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iSteelAsia.com

iSteelAsia.com Limited

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT

We have noticed the recent increase in the price of the shares of iSteelAsia.com Limited (the Company). We wish to state that we are not aware of any reasons for such increase.

We are currently in negotiation with a company, an independent third party, with an aim to acquire an equity interest in such company.. We would like to emphasise that the negotiation is currently at a preliminary stage and the terms of the agreement have not been finalised. The negotiation may or may not result in the entering into any definitive agreement by the Company. Shareholders and investors are reminded of the possible fluctuation in share price of the Company and should exercise extreme caution when dealing in the shares of the Company. The entering into a definitive agreement by the Company may constitute a notifiable transaction under Chapter 19 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the GEM Listing Rules).

Saved as disclosed above, there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 and 20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules", neither is the Board aware of any matter discloseable under the general obligations imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price sensitive nature.

By Order of the Board

Drina C. Yue

Director

Hong Kong, 21st August, 2000

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

The announcement will remain on the GEM website on the "Latest Company Announcement" page for 7 days from the day of its posting.