

22 August 2007

## **OneSteel and Smorgon Merger Scheme**

The volume weighted average share price of OneSteel shares traded on ASX during the 10 trading days prior to 20 August 2007 (OneSteel Pricing VWAP, as defined in the Smorgon Scheme Book dated 22 June 2007) was \$6.1035. This price exceeded the share price of \$4.15 below which Smorgon Steel shareholders would have also been entitled to receive cash consideration in addition to the OneSteel shares that have been allotted under the Scheme. Consequently, no Cash Consideration is payable to Smorgon Steel shareholders under the terms of the Scheme.

The volume weighted average share price of OneSteel shares traded on ASX on the Implementation Date (20 August 2007) was \$5.8531. The ATO's class ruling in relation to scrip for scrip relief for Smorgon Steel shareholders in connection with the merger stated that the ASX VWAP of OneSteel shares on the Implementation Date would be accepted as the market value of the capital proceeds received by Smorgon Steel shareholders for disposal of their Smorgon Steel shares to OneSteel.