



ASX / Media Release

Capital Raising

31 August 2009

Bisalloy Steel Group Limited has entered into an agreement with existing institutional investors and a new sophisticated investor to raise a total of approximately \$4.9m, before costs.

The capital raising is being made pursuant to the Company's 15% placement capability and will consist of the issue of 28,233,320 fully paid ordinary shares at an issue price of \$0.175 per share.

The new shares will, from the date of issue, rank equally with existing fully paid ordinary shares in the Company.

The issue price represents a discount of 7.9% to the 30 day VWAP and 14.6% to the closing price on 28 August 2009.

The Company expects to complete the capital raising on 21 September 2009.

The Company is not required to obtain, and will not be seeking, shareholder approval of the capital raising.

The net proceeds from the capital raising will be used to fund working capital and for other general corporate purposes.

Caliburn Partnership acted as financial advisor to the Company.

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