



20 May 2003

ASX RELEASE

NON-EXECUTIVE DIRECTORS' REMUNERATION AND TENURE ARRANGEMENTS

OneSteel Limited Chairman, Mr Peter Smedley, today announced that the company will proceed to implement new remuneration arrangements for Non-Executive Directors. The existing retirement benefit will be discontinued.

The revised approach to remuneration will have immediate effect for any newly appointed Non-Executive Directors whilst, for current Directors, it will be applied from the November 17, 2003 Annual General Meeting. The transition to the new arrangements will involve the retirement benefit amount accrued being fixed by reference to service up to that date and the Directors foregoing the balance of the scheme that was approved as part of the process for public listing of OneSteel in 2000.

The new remuneration arrangement will involve a long term component of a Non- Executive Director's remuneration to be applied in the form of OneSteel shares (excluding statutory superannuation contributions). The shares will be purchased on market, expensed during the period of acquisition and held on behalf of the Directors under the existing Non-Executive Director share plan. The plan will provide for the transfer of shares to the Director on leaving the Board.

The discontinuation of the cash-based retirement benefit is in line with emerging industry practices and guidelines.

Mr Smedley at the same time also announced that the Company will adopt, with immediate effect, a more definitive set of tenure guidelines for Non-Executive Directors. They are:

- Non-Executive Directors will stand for elections triennially on three occasions;
- thereafter Non-Executive Directors will be required to stand for election on an annual basis;
- the maximum term for a Non Executive Director will be eleven years.

These guidelines are also in line with industry practices and, given all current Board members convened at the same time, will provide sufficient flexibility on succession planning.

For further information contact:

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