



MARKET RELEASE

5 January 2011

China Steel Australia Limited

TRADING HALT

The securities of China Steel Australia Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Friday, 7 January 2011 or when the announcement is released to the market.

Security Code: CNH

Frances Finucan
Senior Adviser, Listings (Brisbane)



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5 January 2011

Request for trading halt

Dear Frances

RE: Request for Trading Halt

In accordance with ASX Listing Rule 17.1, China Steel Australia requests a trading halt in respect of its shares from the commencement of trading on Wednesday 5 January 2011, and advises as follows:

Reasons for the Trading Halt:

To finalise an announcement regarding the temporary cessation of production at its Linyi plant.

Length of Trading Halt:

China Steel Australia requests a one day trading halt effective from Wednesday 5 January 2011 until the commencement of trading on Thursday 6 January 2011.

Event expected to happen to end the Trading Halt:

The Trading Halt will be lifted when the Company makes an announcement regarding the temporary closure of its plant at Linyi.

China Steel Australia is not aware of any reason why the trading halt should not be granted.

Please call me should you have any questions regarding the above.

Yours faithfully

Paul Frederiks
Company Secretary