

15 July 2004

ASX ANNOUNCEMENT

ONESTEEL PROFIT UPGRADE FOR THE YEAR ENDED JUNE 2004

The Managing Director and Chief Executive Officer of OneSteel Limited, Bob Every, today announced that based on OneSteel's management accounts, which are subject to completion of an end of year audit and approval by the Board, operating net profit after tax for the 12 months to June 2004 will be in the range of \$102 million to \$107 million.

The profit outcome is higher than previously indicated (prior range indicated in February 2004 was \$78 million to \$90 million) due to very strong trading in the months of May and June coupled with a property sale that settled in late June which added \$8 million to profit after tax.

There will also be a tax benefit as a result of entering into tax consolidation which is currently estimated to be approximately \$20 million. This figure, which is also subject to final audit and board approval, would result in a total reported net profit after tax in the range of \$122 million to \$127 million.

The magnetite ore feasibility study results are currently being assessed and we will make a statement regarding this project with our results announcement on 17 August 2004.

For further information contact:

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