

21 Dec 2006

MEMBERS' VOLUNTARY WINDING UP OF AN ASSOCIATED COMPANY

NATSTEEL Ltd ("Company") wishes to announce that Phoenix Tower Limited ("Phoenix"), an associated company of the Company, would be wound up further to a members' voluntary winding up.

Mr Lai Seng Kwoon of 8 Robinson Road #13-00 ASO Building Singapore 048544 has been appointed liquidator of Phoenix for the purpose of the members' voluntary winding up of Phoenix.

Upon the winding up of Phoenix, Phoenix will cease to be an associated company of the Company.

This voluntary winding up is not expected to have any material impact on the net tangible assets or earnings per share of NATSTEEL Ltd and its group of companies for the financial year ending 31 December 2006.

None of the directors or substantial shareholders or controlling shareholders of the Company has any interest, direct or indirect, in this members' voluntary winding up of Phoenix.

By Order of the Board

Lim Su-Ling
Company Secretary
21 December 2006