attention: Liability Management Group  
1585 Broadway  
New York, NY 10036  
Collect: (212) 761-1057  
Toll Free: (800) 624-1808

*The Tender and Information Agent for the Offer is:*

D.F. King & Co., Inc.  
48 Wall Street – 22nd Floor  
New York, New York 10005

Banks and Brokers call: (212) 269-5550  
Toll free: (800) 967-5071  
By email: [novelis@dfking.com](mailto:novelis@dfking.com)  
By facsimile transmission: (212) 709-3328

For confirmation: (212) 232-3235  
Attn: Peter Aymar

Requests for additional copies of this Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery may be directed to the Tender and Information Agent. Beneficial owners may also contact their Custodian for assistance concerning the Offer.