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iSteelAsia.com Limited
(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT
COMPLETION OF THE ACQUISITION
AND
DELAY IN DESPATCH OF CIRCULAR
(Major Transaction)

The Board is pleased to announce that all the conditions to the Sale and Purchase and Subscription Agreement were duly fulfilled on 30th July, 2001 and completion of the Acquisition took place today.

The despatch of the Circular has been delayed. The Circular is expected to be despatched to the Shareholders on or about 15th August, 2001.

The Board refers to the announcement made by the Company on 17th July, 2001 (the “Announcement”). Terms defined in the Announcement shall have the same meanings when used herein unless the context requires otherwise.

The Board is pleased to announce that all the conditions to the Sale and Purchase and Subscription Agreement were duly fulfilled on 30th July, 2001 and completion of the Acquisition took place today.

Pursuant to Rule 19.38 of the GEM Listing Rules, the circular of the Company in relation to the Acquisition (the “Circular”) is required to be despatched to the Shareholders and the Stock Exchange within 21 days after the publication of the Announcement, being not later than 7th August, 2001. In view of the additional time required to prepare the financial information to be contained in the Circular, an application has been made to the Stock Exchange for an extension of time for the despatch of the Circular. It is currently intended that the Circular will be despatched to the Shareholders on or about 15th August, 2001.

By Order of the Board
Drina C. Yue
Director

Hong Kong, 3rd August, 2001

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:- (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for 7 days from the day of its posting and on the website of iSteelAsia.com Limited at www.isteelasia.com.