

**Boulder Steel Limited**  
ACN 009 074 588  
(Company)

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the 2009 Annual General Meeting of the members of the Company will be held at the Stamford Grand Hotel, corner of Epping and Herring Roads, North Ryde, New South Wales on Friday, 27 November 2009 at 11.00 am.

**AGENDA**

**ORDINARY BUSINESS**

**ITEM 1: FINANCIAL STATEMENTS AND REPORTS**

To receive and consider the Directors' Report, the Auditor's Report and the Annual Financial Report, including the Financial Statements of the Company and its controlled entities, for the year ended 30 June 2009.

**RESOLUTION 1: ADOPTION OF REMUNERATION REPORT**

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

*"That for the purposes of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report of the Company for the financial year ended 30 June 2009 as set out in the Company's Annual Report be adopted."*

**Note:** Members should be aware that the vote on this resolution will be advisory only.

**RESOLUTION 2: RE-ELECTION OF MARKUS BUHL AS A DIRECTOR**

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

*"That Mr Markus Buhl who, having been appointed to the Board by the Directors, retires in accordance with clause 11.4 of the Company's constitution and, being eligible, offers himself for re-election as a Director, be re-elected as a Director."*

**RESOLUTION 3: RE-ELECTION OF CARL MOSER AS A DIRECTOR**

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

*"That Mr Carl Moser who retires by rotation in accordance with clause 11.2 of the Company's constitution and, being eligible, offers himself for re-election as a Director, be re-elected as a Director."*

**SPECIAL BUSINESS****RESOLUTION 4: ADOPTION OF CONSTITUTION**

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

*“That the document submitted to this meeting, and signed by the Chairman of the meeting for the purpose of identification, be approved and adopted as the constitution of the Company in substitution for the existing constitution of the Company (which is repealed).”*

**Proxies**

A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies. A proxy need not be a member of the Company.

Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member’s voting rights. If the member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the member’s votes. Fractions of votes will be disregarded.

The proxy form must be signed by the member or the member’s attorney, duly authorised in writing. Proxies given by corporations must be signed either under seal or under the hand of its attorney, director or secretary. If a share is held jointly a proxy form should be signed by all of the joint holders.

To be valid, the proxy form and the power of attorney (if any) under which it is signed (or a certified copy of it) must be lodged not less than 48 hours before the time for holding the meeting at either:

the Company’s registered office at Level 2, 16 Byfield Street, North Ryde, New South Wales 2113,

by facsimile to the Company on (02) 9419 2818, or

the Company’s share registrar, Computershare Investor Services Pty Limited, as listed below.

Mail:	In person:	Fax:
Boulder Steel Limited C/- Computershare Investor Services Pty Limited GPO Box 242 Melbourne Vic 3001 Australia	Boulder Steel Limited C/- Computershare Investor Services Pty Limited Level 5, 115 Grenfell Street Adelaide SA 5001 Australia	Boulder Steel Limited C/- Computershare Investor Services Pty Limited (within Australia) 1800 783 447 (outside Australia) +613 9473 2555

**Custodian Voting**

For Intermediary Online subscribers only (Custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

A proxy form accompanies this Notice of Meeting.

If you wish to submit a written question, it must be received no later than five business days before the date of the meeting. Members may also ask questions of the Board of Directors and the Auditors at the meeting.

In accordance with Corporations Regulation 7.11.37, the Board has determined that for the purposes of the meeting, shares will be taken to be held by the persons who are registered holders at 7 pm on Wednesday, 25 November 2009. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

By Order of the Board

Daniel Owen  
Company Secretary  
Boulder Steel Limited  
26 October 2009

## **Explanatory Notes**

### **Item 1: Financial Statements and Reports**

The Corporations Act requires the Financial Report, the Directors' Report and the Auditor's Report to be received and considered by members of the Company at the Annual General Meeting. Each of the Reports is contained in the Company's 2009 Annual Report.

Neither the Corporations Act nor the Company's constitution requires members to vote on these Reports. However, during this item of business, the members will be given a reasonable opportunity to ask questions about, or make comments on, those Reports and the business and management of the Company.

Members will also be given a reasonable opportunity to ask a representative of the Company's auditor, Wong & Mayes, questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of financial statements or the independence of the auditor in relation to the conduct of the audit.

Members may also submit a written question to Wong & Mayes if the question is relevant to the content of the Auditor's Report for the financial year ended 30 June 2009 or the conduct of the audit of the Financial Report for that year. Relevant questions may be submitted to Wong & Mayes by emailing [admin@bouldersteel.com.au](mailto:admin@bouldersteel.com.au). These questions must be received by the Company no later than 20 November 2009. At the meeting, Wong & Mayes' representative will be given the opportunity to answer, or table written answers to, relevant questions.

### **Resolution 1 – Adoption of Remuneration Report**

The Company's Remuneration Report for the financial year ended 30 June 2009 is set out on pages 17 to 19 of the Company's 2009 Annual Report, and forms part of the Directors' Report for that year. The Remuneration Report contains:

- (a) a discussion of the Board's policy in relation to the nature and level of remuneration of directors and senior managers of the Company and the group;
- (b) a discussion of the relationship between the Board's policy and the Company's performance; and
- (c) details of the remuneration paid to each director of the Company, including options issued as part of the remuneration of directors.

In accordance with section 249L(2) of the Corporations Act, the resolution to adopt the Company's Remuneration Report will be put at the Annual General Meeting. The Chairman will give members a reasonable opportunity to inquire and comment on the Remuneration Report. The resolution that the Remuneration Report be adopted will then be put to the vote.

The vote on this resolution will be advisory only and will not bind the Directors or the Company, by virtue of section 250R(3) of the Corporations Act.

The Company's 2009 Annual Report can be accessed online at [www.annualreport2009.bouldersteel.com.au](http://www.annualreport2009.bouldersteel.com.au)

The Board recommends that members vote in favour of the resolution to adopt the Remuneration Report.

### **Resolution 2 – Re-election of Markus Buhl as a Director**

The Company's constitution provides that a director appointed to the Board by the directors holds office only until the next general meeting and is then eligible for re-election. Mr Buhl was appointed to the Board by the directors on 18 March 2009. He therefore retires and, being eligible, offers himself for re-election.

Mr Buhl, as the third generation of his family to work in the steel industry, brings a strong heritage in steel production and sales to Boulder. Mr Buhl obtained his tertiary qualifications at the highly reputable "Fachhochschule Joanneum" in Graz before he commenced his metallurgical career in Breitenfeld Edelstahl AG, in Austria. In his family tradition he gained his initial experience in the steel mill, before moving into quality control where his responsibilities included development projects working in close cooperation with companies such as Siemens and General Electric developing steels for power generation, nuclear energy and aerospace applications.

He later became Production Engineer of Breitenfeld and manager of its newly designed specialty steel mill, with responsibility for high alloy steel production at the slag re-melting facility. Subsequently, Mr Buhl was project manager supervising the extension of the Breitenfeld specialty steel operations from inception to the start of production. During this time Mr. Buhl raised production levels fourfold and fully implemented the quality management system for the plant.

Mr Buhl also has a consulting and trading business, which advises on technical matters relating to steel production as well as on marketing of steel and steel products.

Responsibilities: Chair of the Remuneration and Nomination Committee

The Board (with Mr Buhl abstaining) recommends that members vote in favour of the resolution for the re-election of Mr Buhl.

### **Resolution 3 – Re-election of Carl Moser as a Director**

The Company's constitution provides that at every annual general meeting one third of the directors in office who have been longest in office since their last election must retire from office (excluding the managing director and not counting retiring directors who were appointed by the board). Retiring directors are eligible for re-election. Mr Moser was last elected at the 2008 annual general meeting. As he is the longest in office since election he therefore retires and, being eligible, offers himself for re-election.

Mr Moser obtained his Master of Science degree in Geology in 1982 from Technical University Munich in Germany.

After arriving in Australia in 1982, he worked for various Australian mining companies and became involved in gold and mineral exploration in Australia, the Pacific and North America.

He has more than 20 years experience in corporate management and information technology. Mr Moser became General Manager in 1991, and is a Member of the Australasian Institute of Mining and Metallurgy.

Responsibilities: General Manager of the Company. Responsible for day-to-day corporate management, strategic and financial planning.

The Board (with Mr Moser abstaining) recommends that members vote in favour of the resolution for the re-election of Mr Moser.

## **Resolution 4 – Adoption of Constitution**

### *Introduction*

Member approval is being sought for the adoption of a new constitution for the Company (“New Constitution”) to replace the existing constitution of the Company. Copies of both the existing constitution and the New Constitution are available from the Company on request and on the Company’s website. Copies will also be available for inspection at the Annual General Meeting.

In accordance with section 136 of the Corporations Act, the resolution to adopt the New Constitution is a special resolution and, to be passed, requires a 75% majority of members entitled to vote on the resolution. If the special resolution is passed, the New Constitution will operate immediately after the end of the Annual General Meeting.

### *Why is this resolution being put to members?*

The existing constitution was adopted in 1999. Since then, there have been numerous amendments to the Corporations Act and the Listing Rules of the ASX. Having regard to the number and nature of these amendments, it is considered more practicable for the Company to adopt a new constitution rather than make many amendments to the existing constitution.

### *What are the main differences between the existing constitution and the New Constitution?*

The main differences between the New Constitution and the existing constitution include the following:

- rule 2.2 of the New Constitution provides for preference share terms (as permitted by section 254A of the Corporations Act) (however please note that the Board has no present intention of issuing preference shares);
- rule 5.2 of the New Constitution facilitates electronic access to notices of meeting as contemplated by section 249J(3A) of the Corporations Act;
- rules 5.4 to 5.8 of the New Constitution contain detailed provisions relating to the postponement and cancellation of general meetings (as this is not dealt with in the Corporations Act);
- rules 5.10 and 5.13 of the New Constitution contain detailed provisions on the powers of the chairman at general meetings, including power to adjourn the meeting (rule 5.13(f));
- the New Constitution is less prescriptive than the existing constitution in relation to the form and contents of notices of meeting and proxies, as these matters are now extensively covered in the Corporations Act;
- rule 6.1(e) of the New Constitution provides that directors appointed by the Board must retire at the next Annual General Meeting (rather than the next general meeting as at present), which is consistent with section 201H(3) of the Corporations Act;
- rules 6.3 to 6.7 of the New Constitution contain clearer provisions relating to directors remuneration, including non-cash benefits;
- the provisions dealing with proportional takeover bids (rule 14, discussed in greater detail below) and compulsory divestiture of small holdings (rule 15) reflect changes in the law and terminology;
- updated terminology is used (eg Corporations Act instead of Corporations Law, proper ASTC transfer instead of SCH transfer, ASTC settlement rules instead of SCH business rules etc).

*The New Constitution contains proportional takeover approval provisions*

Under section 648G of the Corporations Act, a company may include in its constitution a provision whereby a proportional takeover bid for shares in the company may only proceed after the bid has been approved by a meeting of members held in accordance with the legislation. The provision for “Approval of Proportional Takeover Bids” is contained in rule 14 of the New Constitution.

The Corporations Act requires that the following information be provided to members when they are considering the inclusion of proportional takeover approval provisions in a constitution.

(a) What is a proportional takeover bid, and why do we need the proportional takeover approval provisions?

A proportional takeover bid involves the bidder offering to acquire the same percentage of every target member’s shares. This means that control of the Company may pass without members having the chance to sell all their shares to the bidder. The bidder may take control of the Company without paying an adequate amount for gaining control.

In order to deal with this possibility, the Company may provide in its constitution that:

- in the event of a proportional takeover bid being made for shares in the Company, members must vote by ordinary resolution on whether to accept or reject the proportional takeover bid;
- the majority decision will be binding on all the members.

The Directors consider that members should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without members being given the opportunity to dispose of all of their shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid members feeling pressure to accept the bid even if they do not want it to succeed.

(b) What is the effect of the proportional takeover approval provisions?

A transfer giving effect to acceptance of an offer under a proportional takeover bid must not be registered unless and until a “Prescribed Resolution” to approve the proportional takeover bid has been passed or taken to have been passed.

If a proportional takeover bid is received, the Directors must convene a meeting of the Company to vote on a resolution to approve the proportional takeover bid (the “Prescribed Resolution”). The meeting must be held, and the resolution voted on, prior to 14 days before the end of the period during which the offers under the proportional takeover bid remain open. For the resolution to be approved, it must be passed by a majority of votes at the meeting, excluding votes of the bidder and its associates.

If the resolution is rejected, the registration of any transfer of shares resulting from the proportional takeover bid will be prohibited and the bid is deemed by the Corporations Act to have been withdrawn.

If the resolution is approved, the relevant transfers of shares will be registered, provided they comply with the other provisions of the constitution.

If a meeting is not held, a resolution approving the proportional takeover bid will be deemed under the Corporations Act to have been passed, allowing the proportional takeover bid to proceed.

Please note that the proportional takeover provisions in the New Constitution do not apply to a full takeover bid and will expire three years after adoption in accordance with section 648G(1) unless renewed by a further special resolution.

(c) Potential advantages and disadvantages for the Directors and members

While the proposed proportional takeover approval provisions will allow the directors to ascertain the views of the members on any proportional takeover bid, the provisions do not otherwise offer any advantage or disadvantage to the directors who remain free to make their own recommendations as to whether the bid should be accepted.

It is a potential advantage to all members that they have the opportunity to consider and vote upon any proposed proportional takeover bid. For a proportional takeover bid to be approved, it must be approved by more than half of the shares voted at the meeting and accordingly, the proportional takeover approval provisions are likely to cause an intending offeror to structure its offer in such a manner as to make it attractive to a majority of members.

It may also be argued that the proportional takeover approval provisions will discourage proportional bids and reduces the possibility of a successful proportional takeover bid. This may in turn reduce the opportunities which members may have to sell some of their shares at an attractive price to persons seeking control of the Company.

(d) Conclusion

The Board considers that the potential advantages for members of the proportional takeover approval provisions outweigh the potential disadvantages, and that the inclusion of the proportional takeover approval provisions in rule 14 of the New Constitution is in the best interests of the members of the Company for the abovementioned reasons.

As at the date on which this statement was prepared, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

The Board recommends that members vote in favour of the special resolution to adopt the New Constitution.

# Boulder Steel Limited

ABN 78 009 074 588

000001 000 BGD  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Lodge your vote:



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

### For all enquiries call:

(within Australia) 1300 556 161  
(outside Australia) +61 3 9415 4000

## Proxy Form

For your vote to be effective it must be received by 11:00am (Sydney time) Wednesday 25 November 2009

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.computershare.com](http://www.computershare.com).

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** →



View your securityholder information, 24 hours a day, 7 days a week:

**[www.investorcentre.com](http://www.investorcentre.com)**

- Review your securityholding
- Update your securityholding

**Your secure access information is:**

**SRN/HIN: I999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Boulder Steel Limited hereby appoint

the Chairman of the meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Boulder Steel Limited to be held at the Stamford Grand Hotel, Corner of Epping Road and Herring Road, North Ryde, New South Wales, 2113 on Friday 27 November 2009 at 11:00am (Sydney time) and at any adjournment of that meeting.

## STEP 2 Items of Business

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

### ORDINARY BUSINESS

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Markus Buhl as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Carl Moser as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### SPECIAL BUSINESS

4 Adoption of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

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