

31 August 2018

Entitlement Issue Prospectus Update

ATC Alloys Limited (**Company**) wishes to advise that on 30 August 2018, the Australian Securities and Investments Commission (**ASIC**) issued an interim stop order in respect of the Company's prospectus dated 10 August 2018 in relation to its non-renounceable entitlement issue to raise up to \$5,072,093 (before costs) (**Prospectus**).

ASIC has raised concerns in relation to certain disclosures in the Prospectus. The Company is currently working through the concerns raised by ASIC with a view to resolving them as soon as possible and will keep the market informed accordingly.

While the interim stop order remains in place, the Company will make no offers, issues, sales or transfers of securities under the Prospectus. An updated timetable for the entitlement issue will be advised once ASIC's concerns are resolved.

Yours faithfully,

Nathan Featherby
Executive Director