

KordaMentha

Restructuring

5 July 2017

ASX ANNOUNCEMENT

AGREEMENT SIGNED TO SAVE ARRIUM AUSTRALIA AND WHYALLA

KordaMentha Restructuring as Deed Administrators of the Arrium Group Companies has today signed a binding agreement for the sale of the Arrium Manufacturing, Distribution and Recycling, Whyalla Steelworks and Mining divisions, to GFG Alliance.

The sale is subject to approval by the Arrium Committee of Creditors and the Foreign Investment Review Board, which is expected to decide soon. Completion of the sale is anticipated to occur in late August 2017.

Deed Administrator Mark Mentha said “subject to those approvals, this is a great result for Arrium Australia employees, and the city and people of Whyalla. It ensures their future and ends 15 months of uncertainty.”

The GFG Alliance, owned by the British Gupta family, submitted a modified offer for the Arrium Australia businesses on Tuesday night.

“Taking all factors into consideration, including the timeframes required to complete a sale, the Administrators and sale advisers Morgan Stanley, decided the GFG Alliance offer was superior to the conditional offer of the Korean Consortium with whom we were negotiating” Mr Mentha said.

Once the sale is finalised, the Deed Administrators will move to the next stages of the administration, including finalising returns to creditors, investigations into the affairs of the Arrium Group Companies, and reporting to creditors on the outcome of the administration.

Media inquiries:

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About KordaMentha Restructuring

KordaMentha Restructuring is the distressed business division of KordaMentha, an advisory and investment firm that helps clients to grow, protect and recover value.

KordaMentha Restructuring works with companies in financial distress – to restructure and to stabilise the business or to recover value on behalf of stakeholders. They have over 170 professional staff with diverse backgrounds and deep experience from accounting and agriculture to mining and real estate.