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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Maanshan Iron & Steel Company Limited, you should at once hand this circular and the accompanying reply slip and form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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Notice for convening an Annual General Meeting of Maanshan Iron & Steel Company Limited (the "**Company**") to be held at the Magang Guest House, No. 2 Xi Yuan Road, Maanshan City, Anhui Province, the PRC, at 9:00 a.m. on Tuesday, 16 June 2009 (the "**AGM**") is set out on pages 15 to 17 of this circular.

If you intend to attend the AGM, please complete and return the enclosed reply slip in accordance with the instructions printed thereon as soon as possible and in any event by no later than 4:00 p.m. on Wednesday, 27 May 2009.

Whether or not you intend to attend the said meeting in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's registered office (in the case of proxy form by holders of domestic shares) at No. 8 Hong Qi Zhong Road, Maanshan City, Anhui Province, the PRC, Postal code: 243003 or at the Company's H share registrar and transfer office, Hong Kong Registrars Limited (in the case of proxy form of holders of H shares) at Rooms 1806-1807, 18/Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 24 hours before the time appointed for such meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the said meeting or any adjournment thereof, if you so wish.

29 April 2009

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## DEFINITIONS

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*In this circular, the following expressions have the following meaning unless the context otherwise requires:-*

“AGM”	the annual general meeting of the Company to be held on Tuesday, 16 June 2009 at 9:00 a.m. for the Shareholders to consider and to approve the resolutions set out in the notice of AGM
“Articles of Association”	articles of association of the Company
“Board”	the board of Directors
“Company”	Maanshan Iron & Steel Company Limited, a joint stock limited company incorporated in the PRC
“Directors”	director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Shareholders”	the holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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LETTER FROM THE BOARD

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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)

*Executive Directors:*

Gu Jianguo (*Chairman*)

Su Jianguo

Gao Haijian

Hui Zhigang

*Registered address:*

No. 8 Hong Qi Zhong Road,

Maanshan City,

Anhui Province, the PRC

*Non-executive Director:*

Zhao Jianming

*Independent Non-Executive Directors:*

Wong Chun Wa

Su Yong

Hui Leung Wah

Han Yi

29 April 2009

*To: The holders of H Shares*

Dear Sir/Madam,

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with the relevant information regarding the proposed amendments to the Articles of Association, and to give you notice of AGM at which resolution(s) is proposed for the Shareholders to consider and, if thought fit, approve, amongst other matters, the aforesaid amendments.

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

In line with the certain amendments to the Listing Rules and the relevant requirements under the “Decisions concerning Amendments to Certain Provisions on Cash Dividends of Listed Companies” issued by the China Securities Regulatory Commission, the Rules Governing the Listing of Stocks (as amended in 2008) and the “Notice on Well Completing the Work of 2008 Annual Reports by Listed Companies” issued by the Shanghai Stock Exchange, amendments to the Articles of Association are proposed.

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## LETTER FROM THE BOARD

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The proposed amendments mainly involve the following:-

- (a) Consequential amendments in line with the change of the Company's registered address;
- (b) Prohibition of Directors' dealing in any securities of the Company during the relevant period in line with the recent amendments to the Listing Rules;
- (c) Certain changes in the composition of the Board and the consequential amendments;
- (d) A mechanism to prohibit the controlling shareholder's misappropriation of the Company's assets;
- (e) Establishing a nomination committee for, amongst other things, evaluating and making recommendations on the candidates for Directors, general manager and secretary to the Board of the Company;
- (f) To put emphasis on the duties of the secretary to the Board for, amongst other things, duties in relation to information disclosure of the Company; and
- (g) Specifying that the Company's cash dividend policy should be maintained on a continuous and stable basis.

Details of the proposed amendments to the Articles of Association are set out in Appendix I to this circular.

### AGM

Notice of Annual General Meeting is set out on pages 15 to 17 of this circular. Resolutions will be voted by poll in the meeting. Enclosed with this circular is a form of proxy for use at the meeting. Whether or not you intend to attend the meeting, you are requested to complete the form of proxy and return it to the Company in accordance with the instructions printed thereon. The completion of a form of proxy and returning it to the Company will not preclude you for attending and voting in person in the meeting.

### RECOMMENDATIONS

The Directors believe that the proposed amendments to the Articles of Association are in the best interests of the Company and its Shareholders, and therefore recommend all the Shareholders to vote in favour of the relevant resolution(s) in the AGM.

**Gu Jianguo**  
*Chairman*

1. The original Article 1: “This Articles of Association is formulated in accordance with ‘The Company Law of the People’s Republic of China’ (hereinafter referred to as the “Company Law”), ‘The Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), ‘Special Regulations on Overseas Offerings and Listings of Shares by Joint Stock Limited Companies issued by the State Council’ (hereinafter referred to as the “Special Regulations”), ‘Prerequisite Clauses of the Articles of Association for Companies Seeking Listings Outside the PRC’ (hereinafter referred to as the “Prerequisite Clauses”), ‘Guidelines on the Articles of Association for Listed Companies’ (hereinafter referred to as the “Guidelines on the Articles of Association”), ‘Standards of Corporate Governance for Listed Companies’ and other relevant State laws, administrative regulations and regulatory documents, in order to regulate the operation and management of Maanshan Iron & Steel Company Limited (hereinafter referred to as the “Company”) and to protect the legitimate rights and interests of the Company and its shareholders.

Pursuant to the approval (Ti Gai Sheng (1993) No. 138) of the State Commission for Economic Reform, the Company was established by way of promotion on 31 August 1993 and obtained a corporate business license (No. 14894785-8) after registration with the Anhui Provincial Administration of Industry and Commerce on 1 September 1993. On 16 May 1994, the Company was granted with the “Certificate of Approval for Foreign-invested Enterprise of the People’s Republic of China” by the Ministry of Foreign Trade and Economic Cooperation of the People’s Republic of China. On 30 June 1994, the Company was re-registered as a “Sino-foreign Joint Stock Limited Company” with business license No. 000970.

The promoter of the Company was Maanshan Iron & Steel Company (renamed as Maanshan Magang Holding Company and Magang (Group) Holding Company Limited on 1 September 1993 and 18 September 1998, respectively).”

shall be amended to: “This Articles of Association is formulated in accordance with ‘The Company Law of the People’s Republic of China’ (hereinafter referred to as the “Company Law”), ‘The Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), ‘Special Regulations on Overseas Offerings and Listings of Shares by Joint Stock Limited Companies issued by the State Council’ (hereinafter referred to as the “Special Regulations”), ‘Prerequisite Clauses of the Articles of Association for Companies Seeking Listings Outside the PRC’ (hereinafter referred to as the “Prerequisite Clauses”), ‘Guidelines on the Articles of Association for Listed Companies’ (hereinafter referred to as the “Guidelines on the Articles of Association”), ‘Standards of Corporate Governance for Listed Companies’ and other relevant State laws, administrative regulations and regulatory documents, in order to regulate the operation and management of Maanshan Iron & Steel Company Limited (hereinafter referred to as the “Company”) and to protect the legitimate rights and interests of the Company and its shareholders.

“Pursuant to the approval (Ti Gai Sheng (1993) No. 138) of the State Commission for Economic Reform, the Company was established by way of promotion on 31 August 1993 and obtained a corporate business license (No. 14894785-8) after registration with the Anhui Provincial Administration of Industry and Commerce on 1 September 1993. On 16 May 1994, the Company was granted with the “Certificate of Approval for Foreign-invested Enterprise of the People’s Republic of China” by the Ministry of Foreign Trade and Economic Cooperation of the People’s Republic of China. On 30 June 1994, the Company was re-registered as a “Sino-foreign Joint Stock Limited Company” with business license No. Qi Gu Wan Zong Zi No. 340000400002545.

The promoter of the Company was Maanshan Iron & Steel Company (renamed as Maanshan Magang Holding Company and Magang (Group) Holding Company Limited on 1 September 1993 and 18 September 1998, respectively).”

2. The original Article 3: “Company address: No. 8 Hong Qi Zhong Road, Maanshan City, Anhui Province, the People’s Republic of China, Postal code: 243003.”

shall be amended to: “Company address: No. 8 Jiu Hua West Road, Maanshan City, Anhui Province, the People’s Republic of China, Postal code: 243000.”

3. The original Article 46: “If the directors are in possession of any price-sensitive information, they are prohibited from dealing in any of the Company’s shares in any event.

During the period of prohibition, no director are allowed to deal in any of the Company’s shares. The period of prohibition shall commence from one month prior to:

- (1) the date of the Board of Directors’ meeting at which the announcement of the Company’s results is approved (or the date of first notice to The Stock Exchange of Hong Kong Limited shall prevail);
- (2) the expiry of the time within which the Company shall announce its results;

whichever is the earlier till the announcement of the Company’s results.”

shall be amended to: “If the directors are in possession of any price-sensitive information, they are prohibited from dealing in any of the Company’s securities in any event.

A director must not deal in any securities of the Company on any date on which its financial results are published and:

- (1) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (2) during the period of 30 days immediately preceding the publication date of the quarterly results and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

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**APPENDIX I            PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

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The period during which the directors are not allowed to deal in securities stated hereinabove shall cover any period of delay in the publication of a results announcement.”

4. The original Article 87: “A shareholders’ general meeting shall be convened by the chairman of the Board of Directors who shall preside at the meeting. If the chairman of the Board of Directors cannot attend the meeting for reason(s), the shareholders’ general meeting shall be convened and presided by the vice-chairman of the Board of Directors. If both the chairman and vice-chairman of the Board of Directors cannot attend the shareholders’ general meeting, the Board of Directors may designate a director of the Company to convene and preside at the shareholders’ general meeting as chairperson on his/her behalf. If a chairperson of the meeting has not been designated, shareholders attending the meeting may elect a person to act as the chairperson. If for any reason the shareholders cannot elect a chairperson, the shareholder (including proxy) holding the largest number of shares with voting rights at the meeting shall act as the chairperson of the meeting.”

shall be amended to: “A shareholders’ general meeting shall be convened by the chairman of the Board of Directors who shall preside at the meeting. If the chairman of the Board of Directors cannot attend the meeting for reason(s), the Board of Directors should designate a director of the Company to convene and preside at the shareholders’ general meeting as chairperson on his/her behalf. If a chairperson of the meeting has not been designated, shareholders attending the meeting may elect a person to act as the chairperson. If for any reason the shareholders cannot elect a chairperson, the shareholder (including proxy) holding the largest number of shares with voting rights at the meeting shall act as the chairperson.”

5. The original Article 99: “The Company shall establish a Board of Directors comprising 10 members, of which more than half shall be external directors and more than one-third shall be independent directors. At least one independent director shall possess professional qualifications in accounting.

The Board of Directors shall have one chairperson and one to two vice chairperson(s).

Directors are not required to hold shares of the Company.”

shall be amended to: “The Company shall establish a Board of Directors comprising 9 members, of which more than half shall be external directors and more than one-third shall be independent directors. At least one independent director shall possess professional qualifications in accounting.

The Board of Directors shall have a chairman.

Directors are not required to hold shares of the Company.”

6. The original Article 100: “Directors shall be elected at the shareholders’ general meetings for a term of three years, and may be re-elected and re-appointed upon the expiry of such term, provided that independent directors shall not hold office for successive terms of more than six years.



The chairman and vice-chairman shall be elected and removed by more than half of all the members of the Board of Directors. The chairman and vice-chairman shall hold office for a term of three years and may be re-elected and re-appointed upon the expiry of such term.

The shareholders' general meetings shall not dismiss any director before the expiry of his/her term with no reasons.

The term of office of a director shall commence from the date when he/she holds office until the expiry of the term of the existing Board of Directors. If an election is not conducted in time upon expiry of the term(s) of the director(s), the existing director(s) shall assume the responsibilities in accordance with the laws, administrative regulations, departmental regulations and the Articles of Association before the new director(s) be elected and hold(s) office.

Subject to compliance with the requirements of relevant laws and administrative regulations, any director whose term has not yet expired may be removed by the way of passing of an ordinary resolution at a shareholders' general meeting (without prejudice to claims that may be made under any contracts).

The Board of Directors shall propose to the shareholders' general meetings the dismissal and replacement of an independent director who fails to attend the Board of Directors' meetings in person for three consecutive times. Except for the circumstances set out hereinabove or being not allowed to act as a director as stipulated in the Company Law, an independent director shall not be removed prior to the expiry of his/her term with no reasons. Any such early removal shall be disclosed by the Company as a special matter subject to disclosure. If the removed independent director is of the view that the reason for removal given by the Company is inappropriate, he/she may make a public statement thereto.

In the event that other director fails to attend the Board of Directors' meetings in person for two consecutive times and that he/she fails to appoint another director to attend the Board of Directors' meetings on his/her behalf, he/she shall be treated as failing to discharge his/her duties and the Board of Directors shall propose to the shareholders' general meetings to have such director(s) be removed and replaced."

shall be amended to: "Directors shall be elected at the shareholders' general meetings for a term of three years, and may be re-elected and re-appointed upon the expiry of such term, provided that independent directors shall not hold office for successive terms of more than six years.

The chairman shall be elected and removed by more than half of all the members of the Board of Directors. The chairman shall hold office for a term of three years and may be re-elected and re-appointed upon the expiry of such term.

The shareholders' general meetings shall not dismiss any director before the expiry of his/her term with no reasons.

The term of office of a director shall commence from the date when he/she holds office until the expiry of the term of the existing Board of Directors. If an election is not conducted in time upon expiry of the term(s) of the director(s), the existing director(s) shall assume the responsibilities in accordance with the laws, administrative regulations, departmental regulations and the Articles of Association before the new director(s) be elected and hold(s) office.

Subject to compliance with the requirements of relevant laws and administrative regulations, any director whose term has not yet expired may be removed by the way of passing of an ordinary resolution at a shareholders' general meeting (without prejudice to claims that may be made under any contracts).

The Board of Directors shall propose to the shareholders' general meetings the dismissal and replacement of an independent director who fails to attend the Board of Directors' meetings in person for three consecutive times. Except for the circumstances set out hereinabove or being not allowed to act as a director as stipulated in the Company Law, an independent director shall not be removed prior to the expiry of his/her term with no reasons. Any such early removal shall be disclosed by the Company as a special matter subject to disclosure. If the removed independent director is of the view that the reason for removal given by the Company is inappropriate, he/she may make a public statement thereto.

In the event that other director fails to attend the Board of Directors' meetings in person for two consecutive times and that he/she fails to appoint another director to attend the Board of Directors' meetings on his/her behalf, he/she shall be treated as failing to discharge his/her duties and the Board of Directors shall propose to the shareholders' general meetings to have such director(s) be removed and replaced."

7. The original Article 106: "The chairman shall perform the following duties and authorities:
- (1) To preside at the shareholders' general meetings and to convene and preside at the Board of Directors' meetings;
  - (2) To examine the implementation of resolutions of the Board of Directors;
  - (3) To sign securities issued by the Company and other important documents;
  - (4) To exercise other duties and authorities designated by the Articles of Association and granted by the Board of Directors;
  - (5) To exercise the functions and powers of a legal representative.

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**APPENDIX I          PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

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The Board of Directors authorises the chairman to perform the following duties and authorities:

- (1) To convene the shareholders' general meetings;
- (2) To provide guidance to significant business activities of the Company during the intervals of Board of Directors' meetings;
- (3) To exercise special powers of discretion and disposal in respect of corporate matters, in cases of emergency such as wars, natural calamities in massive scale or other force majeure, provided that such discretion and disposal must be conducive to the Company's interests, and that a written report shall be furnished to the Board of Directors as soon as practicable after the exercising of such powers.

The chairman may designate the vice-chairman to perform his/her duties or authorities if he/she is not able to perform the duties or authorities by himself/herself."

shall be amended to: "The chairman shall perform the following duties and authorities:

- (1) To preside at the shareholders' general meetings and to convene and preside at the Board of Directors' meetings;
- (2) To examine the implementation of resolutions of the Board of Directors;
- (3) To sign securities issued by the Company and other important documents;
- (4) To exercise other duties and authorities designated by the Articles of Association and granted by the Board of Directors;
- (5) To exercise the functions and powers of a legal representative.

The Board of Directors authorises the chairman to perform the following duties and authorities:

- (1) To convene the shareholders' general meetings;
- (2) To provide guidance to significant business activities of the Company during the intervals of Board of Directors' meetings;
- (3) To exercise special powers of discretion and disposal in respect of corporate matters, in cases of emergency such as wars, natural calamities in massive scale or other force majeure, provided that such discretion and disposal must be conducive to the Company's interests, and that a written report shall be furnished to the Board of Directors as soon as practicable after the exercising of such powers.

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**APPENDIX I            PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

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The chairman may designate a director to perform his/her duties or authorities if he/she is not able to perform the duties or authorities by himself/herself.”

8. The original Article 107: “The Board of Directors shall convene at least four meetings each year and such meetings shall be convened by the chairman. Apart therefrom, a Board of Directors’ meeting may be convened under any of the following circumstances:

- (1) When deemed necessary by the chairman;
- (2) Upon jointly proposed by more than one-third of the directors;
- (3) When proposed by the general manager;
- (4) Upon proposed by more than one-half of the independent directors;
- (5) When proposed by the supervisory committee;
- (6) Upon proposed by shareholder(s) representing over 10% of the voting rights.

On occurrence of any of the events set out in the preceding sub-clauses (2), (3), (4) and (5) where the chairman is unable to perform his/her duties, he/she should designate a vice-chairman or a director to convene the extraordinary board of directors’ meeting on his/her behalf. Where the chairman fails to perform his/her duties with no reason and does not designate a specific person to act on his/her behalf, the vice-chairman or a director recommended by more than half of the directors shall be responsible for convening the meeting.”

shall be amended to: “The Board of Directors shall convene at least four meetings each year and such meetings shall be convened by the chairman. Apart therefrom, a Board of Directors’ meeting may be convened under any of the following circumstances:

- (1) When deemed necessary by the chairman;
- (2) Upon jointly proposed by more than one-third of the directors;
- (3) When proposed by the general manager;
- (4) Upon proposed by more than one-half of the independent directors;
- (5) When proposed by the supervisory committee;
- (6) Upon proposed by shareholders representing over 10% of the voting rights.

On occurrence of any of the events set out in the preceding sub-clauses (2), (3), (4) and (5) where the chairman is unable to perform his/her duties, he/she should designate a director to convene the extraordinary board of directors’ meeting on his/her behalf. Where the chairman fails to perform his/her duties with no reason and does not designate a specific person to act on his/her behalf, a director recommended by more than half of the directors shall be responsible for convening the meeting.”

9. Two new Articles shall be added immediately after the original Article 105 as Article 106 and Article 107, and other original Articles in the Articles of Association shall be re-numbered accordingly:

“Article 106: In the event that any directors or senior management of the Company assists or allows any controlling shareholder(s) and its subsidiaries to misappropriate any assets of the Company, the Board of Directors of the Company shall impose penalties on any directly-responsible persons proportionate to the severity of the matters and to remove any director(s) who holds material responsibility in relation thereto.

Article 107: The Board of Directors of the Company shall set up a mechanism of “freezing when misappropriation occurs” in relation to the shares held by the substantial shareholder(s). If any controlling shareholder(s) misappropriates the assets of the listed company, the Board of Directors shall apply to freeze the shares of such shareholder(s) through judicial procedures. If such shareholder(s) fails to compensate in cash for any losses arising there from, the equity interests in the listed company held by such controlling shareholder(s) shall be sold to compensate the value of the misappropriated assets.”

10. A new Article shall be added immediately after the existing Article 126 as Article 129, and other original Articles in the Articles of Association shall be re-numbered accordingly:

“Article 129: The Board of Directors of the Company shall set up a Nomination Committee comprising at least three members, all of which shall be directors. A majority of the members of the committee shall be independent directors, and one of them shall serve as the chairperson.

The main duties of the Nomination Committee are as follows:

- (1) To make recommendations to the Board of Directors on the size and composition of the Board of Directors based on the business operations, scale of assets and shareholding structure of the Company;
- (2) To review the standards and procedures for the selection of directors, general manager and secretary to the Board of Directors and make recommendations to the Board of Directors in relation thereto;
- (3) To extensively identify candidates eligible for serving as directors, general manager and secretary to the Board of Directors;
- (4) To evaluate the candidates of directors, general manager and secretary to the Board of Directors and make recommendations in relation thereto;
- (5) To evaluate the candidates for other senior management positions to be appointed by the Board of Directors and make recommendations in relation thereto;
- (6) To handle other matters as authorised by the Board of Directors.”

11. The original Article 128: “The Secretary to the Board of Directors shall be a natural person who has acquired requisite professional knowledge and experience. He/She shall be appointed and removed by the Board of Directors. His/Her major duties include:

- (1) Organisation and coordination of shareholders’ general meetings and directors’ meetings, preparation of documents for use at the meetings, arrangement of meeting affairs, ensuring accuracy of minutes taken and being responsible for keeping of documents and records of meetings;
- (2) Ensuring the Company’s preparation and submission of reports and documents required by the relevant authorities in accordance with laws;
- (3) Ensuring the proper maintenance of the Company’s share register, so as to ensure the persons who are entitled to obtain the relevant records and documents of the Company are able to obtain the same on a timely basis;
- (4) Being responsible for ensuring timely, accurate, lawful, truly and complete disclosure of the Company’s information;
- (5) Establishing investor relations management systems and being responsible for administrations of investor relations for the Company;
- (6) Discharging any other duties as specified by laws, the Articles of Association or listing rules of any stock exchanges on which the shares of the Company are listed (including any requests which may be reasonably made by the Board of Directors).”

shall be amended to: “The Secretary to the Board of Directors shall be a natural person who has acquired requisite professional knowledge and experience. He/She shall be appointed and removed by the Board of Directors. His/Her major duties include:

- (1) Organisation and coordination of shareholders’ general meetings and directors’ meetings, preparation of documents for use at the meetings, arrangement of meeting affairs, ensuring accuracy of minutes taken and being responsible for keeping of documents and records of meetings;
- (2) Ensuring the Company’s preparation and submission of reports and documents required by the relevant authorities in accordance with laws;
- (3) Ensuring the proper maintenance of the Company’s share register, so as to ensure the persons who are entitled to obtain the relevant records and documents of the Company are able to obtain the same on a timely basis;
- (4) Being responsible for ensuring timely, accurate, lawful, truly and complete disclosure of the Company’s information;

- (5) Establishing investor relations management systems and being responsible for administrations of investor relations for the Company;
  - (6) Being responsible for the confidentiality regarding the disclosure of information made by the Company and to report and disclose to the stock exchange on which the shares of the Company are listed immediately once there is leakage of undisclosed material information;
  - (7) Paying close attention to the media coverage of the Company and to actively verify the truthfulness of such coverage; and to press the Board of Directors of the Company to answer queries raised by the stock exchange on which the shares of the Company are listed in a timely manner;
  - (8) Organising training programmes for the directors, supervisors and senior management of the Company on the relevant laws and administrative regulations and to assist them in understanding their respective duties and obligations regarding information disclosure;
  - (9) Discharging any other duties as specified by laws, the Articles of Association or listing rules of any stock exchanges on which the shares of the Company are listed (including any requests which may be reasonably made by the Board of Directors).”
12. A new Article shall be added immediately after the original Article 129 as Article 133 and other original Articles in the Articles of Association shall be re-numbered accordingly:
- “Article 133: After his/her removal or resignation, the secretary to the Board of Directors shall continue to discharge his/her duties as a secretary to the Board of Directors until his/her reporting and announcement obligations are fulfilled or the resignation assessment and documentation handover procedures are completed.”
13. The original Article 180: “In the distribution of after-tax profits of a financial year, 10% of the profits shall be allocated to the statutory common reserve. No further allocation to the statutory common reserve is required where such reserve exceeds fifty per cent (50%) of the registered capital of the Company.

Where the statutory common reserve is insufficient to make up losses of the previous financial year, the profits of a financial year shall be applied to make up such losses before allocation to the statutory common reserve shall be made in accordance with the above provision.

Upon the approval of the shareholders in general meeting, where the Company has made allocation to the statutory common reserve from the profits after tax, the Company may make allocation to the discretionary common reserve.

Subject to the principle of giving proper regard to both the need to generate reasonable investment return for shareholders and the need to fulfill reasonable funding requirements of the Company, any surplus of profits after the Company has made up losses and made allocations to the statutory common reserve will be distributed as dividends to shareholders in proportion to their shareholdings.

Where the Company or the Board of Directors distributes, in breach of the above provisions, dividends to shareholders before the Company has made up losses and made allocations to the statutory common reserve, such dividends distributed in breach of the above provisions shall be returned to the Company.”

shall be amended to: “In the distribution of after-tax profits of a financial year, 10% of the profits shall be allocated to the statutory common reserve. No further allocation to the statutory common reserve is required where such reserve exceeds fifty per cent (50%) of the registered capital of the Company.

Where the statutory common reserve is insufficient to make up losses of the previous financial year, the profits of a financial year shall be applied to make up such losses before allocation to the statutory common reserve shall be made in accordance with the above provision.

Upon the approval of the shareholders in general meeting, where the Company has made allocation to the statutory common reserve from the profits after tax, the Company may make allocation to the discretionary common reserve.

Subject to the principle of giving proper regard to both the need to generate reasonable investment return for shareholders and the need to fulfill reasonable funding requirements of the Company, any surplus of profits after the Company has made up losses and made allocations to the statutory common reserve will be distributed as dividends to shareholders in proportion to their shareholdings. Cash dividend distribution policy should be maintained on a continuous and stable basis.

Where the Company or the Board of Directors distributes, in breach of the above provisions, dividends to shareholders before the Company has made up losses and made allocations to the statutory common reserve, such dividends distributed in breach of the above provisions shall be returned to the Company.”

***In case there is any inconsistency between the English and Chinese version of this Appendix, the Chinese version shall prevail.***



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## NOTICE OF ANNUAL GENERAL MEETING

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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)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of Maanshan Iron & Steel Company Limited (the “Company”) will be held at the Magang Guest House, No. 2 Xi Yuan Road, Maanshan City, Anhui Province, the PRC at 9:00 a.m. on Tuesday, 16 June 2009.

The AGM will deal with the following matters:

Ordinary resolutions:

1. To consider and approve the work report of the board of directors for the year 2008;
2. To consider and approve the work report of the supervisory committee for the year 2008;
3. To consider and approve the audited financial statements for the year 2008;
4. To consider and approve the profit distribution plan for the year 2008;
5. To consider and approve the appointment of Ernst & Young Hua Ming and Ernst & Young as the Company's auditors for the year 2009, and to authorise the board of directors to determine the remuneration of the auditors based on that in 2008;
6. To consider and approve the continued provision of guarantees for Ma Steel International Trade and Economics Corporation, a wholly-owned subsidiary of the Company;

Special resolutions:

7. To consider and approve the Company's issuance of debt financing instrument of non-financial institutions in the inter-bank and bond market in an aggregate amount of not exceeding RMB4 billion; that within twelve months from the date on which approval is obtained at the shareholders' general meeting, the Company may issue debt financing instrument of non-financial institutions in the inter-bank and bond market of a principal amount in aggregate of not exceeding RMB4 billion in the PRC; and the granting of a mandate to the board of directors by the shareholders' general meeting to determine, within the regulatory framework, the specific terms and other relevant matters with respect to the actual issuance of such debt financing instrument of non-financial institutions in the inter-bank and bond market in accordance with the needs of the Company and market circumstances;

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8. To consider and approve the “Amendments to the Articles of Association of Maanshan Iron & Steel Company Limited” (details of which are set out in the Appendix I to the Company’s circular dated 29 April 2009), and by the shareholders’ general meeting to authorise the board of directors to make appropriate modifications to the wordings of the “Amendments to the Articles of Association” pursuant to the requirements of the State’s relevant examination and approval authorities and to carry out other related matters.

By Order of the Board of Directors  
**Gao Haijian**  
*Secretary to the Board of Directors*

28 April 2009  
Maanshan City, Anhui Province, the PRC

*As at the date of this notice, the Directors of the Company include:*

*Executive Directors:* Gu Jianguo, Su Jiangang, Gao Haijian, Hui Zhigang  
*Non-executive Director:* Zhao Jianming  
*Independent Non-executive Directors:* Wong Chun Wa, Su Yong, Hui Leung Wah, Han Yi

*Notes:*

I. Persons entitled to attend the meeting

Persons who hold H shares of the Company and are registered as holders of H shares on the register of members maintained by The Hong Kong Registrars Limited on Friday, 15 May 2009 shall have the right to attend the AGM after completing the registration procedures for attending the meeting. (Holders of A shares will be notified separately.)

II. Registration procedures for attending the AGM

1. Holders of H shares shall deliver their written replies for attending the meeting, copies of transfers, share certificates or copies of receipts of share transfer and copies of their own identity cards to the Company by no later than Wednesday, 27 May 2009. If proxies are appointed by shareholders to attend the meeting, they shall, in addition to the aforementioned documents, deliver the proxy forms and copies of their own identity cards to the Company.
2. Shareholders can deliver the necessary documents for registration to the Company in the following ways: in person, by post or by facsimile. Upon receipt of such documents, the Company will complete the registration procedures for attending the AGM.

III. Appointing Proxies

1. Shareholders who have the right to attend and vote at the AGM are entitled to appoint in writing one or more proxies (whether a shareholder or not) to attend and vote on their behalf.
2. The instrument appointing a proxy must be in writing signed by the appointor or his attorney duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign or other documents of authorisation must be notarially certified. The notarially certified power of attorney or other documents of authorisation and proxy forms must be delivered to the registered office of the Company by not less than 24 hours before the time appointed for the holding of the AGM in order for such documents to be valid.

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- IV. Shareholders or their proxies attending the AGM shall be responsible for their own accommodation and travel expenses.
- V. The Company's register of members for H shares will be closed temporarily from Friday, 15 May 2009 to Tuesday, 16 June 2009 (both days inclusive), during which period no transfer of H shares will be registered. Holders of H shares who wish to attend the AGM must deliver their instruments of transfer together with the relevant share certificates to The Hong Kong Registrars Limited, the Registrar of H shares of the Company, by no later than 4:00 p.m. on Thursday, 14 May 2009.

The address of the Registrar for the Company's H shares: Rooms 1806-1807, 18/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Share registration date for holders of A shares will be announced later.

- VI. Company's registered address: No. 8 Hong Qi Zhong Road, Maanshan City, Anhui Province, The PRC.  
Postal code: 243003

Telephone: 86-555-2888158

Fax: 86-555-2887284

Contact persons: Ms. He Hongyun, Mr. Xu Yayan