



30 November 2004

CONTRACT DISPUTE WITH UNITED GROUP OVER WHYALLA BLAST FURNACE

In relation to a statement sent to the Australian Stock Exchange by the United Group Limited concerning a contract dispute with OneSteel over work undertaken by United KG for the relining of the Whyalla blast furnace, OneSteel makes the following points:

- OneSteel's interpretation of the contract with United KG is different from that of the United Group.
- United KG's final claim is almost double the targeted cost estimate they warranted and were paid to prepare.
- OneSteel stands by its expenditure estimate of approximately \$110 million for the total project released by OneSteel at its annual results release in August and that it will not have a material impact on 2004/05 financial results.
- OneSteel intends to vigorously defend against any action undertaken by United KG.

For further information contact:

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