

27 July 2017

**Update to members of Arrium Limited
(Subject to Deed of Company Arrangement)**

Arrium Australia sale update

The Administrators and the GFG Alliance are working towards ensuring that there will be a smooth transition of the businesses as we head towards the settlement date of 31 August 2017. We will provide further updates as we move towards completion of the sale.

Reporting to the Arrium Creditors' Committee

The Administrators have held frequent meetings with the Arrium Creditors' Committee, with meetings occurring every two to three weeks since the commencement of the Administrations in April 2016. In addition, the Administrators have provided weekly update reports to the Committee which have covered all aspects of the Administrations, including the sale process, operational updates for each of the businesses, financial performance and weekly cashflow balances and projections.

The Committee comprises unionised and non-unionised employee representatives, trade creditors, lenders and State and Federal Government representatives. The Committee has been able to consider the information provided over the course of the last 15 months when determining whether the sale to the GFG Alliance should be approved. On 13 July 2017, the Arrium Creditors' Committee provided its overwhelming support in approving the sale.

The Deed Administrators will provide a report to creditors, a copy of which will be made available electronically for shareholders, following completion of the sale. This report will address:

- The outcome of the sale process.
- An update on further investigations undertaken by the Deed Administrators.
- Estimated return to creditors of the Arrium Group Companies.
- Estimated timing of return to creditors of the Arrium Group Companies.
- An update on the intended strategy for the remaining Arrium Group Companies.

Proof of debt process

While the formal proof of debt process for creditors and employees has commenced, the Deed Administrators do not, at present, require members of Arrium Limited (Subject to Deed of Company Arrangement) to submit proofs of debt in response to the notice published on 17 July 2017.

The Deed Administrators are not presently able to issue a declaration pursuant to section 104-145 of the Income Tax Assessment Act 1997. Members of Arrium Limited (Subject to Deed of Company Arrangement) will be notified as and when such a declaration can be made.



Bryan Webster
Deed Administrator