

15 Mar 2006

**COMPLETION OF DISPOSAL OF INTEREST IN P.T. TAMAN
NONGSA INDAH VILLAGE**

On 7 December 2005, NATSTEEL Ltd ("Company") announced that its wholly-owned subsidiary, NSL Resorts International Pte Ltd, had entered into a sale and purchase agreement to dispose its entire 30% equity stake comprising 300,000 shares series C ("Sale Shares") in the issued share capital of P.T. Taman Nongsa Indah Village ("TNIV") (the "Disposal"), the completion of which was conditional upon the waiver of pre-emption rights over the Sale Shares by the existing shareholders, approval of the shareholders at a general meeting and approval of Badan Koordinasi Pernerananman Modal and all relevant governmental authorities.

The Company wishes to inform shareholders that the waivers and approvals had been obtained and it had accordingly completed the Disposal. Following the Disposal, TNIV ceases to be an associated company of NATSTEEL Ltd.

This Disposal does not have any material impact on the net tangible assets or earnings per share of NATSTEEL Ltd for the current financial year.

None of the directors or substantial shareholders of NATSTEEL Ltd has any interest, direct or indirect, in the above transaction.

By Order of the Board

Lim Su-Ling
Company Secretary
15 March 2006