

OSM Supplier Q&A

1. What is happening and why?

We have announced the Blast Furnace closure and organisational restructure. As a result, this means that the Blast Furnace and Steelmaking function and parts of the Pellet Plant operation at Whyalla will cease for 3 to 4 years until new Steelworks assets are constructed using modern steel making technologies.

We will continue to operate Steel Products using external and stockpiled steel with reduced employees and likely shift changes. Multiple work areas and functions are proposed to be impacted. The proposed changes, which are subject to the outcome of consultation, are intended to support the ongoing viability of the business during this development stage.

The continued operation of the Steel Products Division aligns with the transition to modern steelmaking technologies. As part of this transition, the existing Blast Furnace and Basic Oxygen Furnace ('BOF') will be replaced with modern steel making technologies, delivering significant efficiency improvements and supporting the long-term sustainability of the business.

2. When was this decision made?

The decision has only just been made following advice received in relation to the Blast Furnace. Given the ongoing instability of the Blast Furnace, we have been preparing for a range of potential outcomes and contingency plans. While closure was one of the scenarios considered, the decision has only now been confirmed.

We are therefore consulting with employees and their representatives regarding the proposed closure and how it can be managed most effectively. It is important that this process progresses promptly given the impending conclusion of the current Administration arrangements, which have been providing funding support to the business. We will be continuing to consult about our future operating arrangements.

3. How will this impact existing suppliers?

The impact on suppliers will depend on the nature of the goods or services provided and their relevance to ongoing operational needs. Some suppliers may experience reduced demand or changes to service scope, while others may see little or no impact. Where changes are anticipated, affected suppliers will be engaged directly.

4. Will OSM continue to honour its contractual commitments?

OneSteel remains committed to honouring its contractual obligations and will manage this process in accordance with applicable laws. We will work closely with suppliers and communicate directly regarding any changes that may impact existing arrangements.

5. Will existing purchase orders remain valid?

Approved purchase orders will generally remain valid unless otherwise communicated or agreed. OSM will contact affected suppliers where changes to demand, delivery schedules, or purchase orders are required.

6. Will OSM continue to pay invoices?

Yes. OSM remains committed to meeting its payment obligations in accordance with agreed contractual terms, subject to normal verification and approval processes.

7. How will suppliers know if they are affected?

Where a supplier's contract, scope, or demand requirements are likely to be impacted, OSM will engage with the supplier directly as soon as practicable. Alternatively, you may contact our discrete mailing system for any specific queries; Vendor-Support@onesteelmanufacturing.com.au.

8. Where can suppliers seek clarification on future opportunities?

Suppliers should contact their OSM contract owner or procurement representative to discuss potential opportunities arising from OSM's evolving operational requirements. If you're unsure who your contract owner or procurement representative is please direct enquiries to; CategoryExcellenceOSM@onesteelmanufacturing.com.au.

9. What should suppliers do if they have inventory or resources dedicated to OSM?

Suppliers should discuss any concerns regarding committed inventory, materials, personnel, or assets via the discrete mailing system; Vendor-Support@onesteelmanufacturing.com.au. OSM will consider these matters on a case-by-case basis, subject to contractual arrangements.

10. Will ongoing operational sites continue to require suppliers?

Yes. OSM expects a large range of goods and services will continue to be required to support remaining operations.

11. Who should suppliers contact with questions?

For general enquiries you should contact your procurement representative. Sensitive matters should be directed to; Vendor-Support@onesteelmanufacturing.com.au.

Useful Links



Whyalla Support



OSM- Discrete Mailbox



Category Excellence