

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
FANSTEEL INC., et al.,¹) Case No. 02-10109 (JJF)
) (Jointly Administered)
Debtors.)

40-7580

Objection Deadline: November 6, 2002 at 4:00 p.m.
Hearing Date: TBD (only if objections are filed)

**NOTICE OF FILING OF SECOND INTERIM
APPLICATIONS FOR COMPENSATION AND REIMBURSEMENT
OF EXPENSES PURSUANT TO SECTION 331 OF THE BANKRUPTCY CODE**

TO: All Parties Required to Receive Notice Pursuant to Delaware Bankruptcy
LR 2002-1

PLEASE TAKE NOTICE that, pursuant to the Order Under 11 U.S.C. §§105 (a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members, entered February 20, 2002 [District Court Docket No. 73] (the "Fee Procedures Order"), the following professionals have filed their first interim fee applications (the "Interim Fee Applications") in the captioned case: Schulte, Roth & Zabel LLP; Pachulski, Stang, Ziehl, Young & Jones P.C.; Winston & Strawn; Earth Sciences Consultants, Inc.; Klett, Rooney & Schorling; Freeborn & Peters; and Navigant Consulting, Inc. (collectively, the "Professionals").

The Fee Procedures Order permits the Debtors, without a court order, to pay Professionals 80% of their fees outstanding and 100% of their expenses, under the following

¹ The Debtors are the following entities: Fansteel Inc.; Fansteel Holdings, Inc., Custom Technologies Corp., Escast, Inc., Wellman Dynamics Corp., Washington Mfg. Co., Phoenix Aerospace Corp., American Sintered Technologies, Inc., and Fansteel Schulz Products, Inc.

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procedure: (1) the Professional must submit a monthly fee application to certain parties specified in the Fee Procedures Order, (2) twenty days must elapse without an objection to the Professional's monthly fee application, and (3) the Professional must file a certificate of no objection to the monthly fee application. The 20% holdback amount on fees may be paid only upon entry of a Court order approving Interim Fee Applications.

PLEASE TAKE NOTICE that attached hereto as **Exhibit A** is a summary of the total amounts of compensation and fee reimbursement sought in each of the Interim Fee Applications, amounts previously paid to each Professional pursuant to monthly interim applications submitted by the Professionals, and amounts that will be payable to the Professionals if all compensation and fee reimbursement sought in the Interim Fee Applications are approved.

PLEASE TAKE NOTICE that: (1) as to Exhibit A, if there is contradiction between Exhibit A and amounts specified in the monthly application, the correct monthly applications shall prevail, and (2) Exhibit A may include amounts outstanding at the time of preparation of this Notice, but which may be paid by the Debtors pursuant to the monthly fee applications prior to the approval of the Interim Fee Applications.

PLEASE TAKE FURTHER NOTICE that objections to the Interim Fee Applications must be made in writing, filed with United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801, and served upon counsel for the captioned Debtors and the Professionals to which such objections apply no later than 4:00 p.m. on November 6, 2002.

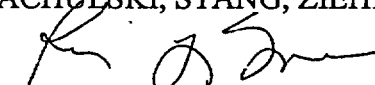
PLEASE TAKE FURTHER NOTICE that in the absence of timely filed objections, the Court may enter an Order approving the Interim Fee Applications on an interim basis without further notice or hearing.

Dated: October 17, 2002

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Co-Counsel for the Debtors and Debtors in Possession

EXHIBIT A
 SECOND INTERIM FEE APPLICATION/FEES & EXPENSES
 FANSTEEL INC. (02-10109-JJF)

| APPLICANT | FEE PERIOD | TOTAL FEES & EXPENSES | AMOUNT PAID TO DATE | AMOUNT OUTSTANDING | CERTIFICATE OF NO OBJECTION |
|--------------------------|------------------------------|---------------------------|---------------------------|--------------------|-----------------------------|
| Schulte Roth & Zabel LLP | April | \$212,392.50 (fees) | \$169,914.00 (fees) | \$42,478.50 | Docket No. 436 |
| | | \$18,538.84 (expenses) | \$18,538.84 (expenses) | | |
| | | \$230,931.34 (Total) | \$188,452.84 (Total) | | |
| Schulte Roth & Zabel LLP | May | \$84,937.00 (fees) | \$67,949.60 (fees) | \$16,987.40 | Docket No. 437 |
| | | \$19,731.01 (expenses) | \$19,731.01 (expenses) | | |
| | | \$104,668.01 (Total) | \$87,680.61 (Total) | | |
| Schulte Roth & Zabel LLP | June | \$67,192.50 (fees) | \$53,754.00 (fees) | \$13,438.50 | Docket No. 454 |
| | | \$4,936.38 (expenses) | \$4,936.38 (expenses) | | |
| | | \$72,128.88 (Total) | \$58,690.38 (Total) | | |
| Schulte Roth & Zabel LLP | Supplemental April - June | \$6,247.50 (fees) | \$0.00 (fees) | \$6,343.53 | Obj. Date 11/6 |
| | | \$96.03 (expenses) | \$0.00 (expenses) | | |
| | | \$6,343.53 (Total) | \$0.00 (Total) | | |

| APPLICANT | FEE PERIOD | TOTAL FEES & EXPENSES | AMOUNT PAID TO DATE | AMOUNT OUTSTANDING | CERTIFICATE OF NO OBJECTION |
|-------------------------------------|----------------------|---------------------------|---------------------------|--------------------|-----------------------------|
| Schulte Roth & Zabel LLP TOTALS: | | \$377,017.00 (fees) | \$291,617.60 (fees) | \$79,247.93 | N/A |
| | | \$43,302.26 (expenses) | \$43,206.23 (expenses) | | |
| | | \$414,071.76 (Total) | \$334,823.83 (Total) | | |
| PSZY&J | 6/1/02 – 6/30/02 | \$39,817.00 (fees) | \$31,853.60 (fees) | \$7,963.40 | Docket No. 394 |
| | | \$11,748.11 (expenses) | \$11,748.11 (expenses) | | |
| | | \$51,565.11 (Total) | \$43,601.71 (Total) | | |
| PSZY&J | 7/1/02 – 7/31/02 | \$53,530.50 (fees) | \$42,824.40 (fees) | \$10,706.10 | Docket No. 491 |
| | | \$12,828.18 (expenses) | \$12,828.18 (expenses) | | |
| | | \$66,358.68 (Total) | \$55,652.58 (Total) | | |
| PSZY&J | 8/1/02 – 8/31/02 | \$31,259.50 (fees) | \$0.00 (fees) | \$33,484.43 | Obj. Date 10/22 |
| | | \$2,224.93 (expenses) | \$0.00 (expenses) | | |
| | | \$33,484.43 (Total) | \$0.00 (Total) | | |
| PSZY&J | 9/01/02 – 9/30/02 | \$47,528.00 (fees) | \$0.00 (fees) | \$63,452.48 | Obj. Date 11/6 |
| | | \$15,924.48 (expenses) | \$0.00 (expenses) | | |
| | | \$63,452.48 (Total) | \$0.00 (Total) | | |

| APPLICANT | FEE PERIOD | TOTAL FEES & EXPENSES | AMOUNT PAID TO DATE | AMOUNT OUTSTANDING | CERTIFICATE OF NO OBJECTION |
|-------------------------------|--|---------------------------|---------------------------|--------------------|-----------------------------|
| PSZY&J TOTALS: | | \$172,135.00 (fees) | \$74,678.00 (fees) | \$115,606.41 | N/A |
| | | \$42,725.70 (expenses) | \$24,576.29 (expenses) | | |
| | | \$214,860.70 (Total) | \$99,254.29 (Total) | | |
| Winston & Strawn | May 1, 2002 - May 31, 2002 | \$11,887.00 (fees) | \$9,509.60 (fees) | \$2,377.40 | Docket No. 373 |
| | | \$57.84 (expenses) | \$57.84 (expenses) | | |
| | | \$11,944.84 (Total) | \$9,567.44 (Total) | | |
| Winston & Strawn | June 1, 2002 - June 30, 2002 | \$33,866.00 (fees) | \$0.00 (fees) | \$34,091.49 | Docket No. 492 |
| | | \$225.49 (expenses) | \$0.00 (expenses) | | |
| | | \$34,091.49 (Total) | \$0.00 (Total) | | |
| Winston & Strawn | July 1, 2002 - July 31, 2002 | \$34,548.50 (fees) | \$0.00 (fees) | \$35,029.09 | Docket No. 493 |
| | | \$480.59 (expenses) | \$0.00 (expenses) | | |
| | | \$35,029.09 (Total) | \$0.00 (Total) | | |
| Winston & Strawn | August 1, 2002 - August 31, 2002 | \$27,919.50 (fees) | \$0.00 (fees) | \$28,784.41 | Docket No. N/A |
| | | \$864.91 (expenses) | \$0.00 (expenses) | | |
| | | \$28,784.41 (Total) | \$0.00 (Total) | | |

| APPLICANT | FEE PERIOD | TOTAL FEES & EXPENSES | AMOUNT PAID TO DATE | AMOUNT OUTSTANDING | CERTIFICATE OF NO OBJECTION |
|---|-------------------------------------|--------------------------|-----------------------|--------------------|-----------------------------|
| Winston & Strawn TOTALS: | May 1, 2002 - August 31, 2002 | \$108,221.00 (fees) | \$9,509.60 (fees) | \$100,282.39 | N/A |
| | | \$1628.83 (expenses) | \$57.84 (expenses) | | |
| | | \$109,849.83 (Total) | \$9567.44 (Total) | | |
| Earth Sciences Consultants, Inc. | April – May (Third) | \$11,543.30 (fees) | \$0.00 (fees) | \$11,963.26 | Obj. Date 11/4 |
| | | \$149.96 (expenses) | \$0.00 (expenses) | | |
| | | \$11,963.26 (Total) | \$0.00 (Total) | | |
| Earth Sciences Consultants, Inc. | May – June (Fourth) | \$24,053.60 (fees) | \$0.00 (fees) | \$24,724.10 | Obj. Date 11/4 |
| | | \$670.50 (expenses) | \$0.00 (expenses) | | |
| | | \$24,724.10 (Total) | \$0.00 (Total) | | |
| Earth Sciences Consultants, Inc. | June – July (Fifth) | \$29,661.80 (fees) | \$0.00 (fees) | \$33,327.75 | Obj. Date 11/4 |
| | | \$3,665.95 (expenses) | \$0.00 (expenses) | | |
| | | \$33,327.75 (Total) | \$0.00 (Total) | | |
| Earth Sciences Consultants, Inc. | July – August (Sixth) | \$46,985.20 (fees) | \$0.00 (fees) | \$50,191.14 | Obj. Date 11/4 |
| | | \$3,205.94 (expenses) | \$0.00 (expenses) | | |
| | | \$50,191.14 (Total) | \$0.00 (Total) | | |

| APPLICANT | FEE PERIOD | TOTAL FEES & EXPENSES | AMOUNT PAID TO DATE | AMOUNT OUTSTANDING | CERTIFICATE OF NO OBJECTION |
|--|------------------------|--|--|---|-----------------------------|
| Earth Sciences Consultants, Inc. TOTALS: | | \$112,243.90 (fees) \$7,692.35 (expenses) \$119,936.25 (Total) | \$0.00 (fees) \$0.00 (expenses) \$0.00 (Total) | \$119,936.25 | N/A |
| Klett Rooney Lieber & Schorling | 6/1/02 through 6/30/02 | \$5,939.00 (fees) \$1,273.45 (expenses) \$7,212.45 (Total) | \$4,751.20 (fees) \$1,273.45 (expenses) \$6,024.65 (Total) | \$1,187.80 | Docket No. 407 |
| Klett Rooney Lieber & Schorling | 7/1/02 through 7/31/02 | \$7,327.50 (fees) \$2,794.33 (expenses) \$10,121.83 (Total) | \$0.00 (fees) \$0.00 (expenses) \$0.00 (Total) | \$8,656.00 Hold Back: \$1,465.50 Total: \$10,121.50 | Docket No. 467 |
| Klett Rooney Lieber & Schorling | 8/1/02 through 8/31/02 | \$6,399.00 (fees) \$1,506.26 (expenses) \$7,905.26 (Total) | \$0.00 (fees) \$0.00 (expenses) \$0.00 (Total) | \$6,625.46 Hold Back: \$1,279.80 Total: \$7,905.26 | Docket No. O/D 10/17/02 |
| Klett Rooney Lieber & Schorling TOTALS: | 6/1/02 through 8/31/02 | \$19,665.50 (fees) \$5,574.04 (expenses) \$25,239.54 (Total) | \$4,751.20 (fees) \$1,273.45 (expenses) \$6,024.65 (Total) | \$19,214.89 | N/A |

| APPLICANT | FEE PERIOD | TOTAL FEES & EXPENSES | AMOUNT PAID TO DATE | AMOUNT OUTSTANDING | CERTIFICATE OF NO OBJECTION |
|-------------------------------------|--------------------------------|--|--|--------------------|-----------------------------|
| Freeborn & Peters | 6/1/02 -- 6/30/02 | \$16,813.50 (fees) \$1,947.38 (expenses) \$18,760.88 (Total) | \$13,450.80 (fees) \$1,947.38 (expenses) \$15,398.18 (Total) | \$3,362.70 | Docket No. 408 |
| Freeborn & Peters | 7/1/02 -- 7/31/02 | \$18,308.50 (fees) \$999.96 (expenses) \$19,308.46 (Total) | \$14,646.80 (fees) \$999.96 (expenses) \$15,646.76 (Total) | \$3,661.70 | Docket No. 464 |
| Freeborn & Peters | 8/1/02 -- 8/31/02 | \$32,467.00 (fees) \$788.02 (expenses) \$33,255.02 (Total) | \$-0- (fees) \$-0- (expenses) \$-0- (Total) | \$33,255.02 | Obj. Date 10-17-02. |
| Freeborn & Peters TOTALS: | | \$67,589.00 (fees) \$3,735.36 (expenses) \$71,324.36 (Total) | \$28,097.60 (fees) \$2,947.34 (expenses) \$31,044.94 (Total) | \$40,279.42 | N/A |
| Navigant Consulting, Inc. | June 1 through August 31, 2002 | \$63,856.20 (fees) \$382.50 (expenses) \$64,238.70 (Total) | \$0.00 (fees) \$0.00 (expenses) \$0.00 (Total) | \$64,238.70 | Docket No. |

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|--------------------------------|------------|------------------------|----------------------|--------------------|-----------------------------|
| Navigant Consulting TOTALS: | | \$63,856.20 (fees) | \$0.00 (fees) | | N/A |
| | | \$382.50 (expenses) | \$0.00 (expenses) | \$64,238.70 | |
| | | \$64,238.70 (Total) | \$0.00 (Total) | | |