

ASX RELEASE

30 January 2012

STEEL TRANSFORMATION PLAN ADVANCE

(ASX:OST) OneSteel Limited has welcomed the announcement made by the Federal Government today that it will provide a \$64 million advance to the company under the Steel Transformation Plan (STP).

Under the STP, OneSteel was eligible to apply for an advance of up to \$64 million to undertake activities that enhance the competitiveness and economic sustainability of the company's Australian steel manufacturing business. Payment of the advance is expected within 30 working days and will be recorded as income in the company's financial statements for the 2012 financial year.

OneSteel's Managing Director and CEO, Mr Geoff Plummer said: "We are pleased with the Government's interest in steel manufacturing in Australia and welcome this advance. In particular, I would like to thank both the Minister for Industry and Innovation, Mr Combet and the Minister for Manufacturing, Mr Carr for the time they have invested in the industry including the design and implementation of the STP and the advance."

ENDS

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Further information about OneSteel Limited can be accessed via the website www.onesteel.com