

MANDATORY CONDITIONAL CASH OFFER

by

PRIMEPARTNERS CORPORATE FINANCE PTE. LTD.

(Company Registration No. 200207389D)
(Incorporated in the Republic of Singapore)

for and on behalf of

OEI HONG LEONG FOUNDATION PTE. LTD.

(Company Registration No. 198003269K)
(Incorporated in the Republic of Singapore)

to acquire all the issued ordinary shares in the capital of

NATSTEEL LTD

(Company Registration No. 196100107C)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by
Oei Hong Leong Foundation Pte. Ltd. and Sanion Enterprises Limited

LEVEL OF ACCEPTANCE

Terms defined in the offer document dated 12 June 2006 in connection with the mandatory conditional cash offer (the "Offer") by Oei Hong Leong Foundation Pte. Ltd. (the "Offeror") for NatSteel Ltd ("NatSteel"), shall have the same meanings when used in this Announcement, unless otherwise defined.

1. Level of Acceptances

1.1 Acceptances of the Offer

Based on information received by the Offeror, as at 5.00 p.m. on 7 July 2006, the Offeror has received, pursuant to the Offer, valid acceptances in respect of 3,911,805 Offer Shares, representing approximately 1.0472% of the total number of Shares in issue¹. None of these acceptances include acceptances received from the Offeror's Concert Parties.

1.2 Shares held before the Offer Period

As at 26 May 2006, being the Announcement Date of the Offer, the Offeror and its Concert Parties owned or controlled an aggregate of 112,124,000 Shares representing approximately 30.0151% of the total number of Shares in issue.

¹ Unless otherwise stated, references in this Announcement to the total number of Shares in issue are based on 373,558,237 Shares (based on a search conducted at the Accounting and Corporate Regulatory Authority of Singapore on 7 July 2006).

Save as disclosed above, neither the Offeror nor its Concert Parties owned, controlled or agreed to acquire any Shares prior to the Announcement Date.

1.3 Purchases during the Offer Period

From the Announcement Date to 5.00 p.m. on 7 July 2006, save for the acceptances tendered pursuant to the Offer stated in paragraph 1.1 above, neither the Offeror nor any of its Concert Parties (based on information available to the Offeror as at 7 July 2006) has acquired or agreed to acquire any further Shares.

1.4 Aggregate Holding

Accordingly, as at 5.00 p.m. on 7 July 2006, the total number of (i) Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties, and (ii) valid acceptances of the Offer, amount to an aggregate of 116,035,805 Shares, representing approximately 31.0623% of the total number of Shares in issue.

2. Responsibility Statement

The Directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Issued by

PrimePartners Corporate Finance Pte. Ltd.

For and on behalf of

Oei Hong Leong Foundation Pte. Ltd.

7 July 2006