

11 July 2006

**NOTICE OF A CHANGE IN THE PERCENTAGE LEVEL OF A SUBSTANTIAL
SHAREHOLDER'S INTEREST**

PART I

1. Date of notice to issuer * 10-07-2006
2. Name of Substantial Shareholder * Oei Hong Leong
3. Please tick one or more appropriate box(es): *
 - Notice of a Change in the Percentage Level of a Substantial Shareholder's Interest or Cessation of Interest. [Please complete Part III and IV]

PART II

1. Date of change of [Select Option]
2. Name of Registered Holder
3. Circumstance(s) giving rise to the interest or change in interest [Select Option]

Please specify details
4. Information relating to shares held in the name of the Registered Holder
No. of [Select Option] held before the change
As a percentage of issued share capital %
No. of N.A. which are subject of this notice
As a percentage of issued share capital %
Amount of consideration (excluding brokerage and stamp duties) per share paid or received
No. of N.A. held after the change
As a percentage of issued share capital %

PART III

1. Date of change of Deemed Interest 10-07-2006
2. The change in the percentage level From 31.0623 % To 30.0151 %
3. Circumstance(s) giving rise to the interest or change in interest Acceptance of Takeover Offer

Please specify details
As notified in the notice to NATSTEEL dated 7 July 2006, Oei Hong Leong Foundation Pte. Ltd. (the "Offeror") and OHL (through the Offeror) were deemed interested in an aggregate of 3,911,805 ordinary shares in the capital of NATSTEEL ("Acceptance Shares") in respect of which acceptances were received between 15 June to 7 July 2006 under the mandatory conditional cash offer (the "Offer") by the Offeror to acquire all the issued ordinary shares in the capital of NATSTEEL.

As the Offer did not become unconditional as to acceptances as at 3.30 p.m. on 10 July 2006 (being

the closing date of the Offer) and has therefore lapsed, all acceptances of the Offer received by the Offeror will be returned to the accepting shareholders of NATSTEEL.

Accordingly, the Offeror ceased to have a deemed interest in the Acceptance Shares and OHL also ceased to have a deemed interest in the Acceptance Shares through the Offeror.

4. A statement of whether the change in the percentage level is the result of a transaction or a series of transactions: The Change in the percentage level is the result of a transaction as described above.

PART IV

1. Holdings of Substantial Shareholder , including direct and deemed interest :

	Direct	Deemed
No. of shares held before the change	0	116,035,805
As a percentage of issued share capital	0 %	31.0623 %
No. of shares held after the change	0	112,124,000
As a percentage of issued share capital	0 %	30.0151 %

By Order of the Board

Lim Su-Ling
Company Secretary
11 July 2006