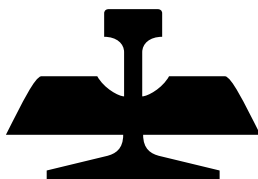


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鞍鋼股份有限公司
ANGANG STEEL COMPANY LIMITED*

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

(Stock Code: 347)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the shareholders of Angang Steel Company Limited* (鞍鋼股份有限公司) (the “Company”) for 2011 (the “Annual General Meeting”) will be held at the Conference Room of Dongshan Hotel, 108 Dongfeng Street, Tie Dong District, Anshan City, Liaoning Province, the PRC at 9:00 a.m. on Tuesday, 29 May 2012 for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the report of the board of directors of the Company for 2011.
2. To consider and approve the report of the supervisory committee of the Company for 2011.
3. To consider and approve the auditor’s report of the Company for 2011.
4. To consider and approve the proposal for distribution of the profits of the Company for 2011.
5. To consider and approve the proposed remuneration of the directors and supervisors of the Company for 2011.
6. To consider and approve the proposal for appointment of RSM China Certified Public Accountants (Special General Partnership) as the auditor of the Company for 2012 and to authorize the board of directors to determine their remunerations.
7. To consider and approve the proposal for election of Mr. Su Wensheng as a supervisor of the fifth session of the supervisory committee.

Please refer to Appendix I to this notice for the relevant information of Mr. Su.

8. To consider and approve the proposal for continuing connected transactions in January and February 2012.

SPECIAL RESOLUTION

9. To consider and approve the proposed amendments to the articles of association of the Company and to authorise any director of the Company to deal with the relevant matters or to execute any documents in relation to such amendments.

The Board has proposed to prepare its financial statements according to the Accounting Standards for Business Enterprises in the PRC only. As a result, the Board has proposed to delete the relevant articles relating to the preparation of financial statements under the International Accounting Standards from the articles of association of the Company.

Details of the proposed amendments are as follows:

Original Article 232:

“The financial statements of the Company shall be prepared not only in accordance with the PRC accounting standards, laws and regulations but also in accordance with the international accounting standards or the accounting standards of the jurisdiction outside the PRC where the Company’s shares are listed. If there are major discrepancies between the financial statements prepared in accordance with these two types of accounting standards, such discrepancies shall be indicated in the notes to the financial statements. When distributing the after-tax profit for the related accounting year, the Company shall adopt whichever is the lower of the after-tax profit in financial statements (i) prepared under the PRC accounting standards and rules and regulations of the PRC or (ii) prepared under the international accountings standards or the accounting standards of the jurisdiction outside the PRC where the Company’s shares are listed.”

Amended as:

“The Company’s financial statements shall be prepared under the Accounting Standards for Business Enterprises in the PRC.”

Original Article 233:

“Any interim results or financial information published or disclosed by the Company shall not only be prepared in accordance with the PRC accounting standards, laws and regulations of the PRC, but also in accordance with the international accountings standards or the accounting standards of the jurisdiction outside the PRC where the Company’s shares are listed.”

Amended as:

“Any interim results or financial information published or disclosed by the Company shall be prepared in accordance with the Accounting Standards for Business Enterprises in the PRC.”

REPORTS PRESENTED BY INDEPENDENT NON-EXECUTIVE DIRECTORS TO THE ANNUAL GENERAL MEETING FOR SHAREHOLDERS' INFORMATION

Reports prepared by each of the independent non-executive directors, namely, Mr. Li Shijun, Mr. Ma Guoqiang and Mr. Kwong Chi Kit, Victor, in relation to his discharge of duties during 2011, pursuant to the relevant laws and regulations of the PRC and the rules of Shenzhen Stock Exchange, are enclosed hereto as Appendices II - IV for the purpose of being presented to the Annual General Meeting for the shareholders' information.

By Order of the Board
ANGANG STEEL COMPANY LIMITED
Fu Jihui
Executive Director and Secretary to the Board

Anshan City, Liaoning Province, the PRC
13 April 2012

As at the date of this notice, the Board comprises the following directors:

Executive Directors:

Zhang Xiaogang
Yang Hua
Chen Ming
Yu Wanyuan
Fu Jihui

Independent Non-Executive Directors:

Li Shijun
Ma Guoqiang
Kwong Chi Kit, Victor

Notes:

- (1) In order to determine the list of shareholders who are entitled to attend and vote at the Annual General Meeting, the register of H shareholders of the Company will be closed from Monday, 30 April 2012 to Tuesday, 29 May 2012 (both days inclusive), during which period no share transfer will be registered. H shareholders of the Company whose names appear on the register of H shareholders of the Company as at Friday, 27 April 2012 are entitled to attend and vote at the Annual General Meeting. In order to attend and vote on the Annual General Meeting, H shareholders of the Company whose transfers have not been registered shall lodge the transfer documents together with the relevant share certificates with the Hong Kong Registrars Limited, the Company's H share registrar, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 27 April 2012.

The last day of dealings in the H shares of the Company on the basis of cum-entitlements to attend and vote at the Annual General Meeting, will be Wednesday, 25 April 2012. The first day of dealings in the H shares of the Company on the basis of ex-entitlements to attend and vote at the Annual General Meeting, will be Thursday, 26 April 2012.

- (2) Voting at the Annual General Meeting will be taken by poll.
- (3) Any shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote on his/her/its behalf. A proxy need not be a shareholder of the Company. Where a shareholder has appointed more than one proxy, each of his proxies may only vote on a poll in respect of the shares actually held by him.
- (4) The instrument appointing a proxy must be in writing under the hand of the appointor or his/her/its 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. To be valid, the notarially certified power of attorney, or other documents of authorisation, and the form of proxy must be delivered to Hong Kong Registrars Limited, the Company's H share registrar, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof.

(5) Shareholders who intend to attend the Annual General Meeting in person or by proxy shall, for information purposes only, return the reply slip (which will be despatched to the shareholders together with this notice) to the Secretary Office to the Board on or before Wednesday, 9 May 2012 in person or by hand, post or fax. Failure to return the reply slip will not affect shareholders' rights to attend the Annual General Meeting or any adjournment in person.

(6) The address and contact details of the Secretary Office to the Board are as follows:

1 Qianshan Road West
Qianshan District
Anshan City
Liaoning Province
The People's Republic of China
Post Code: 114011
Tel: 86-412-8417273/8419192
Fax: 86-412-6727772

(7) In accordance with the articles of association of the Company, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, to attend and exercise all the voting powers attached to such share at the Annual General Meeting, and this notice shall be deemed to be given to all joint holders of such share.

(8) The Annual General Meeting is expected to be concluded within half a day. Shareholders (in person or by proxy) attending the Annual General Meeting are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the Annual General Meeting shall produce identity documents.

* *For identification purposes only*

APPENDIX I

The Company decided to nominate Mr. Su Wensheng as the candidate for a supervisor of the fifth session of the supervisory committee of the Company (the “Supervisory Committee”).

Biography

Mr. Su, aged 56, is now Secretary of Committee for Discipline Inspection, professorate senior engineer of Angang Holding. Mr. Su was graduated from Tsinghua University with a degree in Civil and Environmental Engineering in the Professional School of Environmental Engineering of Nuclear Industry (核工業環境工程專業大學), and from China University of Petroleum (Beijing) with a Master Degree in Management Science and Engineering in the Department of Business Administration. He was the Secretary of Committee for Discipline Inspection of Beijing Design Institute (北京設計院) of China Petroleum & Chemical Corporation, the director of the Ideological and Political Work Department, the deputy secretary of directly subordinated Party Committee of Sinopec Group and the standing deputy secretary of the Party Working Committee under New Western District Exploration Headquarters of Sinopec, the member of supervisory committee of China Petroleum & Chemical Corporation, the standing committee member of the Party Committee, Vice-chairman of Beijing Yanshan Company of China Petroleum & Chemical Corporation of Sinopec Group, the standing committee member of the Party Committee, Secretary of Committee for Discipline Inspection of Angang Holding. Mr. Su is currently the senior political cadre evaluator of State-owned Assets Supervision and Administration Commission.

Mr. Su did not hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years. Mr. Su does not have any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, the Laws of Hong Kong) as at the date of this notice. Save as disclosed above, Mr. Su has no relationship with any director, supervisor, senior management, the chief executive, substantial shareholder or controlling shareholder of the Company or any of its subsidiaries, neither does he hold any position in the controlling shareholders of the Company. Mr. Su has not received punishment from the China Securities Regulatory Commission or other relevant departments, nor received disciplinary actions from any stock exchange.

Mr. Su has not entered into any service contract with the Company in the capacity as a supervisor of the Company. The remuneration of Mr. Su is determined according to the remuneration policy of the Company, his responsibilities and the prevailing market conditions. Save as disclosed herein, there are no matter relating to the acting of Mr. Su as the supervisor of the Company, in particular, the information required under Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited that needs to be brought to the attention of the shareholders of the Company.

APPENDIX II
ANGANG STEEL COMPANY LIMITED*
2011 ANNUAL WORK REPORT OF INDEPENDENT DIRECTORS
(INDEPENDENT DIRECTOR: LI SHIJUN)

Since being elected as Independent Director of Angang Steel Company Limited (hereinafter the “Company”), I have in my duties for 2011 faithfully performed my duties, actively attended relevant meetings, and issued independent opinions on matters requiring independent director’s opinions in compliance with the provisions and requirements of the relevant laws, administrative regulations and regulatory documents such as the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association of Angang Steel Company Limited* (hereinafter the “Articles of Association”), thereby protecting the lawful interests of the Company and shareholders, especially minority shareholders, as a whole. I hereby present the performance of my duties as an independent director in 2011 as follows:

I. ATTENDANCE OF BOARD MEETINGS IN 2011

In 2011, I attended the board meetings of the Company in a timely manner, and actively participated in discussion of various resolutions. The convening of board meetings in 2011 and procedures thereof were in compliance with the provisions of laws and regulations. Material operating decisions were made through relevant procedures, being lawful and valid. I voted for all relevant resolutions needed to be voted, and diligently and faithfully performed my duties as an independent director in a practical manner. Details relating to my attendance of board meetings in 2011 is as follows:

Name	Attendance required	Attendance by on-site meeting	Attendance by telecommunication	Attendance by proxy	Absence	Two consecutive absences in person
Li Shijun	14	4	10	0	0	No

II. INDEPENDENT OPINIONS ON RELEVANT MEETINGS AND MATTERS OF THE COMPANY IN 2011

In 2011, together with other independent directors, I issued the following opinions as an independent director:

- (I) On 23 February 2011, during the eighteenth meeting of the fifth session of the Board, I gave my independent opinions in relation to the “proposal on investment in Phase II construction of Angang Shenyang Steel Product Processing and Distribution Company Limited”.
- (II) On 3 March 2011, during the nineteenth meeting of the fifth session of the Board, I gave my independent opinions in relation to the “proposal on investment in Anshan Falan Packaging Materials Co., Ltd.” (關於公司投資鞍山發藍包裝材料有限責任公司的議案).
- (III) On 29 March 2011, during the twentieth meeting of the fifth session of the Board, I gave my independent opinions in relation to cumulative and current external guarantees of the Company and occupation of capital by the controlling shareholders and other related parties, 2010 daily continuing connected transactions, remuneration proposal of the directors, supervisors and senior management of the Company for 2010, 2010 Self-valuation Report on Internal Control and in relation to the re-appointments of RSM China Certified Public Accountants (Special General Partnership) and RSM Nelson Wheeler Certified Public Accountants respectively as the domestic and the international auditors of the Company for 2011.
- (IV) On 6 May 2011, during the twenty-second meeting of the fifth session of the Board, I gave my independent opinions in relation to the “proposal on signing the Iron Concentrate Supply Agreement between the Company and Pangang Group Panzhihua Steel & Vanadium Co., Ltd.* (攀鋼集團鋼鐵鈮鈦股份有限公司)”.

- (V) On 12 August 2011, during the twenty-fourth meeting of the fifth session of the Board, I gave my independent opinions in relation to appointing Mr. Ren Ziping as the Company's chief engineer.
- (VI) On 22 August 2011, during the twenty-fifth meeting of the fifth session of the Board, I gave my independent opinions in relation to cumulative and current external guarantees of the Company and occupation of capital by the controlling shareholders and other related parties.
- (VII) On 26 September 2011, during the twenty-sixth meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to adjusting the useful lives for the Company's fixed assets.
- (VIII) On 11 October 2011, during the twenty-seventh meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to the Supply of Materials and Services Agreement (Year 2012-2013) signed between the Company and Angang Group Company* (鞍鋼集團公司).
- (IX) On 20 December 2011, during the thirtieth meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to dismissing Mr. Fu Wei for his duty as the Deputy General Manager and appointing Mr. Liu Baoshan as the Company's Deputy General Manager.
- (X) On 30 December 2011, during the thirty-first meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to the "proposal on the 2012 daily connected transactions with a total amount of RMB2,720 million between the Company and Angang Group Company*".

I have provided my prior consent as an independent director for the above issues in relation to the proposal on connected transactions. In my opinion, the Company's consideration and approval on the above issues in 2011 comply to the relevant laws and regulations such as the Company Law and the Securities Law and requirements on Articles of Association and fulfill the principles of fairness, disclosure and justice. The Company's consideration, approval and voting of the above issues is based on legal and effective procedures, and thus in absence of damaging the benefits of the Company and its shareholders as a whole, especially for the case of the minority.

III. WORK FOR PROTECTION OF INVESTORS' INTERESTS

1. During the reporting period, I continuously kept close eyes on the Company's work on information disclosure. In strict compliance with the relevant provisions of the laws, regulations and regulatory documents such as the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association, the Company had made its information disclosure in 2011 in a truthful, timely, accurate and complete manner.
2. During the reporting period, for each proposal requiring consideration and approval by the Board, I had carefully reviewed the introduction and information provided by the Company in advance, and exercised my voting rights in an independent, objective and prudent manner. I probed deeply into the daily situations of the Company such as operation and management, internal control, implementation of the Board resolutions, financial management, connected transactions and business development and kept abreast of the Company's dynamics. Through fully performing my duties as an independent director, I promoted the scientific and objective decision-making of the Board and practically safeguarded the interests of the Company and shareholders.
3. During the reporting period, I continued to strengthen the self-study of laws and regulations, urged the Company to improve and perfect its governance structure and cultivated a concept of being alert of protection of investors' interests.

IV. OTHERS

- (I) During the reporting period, as the convenor of Nomination Committee of the fifth session of the Board, I convened and attended two meetings of Nomination Committee, and together with other members of the Nomination Committee, jointly nominated Mr. Ren Ziping as the chief engineer and Mr. Liu Baoshan as Deputy General Manager of the Company respectively.
- (II) During the reporting period, as the member of the Remuneration Committee of the fifth session of the Board, I attended one meeting of the Remuneration Committee, at which an assessment was made on the performance of the directors and senior management personnel of the Company in 2010 and a review was conducted over their annual remunerations in 2010, and the same was submitted to the Board for consideration.
- (III) No proposal for convening Board meetings.
- (IV) No appointment of independent external auditors and advisory institutions, etc.

The above is the report on the performance of my duties as an independent director of Angang Steel Company Limited in 2011. In 2012, I will continue to perform my duties as an independent director pursuant to the relevant laws, regulations and the Articles of Association and play a due role in safeguarding the lawful interests of shareholders and promoting the development of the Company.

Angang Steel Company Limited*

Independent Director: Li Shijun

27 March 2012

APPENDIX III
ANGANG STEEL COMPANY LIMITED*
2011 ANNUAL WORK REPORT OF INDEPENDENT DIRECTORS
(INDEPENDENT DIRECTOR: MA GUOQIANG)

Since being elected as Independent Director of Angang Steel Company Limited (hereinafter the “Company”), I have in my duties for 2011 faithfully performed my duties, actively attended relevant meetings, and issued independent opinions on matters requiring independent director’s opinions in compliance with the provisions and requirements of the relevant laws, administrative regulations and regulatory documents such as the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association of Angang Steel Company Limited* (hereinafter the “Articles of Association”), thereby protecting the lawful interests of the Company and shareholders, especially minority shareholders, as a whole. I hereby present the performance of my duties as an independent director in 2011 as follows:

I. ATTENDANCE OF BOARD MEETINGS IN 2011

In 2011, I attended the board meetings of the Company in a timely manner, and actively participated in discussion of various resolutions. The convening of board meetings in 2011 and procedures thereof were in compliance with the provisions of laws and regulations. Material operating decisions were made through relevant procedures, being lawful and valid. I voted for all relevant resolutions needed to be voted, and diligently and faithfully performed my duties as an independent director in a practical manner. Details relating to my attendance of board meetings in 2011 is as follows:

Name	Attendance required	Attendance by on-site meeting	Attendance by telecommunication	Attendance by proxy	Absence	Two consecutive absences in person
Ma Guoqiang	14	4	10	0	0	No

II. INDEPENDENT OPINIONS ON RELEVANT MEETINGS AND MATTERS OF THE COMPANY IN 2011

In 2011, together with other independent directors, I issued the following opinions as an independent director:

- (I) On 23 February 2011, during the eighteenth meeting of the fifth session of the Board, I gave my independent opinions in relation to the “proposal on investment in Phase II construction of Angang Shenyang Steel Product Processing and Distribution Company Limited”.
- (II) On 3 March 2011, during the nineteenth meeting of the fifth session of the Board, I gave my independent opinions in relation to the “proposal on investment in Anshan Falan Packaging Materials Co., Ltd.” (關於公司投資鞍山發藍包裝材料有限責任公司的議案).
- (III) On 29 March 2011, during the twentieth meeting of the fifth session of the Board, I gave my independent opinions in relation to cumulative and current external guarantees of the Company and occupation of capital by the controlling shareholders and other related parties, 2010 daily continuing connected transactions, remuneration proposal of the directors, supervisors and senior management of the Company for 2010, 2010 Self-valuation Report on Internal Control and in relation to the re-appointments of RSM China Certified Public Accountants (Special General Partnership) and RSM Nelson Wheeler Certified Public Accountants respectively as the domestic and the international auditors of the Company for 2011.
- (IV) On 6 May 2011, during the twenty-second meeting of the fifth session of the Board, I gave my independent opinions in relation to the “proposal on signing the Iron Concentrate Supply Agreement between the Company and Pangang Group Panzhihua Steel & Vanadium Co., Ltd.* (攀鋼集團鋼鐵鈦鈹股份有限公司)”.

- (V) On 12 August 2011, during the twenty-fourth meeting of the fifth session of the Board, I gave my independent opinions in relation to appointing Mr. Ren Ziping as the Company's chief engineer.
- (VI) On 22 August 2011, during the twenty-fifth meeting of the fifth session of the Board, I gave my independent opinions in relation to cumulative and current external guarantees of the Company and occupation of capital by the controlling shareholders and other related parties.
- (VII) On 26 September 2011, during the twenty-sixth meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to adjusting the useful lives for the Company's fixed assets.
- (VIII) On 11 October 2011, during the twenty-seventh meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to the Supply of Materials and Services Agreement (Year 2012-2013) signed between the Company and Angang Group Company* (鞍鋼集團公司).
- (IX) On 20 December 2011, during the thirtieth meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to dismissing Mr. Fu Wei for his duty as the Deputy General Manager and appointing Mr. Liu Baoshan as the Company's Deputy General Manager.
- (X) On 30 December 2011, during the thirty-first meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to the "proposal on the 2012 daily connected transactions with a total amount of RMB2,720 million between the Company and Angang Group Company*".

I have provided my prior consent as an independent director for the above issues in relation to the proposal on connected transactions. In my opinion, the Company's consideration and approval on the above issues in 2011 comply to the relevant laws and regulations such as the Company Law and the Securities Law and requirements on Articles of Association and fulfill the principles of fairness, disclosure and justice. The Company's consideration, approval and voting of the above issues is based on legal and effective procedures, and thus in absence of damaging the benefits of the Company and its shareholders as a whole, especially for the case of the minority.

III. WORK FOR PROTECTION OF INVESTORS' INTERESTS

1. During the reporting period, I continuously kept close eyes on the Company's work on information disclosure. In strict compliance with the relevant provisions of the laws, regulations and regulatory documents such as the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association, the Company had made its information disclosure in 2011 in a truthful, timely, accurate and complete manner.
2. During the reporting period, for each proposal requiring consideration and approval by the Board, I had carefully reviewed the introduction and information provided by the Company in advance, and exercised my voting rights in an independent, objective and prudent manner. I probed deeply into the daily situations of the Company such as operation and management, internal control, implementation of the Board resolutions, financial management, connected transactions and business development and kept abreast of the Company's dynamics. Through fully performing my duties as an independent director, I promoted the scientific and objective decision-making of the Board and practically safeguarded the interests of the Company and shareholders.
3. During the reporting period, I continued to strengthen the self-study of laws and regulations, urged the Company to improve and perfect its governance structure and cultivated a concept of being alert of protection of investors' interests.

IV. OTHERS

- (I) During the reporting period, as the convenor of Audit Committee of the fifth session of the Board, I convened and attended five meetings of Audit Committee, which mainly reviewed the 2010 annual report, 2011 quarterly and interim financial reports and the financial information in the 2010 annual report, 2011 quarterly and interim reports of the Company, considered to adjust the useful lives for the Company's fixed assets, examined the Company's internal control and suggested appointing external auditors and so forth.
- (II) During the reporting period, as a member of Nomination Committee of the fifth session of the Board, I convened and attended two meetings of Nomination Committee, and together with other members of the Nomination Committee, nominated Mr. Ren Ziping as the chief engineer and Mr. Liu Baoshan as Deputy General Manager of the Company respectively.
- (III) No proposal for convening Board meetings.
- (IV) No appointment of independent external auditors and advisory institutions, etc.

The above is the report on the performance of my duties as an independent director of Angang Steel Company Limited in 2011. In 2012, I will continue to perform my duties as an independent director pursuant to the relevant laws, regulations and the Articles of Association and play a due role in safeguarding the lawful interests of shareholders and promoting the development of the Company.

Angang Steel Company Limited*

Independent Director: Ma Guoqiang

27 March 2012

APPENDIX IV
ANGANG STEEL COMPANY LIMITED*
2011 ANNUAL WORK REPORT OF INDEPENDENT DIRECTORS
(INDEPENDENT DIRECTOR: KWONG CHI KIT, VICTOR)

Since being elected as Independent Director of Angang Steel Company Limited (hereinafter the “Company”), I have in my duties for 2011 faithfully performed my duties, actively attended relevant meetings, and issued independent opinions on matters requiring independent director’s opinions in compliance with the provisions and requirements of the relevant laws, administrative regulations and regulatory documents such as the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association of Angang Steel Company Limited* (hereinafter the “Articles of Association”), thereby protecting the lawful interests of the Company and shareholders, especially minority shareholders, as a whole. I hereby present the performance of my duties as an independent director in 2011 as follows:

I. ATTENDANCE OF BOARD MEETINGS IN 2011

In 2011, I attended the board meetings of the Company in a timely manner, and actively participated in discussion of various resolutions. The convening of board meetings in 2011 and procedures thereof were in compliance with the provisions of laws and regulations. Material operating decisions were made through relevant procedures, being lawful and valid. I voted for all relevant resolutions needed to be voted, and diligently and faithfully performed my duties as an independent director in a practical manner. Details relating to my attendance of board meetings in 2011 is as follows:

Name	Attendance required	Attendance by on-site meeting	Attendance by telecommunication	Attendance by proxy	Absence	Two consecutive absences in person
Kwong Chi Kit, Victor	14	4	10	0	0	No

II. INDEPENDENT OPINIONS ON RELEVANT MEETINGS AND MATTERS OF THE COMPANY IN 2011

In 2011, together with other independent directors, I issued the following opinions as an independent director:

- (I) On 23 February 2011, during the eighteenth meeting of the fifth session of the Board, I gave my independent opinions in relation to the “proposal on investment in Phase II construction of Angang Shenyang Steel Product Processing and Distribution Company Limited”.
- (II) On 3 March 2011, during the nineteenth meeting of the fifth session of the Board, I gave my independent opinions in relation to the “proposal on investment in Anshan Falan Packaging Materials Co., Ltd.” (關於公司投資鞍山發藍包裝材料有限責任公司的議案).
- (III) On 29 March 2011, during the twentieth meeting of the fifth session of the Board, I gave my independent opinions in relation to cumulative and current external guarantees of the Company and occupation of capital by the controlling shareholders and other related parties, 2010 daily continuing connected transactions, remuneration proposal of the directors, supervisors and senior management of the Company for 2010, 2010 Self-valuation Report on Internal Control and in relation to the re-appointments of RSM China Certified Public Accountants (Special General Partnership) and RSM Nelson Wheeler Certified Public Accountants respectively as the domestic and the international auditors of the Company for 2011.
- (IV) On 6 May 2011, during the twenty-second meeting of the fifth session of the Board, I gave my independent opinions in relation to the “proposal on signing the Iron Concentrate Supply Agreement between the Company and Pangang Group Panzhihua Steel & Vanadium Co., Ltd.* (攀鋼集團鋼鐵鈮鈦股份有限公司)”.

- (V) On 12 August 2011, during the twenty-fourth meeting of the fifth session of the Board, I gave my independent opinions in relation to appointing Mr. Ren Ziping as the Company's chief engineer.
- (VI) On 22 August 2011, during the twenty-fifth meeting of the fifth session of the Board, I gave my independent opinions in relation to cumulative and current external guarantees of the Company and occupation of capital by the controlling shareholders and other related parties.
- (VII) On 26 September 2011, during the twenty-sixth meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to adjusting the useful lives for the Company's fixed assets.
- (VIII) On 11 October 2011, during the twenty-seventh meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to the Supply of Materials and Services Agreement (Year 2012-2013) signed between the Company and Angang Group Company* (鞍鋼集團公司).
- (IX) On 20 December 2011, during the thirtieth meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to dismissing Mr. Fu Wei for his duty as the Deputy General Manager and appointing Mr. Liu Baoshan as the Company's Deputy General Manager.
- (X) On 30 December 2011, during the thirty-first meeting of the fifth session of the Board, I gave my opinions as an independent director in relation to the "proposal on the 2012 daily connected transactions with a total amount of RMB2,720 million between the Company and Angang Group Company*".

I have provided my prior consent as an independent director for the above issues in relation to the proposal on connected transactions. In my opinion, the Company's consideration and approval on the above issues in 2011 comply to the relevant laws and regulations such as the Company Law and the Securities Law and requirements on Articles of Association and fulfill the principles of fairness, disclosure and justice. The Company's consideration, approval and voting of the above issues is based on legal and effective procedures, and thus in absence of damaging the benefits of the Company and its shareholders as a whole, especially for the case of the minority.

III. WORK FOR PROTECTION OF INVESTORS' INTERESTS

1. During the reporting period, I continuously kept close eyes on the Company's work on information disclosure. In strict compliance with the relevant provisions of the laws, regulations and regulatory documents such as the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association, the Company had made its information disclosure in 2011 in a truthful, timely, accurate and complete manner.
2. During the reporting period, for each proposal requiring consideration and approval by the Board, I had carefully reviewed the introduction and information provided by the Company in advance, and exercised my voting rights in an independent, objective and prudent manner. I probed deeply into the daily situations of the Company such as operation and management, internal control, implementation of the Board resolutions, financial management, connected transactions and business development and kept abreast of the Company's dynamics. Through fully performing my duties as an independent director, I promoted the scientific and objective decision-making of the Board and practically safeguarded the interests of the Company and shareholders.
3. During the reporting period, I continued to strengthen the self-study of laws and regulations, urged the Company to improve and perfect its governance structure and cultivated a concept of being alert of protection of investors' interests.

IV. OTHERS

- (I) During the reporting period, as the member of the Audit Committee of the fifth session of the Board, I attended five meetings of the Audit Committee, which mainly reviewed the 2010 annual report, 2011 quarterly and interim financial reports and the financial information in the 2010 annual report, 2011 quarterly and interim reports of the Company, considered to adjust the useful lives for the Company's fixed assets, examined the Company's internal control and suggested appointing external auditors and so forth.
- (II) During the reporting period, as the convenor of the Remuneration Committee of the fifth session of the Board, I convened and attended one meeting of the Remuneration Committee, at which an assessment was made on the performance of the directors and senior management personnel of the Company in 2010 and a review was conducted over their annual remunerations in 2010, and the same was submitted to the Board for consideration.
- (III) No proposal for convening Board meetings.
- (IV) No appointment of independent external auditors and advisory institutions etc.

The above is the report on the performance of my duties as an independent director of Angang Steel Company Limited in 2011. In 2012, I will continue to perform my duties as an independent director pursuant to the relevant laws, regulations and the Articles of Association and play a due role in safeguarding the lawful interests of shareholders and promoting the development of the Company.

Angang Steel Company Limited*

Independent Director: Kwong Chi Kit, Victor

27 March 2012

* *For identification purposes only*