

ASX RELEASE

21 April 2010

WHYALLA BLAST FURNACE INCIDENT - UPDATE

(ASX:OST) OneSteel Limited announced today that following stoppages over the weekend the company completed the required repairs to the Whyalla blast furnace, but as of this morning has been unable to recommence operations due to difficulty in re-establishing connections between the blast furnace tap holes and tuyeres. These connections are required to recommence stable smelting process conditions and, as a result, OneSteel now expects it will take approximately 4 weeks from now to return the blast furnace to normal operating levels.

Due to available EAF capacity and the company's strong broad-based inventory position, OneSteel expects minimal impact on its ability to meet expected customer demand across the majority of its products and customers. Additionally, some product will be imported to supplement product where required. For those customers and products that may be affected as a result of the interruption the company is working to minimise the impact.

At this time the company does not believe the interruption will have a material impact on its earnings for the second half of this financial year.

ENDS

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