

Address all shareholder correspondence to
OneSteel's share registry:
Computershare Investor Services Pty Limited
GPO Box 2975, Melbourne VIC 3001 Australia
Phone (within Australia) 1300 364 787
Phone (outside Australia) +61 3 9415 4026
Facsimile +61 3 9473 2500

30 September 2009

Dear Shareholder

Annual General Meeting – 16 November 2009

I have pleasure in inviting you to the ninth Annual General Meeting (AGM or the Meeting) of OneSteel Limited (the Company) to be held in Sydney on Monday 16 November 2009 at the City Recital Hall, 2 Angel Place, Sydney at 2.30pm. A map is provided on page 4.

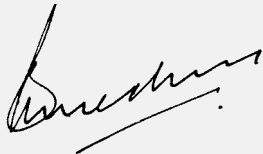
The Notice of Annual General Meeting, Explanatory Notes and Important Information are set out on the following pages. A Proxy Form and reply paid envelope are enclosed separately. The Proxy Form contains a barcode to assist with the registration process at the AGM. If you are attending the Meeting in person, please arrive at least 30 minutes prior to commencement of the Meeting and bring the Proxy Form with you. If you cannot attend the AGM in person, we encourage you to appoint a proxy to attend and vote on your behalf.

The formal business of the AGM will ask shareholders to receive and consider the Financial Statements and Notes, Directors' Report and Auditor's Report, to receive, consider and adopt the Remuneration Report, to re-elect Messrs Davis and Smorgon as Directors, to ratify shares placed to Institutional shareholders who participated in the 30 April 2009 capital raising and to adopt amendments to the Constitution (Proposed Resolutions).

The Board recommends that shareholders vote in favour of the Proposed Resolutions.

I am looking forward to welcoming you to the AGM. I extend a warm invitation to you to join the Board and senior management for afternoon tea at the conclusion of the AGM.

Yours faithfully



PETER SMEDLEY / Chairman

OneSteel Limited ABN 63 004 410 833

OneSteel Head Office: Level 40, 259 George Street, Sydney NSW 2000
GPO Box 536, Sydney NSW 2001, Australia

Phone: +61 2 9239 6666 Fax: +61 2 9251 3042

onesteel

NOTICE OF ANNUAL GENERAL MEETING

The ninth Annual General Meeting of OneSteel Limited will be held at City Recital Hall, 2 Angel Place, Sydney, NSW, Australia on Monday 16 November 2009 at 2.30pm AEDT. Registration will commence at 1.30pm AEDT

BUSINESS OF THE MEETING

Item 1 – Presentation

To receive a presentation on the Company for the year ended 30 June 2009 together with an update on recent activities.

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

To receive and consider the Financial Statements and Notes and the Directors' Report for the year ended 30 June 2009 together with the Auditor's Report to the members of the Company.

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 2009 be received, considered and adopted."

Voting

This resolution is advisory only and is non-binding. The outcome of the resolution does not bind the Company or the Directors.

Recommendation

The Directors recommend you vote in favour of the resolution.

Ordinary resolutions

Item 4 – Re-election of Directors

In accordance with Article 9 of the Company's Constitution, one-third of the Directors must retire from office at each Annual General Meeting. Accordingly:

- Mr R B Davis retires and being eligible, offers himself for re-election
- Mr G J Smorgon retires and being eligible, offers himself for re-election, and
- Mr N J Roach retires and will not be seeking re-election.

Resolution 2 – Re-elect Mr R B Davis as a Director

"That Mr R B Davis, who retires by rotation and being eligible for re-election in accordance with the Constitution of the Company, be re-elected as a Director in accordance with Article 9 of the Company's Constitution."

Voting

This resolution is an ordinary resolution and can only be passed if at least 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

With Mr Davis abstaining, the Directors recommend you vote in favour of the resolution.

Resolution 3 – Re-elect Mr G J Smorgon as a Director

"That Mr G J Smorgon, who retires by rotation and being eligible for re-election in accordance with the Constitution of the Company, be re-elected as a Director in accordance with Article 9 of the Company's Constitution."

Voting

This resolution is an ordinary resolution and can only be passed if at least 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

With Mr Smorgon abstaining, the Directors recommend you vote in favour of the resolution.

Resolution 4 – Ratification of Share Placement

"That the issue of 133, 333, 333 fully paid ordinary shares on 30 April 2009 to Institutional investors who participated in the Institutional Placement, at an issue price of \$1.80 per fully paid ordinary share, be and is hereby approved for the purposes of ASX Listing Rule 7.4 and for all other purposes."

Voting

This resolution is an ordinary resolution and can only be passed if at least 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.

Voting Exclusion Statement

For the purposes of the ASX Listing Rules, the Company will, in respect of resolution 4, disregard votes cast by:

- Any person who participated in the issue of fully paid ordinary shares referred to in resolution 4 – Ratification of Share Placement and a person who obtained or might obtain a benefit, except a benefit solely in the capacity of a shareholder, and
- An associate of that person or persons.

However, the Company need not disregard a vote if:

- It is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form, or
- It is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Recommendation

The Directors recommend you vote in favour of the resolution.

Special resolution

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

Resolution 5 – Amendments to the Company's Constitution

"That, the Company's Constitution be amended as set out in Schedule A to this Notice of Meeting."

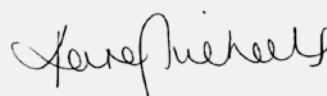
Voting

This resolution 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.

By order of the Board of Directors



KARA NICHOLLS / Company Secretary
OneSteel Limited

30 September 2009

IMPORTANT INFORMATION

RSVP

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

Please RSVP before 5.00pm on Monday 9 November 2009 by emailing receptho@onesteel.com or by contacting OneSteel by telephone on (02) 9239 6666 (local call cost) between 9.00am and 5.00pm, Monday to Friday, to assist with planning and catering.

// Proxies

A Member entitled to attend and vote is entitled to appoint not more than two proxies. A Proxy Form accompanies this Notice of Meeting. A proxyholder need not be a shareholder.

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.

Voting by proxy can be completed online, by post or in person. Proxies must be received before 2.30pm AEDT on Saturday 14 November 2009*.

To vote online visit www.investorvote.com.au. To use this facility you will need to enter the Control Number shown on the front of the Proxy Form provided with the Notice, followed by your Shareholder Reference Number (SRN) or Holder Identification Number (HIN). You will be taken to have signed the Proxy Form if you lodge it in accordance with the website instructions.

Alternatively, you may deliver a completed, signed Proxy Form **by post or by hand to:**

Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney, NSW 2000, Australia
(Postal address: GPO Box 242, Melbourne VIC 8060)
Facsimile: 1 800 783 447
International Facsimile: +61 3 9473 2555

or to the Company's registered office:

Attention: Company Secretary
OneSteel Limited
Level 40, 259 George Street
Sydney, NSW 2000, Australia
Facsimile: (02) 9239 6690
International Facsimile: +61 2 9239 6690

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 address <http://www.intermediaryonline.com>.

Corporate representative

In order to vote at the Meeting, a corporation that is a shareholder should appoint an individual to act as its 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 an 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 2.30pm AEDT on Saturday 14 November 2009 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.

Submission of written questions to the Company or external Auditor

A shareholder who is entitled to vote at the Meeting may submit written questions to the Company or the external Auditor in advance of the Meeting:

- (a) about the business of the Company;
- (b) about the Annual Report;
- (c) if the question is directed to the external Auditor provided it relates to:
 - (i) the content of the Auditor's Report to be considered at the Meeting;
 - (ii) the conduct of the audit or the Auditor's independence; or
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the Financial Statements and Notes.

The Questions Form must be received by the Group's registrar, Computershare Investor Services Limited, before 5.00pm on Monday 9 November 2009. The form may be lodged by post, facsimile or delivery.

Alternatively, you can submit questions online at www.investorvote.com.au before 5.00pm on Monday 9 November 2009.

Webcast

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

Electronic investor communications

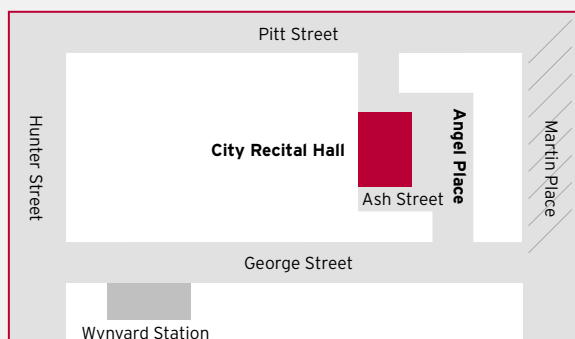
You can now receive this document and others by email notification, please visit www.computershare.com.au and go to "Investors" or contact Computershare by telephone on 1300 364 787 to take up this option.

Annual Report

You can access OneSteel's Annual Report on the Company's website www.onesteel.com. Go to "Shareholders", then click on "Annual Reports, Full Year and Interim Results".

* If you are returning your Proxy Form by post, you should note that there are no postal deliveries on Saturday 14 November 2009.

NOTICE OF ANNUAL GENERAL MEETING



Public transport and parking information

By train – the closest train stations are Wynyard and Martin Place. For information about train times please call 131 500 or go to www.cityrail.info

By bus – for information about bus routes and timetables please call 131 500 or go to www.sydneybuses.info

By car – the closest parking station is operated by Secure Parking situated next door to City Recital Hall, 2 Angel Place at 117 Pitt Street, Sydney. Shareholders may access the Hall using the car park lift address. For more information on other parking options and parking rates call 1300 727 483 or go to www.secureparking.com.au

By taxi – A taxi drop-off is located at the front entrance. Your taxi can enter Angel Place from George Street when travelling south.

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

EXPLANATORY NOTES

Resolution 1 – Remuneration Report

A copy of the Remuneration Report which sets out remuneration arrangements for the Company's Directors and senior management can be found on pages 48 to 55 of the 2009 Annual Report. To view the 2009 Annual Report, visit www.onesteel.com. To request a hard copy of the Annual Report, email onesteel@computershare.com.au or call 1300 364 787.

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

Proposal

That shareholders receive, consider and adopt the Remuneration Report.

Resolutions 2 and 3 – Re-election of Mr R B Davis and Mr G J Smorgon as Directors

Article 9.2 of the Company's Constitution requires that at each Annual General Meeting, one-third of the Directors and any other Director who has held office for three years or more must retire from office. As a consequence, Messrs Davis and Smorgon, who were last elected in 2007, each retire and offer themselves for re-election.

Mr Neville Roach will also retire, having been last elected in 2006, and will not be seeking re-election. Mr Roach was appointed a Director of OneSteel Limited in October 2000 at the time of spin-off from BHP. Mr Roach has been a substantial and valuable contributor to the Board and to Board Committees during his nine years of service as a Director.

He was Chairman of the Human Resources Committee and a member of both the Occupational Health, Safety & Environment Committee and the Audit & Compliance Committee. The Board thanks him for his service and wishes him happiness and good health in his retirement from the Board.

Graham Smorgon replaced Mr Roach as Chair of the Human Resources Committee and Bryan Davis replaced him as a member of the Audit & Compliance Committee effective 19 August 2009. Mr Roach will remain on the Committees until his retirement.

Proposal

That shareholders re-elect Messrs Davis and Smorgon as Directors of the Company.

Details for those retiring Directors seeking re-election are as follows:

R B (BRYAN) DAVIS

Independent Non-executive Director
BSc (Tech), FAIMM, MAICD

Age 66. Appointed a Director in December 2004. Mr Davis became Chairman of the Occupational Health, Safety & Environment Committee in August 2005 and is also a member of the Audit & Compliance Committee and the Operational Risk Committee. He is a Non-executive Director of Coal and Allied Industries Limited and Terramin Australia Limited. His previous roles include Non-executive Director of Newcrest Mining Limited, Executive Director – Mining of Pasminco Limited, Director of North Flinders Mine Limited, Chairman of Indophil Resources NL and Bendigo Mining Limited, Executive Director of Australian Consolidated Minerals Group, senior management positions at CRA Limited, Chairman of the NSW Minerals Council and Member of the NSW State Minerals Advisory Council. Other listed company directorships held during the period 1 July 2006 to 30 June 2009:

- Coal and Allied Industries Limited since September 2000
- Bendigo Mining Limited from September 2004 until January 2006
- Newcrest Mining Limited from April 1998 to October 2008.

G J (GRAHAM) SMORGON

Independent Non-executive Director
B.Juris LL.B

Age 59. Appointed a Director on 17 September 2007. Mr Smorgon became Chairman of the Human Resources Committee in August 2009 and is a member of the Operational Risk Committee and the Occupational, Health, Safety & Environment Committee. He is also Chairman of the GBM Group, the Print Mint Group, Smorgon Consolidated Investment and Scental Pacific. He is a Non-executive Director of OneSteel Limited and Incitec Pivot Limited, Chairman of the Arts Centre Foundation, and a Trustee of The Victorian Arts Centre Trust. His previous roles included Director of Fed Square Pty Ltd, Chairman of Smorgon Steel Group Ltd, President of the Carlton Football Club, Deputy Chairman of Melbourne Health, Director of The Walter and Eliza Hall Institute of Medical Research, Chairman of Creative Brands, Chairman of GBM Logic, Member of the Council of Bialik College, Director of Playbox Theatre Company and Playbox Malthouse Limited, Trustee of the Royal Melbourne Hospital Neuroscience Foundation, Chairman of the RMIT Marketing Industry Advisory Working Committee, and Partner of law firm Barker Harty & Co where he practised as a commercial lawyer for 10 years.

Other listed company directorships held during the period 1 July 2006 to 30 June 2009:

- Smorgon Steel Group Limited from April 1998 until August 2007
- Incitec Pivot Limited since December 2008.

Resolution 4 – Ratification of Share Placement

On 30 April 2009, OneSteel Limited issued 133,333,333 fully paid, ordinary shares of equal rank to existing shares to eligible Institutional investors at \$1.80 per fully paid, ordinary share (“Institutional Placement”). Shares were allocated via a bookbuild process with preference given to existing Institutional shareholders. The Institutional Placement was fully underwritten. A full list of Institutional Placement allottees is available upon request in writing to the Company Secretary.

The Institutional Placement was made in conjunction with a Retail Entitlement Offer and an Institutional Entitlement Offer (“Offers”) involving the issue of 305,149,350 fully paid ordinary shares on terms equal to those of existing shareholders at \$1.80 per fully paid ordinary share.

Proceeds of \$789 million, from the Offers and the Institutional Placement, were used to strengthen OneSteel’s balance sheet and to increase funding flexibility.

As a listed entity, OneSteel Limited is limited in the number of shares it may issue during any 12-month period to 15% of issued capital unless the issue is approved by shareholders or an exemption applies. Both the Institutional and Retail Entitlement Offers fall under an exemption as they were made on terms equal to those of existing shareholders.

Proposal

That shareholders ratify the issue of 133,333,333 fully paid ordinary shares.

Resolution 5 – Amendments to the Company’s Constitution

The Directors are proposing that certain amendments be made to the Company’s Constitution to bring it in line with contemporary practice, provide clarity and to reflect changes made to applicable legislation, in particular, the ASX Listing Rules. The proposed amendments are set out in Schedule A.

The proposed amendments can be summarised as follows:

- **Rotation of Directors.** Amendments to the eligibility for election, rotation and retirement periods for Directors to bring these into line with current market practices and, where applicable, to the ASX Listing Rules
- **Circulating Resolutions.** Amendments to the approval process for a circular resolution of Directors to allow the resolution to be passed when a majority, instead of all, of the Directors have approved the resolution. All Directors will receive a copy of the circular resolution
- **Distribution of Assets.** Amendments to broaden terminology to include payments resultant from dividends, share buy-backs and any “other” distributions as well as capital reductions
- **Insertion of Proportional Takeover Provisions.** Amendments to insert proportional takeover provisions (Approval Provisions) into the Company’s Constitution to allow members to decide whether a proportional takeover bid is acceptable and should be permitted to proceed, and
- **Other.** Amendments have been made to terminology, for modernisation and for administrative purposes.

What is a proportional takeover?

A proportional takeover bid is an off-market takeover offer sent to all members but only in respect of a specified portion of each member’s shares in the Company (i.e. less than 100%). Under the *Corporations Act 2001* (Cth), a company may include in its Constitution a provision to enable the company to refuse to register shares acquired under a proportional takeover bid unless a resolution is passed by the members in a general meeting approving the bid.

What could result from a proportional takeover bid?

A proportional takeover bid may result in effective control of the Company changing hands without members having the opportunity of disposing of all their shares. Members are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for all shares. The proposed Approval Provisions will allow members to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

What will members need to do if a proportional takeover bid is made?

The Approval Provisions contemplate that, if a proportional takeover bid is made, the Company must ensure that a meeting of members is held more than 14 days before the last day of the bid period, at which members will consider a resolution to approve the proportional takeover bid. For the resolution to be approved, it must be passed by a simple majority of votes at the meeting, excluding votes of the bidder and its associates. Alternatively the Directors may determine that voting occur by way of a postal ballot. If the resolution is not voted on within the required timeframe, the resolution is taken to have been approved. If the resolution is approved or taken to have been approved, all valid transfers of shares under the proportional takeover bid must be registered. If the resolution is not passed, the offer under the takeover bid will be taken to have been withdrawn and no transfer of shares will be registered as a result of the proportional takeover bid. Acceptances will be returned and any contracts formed by acceptances will be rescinded.

When do the Approval Provisions expire?

The proposed Approval Provisions will expire three years after adoption unless renewed by a further special resolution of members. The Approval Provisions do not apply to full takeover bids.

What have the Board considered?

The Board considers that it is in the best interests of members for the Company to have a proportional takeover provision in the Company’s Constitution.

As at the date of preparation of this Explanatory Statement, no Director is aware of any proposal by any person to acquire or increase the extent of a substantial interest in the Company.

The Board considers that the Approval Provisions have no potential advantages or disadvantages for the Directors and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted or not.

The Board does not believe that the potential disadvantages outweigh the potential advantages of inserting the Approval Provisions for three years.

What are the advantages and disadvantages of including the Approval Provisions in the Constitution?

The potential advantages for members of the Approval Provisions include:

- (i) members have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) the Approval Provisions may help members to avoid being locked in as a minority;
- (iii) the Approval Provisions increase members' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) knowing the view of the majority of members may help each individual member assess the likely outcome of the proportional takeover bid and decide whether to accept or reject an offer.

The potential disadvantages for members of the Approval Provisions include:

- (i) proportional takeover bids for shares in the Company may be discouraged;
- (ii) members may lose an opportunity to sell some of their shares at a premium; and
- (iii) the likelihood of a proportional takeover succeeding may be reduced.

What do the Board recommend?

The Board recommends that Members vote in favour of the resolution because the Approval Provisions are considered to be in the interest of Members as they allow the majority of Members to determine whether a proportional takeover bid should proceed.

Proposal

That shareholders approve the proposed amendments to the Constitution.

Schedule A

Proposed amendments to the Constitution

1.1. Article 9.2 – Rotation of Directors

Replace the existing Article with the following:

"Subject to Article 11.28, a Director must retire from office no later than the longer of the third annual general meeting of the Company or three years, following that Director's last election or appointment. If no Director would otherwise be required to retire pursuant to this Article but the Listing Rules require that an election of Directors be held at an annual general meeting, the Director to retire at that meeting is:

- (a) if a Director is required to retire under Article 9.7, that Director; or
- (b) if no Director is required to retire under Article 9.7, is (subject to Article 11.28) to be determined in accordance with Article 9.4."

1.2. Article 9.4 – Directors to retire

Replace the existing Article with the following:

"The Director to retire for the purposes of paragraph (b) of article 9.2 will be the Director who has been longest in office since his or her last election, but, as between persons who were last elected as Directors on the same day, the Director to retire must be determined by lot, unless they otherwise agree among themselves."

1.3. Article 11.24 – Circulating resolutions

Replace the first sentence of the first paragraph of the existing Article with the following:

"The Directors may pass a resolution without a Directors' meeting being held if notice in writing of the resolution is given to all Directors and a majority of the Directors entitled to vote on the resolution (not being less than the number required for a quorum at a meeting of Directors) assent to a document containing a statement that they are in favour of the resolution set out in the document".

1.4. New Article 8.26 – Electronic proxies

Insert the following new Article 8.26:

"8.26 Proxy forms

A form of appointment of proxy is valid if it is in accordance with the Corporations Act or in any other form (including electronic) which the Board may determine or accept. Where a notice of meeting specifies an electronic address or other electronic means by which a Member may give the Company a proxy appointment, a proxy given at that electronic address or by that other electronic means is taken to have been given by the Member and received by the Company if the requirements set out in the notice of meeting are complied with."

1.5. Article 19.2 – Insurance

Replace the existing Article with the following:

"19.2 Insurance

The Company may pay or agree to pay, whether directly or through an interposed entity, a premium for a contract insuring a person who is or has been a director, executive officer or secretary of the Company against liability incurred by the person in that capacity, including a liability for legal costs, unless:

- (a) the Company is forbidden by statute to pay or agree to pay the premium; or
- (b) the contract would, if the Company paid the premium, be made void by statute.

Further, where the Directors consider it appropriate, the Company may bind itself in any contract or deed with any Director, executive officer or secretary of the Company to make payments referred to in this article."

1.6. Article 21 – Reductions of capital

Replace the existing Article with the following:

"21. Distribution of assets

21.1 Method of distribution

The method of payment by the Company of a dividend or a return of capital by a reduction of capital, a share buy-back or otherwise, may include any or all of the following:

- (a) the payment of cash;
- (b) the issue of shares or other financial products (including shares or other financial products in another body corporate or trust);
- (c) the grant of options; or
- (d) the transfer of assets.

21.2 Where the distribution is a transfer of shares

If a payment by the Company of a dividend, under a return of capital, by a reduction of capital, under a share buy-back or otherwise includes an issue or transfer of shares in a body corporate, each Member:

- (a) agrees to become a Member of that body corporate; and
- (b) in the case of transfer, appoints the Company and each Director as its agent to do anything, including the execution of an instrument of transfer or other document, required to transfer those shares to that Member."

1.7. Articles 4.10 to 4.15 – Proportional takeovers

Insert the following new Articles 4.10 to 4.15:

“4.10 Resolution required for partial takeover transfers

Notwithstanding articles 4.1 (“Forms of instrument of transfer”), 4.2 (“Execution and delivery of transfer”) and 4.3 (“Effect of registration”), if offers are made under a proportional takeover bid for securities of the Company in accordance with the Corporations Act:

- (a) articles 4.10 (“Resolution required for partial takeover transfers”) to 4.15 (“Takeover articles cease to have effect”) apply;
- (b) the registration of a transfer giving effect to a takeover contract resulting from acceptance of an offer made under the takeover bid is prohibited unless and until a resolution (an “approving resolution”) to approve the bid is passed in accordance with articles 4.11 (“Procedure for resolution”) and 4.12 (“Persons entitled to vote”); and
- (c) the Directors must ensure that a resolution to approve the bid is voted on in accordance with articles 4.11 (“Procedure for resolution”) to 4.13 (“Resolution passed or rejected”) before the fourteenth day before the last day of the bid period.

4.11 Procedure for resolution

The Directors may determine whether the approving resolution is voted on:

- (a) at a meeting of persons entitled to vote on the resolution convened and conducted, subject to the provisions of article 4.12 (“Persons entitled to vote”), as if it were a general meeting of the Company convened and conducted in accordance with this Constitution and the Corporations Act with such modifications as the Directors determine the circumstances require; or
- (b) by means of a postal ballot conducted in accordance with the following procedure:
 - (i) a notice of postal ballot and ballot paper must be sent to all persons entitled to vote on the resolution not less than 14 days before the date specified in the notice for closing of the postal ballot, or such lesser period as the Directors determine the circumstances require;
 - (ii) the non-receipt of a notice of postal ballot or ballot paper by, or the accidental omission to give a notice of postal ballot or ballot paper to, a person entitled to receive them does not invalidate the postal ballot or any resolution passed under the postal ballot;
 - (iii) the notice of postal ballot must contain the text of the resolution and the date for closing of the ballot and may contain any other information the Directors consider appropriate;
 - (iv) each ballot paper must specify the name of the person entitled to vote;
 - (v) a postal ballot is only valid if the ballot paper is duly completed and:
 - (A) if the person entitled to vote is an individual, signed by the individual or a duly authorised attorney; or
 - (B) if the person entitled to vote is a corporation, executed under seal or as permitted by the Corporations Act or under the hand of a duly authorised officer or duly authorised attorney;

(vi) a postal ballot is only valid if the ballot paper and the power of attorney or other authority, if any, under which the ballot paper is signed or a copy of that power or authority certified as a true copy by statutory declaration is or are received by the Company before close of business on the date specified in the notice of postal ballot for closing of the postal ballot at the registered office or share registry of the Company or at such other place as is specified for that purpose in the notice of postal ballot; and

(vii) a person may revoke a postal ballot vote by notice in writing to be received by the Company before the close of business on the date for closing of the postal ballot.

4.12 Persons entitled to vote

The only persons entitled to vote on the approving resolution are those persons who, as at the end of the day on which the first offer under the bid was made, held bid class securities. Each person who is entitled to vote is entitled to one vote for each bid class security held by that person at that time. Neither the bidder nor any associate of the bidder is entitled to vote.

4.13 Resolution passed or rejected

If the resolution is voted on in accordance with articles 4.10 (“Resolution required for partial takeover transfers”) to 4.12 (“Persons entitled to vote”) then it is to be taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one-half, and otherwise is to be taken to have been rejected.

4.14 Resolution taken as passed

If a resolution to approve the bid has not been voted on as at the end of the day before the fourteenth day before the last day of the offer period, then a resolution to approve the bid is taken to have been passed in accordance with articles 4.11 (“Procedure for resolution”) to 4.13 (“Resolution passed or rejected”).

4.15 Takeover articles cease to have effect

Articles 4.10 (“Resolution required for partial takeover transfers”) to 4.14 (“Resolution taken as passed”) cease to have effect on the day three years after the later of their adoption or last renewal.”

1.8. Article 22.2 – Interpretation

Insert the following Articles 22.2(h) and 22.2(i):

- (h) **(signed)** where, by a provision of this Constitution, a document including a notice is required to be signed, that requirement may be satisfied in relation to an electronic communication of the document in any manner permitted by law or by any State or Commonwealth law relating to electronic transmissions or in any other manner approved by the Directors; and
- (i) **(writing)** “writing” and “written” includes printing, typing or other modes of reproducing words in a visible form, including, without limitation, any representation of words in a physical document or in an electronic communication or form or otherwise.

1.9. Corporations Act

Insert definition of "Corporations Act" in Article 22.1:

Corporations Act means the *Corporations Act 2001* (Cth), as amended from time to time.

Replace all references to the "Corporations Law" with references to the Corporations Act.

1.10. Definition of ASX

Replace existing definition with the following definition:

"ASX means ASX Limited."

1.11. Definitions of SCH and SCH Business Rules

Delete existing definition of "SCH" and replace with the following definition:

"ASTC means ASX Settlement and Transfer Corporation Pty Limited."

Replace any reference to "SCH" with a reference to "ASTC."

Delete existing definition of "SCH Business Rules" and replace with the following definition:

"ASTC Settlement Rules means the operating rules of ASTC in its capacity as a CS facility licensee."

Replace any reference to the "SCH Business Rules" with a reference to the "ASTC Settlement Rules".

1.12. Schedule 1, paragraph 3.2(d) – Unmarketable parcels

Delete the reference to "or a Certificated Holding" in Schedule 1 paragraph 3.2(d).

1.13. New Article 8.1A – General meetings using technology

Insert the following Article 8.1A:

"8.1A Location of meeting

A general meeting may be held at two or more venues simultaneously provided that these venues are linked using a form of technology that, in the opinion of the Directors, gives each Member a reasonable opportunity to participate in the meeting."

1.14. New Article 23 – Consistency with the Listing Rules

Insert the following new Article 23:

"23. Consistency with the Listing Rules

If the Company is admitted to the official list of ASX, the following clauses apply:

- (a) notwithstanding anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act must not be done;
- (b) nothing contained in this Constitution prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this Constitution to contain a provision and it does not contain such a provision, this Constitution is taken to contain that provision;

- (e) if the Listing Rules require this Constitution not to contain a provision and it contains that provision, this Constitution is taken not to contain that provision; and
- (f) if any provision of this Constitution is or becomes inconsistent with the Listing Rules, this Constitution is taken not to contain that provision to the extent of the inconsistency."

1.15. Articles 7.1, 7.2 and 7.3 – General Meetings

Insert the words "and the Listing Rules" after the words "Corporations Act".

1.16. New Article 8.27 – Multiple shareholder appointments

Insert the following Article 8.27:

"8.27 – Multiple appointments


- (a) If more than one attorney or corporate representative appointed by a shareholder is present at a general meeting and the Company has not received notice of any revocation of any of the appointments:
 - (i) an attorney or corporate representative appointed to act at that particular meeting may act to the exclusion of an attorney or corporate representative appointed pursuant to a standing appointment; and
 - (ii) subject to Article 8.27(a)(i), an attorney or corporate representative appointed pursuant to the most recent appointment may act to the exclusion of an attorney or corporate representative appointed earlier in time;
- (b) an appointment of a Proxy of a Member is revoked (or, in the case of a standing appointment, suspended for that particular general meeting) if the Company receives a further appointment of a proxy from that Member which would result in there being more than two proxies of that Member entitled to act at the meeting. The appointment of proxy made first in time is the first to be treated as revoked or suspended by this Article 8.27(b); and
- (c) the appointment of a proxy for a Member is not revoked by an attorney or corporate representative for that Member attending and taking part in a general meeting to which the appointment relates, but if that attorney or corporate representative votes on a resolution at that meeting, the proxy is not entitled to vote, and must not vote, as the Member's proxy on that resolution."

It is recommended that the closing date to receive nominations of candidates for election as a Director of OneSteel be not less than 35 days before each annual general meeting. As OneSteel has approximately 110,000 shareholders, the increased time from the current 30 days to 35 days is to allow for sufficient time for printing and mailing elections documents to shareholders and is in line with recent changes to the Listing Rules.

MR JOHN SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

29PR, online

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 364 787
(outside Australia) +61 3 9415 4026

Proxy Form



**Vote online or view the annual report, 24 hours a day,
7 days a week: www.investorvote.com.au**

- Cast your proxy vote**
- Access the annual report**
- Review and update your securityholding**

Your secure access information is:

Control Number: 123456

SRN/HIN: I1234567890

PIN: 123456



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

How to Vote on proposed resolutions

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each proposed resolution. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on a resolution your vote will be invalid on that resolution.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

A proxy need not be a securityholder of the company.

Signing Instructions for postal forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the meeting

Bring this form to assist with registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" to the registry. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Questions: If you have any comments or questions for the company or the Auditor of the company, please visit www.investorvote.com.au or submit a Questions Form to the registry by 5.00 pm on Monday 9 September 2009.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR JOHN SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 1234567890 IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf (if you cannot attend in person)

XX

I/We being a member/s of OneSteel Limited hereby appoint

the Chairman of the Meeting

OR



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of OneSteel Limited to be held at the City Recital Hall, 2 Angel Place, Sydney, NSW, Australia on Monday, 16 November 2009 at 2.30 pm AEDT and at any adjournment of that meeting.

STEP 2

Important for Resolution 4: If the Chairman of the meeting is your proxy and you have not directed him/her how to vote on Resolution 4 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the meeting will not cast your votes on Resolution 4 and your votes will not be counted in computing the required majority if a poll is called. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 4.

I/We acknowledge that the Chairman of the meeting may exercise my proxy even if he/she has an interest in the outcome of that Resolution and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 3

Proposed Resolutions



PLEASE NOTE: If you mark the **Abstain** box, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY RESOLUTIONS

		For	Against	Abstain
1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-Elect Mr R B Davis as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Re-Elect Mr G J Smorgon as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Ratification of Share Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL RESOLUTION

5	Amendments to the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
---	--	--------------------------	--------------------------	--------------------------

For your proxy to be effective, it must be received by 2.30 pm AEDT on Saturday 14 November 2009

The Chairman of the meeting intends to vote undirected proxies in favour of each resolution.

STEP 4

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____ / ____ / ____



ONESTEEL LIMITED
ABN 63 004 410 833

All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Questions from Shareholders

The Annual General Meeting (AGM) of OneSteel Limited will be held at City Recital Hall, 2 Angel Place, Sydney, NSW, Australia on Monday, 16 November 2009 at 2.30 pm. Shareholders are invited to register questions in advance of the AGM.

A shareholder who is entitled to vote at the meeting may submit written questions to the Company via the Company Secretary or the external Auditor in advance of the Meeting:

- (a) about the business of the Company;
- (b) about the Annual Report;
- (c) if the question is directed to the external Auditor provided it relates to:
 - (i) the content of the Auditor's report to be considered at the Meeting;
 - (ii) the conduct of the audit or the Auditor's independence; or
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the Financial Statements and notes.

In the course of the AGM we intend to respond to as many of the more frequently asked questions as is practicable.

Shareholder questions must be received by 5.00 pm on Monday 9 November 2009. Please return the form to our Share Registry, Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne Victoria 3001 or by facsimile to 1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia). The envelope provided for the return of your proxy form may also be used for this purpose.

Shareholder's Name

Securityholder Reference Number (SRN)

Holder Identification Number (HIN)

or

Question/s

Please tick if it is a question directed to the Auditor

1

.....

.....

2

.....

.....

3.

.....

.....

4.

.....

.....