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**South American Iron & Steel Corporation Limited
Annual General Meeting 2016**

28 October 2016

Dear Shareholder,

It is my pleasure to invite you to the 2016 Annual General Meeting of South American Iron & Steel Corporation Limited to be held at 11.30 am on Wednesday 30 November 2016 at the offices of Nexia Australia, Level 16, 1 Market Street, Sydney, New South Wales.

I enclose a Notice of Meeting and a proxy form. Please complete and return the proxy if you are not able to attend the meeting.

The Company's 2016 Annual Report is now available at www.asx.com.au/asx/statistics/announcements.do ASX Code: SAY. We are sending a copy to those shareholders who have requested a hard copy. If you would prefer to receive a printed copy please let me know.

I look forward to welcoming you to the meeting.

Yours sincerely,

Terry Cuthbertson
Chairman



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Notice of Annual General Meeting

Notice is hereby given that the 2016 Annual General Meeting of shareholders of South American Iron & Steel Corporation Limited ("the Company") will be held at the Nexia Australia, Level 16, 1 Market Street, Sydney, New South Wales, on Wednesday, 30 November, 2016 commencing at 11:30am.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Memorandum and the Proxy Form forms part of this Notice

ORDINARY BUSINESS

Item 1: Financial Statements

To receive and consider the Financial Report, including the Directors' Report and Auditor's Report for the Company and its controlled entities for the year ended 30 June 2016.

Pursuant to Section 317 of the Corporations Act, the financial statements of the Company for the year ended 30 June 2016, together with the reports by the Directors and the Auditor therein are required to be laid before the meeting. Shareholders will be provided with the opportunity to ask questions of the Directors and the auditor about the financial statements but there will be no formal resolution put to the meeting with regard to the financial statements.

Resolution 1: Remuneration Report

To receive and consider the Remuneration Report and, if thought fit, to pass the following resolution:

"That the Remuneration Report be adopted"

Voting Exclusion: Pursuant to Section 250R of the Corporations Act 2001 a vote on this resolution must not be cast (in any capacity) by or on behalf of any member of the key management personnel details of whose remuneration are included in the remuneration report or a closely related party of such a member. However, a person aforesaid may cast a vote on the resolution if the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution and the vote is not cast on behalf of a person aforesaid.

Resolution 2: Election of Terry Cuthbertson as Director

To consider and, if thought fit, to pass the following resolution:

"That Mr. Terry Cuthbertson, a Director retiring by rotation in accordance with the Company's Constitution and being eligible and having signified his candidature for the Office, be re-elected as a Director of the Company."

Resolution 3: Election of Simon Ning as Director

To consider and, if thought fit, to pass the following resolution:

"That Dr. Simon Ning, a Director retiring by rotation in accordance with the Company's Constitution and being eligible and having signified his candidature for the Office, be re-elected as a Director of the Company."

SPECIAL BUSINESS

Resolution 4: Approval of 10% Placement Capacity

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities of up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the explanatory memorandum accompanying the notice of meeting.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by:

- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; and
- any associate of those persons.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides

Resolution 5 – Approval of Future Placements

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Company approves and authorises the placement by Directors of a maximum of 1,000,000,000 shares of the Company by one or more allotments within 3 months after this meeting to sophisticated and professional investors priced at not less than \$0.001 per share”.

Voting Exclusion: The Company will disregard any votes cast on this resolution by:

- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; and
- any associate of those persons.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides

EXPLANATORY MEMORANDUM

Resolution 1: Remuneration Report

The Remuneration Report is contained in the 2016 Annual Report (refer to Section 2.12). It is a requirement of the Corporations Act that this Report be provided to shareholders and voted upon by a vote which is advisory only and does not bind the Directors or the Company.

However, if 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGM's, shareholders will be required to vote at the second of those AGMs on a resolution that another meeting be held within 90 days at which all of the Company's Directors who are subject to a re-election requirement must go up for re-election.

The Board unanimously recommends that shareholders vote in favour of the approval of the Remuneration Report.

Resolution 2: Election of Terry Cuthbertson as Director

In accordance with clause 3.6(a) of the Company's Constitution, Mr. Cuthbertson retires as a Director and, being eligible, offers himself for re-election. Details of Mr. Cuthbertson's skills and experience are set out in Section 2.1 of the 2016 Annual Report

The continuing Directors unanimously recommends that shareholders vote in favour Resolution 2 to re-elect Mr Cuthbertson as Non-executive Director.

Resolution 3: Election of Simon Ning as Director

In accordance with clause 3.3 of the Company's Constitution, Dr Ning, retires as a Director and, being eligible, offers himself for re-election. Details of Dr. Ning's skills and experience are set out in Section 2.1 of the 2016 Annual Report.

The continuing Directors unanimously recommends that shareholders vote in favour Resolution 3 to re-elect Dr Ning as Non-executive Director.

Resolution 4: Approval of 10% Placement Capacity

ASX Listing Rule 7.1A enables small to mid-cap listed companies to seek shareholder approval, by special resolution, to issue equity securities equivalent to an additional 10% of the number of equity securities on issue by way of placements over a 12 month period (the 10% Placement Facility). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

Resolution 4 is seeking approval of shareholders by special resolution for the issue of such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3 to such persons as the Board may determine and on the terms described in this Explanatory Note.

Eligible Criteria

A company is eligible to seek shareholder approval for this additional placement capacity if it satisfies both the following criteria at the date of the company's Annual Meeting:

- It has a market capitalisation of AUD\$300 million or less; and
- It is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will satisfy both these criteria at the date of the Annual Meeting.

Formula for calculating 10% placement capacity

The number of equity securities which may be issued or the Company may agree to issue, under the approval sought by resolution 4 is calculated in accordance with the following formula as set out in ASX Listing Rule 7.1A.2:

$$(A \times D) - E$$

Where:

A is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue:

- plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of ordinary shares under Listing Rules 7.1 and 7.4;
- less the number of fully paid ordinary shares cancelled in the 12 months.

D is 10%

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

Placement capacity under ASX Listing Rule 7.1 and 7.1A

The ability of an entity to issue equity securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 458,246,886 ordinary shares and therefore has a capacity to issue:

- (i) 68,737,033 equity securities under Listing Rule 7.1; and
- (ii) subject to shareholder approval being obtained under Resolution 4, 45,824,688 equity securities under Listing Rule 7.1A.

The actual number of equity securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (Formula for calculating 10% placement capacity).

Minimum Issue Price

The minimum price at which the equity securities will be issued will be no less than 75% of the VWAP for equity securities of the same class, calculated over the 15 trading days on which trades are recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within five Trading Days of the date referred to in the above paragraph, the date on which the securities are issued.

Dilution to existing shareholdings

The existing ordinary shareholders face the risk of economic and voting dilution as a result of the issue of equity securities which are the subject of this resolution, to the extent that such equity securities are issued, including:

- the market price of equity securities may be significantly lower on the issue date than on the date on which this approval is being sought; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within five Trading Days of the date referred to in section 6.2(e)(i), the date on which the Equity Securities are issued.

The following table gives examples of the potential dilution of existing ordinary shareholders on the basis of the current market price of the Company's ordinary shares and the current number of ordinary shares as at the date of this Notice of Meeting and Explanatory Note (**Variable A**) calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Meeting and Explanatory Note. The table also shows:

- examples of where Variable A has increased by 50% and by 100% respectively. The number of ordinary shares on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, the pro-rata entitlement issue or shares issued under a takeover

offer) or future specific requirements under Listing Rule 7.1 that are approved at a future shareholders meeting; and

- examples of where the issue price of ordinary shares has decreased by 50%, and increased by 100% respectively, as against the current market price.

Variable A in formula in Listing Rule 7.1.2		Dilution		
		\$0.003 50% decrease in Market Price	\$0.006 Market Price	\$0.012 100% increase in Market Price
Current Variable A 458,246,886 shares	shares issued -10% voting dilution	45,824,689 shares	45,824,689 shares	45,824,689 shares
	Funds raised	\$137,474	\$274,948	\$549,896
50% increase in current Variable A 687,370,329 shares	shares issued -10% voting dilution	68,737,033 shares	68,737,033 shares	68,737,033 shares
	Funds raised	\$206,211	\$412,422	\$824,844
100% increase in current Variable A 916,493,772 shares	shares issued -10% voting dilution	91,649,377 shares	91,649,377 shares	91,649,377 shares
	Funds raised	\$274,948	\$549,896	\$1,099,792

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No options or Convertible Notes are exercised or converted into shares before the date of the issue of the Equity Securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements pursuant to the 10% Placement Facility, based on that shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A and no other issues of Equity Securities.
- The issue of Equity Securities under the 10% Placement Facility consists only of shares.
- The issue price is \$0.006, being the closing price of the shares on ASX on 11th October 2016.

Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- the date that is 12 months after the date of the annual general meeting at which the approval is obtained; and
- the date of the approval by shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Purpose of 10% Placement Facility

The Company may use the funds raised from the issue of ordinary shares pursuant to the 10% Placement Capacity for working capital or to fund future acquisitions.

Subject to satisfaction of any other applicable regulatory requirements, the Company may also issue securities for non-cash consideration for the acquisition of new assets and investments. In such circumstances, the Company will provide valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the times of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including, but not limited to, the following:

- The methods of raising funds that are available to the Company;
- The effect of the issue of the equity securities on the control of the Company. Allocation will be subject to takeovers code restriction thresholds;
- The financial situation and solvency of the Company; and
- Advice from corporate, financial and broking advisers (if applicable).

The Allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial security shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Previous approval and shares issued under Listing Rule 7.1

The Company had previously obtained shareholder approval under Listing Rule 7.1A and had not issued securities under Listing Rule 7.1 during the 12 months preceding the date of this Notice of Meeting.

Voting Exclusion: The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes in respect of this resolution 4 by a person (and any associates of such a person) who may participate in the 10% placement facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of securities, if this resolution is passed. At this point in time there is no potential allottee to which securities may be issued under this resolution

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

At the date of this Notice of Meeting, the proposed allottees of any securities which may be issued in accordance with this resolution are not as yet known or identified. In these circumstances, (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rule 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the securities which may be issued in accordance with this resolution), shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

The Board unanimously recommends that shareholders vote in favour of the approval of 10% Placement Capacity

Explanation of Resolution 5 - Approval of Future Placements

Given the current market difficulties the junior mining sector is experiencing, the Board believes that it needs to additional working capital to identify and to assess a range of new opportunities, which may well include opportunities beyond the Company's traditional resource sector.

If approved, this resolution would enable the Company to place up to 1,000,000,000 shares within the 3 months after this meeting. The price of these possible placements is to be not less than \$0.001 per share.

The proposed allottees are not yet known but may include institutional investors or sophisticated individual investors who otherwise satisfy the criteria allowing the Company to issue shares without a disclosure document.

The shares to be issued will be ordinary fully paid shares ranking equally in all respects with the Company's current issued shares. ASX quotation will be sought for the shares which are issued under the authority of this Resolution. It is anticipated that a number of allotments will be made progressively. The funds will be used as working capital.

The effect of this approval will be that the Company's capacity to issue additional shares in the next 12 months up to 15% of its capital in accordance with ASC Listing Rule 7.1 will not be diminished by the proposed placements.

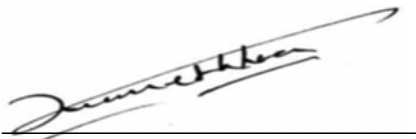
Voting Exclusion: The Company will disregard any votes cast on this resolution by:

- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; and
- any associate of those persons.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides

The Board unanimously recommends that shareholders vote in favour of the approval of this future Placements Capacity.



Kenneth Lee

Chief Executive Officer

Dated: 23 October 2016



LODGE YOUR VOTE

By Mail:

South American Iron & Steel Corporation
Limited
PO BOX R1438
Royal Exchange NSW 1225
Australia

By fax:

(+61 2) 9252 5638

By email:

Jacqueline.molina@saironsteel.com

Lodge your vote by: 11:30 am Monday, 28 November 2016

All enquiries to: Telephone: (02) 8188 1491 Overseas: +61 2 8188 1491

SHAREHOLDER'S DETAILS

Name

SRN/HIN

Address

VOTING FORM

I/We being a member(s) of South American Iron & Steel Corporation Limited and entitled to attend and vote hereby:

Step 1

APPOINT A PROXY

☐

the Chairman
of the Meeting
(mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy.

Failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to vote on my/our behalf (including in accordance with the directions set out below or, if no directions have been given, to vote as the proxy sees fit, to the extent permitted by the law) at the Annual General Meeting of the Company to be held at **11:30 am on 30 November 2016** at the offices of Nexia Australia, Level 16, 1 Market Street, Sydney, New South Wales (the Meeting) and at any postponement or adjournment of the Meeting.

I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an X

Step 2

VOTING DIRECTIONS

	For	Against	Abstain*
Resolution 1 - Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 - Re-election of Mr Terry Cuthbertson as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 - Re-election of Dr Simon Ning as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 - Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 - Approval of Future Placements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Step 3

SIGNATURE OF SHAREHOLDER(S) - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the Meeting.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:30 am on 28 November 2016**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged:

by mail:

South American Iron & Steel Corporation Limited
PO BOX R1438
Royal Exchange NSW 1225
Australia

by email:

Jacqueline.molina@saironsteel.com

by fax:

+61 2 9252 5638

If you would like to attend and vote at the Annual General Meeting, please bring this form with you. This will assist in registering your attendance.