FOR IMMEDIATE RELEASE
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ALLOY STEEL INTERNATIONAL REPORTS 2015 THIRD QUARTER RESULTS

Perth, Australia, Alloy Steel International, Inc. (OTC: AYSI) ("Alloy Steel" or "the Company") the manufacturer of Arcoplate and provider of equipment wear protection and enhanced material handling solutions to the mining and mineral processing industries, today reported its third quarter 2015 financial year results.

About Alloy Steel

Alloy Steel manufactures and distributes Arcoplate, a technically superior and market leading 'alloy overlay' wear plate, servicing the global market place from its modern manufacturing facilities in Perth, Australia. Arcoplate is used throughout the mining and materials processing industries, from opportunistic one-off specialty applications in small companies to large relationship based repeat business applications with leading international companies.

Arcoplate provides users with superior wear protection due to its premium alloy mix, its high ratio of carbide rich alloy and its unique manner of manufacture.The product's technical superiority combined with its unbeatable 'whole-of-life' cost has resulted in Arcoplate's wide acceptance in the mining and mineral processing industries to reduce wear in a host of fixed plant and mobile equipment applications.

In mining and materials processing industries, where premature equipment wear is the primary cause of downtime, to undertake repairs or refurbishment, Arcoplate can provide users with significant profit improvement. Arcoplate can substantially lower equipment downtime, resulting in higher production, whilst also lowering the overall cost of wear protection.

Furthermore, in applications where material 'hang-up' or 'carry-back' are also a significant cause of lost production, such as sticky materials that do not discharge freely from truck trays, buckets and chutes, Arcoplate's unique characteristic of polishing to a very low friction factor has the potential to virtually eliminate these problems, whilst simultaneously providing enhanced equipment wear life.

ENQUIRIES
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ALLOY STEEL INTERNATIONAL, INC. AND CONTROLLED ENTITIES
CONSOLIDATED BALANCE SHEETS
June 30, 2015 and September 30, 2014

	June 2015 (unaudited) US$	September 2014 (audited) US$
ASSETS		
Current Assets		
Cash and cash equivalents	13,858,475	7,720,048
Accounts receivable, less allowance for doubtful accounts of $nil at June, 2015 and September 30, 2014	2,126,200	5,076,839
Inventories	6,167,664	6,439,409
Prepaid expenses and other current assets	206,202	422,573
Total Current Assets	22,358,541	19,658,869
Property and Equipment, net	7,053,949	8,645,891
Other Assets		
Deferred tax assets	197,343	471,571
Other assets	17,863	17,863
Total Other Assets	215,206	489,434
Total Assets	$29,627,696	$28,794,194
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Notes payable, current portion	39,696	110,429
Accounts payable	256,711	691,175
Royalties payable, related party	-	121,348
Current tax payable	1,224,732	656,858
Accrued payroll and related costs	485,696	523,907
Other accrued liabilities	2,108,655	2,292,606
Total Current Liabilities	4,115,490	4,396,323
Long-Term Liabilities		
Notes payable, less current portion	23,113	60,578
Deferred tax liabilities	150,424	330,547
Other liabilities	45,695	36,303
Total Long-Term Liabilities	219,232	427,428
Stockholders' Equity		
Preferred Stock: $0.01 par value; authorized 3,000,000 shares; issued and outstanding – none	-	-
Common Stock: $0.01 par value; authorized 50,000,000 shares; 17,350,000 issued and outstanding	173,500	173,500
Capital in excess of par value	1,769,382	1,769,382
Retained earnings	27,844,781	23,041,226
Accumulated foreign exchange losses	(4,461,314)	(982,595)
Total Equity before minority interests	25,326,349	24,001,513
Minority interests	(33,375)	(31,070)
Total Stockholders' Equity	25,292,974	23,970,443
Total Liabilities and Stockholders' Equity	$29,627,696	$ 28,794,194

ALLOY STEEL INTERNATIONAL, INC. AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Quarter Ended		Nine Months Ended	
	June 30 2015 (unaudited) US$	**June 30 2014 (unaudited) US$**	**June 30 2015 (unaudited) US$**	**June 30 2014 (unaudited) US$**
Sales	$5,069,435	$6,207,823	$19,325,870	$19,058,290
Cost of Sales	(2,602,700)	(4,182,285)	(9,801,307)	(10,006,011)
Gross Profit	2,466,735	2,025,538	9,524,563	9,052,279
Operating Expenses				
Selling, general and administrative expenses	(1,349,374)	(1,042,653)	(3,849,361)	(4,629,168)
Profit (Loss) From Operations	1,117,361	982,885	5,675,202	4,423,111
Other Income (Expense)				
Interest income	30,797	16,374	84,474	66,752
Interest expense	(1,286)	(4,382)	(5,874)	(19,215)
Sundry income (expense)	10,818	18,824	157,869	53,540
Realised foreign exchange profit (loss)	20,826	(58,277)	481,482	(72,241)
Unrealised foreign exchange profit (loss)	24,650	(118,168)	730,456	(64,754)
Total Other Income (Expense)	85,805	(145,629)	1,448,407	(35,918)
Profit (Loss) Before Income Tax	1,203,166	837,256	7,123,609	4,387,193
Income tax (expense) benefit	(430,538)	(459,820)	(2,322,360)	(1,512,876)
Net Profit (Loss)	772,628	377,436	4,801,249	2,874,317
Net (profit) loss attributable to minority interests	463	462	2,306	2,367
Net Profit (Loss) Attributable to Stockholders	$773,091	$377,898	$4,803,555	$2,876,684
Basic Income (Loss) and Diluted Profit (Loss) per Common Share	$0.045	$0.022	$0.277	$0.166
Weighted average common shares used in computing basic and diluted profit (loss) per share	17,350,000	17,350,000	17,350,000	17,350,000

ALLOY STEEL INTERNATIONAL, INC. AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF SHAREHOLDER EQUITY
Nine Months Ended June 30, 2015
(Unaudited)

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Accumulated Foreign Exchange Losses	Minority Interests	Total Stockholders' Equity
	Shares	Amount US$	US$	US$	US$	US$	US$
Balances as at Sep 30, 2014	17,350,000	173,500	1,769,382	23,041,226	(982,595)	(31,070)	23,970,443
Net Profit attributable to stockholders	-	-	-	4,803,555	-	(2,305)	4,801,250
Foreign exch. loss for the period	-	-	-	-	(3,478,719)	-	(3,478,719)
Balances as at June 30, 2015	17,350,000	$173,500	$1,769,382	$27,844,781	$(4,461,314)	$(33,375)	$25,292,974

ALLOY STEEL INTERNATIONAL, INC. AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Nine Months Ended June 30, 2015 and 2014

	Nine Months Ended	
	June 30 2015 (unaudited) US$	**June 30 2014 (unaudited) US$**
Cash Flows From Operating Activities		
Net profit	4,803,555	2,876,684
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortisation	439,544	806,784
Impairment of assets	290,888	200,822
Profit on sale of plant and equipment	(91,729)	-
Loss attributable to minority interests	(2,306)	2,367
Increase (decrease) in cash and cash equivalents attributable to changes in operating assets and liabilities:		
Accounts receivable	1,786,495	(2,253,451)
Inventories	(359,687)	(2,832,013)
Prepaid expenses and other current assets	174,117	539,914
Accounts payable and other current liabilities	(115,611)	(130,159)
Income taxes payable	764,461	(676,198)
Net Cash Provided by (Used in) Operating Activities	7,689,727	(1,465,250)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(155,667)	(1,517,414)
Proceeds on sale of property, plant and equipment	104,203	-
Net Cash Provided by (Used in) Investing Activities	(51,464)	(1,517,414)
Cash Flows From Financing Activities		
Repayments on notes and loans payable	(172,229)	(128,967)
Net Cash Provided by (Used in) Financing Activities	(172,229)	(128,967)
Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	(1,327,607)	264,059
Net Increase (Decrease) in Cash and Cash Equivalents	6,138,427	(2,847,572)
Cash and Cash Equivalents at Beginning of Period	7,720,048	8,780,660
Cash and Cash Equivalents at End of Period	$13,858,475	$5,933,088

Exchange Rate Movements

The operations of Alloy Steel International, Inc. are predominantly conducted by its Australian subsidiary with the majority of the amounts reported initially recorded in Australian dollars. The Australian dollar/US dollar exchange rate has been volatile over the reporting period, resulting in significant impact on the reported results of the Company.