



11 August 2003

ASX ANNOUNCEMENT

SALE OF EMAIL METERING TO BAYARD ENERGY

Smorgon Steel Group Ltd. [ASX: SSX] and OneSteel Ltd. [ASX: OST) today announced the sale of Email Metering to Bayard Energy, a subsidiary of Bayard Capital. Total value received by the vendors in the transaction was approximately \$54 million. Settlement of the transaction occurred today.

Email Meters came under the joint control of Smorgon Steel and OneSteel following their acquisition of Email Ltd. in 2001. With the exception of Email Meters, all other parts of Email Ltd. that were not core to either Smorgon Steel or OneSteel have been divested.

In a joint statement, Ray Horsburgh, Managing Director and CEO of Smorgon Steel and Bob Every, Managing Director and CEO of OneSteel, expressed their satisfaction with the completion of the sale after an earlier sale agreement with a different buyer failed to complete. "Bayard Energy commenced their analysis of the Email Meters business after the previous sale agreement was terminated in June 2003", they said. "They have completed a thorough due diligence assessment of the business and we are delighted that the parties have been able to proceed to agreement and settlement expeditiously."

"In particular," Mr. Horsburgh and Mr. Every continued, "we wish to acknowledge the professionalism and dedication of the management and staff of Email Meters in what have been trying circumstances. We wish them and Bayard Energy a successful future."

For further information, please contact:

Bruce Loveday
Executive General Manager,
Corporate & Investor Relations
Smorgon Steel Group Limited
650 Lorimer Street
Port Melbourne, VIC 3207
Phone: (03) 9673-0414
Fax: (03) 9645-6390
Mobile: (0413) 808 027
Email: bloveday@smorgonsteel.com.au

Mark Gell
General Manager, Corporate Affairs &
Marketing,
OneSteel Limited
Level 23, 1 York Street
Sydney, NSW 2000
Phone: (02) 9239-6616
Fax: (02) 9251-3042
Mobile: (0419) 440-533
Email: gellm@onesteel.com