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This announcement, for which the directors of iSteelAsia.com Limited (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to iSteelAsia.com Limited. 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.

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iSteelAsia.com

iSteelAsia.com Limited

(Incorporated in Bermuda with limited liability)

**BONUS ISSUE OF WARRANTS,
TERMINATION OF THE OLD SHARE OPTION SCHEME
AND
ADOPTION OF THE NEW SHARE OPTION SCHEME**

At the special general meeting of iSteelAsia.com Limited (the “**Company**”) held on 10th June, 2002 (the “**Special General Meeting**”), the shareholders of the Company (the “**Shareholders**”) passed a resolution approving the issue of 312,900,000 warrants by way of bonus issue to Shareholders (other than the Overseas Shareholders) whose names appear on the Company’s register of members at the close of business on 10th June, 2002 on the basis of one Warrant for every five shares then held by such Shareholders to subscribe up to HK\$31,290,000.00 in aggregate for shares of HK\$0.10 each in the capital of the Company at an initial subscription price of HK\$0.10 per share, subject to adjustments, at any time from 18th June, 2002 to 17th June, 2005, both dates inclusive.

At the Special General Meeting, the Shareholders also passed resolutions to approve the termination of the share option scheme of the Company adopted on 13th April, 2000 (the “**Old Share Option Scheme**”) and to approve the adoption of a new share option scheme (the “**New Share Option Scheme**”) and to grant options in respect of up to 156,450,000 shares and to allot and issue new shares pursuant to the exercise of options.

On 7th May, 2002, the Directors announced that a bonus issue of warrants (the “**Bonus Issue**”), the termination of the Old Share Option Scheme and the adoption of the New Share Option

Scheme would be proposed at the Special General Meeting.

At the Special General Meeting, the resolution approving the Bonus Issue was duly passed by the Shareholders. Under the Bonus Issue, the Company will create 312,900,000 warrants to subscribe up to HK\$31,290,000.00 in aggregate for shares of HK\$0.10 each in the capital of the Company at an initial subscription price of HK\$0.10 per share, subject to adjustments, at any time from 18th June, 2002 to 17th June, 2005, both dates inclusive (the “**Warrants**”) and issue the Warrants by way of bonus on the basis of one Warrant for every five existing shares in the Company held by the shareholders whose names appear on the register of members of the Company at the close of business on 10th June, 2002, except those Shareholders whose addresses, as shown on the register of members of the Company on 10th June, 2002, are outside Hong Kong (“**Overseas Shareholders**”). Full exercise of the 312,900,000 Warrants would result in the issue of 312,900,000 new shares representing 20% of the existing share capital of the Company and approximately 16.7% of the share capital of the Company as enlarged by the issue of such shares.

Application has been made to the Stock Exchange for granting the listings of, and permission to deal in: (a) the Warrants; and (b) any new shares in the capital of the Company falling to be issued upon exercise of the subscription rights attaching to the Warrants, and upon the exercise of the options that may be granted under the New Share Option Scheme. Certificates for the Warrants are expected to be posted at the risk of those entitled thereto on or before 12th June, 2002. It is expected that dealings in the Warrants will commence on 18th June, 2002 and will be traded in board lots of 200,000 units.

Details of the terms of the Bonus Issue are contained in a circular sent to the Shareholders on 23rd May, 2002 (the “**Circular**”).

At the Special General Meeting, the Shareholders also approved the termination of the Old Share Option Scheme, the adoption of the New Share Option Scheme and the grant of options in respect of up to 156,450,000 shares and the allotment and issue of new shares pursuant to the exercise of options. Details of the terms of the New Share Option Scheme are contained in the Circular. The New Share Option Scheme complies with Chapter 23 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange.

By Order of the Board
Drina C. Yue
Director

Hong Kong, 10th June, 2002

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days from its date of publication.