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MEDIA RELEASE

Update on the Recapitalisation / Sale process for the Arrium Group of Companies (Administrators Appointed)

KordaMentha were appointed Administrators of the Arrium Group on 12 April 2016. The initial focus has been to stabilise the Group's businesses as they transitioned into voluntary administration. This has been successfully achieved with strong support from employees, customers and suppliers.

KordaMentha have now turned their attention to the pathway to the future recapitalisation / sale of the Arrium Group, which is comprised of a number of businesses:

- the Steelworks, Port and Mining operations at Whyalla;
- Moly-Cop, which is a global leader in grinding media; and
- OneSteel Manufacturing & Distribution, which is a leading supplier of steel products in Australia.

KordaMentha stated "the recapitalisation / sale will be conducted by way of a structured and co-ordinated process, in accordance with the Corporations Act, so as to achieve the optimal outcome for all stakeholders. The Arrium Group of companies are expected to attract genuine interest from numerous credible local and international parties, many of whom have already contacted KordaMentha to register their interest. A global investment bank will be appointed shortly to advise on the sale of Moly-Cop."

In order to facilitate an efficient and timely recapitalisation / sale process, KordaMentha are preparing the necessary materials that interested parties will require to conduct due diligence. These include an information memorandum, audited FY16 financial statements, FY17 budgets and a comprehensive data room with relevant up-to-date information, which will be made available to qualifying interested parties.

It is anticipated that the recapitalisation / sale process will commence in late July 2016 and be largely completed by the end of 2016.

Media inquiries:

Michael Smith – (03) 9440 9387 or 0411 055 306

About KordaMentha

KordaMentha is an advisory and investment firm with prominent Forensic, Real Estate, Turnaround and Restructuring practices. Established by Mark Korda and Mark Mentha in 2002, today the firm employs over 300 specialists across Asia-Pacific with diverse backgrounds including accounting, agriculture, real estate, law enforcement, data analytics, retail, investment banking, restructuring and the C-suite who apply their real world experience, together with rigour and creativity to help clients overcome complex commercial matters.