



NOTICE OF ANNUAL GENERAL MEETING 2011



onesteel

13 October 2011

Dear Securityholder

ANNUAL GENERAL MEETING - 21 NOVEMBER 2011

I have pleasure in inviting you to the eleventh Annual General Meeting of OneSteel Limited to be held on Monday, 21 November 2011 at City Recital Hall, 2 Angel Place, Sydney commencing at 2.30 pm AEDT.

A Notice of Annual General Meeting (AGM), Important Information and Explanatory Notes is set out on the following pages. A Proxy Form and reply paid envelope is enclosed.

If you are attending in person, please arrive at least 30 minutes prior to commencement and bring your Proxy Form. The Proxy Form contains a barcode to assist with the registration process. If you cannot attend in person, we encourage you to vote online or to appoint a proxy to attend and vote on your behalf.

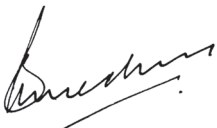
The formal business will ask members to:

1. Receive and consider the Financial Report, Directors' Report, Notes to the Financial Statements and Auditor's Report for the year ended 30 June 2011;
2. Adopt the Remuneration Report for the year ended 30 June 2011;
3. Re-elect Messrs Pritchard, Nankervis, Galbraith and myself as Directors; and
4. Approve amendments to the Company's Constitution.

The Board, excluding the interested Directors, recommend that members vote in favour of the proposed resolutions.

I look forward to welcoming you to the 2011 AGM and extend a warm invitation to you to join the Directors and executives for afternoon tea at the conclusion of the meeting.

Yours faithfully



Peter Smedley
Chairman
OneSteel Limited

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NOTICE OF ANNUAL GENERAL MEETING ("NOTICE")

The eleventh Annual General Meeting ("Meeting") of OneSteel Limited (ABN 63 004 410 833) ("Company") will be held at City Recital Hall, 2 Angel Place, Sydney on Monday, 21 November 2011 commencing at 2.30 pm AEDT. Registration will commence at 1.30 pm AEDT.

BUSINESS OF THE MEETING

Item 1 – Presentation

To receive a presentation on the Company for the year ended 30 June 2011 and an update on recent activities.

Item 2 – Financial Report, Directors' Report, Notes to the Financial Statements and Independent Auditor's Report

To receive and consider the Financial Report including the Directors' Report, Notes to the Financial Statements and the Independent Auditor's Report for the year ended 30 June 2011.

Item 3 – Remuneration Report

To consider and if thought fit to pass, with or without modification, the following resolution as a non-binding ordinary resolution of the Company in accordance with section 250R(2) of the *Corporations Act 2001* (Cth).

Resolution 1 – Remuneration Report

"That, the Remuneration Report for the year ended 30 June 2011 be adopted".

Voting

Resolution 1 is advisory and non-binding. The outcome of Resolution 1 does not bind the Company or the Directors. However, the Directors will consider the outcome of the vote and comments made by securityholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

If 25% of the votes that are cast are voted against adoption of the Remuneration Report at two consecutive AGMs, securityholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which those of the Company's Directors (other than the Managing Director) who passed the resolution to make the Directors' Report considered at the second AGM must stand for re-election.

No votes can be cast by or on behalf of a member of Key Management Personnel (as identified in the Remuneration Report) (KMP) and their closely related parties (as that term is defined in the *Corporations Act 2001* (Cth) which includes certain of their family members, dependants and companies they control) (collectively referred to as a Prohibited Voter). However, a Prohibited Voter may vote directed proxies for someone other than a Prohibited Voter.

If you do not direct the person chairing the Meeting how to vote and you are not a Prohibited Voter, by marking the box on, and submitting, the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed him to vote in accordance with his stated intention to vote in favour of this resolution. If you do not want your vote exercised in favour of this resolution you should direct the person chairing the meeting to vote 'against', or abstain from voting on, this resolution.

Recommendation

The Directors recommend you vote in favour of Resolution 1.

Item 4 – Re-election of Directors

In accordance with Article 9.2 of the Company's Constitution, Messrs Pritchard, Nankervis, Galbraith and Smedley are required to retire by rotation and are seeking re-election.

Resolution 2 – Re-election of Mr D A Pritchard as a Director

"That, Mr D A Pritchard be re-elected as a Director in accordance with Article 9 of the Company's Constitution".

Voting

Resolution 2 is an ordinary resolution and can only be passed if more than 50% of the votes cast, in person or by proxy, at the Meeting by members who are entitled to vote on the resolution are voted in favour.

Recommendation

The Directors, other than Mr D A Pritchard, recommend you vote in favour of Resolution 2.

Resolution 3 – Re-election of Mr P G Nankervis as a Director

"That, Mr P G Nankervis be re-elected as a Director in accordance with Article 9 of the Company's Constitution".

Voting

Resolution 3 is an ordinary resolution and can only be passed if more than 50% of the votes cast, in person or by proxy, at the Meeting by members who are entitled to vote on the resolution are voted in favour.

Recommendation

The Directors, other than Mr P G Nankervis, recommend you vote in favour of Resolution 3.

Resolution 4 – Re-election of Mr C R Galbraith, AM as a Director

"That, C R Galbraith, AM be re-elected as a Director in accordance with Article 9 of the Company's Constitution".

Voting

Resolution 4 is an ordinary resolution and can only be passed if more than 50% of the votes cast, in person or by proxy, at the Meeting by members who are entitled to vote on the resolution are voted in favour.

Recommendation

The Directors, other than Mr C R Galbraith, AM, recommend you vote in favour of Resolution 4.

Resolution 5 – Re-election of Mr P J Smedley as a Director

"That, Mr P J Smedley be re-elected as a Director in accordance with Article 9 of the Company's Constitution".

Voting

Resolution 5 is an ordinary resolution and can only be passed if more than 50% of the votes cast, in person or by proxy, at the Meeting by members who are entitled to vote on the resolution are voted in favour.

Recommendation

The Directors, other than Mr P J Smedley, recommend you vote in favour of Resolution 5.

SPECIAL RESOLUTION

Item 5

To consider and, if thought fit, pass the following resolution as a special resolution:

Resolution 6 – Amendments to the Company's Constitution

"That, clause 9.1 of the Company's Constitution be amended by deleting the words struck out and inserting the underlined words as set out in Schedule A to this Notice of Meeting."

Voting

Resolution 6 is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, at the Meeting by members who are entitled to vote on the resolution are voted in favour.

Recommendation

The Directors recommend you vote in favour of the resolution 6.

By order of the Board of Directors



Naomi James
Company Secretary
OneSteel Limited

13 October 2011

IMPORTANT INFORMATION

RSVP

If you plan to attend the Meeting, please ensure that you RSVP and arrive at least 30 minutes prior to commencement to allow enough time to confirm the number of securities you hold and to note your attendance.

Please RSVP before 5.00 pm on Monday, 14 November 2011 by emailing mcphersonh@onesteel.com or by contacting OneSteel by telephone on (02) 9239 6692 (local call cost) between 9.00 am and 5.30 pm, Monday to Friday, to assist with planning and catering.

VOTING ALTERNATIVES

Proxies must be received before 2.30 pm AEDT on Saturday, 19 November 2011.

Online

Go to www.investorvote.com.au. To vote online you will need to enter the Control Number shown on the front of the Proxy Form, followed by your Securityholder Reference Number (SRN) or Holder Identification Number (HIN). You will be taken to have signed the Proxy Form if vote in accordance with the online instructions.

Custodians, nominees, non-broker participants, portfolio administrators, portfolio aggregators and eligible financial advisers may lodge their proxy vote via Computershare's Intermediary Online Vote and Confirmation website www.intermediaryonline.com.

In Person, by Post or Fax

If you are returning your Proxy Form by post, you should note that there are no postal deliveries on Saturday, 19 November 2011.

Provide the completed, signed, Proxy Form in person or by post to:

Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street
Sydney NSW 2000
Australia

or

GPO Box 242
Melbourne VIC 8060
Australia

or

OneSteel Limited
Attention: Company Secretary
Level 40, 259 George Street
Sydney NSW 2000
Australia

Provide the completed, signed, Proxy Form by facsimile to:

Computershare Investor Services Pty Limited
1800 783 447 (Australian facsimile number)
+ 61 3 9473 2555 (International facsimile number)

or

OneSteel Limited
Attention: Company Secretary
02 9239 6690 (Australian facsimile number)
+ 61 2 9239 6690 (International facsimile number)

A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies. A proxy need not be a securityholder. Where a member appoints two proxies and the appointment does not specify the proportion or number of the votes each proxy may exercise, each proxy may exercise one half.

CORPORATE REPRESENTATIVE

In order to vote at the Meeting, a corporation that is a securityholder must appoint an individual to act as its corporate representative. The appointment must comply with the requirements of section 250D of the *Corporations Act 2001* (Cth). The corporate representative should bring to the Meeting evidence of their appointment including any authority under which it is signed.

VOTING ENTITLEMENT

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 AEDT on Saturday, 19 November 2011 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 date and time.

WRITTEN QUESTIONS TO THE COMPANY OR EXTERNAL AUDITOR

A securityholder who is entitled to vote at the Meeting may submit written questions to the Company or the external Auditor via the Company Secretary in advance of the Meeting about the business of the Company or the Annual Report. A Questions Form and reply paid envelope is enclosed. Alternatively, you can submit questions online at www.investorvote.com.au before 5.00 pm on Monday, 14 November 2011.

If the question is directed to the external Auditor, it must be relevant to the:

- (i) conduct of the audit;
- (ii) preparation and content of the Auditor's report;
- (iii) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (iv) independence of the Auditor in relation to the conduct of the audit.

The Questions Form must be received by Computershare Investor Services Pty Limited, before 5.00 pm on Monday, 14 November 2011. The form may be lodged by post, facsimile transmission or in person.

WEBCAST

An archived webcast of the Meeting will be available online at www.onesteel.com the business day following the Meeting.

ELECTRONIC INVESTOR COMMUNICATIONS – ASSIST US TO MAKE A DIFFERENCE

To assist us with our commitment to the environment, you can elect to receive this document and others by email notification. Visit www.computershare.com.au and go to 'Investors' or contact Computershare on 1300 364 787 to change your investor communications election.

ANNUAL REPORT

You can access the 2011 Annual Report on the Company's website at www.onesteel.com.

CITY RECITAL HALL

LOCATION AND MAP



PUBLIC TRANSPORT, PARKING AND ACCESSIBILITY

By foot: Angel Place can be accessed by foot from George and Pitt Streets.

By train: the closest train stations are Wynyard and Martin Place. For information about trains, please call 131 500 or go to www.131500.com.au.

By bus: for information about bus routes and timetables, please call 131 500 or go to www.131500.com.au.

By taxi: a taxi rank is located at the Westin Hotel.

By car: the closest parking station is operated by Wilson Parking located next door to the City Recital Hall at 123 Pitt Street, Sydney. Securityholders may access the Hall using the car park lift address.

Airport transfer: the Airport and East Hills line links Sydney Airport to the city. Trains depart every 15 minutes from Wynyard train station.

Accessibility: the Pitt Street entrance is a level access way leading into the ground foyer lobby. There is also a disabled access lift in the Ash Street entrance.

Accessible toilets are available on every level of City Recital Hall.

Hearing impaired patrons may access our hearing induction loop. In order to do this please switch your hearing aid to the "T" position.

EXPLANATORY NOTES

ORDINARY BUSINESS

Resolution 1 – Remuneration Report

A copy of the Remuneration Report which sets out the Company's remuneration arrangements can be found on pages 50 to 59 of the 2011 Annual Report. To view the 2011 Annual Report, visit www.onesteel.com. To request a hard copy of the Annual Report, call 1300 364 787 or email onesteel@computershare.com.au.

In accordance with section 250SA of the *Corporations Act 2001* (Cth), eligible securityholders will have an opportunity to ask questions about, or make comments on, the Remuneration Report at the Meeting.

Proposal

That, members adopt the Remuneration Report for the year ended 30 June 2011.

Resolution 2 – Re-election of Mr D A Pritchard as a Director

Mr D A Pritchard holds office until the conclusion of the 2011 AGM and offers himself for re-election.



D A (Dean) Pritchard
Independent Non-Executive Director
BE, FIE Aust, CP Eng, FAICD

Age 66. Appointed a Director in October 2000. Mr Pritchard is a member of the Occupational Health, Safety & Environment Committee, the Human Resources Committee and the Operational Risk Committee. He is Chairman of Steel & Tube Holdings Limited, a New Zealand listed company in which OneSteel holds a 50.3% interest. He is also a Director of OZ Minerals Limited and Spotless Group Limited. Previously, he was Chief Executive Officer of Baulderstone Hornibrook, Chairman of ICS Global Limited, and a Director of Eraring Energy, RailCorp and Zinifex Limited. Other listed company directorships held during the period 1 July 2008 to 30 June 2011: Zinifex Limited from March 2004 to July 2008; Steel & Tube Holdings Limited since May 2005; Spotless Group Limited since May 2007; OZ Minerals Limited since June 2008.

Proposal

That, members re-elect Mr D A Pritchard as a Director of the Company.

Resolution 3 – Re-election of Mr P G Nankervis as a Director

Mr P G Nankervis holds office until the conclusion of the 2011 AGM and offers himself for re-election.



P G (Peter) Nankervis
Independent Non-Executive Director
BEc (Hons), FCPA, GAICD

Age 61. Appointed a Director in December 2004. Mr Nankervis is Chairman of the Audit & Compliance Committee and a member of the Operational Risk Committee. He is also a Director of Dairy Australia Limited. Previously he was Chief Financial Officer of Cadbury Schweppes Asia Pacific, Finance Director of Cadbury Schweppes Australia Limited and a Director of Mitchell Communications Group Limited. Other listed company directorships held during the period 1 July 2008 to 30 June 2011: Mitchell Communication Group Limited from 12 March 2007 to 15 January 2010.

Proposal

That, members re-elect Mr P G Nankervis as a Director of the Company.

Resolution 4 – Re-election of Mr C R Galbraith, AM as a Director

Mr C R Galbraith, AM holds office until the conclusion of the 2011 AGM and offers himself for re-election.



C R (Colin) Galbraith, AM
Independent Non-Executive Director
LLB (Hons), LLM, FAICD

Age 63. Appointed a Director in October 2000. Mr Galbraith is Chairman of the Governance & Nominations Committee and a member of the Audit & Compliance Committee. He is a Special Adviser at Gresham Partners Limited. He is a Director of Commonwealth Bank of Australia, CARE Australia and the Australian Institute of Company Directors, Chairman of BHP

Billiton Community Trust and a Trustee of Royal Melbourne Hospital Neuroscience Foundation. Previously, he has been a Director of Colonial Group, Azon Limited and GasNet Australia Limited (Group). Other listed company directorships held during the period 1 July 2008 to 30 June 2011: Commonwealth Bank of Australia since June 2000.

Proposal

That, members re-elect Mr C R Galbraith, AM as a Director of the Company.

Resolution 5 – Re-election of Mr P J Smedley as a Director

Mr P J Smedley holds office until the conclusion of the 2011 AGM and offers himself for re-election.



P J (Peter) Smedley
Chairman, Independent
Non-Executive Director
BComm, MBA, FAICD

Age 68. Appointed a Director and Chairman in October 2000. Mr Smedley is Chairman of the Operational Risk Committee and a member of the Governance & Nominations Committee and the Human Resources Committee. He is Chairman of Spotless Group Limited, Orygen Youth Health Research Centre and the Colonial Foundation. He is also a Director of The Australian Ballet and the Haven Foundation. His previous roles included Managing Director and Chief Executive Officer of Mayne Group Limited, Managing Director and Chief Executive Officer of the Colonial Group Limited, Chairman of CARE Australia and the State Bank of New South Wales, Executive Director, Downstream Oil and Chemicals and Executive Director, Coal and Metals for Shell Australia Limited, Deputy Chairman of Newcrest Mining Limited and Director of Austen & Butta Limited. Other listed company directorships held during the period 1 July 2008 to 30 June 2011: Spotless Group Limited, appointed 8 December 2006.

Proposal

That, members re-elect Mr P J Smedley as a Director of the Company.

SPECIAL BUSINESS

Resolution 6 – Amendments to the Company's Constitution

The Directors are proposing that amendments be made to the Constitution following introduction of the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (New Law).

The proposed amendments are set out in Schedule A which forms part of this Notice of Meeting.

Following the introduction of the New Law, the Board has given consideration as to what it believes is the appropriate size and

composition given its current business activities and future strategy. The Board believes that the appropriate limit is eight directors, as it is currently comprised. Given the New Law, the Directors believe it is appropriate for this maximum to be specified in the Constitution and are therefore seeking approval of this amendment to the Constitution.

In order to allow sufficient flexibility to plan for Board succession in a manner which allows for appropriate transition arrangements, the Board needs to have the ability to make appointments of additional Directors beyond this

limit of eight during the year as casual vacancies. Accordingly, the new limit of eight Directors may be exceeded in respect of the appointment of casual vacancies during the year. If the new limit of eight is to be exceeded beyond any particular AGM, a further change to the Constitution will need to be made and members will have the opportunity to consider that proposal at that time should it arise.

Proposal

That, members approve the proposed amendments to the Constitution.

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SCHEDULE A

PROPOSED AMENDMENTS TO THE CONSTITUTION

1.1. Article 9.1 – Number of Directors

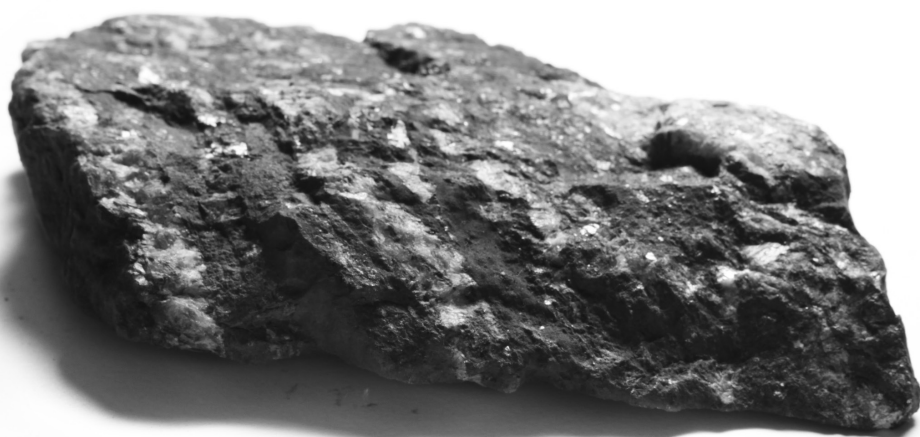
"The number of Directors is to be not less than three nor more than:

(a) ~~ten~~ eight; or

(b) any lesser number determined by the Directors (but the number must not be less than the number of Directors in office at the time the determination takes effect)

provided that this number may be exceeded in respect of any additional director who is appointed pursuant to clause 9.7 until the conclusion of the next annual general meeting of the Company."

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