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馬鞍山鋼鐵股份有限公司
Maanshan Iron & Steel Company Limited

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 323)

OVERSEAS REGULATORY ANNOUNCEMENT

ANNOUNCEMENT ON RESOLUTIONS OF THE BOARD OF DIRECTORS

The Company and members of the board of directors (the “Board”) warrant the truthfulness, accuracy and completeness of the announcement, and jointly accept the responsibilities for any false representations, misleading statements contained in, or material omissions from, this announcement, and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of this announcement.

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The nineteenth meeting of the sixth session of the Board of Maanshan Iron & Steel Company Limited (the “Company”) was held at Conference Room 2 of 19/F of Magang office building on 24 December 2010. There were nine directors eligible for attending the meeting (including four independent directors) and nine of them attended the meeting. Mr. Gu Jianguo, Chairman of the Company, presided over the meeting. The following resolutions were considered and approved at the meeting:

1. The resolution on the co-investment of the Company with its controlling shareholder Magang (Group) Holding Company Limited (“Holding”) to establish Magang Group Finance Company Limited (“Finance Company”) was approved.

The registered capital of Finance Company amounts to RMB1 billion (including US\$5 million), to which the Company made a capital injection of RMB490 million (including US\$5 million), representing 49% of the Finance Company’s registered capital, and Holding made a capital injection of RMB510 million, representing 51% of Finance Company’s registered capital.

2. The “Agreement on the Capital Injection for the Co-investment of Magang (Group) Holding Company Limited and Maanshan Iron & Steel Company Limited to establish Finance Company” was approved.
3. The articles of association of Magang Group Finance Company Limited was approved.

4. It was agreed upon that in emergency situations where Finance Company has difficulty in payment, Holding will inject an appropriate amount of capital contribution based on the actual need for resolving the difficulty.
5. The aggregate amount of loans borrowed by the Company from Finance Company shall not be less than its total deposits with Finance Company.
6. The Company will not provide guarantee in any form for Finance Company.

As the investment constitutes a connected transaction, the investment and the relevant resolutions should fulfill the voting procedures for a connected transaction. Pursuant to the relevant regulations, three connected directors, Mr. Gu Jianguo, Mr. Su Jiengang and Mr. Zhao Jianming, have abstained from voting. Six non-connected directors, including four independent directors, voted to unanimously approve the investment and the relevant resolutions. The investment and the relevant resolutions need not be tabled to the general meeting for consideration. The formation of Magang Group Finance Company Limited is subject to the approvals of the China Banking Regulatory Commission and other relevant authorities. Therefore, the aforesaid investment of the Company is subject to some uncertainties.

For details of the investment, please refer to the connected transactions announcement of the Company published in Shanghai Securities News and posted on the Shanghai Stock Exchange website (<http://www.sse.com.cn>) on 25 December 2010.

By Order of the Board
Gao Haijian
Secretary to the Board

24 December 2010
Maanshan City, Anhui Province, the PRC

As at the date of this announcement, the directors of the Company include:

Executive Directors: Gu Jianguo, Su Jiengang, Gao Haijian, Hui Zhigang

Non-executive Director: Zhao Jianming

Independent Non-executive Directors: Wong Chun Wa, Su Yong, Hui Leung Wah, Han Yi