

BOULDER STEEL LIMITED

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Company Announcements
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

For Immediate Release

Dear Sir/Madam

Framework Agreement with MCCI

Boulder Steel Limited ("Boulder") is delighted to announce that it has today signed a Framework Agreement with MCC International Incorporation Limited ("MCCI") of China for its Gladstone Steel Plant Project (the "Project").

Under the Framework Agreement Boulder and MCCI agree to closely co-operate to progress the Project to the point where a final investment decision can be made.

The Framework Agreement sets out key elements that the parties agree are important to progressing the Project and stipulates the responsibilities of each of Boulder and MCCI, as summarised below.

Boulder's Responsibilities

Starting immediately:

- obtain letters of intent from raw material suppliers for the supply of raw materials
- continue to progress the Environmental Impact Statement to its final approval
- continue the process of obtaining support from the Australian Federal Government and the Queensland State Government
- obtain letters of intent from potential off-takers of Boulder's products

MCCI's Responsibilities

Starting immediately:

- search for potential off-takers and operators (co-sponsors) in China
- continue dialogue concerning the Project with Chinese banks with a view to obtaining funding for the Project
- when requested by Boulder, and subject to signing an agreement with Boulder, prepare or procure the preparation of a Bankable Feasibility Study.

This is an important step for Boulder and the Project.

MCCI is part of the Metallurgical Corporation of China ("MCC") group of companies. MCC is a Fortune 500 company, ranked 280 in 2012 and ranked 297 in 2011. According to MCC's latest annual report, it has approximately US\$36.5 billion in revenue and US\$52.7 billion in assets.

Yours Faithfully

A handwritten signature in black ink, appearing to read 'David Simpson', with a long horizontal flourish extending to the right.

David Simpson
Managing Director