

## ASX RELEASE

23 December 2010

### CONDITIONS TO COMPLETION OF MINING CONSUMABLES ACQUISITION SATISFIED

(ASX:OST) OneSteel Limited announced today that it has satisfied the regulatory clearance conditions of its agreement to acquire the Moly-Cop and AltaSteel businesses from Anglo American plc, and will now proceed to completion of the acquisition on or around the end of this month.

Today's release follows OneSteel's announcement on 15 November that it had signed an agreement to acquire Moly-Cop and AltaSteel, but that completion was conditional on anti-trust clearance in Canada. This clearance has now been received.

Moly-Cop and AltaSteel are based in the Americas and consist of grinding media and steel products businesses, focused on the high-growth mining consumables sector. Grinding media are used in the process of extracting minerals from ore, particularly in the fast growing copper and gold mining industries.

The acquisition, together with OneSteel's existing grinding media production facilities in Australia, the United States and Indonesia, will provide OneSteel with global scale in the growing grinding media market. The acquisition will also provide OneSteel with strong positions in new and attractive regions, and will leverage OneSteel's core capabilities including product, technical and customer knowledge in mining consumables.

Included in the assets to be acquired from Anglo American plc is a 40% shareholding in Donhad, an Australian grinding media producer. The ACCC has accepted an undertaking from OneSteel to hold this shareholding separate from its own businesses and divest the interest in Donhad.

As a result of the acquisition, OneSteel will establish a separate Mining Consumables segment for reporting purposes. The segment will include the acquired businesses, OneSteel's Waratah, Newcastle facilities, which include the grinding media and rail wheel businesses, OneSteel's existing grinding media businesses in the United States and Indonesia, and the wire ropery at Newcastle. Andrew Roberts has been appointed Chief Executive of the new Mining Consumables segment. Leo Selleck will take over from Andrew as Chief Executive Market Mills.

*ENDS*

CONTACTS: Investor & Media

Steve Ashe

General Manager

Investor Relations & External Affairs

Tel: 02 9239 6616

Mob: 0408 164 011