

ONESTEEL LIMITED

NOTICE OF ANNUAL GENERAL MEETING 2005



TAKING **A LONG VIEW**

onesteel

Address general shareholder correspondence to
OneSteel's share registry:
Computershare Investor Services Pty Limited
GPO Box 7045, Sydney NSW 2001 Australia
Phone (within Australia) 1300 364 787
(outside Australia) 61 3 9415 4026
Facsimile 61 2 8234 5050

20 October 2005

Dear Shareholder

Annual General Meeting

I have pleasure in inviting you to the fifth Annual General Meeting of OneSteel to be held in Sydney on Monday 21 November 2005 at the City Recital Hall, Angel Place, Sydney at 2.30 pm. A map is provided on the notice of meeting to assist you with directions.

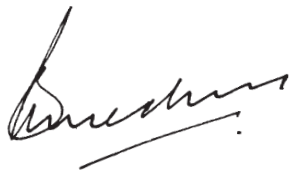
The formal Notice of Meeting is set out on the following pages and a Proxy Form is enclosed separately. The Proxy Form contains a barcode to assist with the registration process at the meeting. If you are attending the meeting, please bring this form with you. If you do not plan to attend the meeting you are encouraged to appoint a proxy to attend and vote on your behalf.

The agenda for the meeting contains three items. These are to receive and consider the financial statements and reports of the directors and auditor, to adopt the remuneration report and to approve the election of directors.

The Board recommends that shareholders vote in favour of the adoption of the remuneration report, and the reappointment of Mr Colin Galbraith and Mr Dean Pritchard and the election of Mr Bryan Davis and Mr Peter Nankervis as directors.

I am looking forward to welcoming you to OneSteel's annual general meeting. I extend a warm invitation to you to join directors and executives for afternoon tea at the conclusion of the meeting.

Yours sincerely,



Peter Smedley
Chairman

NOTICE OF ANNUAL GENERAL MEETING

The fifth Annual General Meeting of OneSteel Limited ("the Company") will be held at the City Recital Hall, Angel Place, Sydney, NSW on Monday 21 November 2005 at 2.30 pm. Registration will commence at 1.30 pm.

ORDINARY BUSINESS

1 Financial and Other Reports

To receive and consider the Financial Report and the Directors' Report for the year ended 30 June 2005, together with the Auditor's Report to the members of the Company.

2 Adoption of the Remuneration Report for the Year Ended 30 June 2005

To adopt the Remuneration Report for the year ended 30 June 2005.

3 Election of Directors

To elect directors in accordance with Rule 9 of the Company's Constitution. Shareholders should note that a separate resolution will be put to the meeting in relation to each of the candidates.

Mr C R Galbraith retires and, being eligible, offers himself for re-election;

Mr D A Pritchard retires and, being eligible, offers himself for re-election;

Mr R B Davis retires and, being eligible, offers himself for election; and

Mr P G Nankervis retires and, being eligible, offers himself for election.

The details of the qualifications and experience of each candidate together with the recommendation of the Board are contained in the Explanatory Notes section of this notice.

By order of the Board

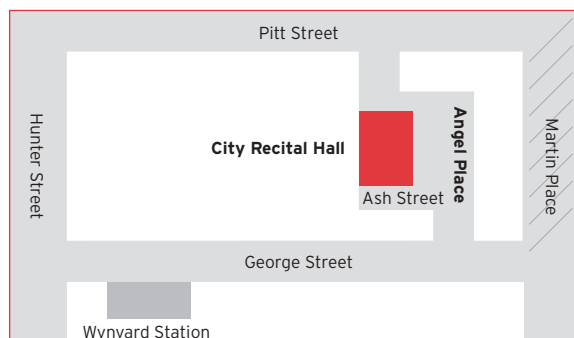


John M Krenich

Company Secretary

20 October 2005

LOCATION OF ANNUAL GENERAL MEETING



PROXIES

A member entitled to attend and vote is entitled to appoint not more than two proxies. A proxy form accompanies this notice. A proxy need not be a shareholder.

Where a member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half the votes.

A member wishing to register a proxy should complete the Proxy Form accompanying this notice and ensure that it is received by 2.30 pm Sydney time on Saturday 19 November 2005 at the Company's share registry:

Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney, NSW 2000, Australia

(Postal address: GPO Box 242, Melbourne, VIC 8060)
Facsimile: Australia (03) 9473 2118
International 61 3 9473 2118

or at the Company's registered office:

Level 23, 1 York Street,
Sydney, NSW 2000, Australia

Facsimile: Australia (02) 9251 3042
International 61 2 9251 3042

If you are returning your proxy by post, you should note that there are no postal deliveries on Saturday 19 November 2005.

VOTING

For the purposes of voting at the meeting, the Directors have determined that all shares of the Company that are quoted securities at 2.30 pm on Saturday 19 November 2005 are taken to be held by the persons who are registered as holding them at that time. The entitlement of members to vote at the meeting will be determined by reference to that time.

QUESTIONS AND COMMENTS BY SHAREHOLDERS AT THE MEETING

In accordance with the Corporations Act and the Company's past practice, a reasonable opportunity will be given to shareholders at the meeting to ask questions or make comments on the management and operations of OneSteel, and to ask questions or make comments on the Remuneration Report.

Similarly, a reasonable opportunity will be given to shareholders to ask OneSteel's external auditor, Ernst & Young, questions relevant to the conduct of the audit and the auditor's report in respect of OneSteel's financial report for the year ended 30 June 2005.

Shareholders may also submit a written question to be answered by Ernst & Young. Relevant written questions for Ernst & Young must be sent to the Company and received no later than 5.00 pm (Sydney time) on Monday, 14 November 2005.

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES

Item 1 – Financial Statements and Reports

The Corporations Act requires the Financial Report, the Directors' Report and the Auditor's Report of OneSteel for the year to be laid before the annual general meeting. Neither the Corporations Act nor OneSteel's Constitution requires shareholders to vote on, approve or adopt such reports. However, shareholders will be given ample opportunity to raise questions on the reports at the meeting.

Item 2 – Adoption of Remuneration Report by ordinary resolution

In accordance with the requirements of the Corporations Act, the Board is submitting its Remuneration Report to shareholders for consideration and adoption by way of advisory resolution. This resolution does not bind the directors or the Company. The Remuneration Report sets out the remuneration policy for OneSteel and explains the remuneration arrangements in place for executive directors, senior executives and non-executive directors.

The Remuneration Report is presented on page 40–46 of the OneSteel Concise Annual Review 2005. It is also available on OneSteel's internet site (www.onesteel.com).

A reasonable opportunity will be provided for shareholders to ask questions about or make comments on the Remuneration Report at the meeting.

The Board unanimously recommends that shareholders vote in favour of item 2.

Item 3 – Election of Directors by ordinary resolutions

The Company's Constitution (Rule 9.2) requires that one-third of the directors and any other director who has held office for three years or more must retire from office at each annual general meeting. As a consequence Mr Colin Galbraith and Mr Dean Pritchard, who were both previously re-elected in November 2002, retire at this annual general meeting and both offer themselves for re-election.

In addition, the Company's Constitution (Rule 9.7) requires that any director appointed to fill a casual vacancy or as an addition to the existing directors only holds office until the next annual general meeting of the Company but is eligible for election at that meeting. As a consequence, Mr Bryan Davis and Mr Peter Nankervis, who were both appointed directors on 1 December 2004, are standing for election at this annual general meeting.

Relevant details for the retiring directors are as follows:

R B (BRYAN) DAVIS

BSc(Tech), FAIMM, MAICD

Independent Non-Executive Director

Age 62. Appointed a director in December 2004. Bryan became Chairman of the Occupational Health, Safety & Environment Committee in August 2005 and is also a member of the Operational Risk Committee formed in June 2005. He is Chairman of Bendigo Mining Limited and a non-executive director of Newcrest Mining Limited and Coal and Allied Industries Limited. His previous roles include Executive Director – Mining of Pasminco Limited, director of North Flinders Mine Limited, Chairman of Indophil Resources NL, Executive Director of Australian Consolidated Minerals Group, senior management positions at CRA Limited, Chairman of the NSW Minerals Council and a Member of the NSW State Minerals Advisory Council.

Other listed company directorships held during the period 1 July 2002 to 30 June 2005:

Newcrest Mining Limited since April 1998

Coal and Allied Industries Limited since September 2000

Bendigo Mining Limited since September 2004

C R (COLIN) GALBRAITH AM

LLB (Hons), LLM (Univ of Melbourne)

Independent Non-Executive Director

Age 57. Appointed a director in October 2000. Colin is Chairman of the Governance & Nominations Committee and a member of the Audit & Compliance Committee. He is a partner at law firm Allens Arthur Robinson specialising in commercial law. He is a director of Commonwealth Bank of Australia, GasNet Australia Limited and CARE Australia, Chairman BHP Billiton Community Trust, Trustee of Royal Melbourne Hospital Neuroscience Foundation, Honorary Secretary of Legal Education (Victoria). Previously, he has been a director of Colonial Group and Azon Limited.

Other listed company directorships held during the period 1 July 2002 to 30 June 2005:

Commonwealth Bank of Australia since June 2000

GasNet Australia Limited since December 2001

P G (PETER) NANKERVIS

B Ec(Hons), FCPA, MAICD,

Independent Non-Executive Director

Age 55. Appointed a director in December 2004. Peter is Chairman of the Audit & Compliance Committee and a member of the Operational Risk Committee that was formed in June 2005. He is also a member of the Audit, Risk Management and Compliance Committee of Visy Industries Holdings Proprietary Limited. Previously he was Chief Financial Officer of Cadbury Schweppes Asia Pacific and Finance Director of Cadbury Schweppes Australia Limited.

He held no other listed company directorships during the period 1 July 2002 to 30 June 2005.

D A (DEAN) PRITCHARD

BE, FIE Aust, CP Eng, FAICD

Independent Non-Executive Director

Age 60. Appointed a director in October 2000. Dean was Chairman of the Occupational Health, Safety & Environment Committee until August 2005 and remains a member of this Committee. He is also a member of the Human Resources Committee, which he joined August 2005, and the Operational Risk Committee that was formed in June 2005. He was a member of the Audit & Compliance Committee until August 2005. In May 2005 he was appointed Chairman of Steel & Tube Holdings Limited, a New Zealand listed company in which OneSteel holds a 50.3% interest. He is also Chairman of ICS Global Limited, and a director of Zinifex Limited and Eraring Energy. Previously, he was Chief Executive Officer of Boulderstone Hornibrook and a director of Railcorp.

Other listed company directorships held during the period 1 July 2002 to 30 June 2005:

ICS Global limited since June 1999

Zinifex Limited since March 2004

Steel & Tube Holdings Limited since May 2005

The Board unanimously recommends the shareholders vote in favour of the election of each candidate.