



3 December 2015

Dear Shareholder

NOTIFICATION IN TERMS OF SECTION 45 OF THE COMPANIES ACT NO.71 OF 2008

**RESOLUTION OF THE BOARD OF DIRECTORS OF BSI STEEL LIMITED PASSED ON
23 NOVEMBER 2015.**

INTRODUCTION:

Section 45 of the Companies Act of 2008 and the special resolution as below passed by shareholders on 22 September 2015 refers.

SPECIAL RESOLUTION NO 3: FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED COMPANIES:

"Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("**financial assistance**") will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the board of the Company may deem fit to any company or corporation that is related or inter-related ("**related**" or "**inter-related**" will herein have the meaning attributed to it in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the board of the Company may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company."

RESOLVED:

That the company stand surety to Nedbank Limited in the amount of R 20 million for an invoice discounting facility for related company Qinisa Steel Solutions (Pty) Ltd.

The Board records that the company is solvent and liquid and that the terms of the surety granted are fair and reasonable to the company.

A handwritten signature in black ink, appearing to read 'S.J. Hackett'.

S J Hackett
Company Secretary

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Directors: W.L. Battershill (Chairman & CEO), B.M. Khoza (Alternate- N.M Anderson), R.G. Lewis, C. Parry, K. Paxton,

N.G. Payne, E. Vermaak / Company Secretary: S.J. Hackett

BSI Steel Limited Reg. No 2001/023164/06