

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT A GENERAL MEETING (**MEETING**) OF THE SHAREHOLDERS (**SHAREHOLDERS**) OF SIMS METAL MANAGEMENT LIMITED (**COMPANY**) WILL BE HELD AT LEVEL 12, 60 CARRINGTON STREET, SYDNEY NSW ON FRIDAY, 16 DECEMBER 2016 AT 10.30AM (SYDNEY TIME).

SIMS METAL MANAGEMENT LIMITED ACN 114 838 630

15 November 2016

Dear Shareholder

At the 2016 Annual General Meeting of Sims Metal Management Limited held on 9 November 2016 (AGM), Resolution 3 to amend the Company's Constitution did not pass. Consequently, and as stated by the Chairman at the AGM if that was to occur, the Directors are convening a General Meeting of the Company to allow shareholders to consider an amended resolution.

Following comments received from several shareholders, the Company is not including certain amendments to the Constitution it had proposed for consideration at the AGM. It has **deleted** both the amendment placing a cap on the number of Directors at 10 (there will be no cap), and the amendment not allowing a poll to be demanded on any resolution concerning the election of the chairperson of a meeting or the adjournment of a meeting. The other proposed amendments to the Constitution remain exactly the same.

Enclosed is the Notice of General Meeting which sets out the item of business to be considered. If you are attending, please bring this letter with you to facilitate registration into the Meeting.

If you are unable to attend the Meeting, you are encouraged to complete the enclosed proxy form. The proxy form should be returned in the envelope provided so that it is received no later than 48 hours before the commencement of the Meeting. Alternatively, you may vote online at www.linkmarketservices.com.au.

Corporate shareholders will be required to complete a "Certificate of Appointment of Representative" to enable a person to attend on their behalf. A form of this certificate may be obtained from the Company's share registry.

Yours sincerely



Frank Moratti

Company Secretary

BUSINESS

APPROVAL OF AMENDMENTS TO CONSTITUTION

RESOLUTION 1

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

"That the Constitution of the Company be amended in the manner outlined in the Explanatory Memorandum accompanying the Notice of Meeting convening this Meeting, and as set out in the amended Constitution tabled by the Chairman of the Meeting and signed for the purposes of identification."

By order of the Board

Frank Moratti



Company Secretary
15 November 2016

INFORMATION FOR SHAREHOLDERS

VOTING ENTITLEMENTS

For the purpose of the Meeting, shares will be taken to be held by persons who are registered as Shareholders as at 7.00pm (Sydney time) on Wednesday, 14 December 2016. Accordingly, transactions registered after that time will be disregarded in determining Shareholders entitled to attend and vote at the Meeting.

PROXIES

A Shareholder who is entitled to attend and cast a vote at the Meeting has the right to appoint a proxy to attend and vote on behalf of the Shareholder. The proxy need not be a shareholder of the Company and may be an individual or a body corporate. If a Shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the proxy appointments do not specify a proportion or number, each proxy may exercise half of the Shareholder's votes.

The Proxy Form must be signed by you or your attorney. Proxies given by corporations must be executed either in accordance with section 127 of the *Corporations Act 2001* (Cth) (**Corporations Act**) or under the hand of a duly authorised officer or attorney.

The Chairman of the Meeting intends to vote any undirected proxies held by him in favour of the item of business.

WHERE TO LODGE A PROXY

The Proxy Form and the power of attorney or other authority under which it is signed (if any), or a certified copy of the power of attorney or authority, must be:

- deposited at the share registry of the Company, Link Market Services Limited, located at Level 12, 680 George Street, Sydney NSW 2000 or 1A Homebush Bay Drive, Rhodes NSW 2138 (or by mail to Locked Bag A14, Sydney South NSW 1235);
- deposited at the Company's Registered Office, Sir Joseph Banks Corporate Park, Suite 3, Level 2, 32-34 Lord Street, Botany NSW 2019;
- sent to the Company by mail to PO Box 651, Botany NSW 1455; or
- sent by facsimile to Link on (02) 9287 0309 or to the Company on (02) 8113 1622.

ELECTRONIC PROXY

You may lodge an electronic proxy online at www.linkmarketservices.com.au. You will be required to enter your Shareholder Reference Number (SRN) or Holder Identification Number (HIN) and a postcode. You will be taken to have signed the Proxy Form if you lodge an electronic proxy online in accordance with the online instructions.

To be effective, proxies must be lodged by 10.30am (Sydney time) on Wednesday, 14 December 2016. Proxies lodged or received after that time will be invalid.

CORPORATE REPRESENTATIVES

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the Meeting a properly executed letter or other document confirming their authority to act as the Shareholder's representative.

SHAREHOLDER QUESTIONS

If you would like a question to be put to the Chairman of the Meeting and you are not able to attend the Meeting, please email your question to the Company Secretary at frank.moratti@simsmm.com.

To allow time to collate questions and prepare answers, questions are to be received by the Company Secretary by 10.30am (Sydney time) on Wednesday, 14 December 2016.

Shareholders should read the Explanatory Memorandum accompanying, and forming part of, this Notice of Meeting (**Notice**) for more details on the resolution to be voted on at the Meeting.

VOTING

The Board has resolved that the resolution to be put to the Meeting will be decided by a poll. The poll will be taken after the other business of the Meeting has been concluded. The Company's share registry will then collect all polling cards and calculate the results which will, in line with market practice, be subsequently announced to the ASX.

EXPLANATORY MEMORANDUM FOR THE GENERAL MEETING (MEETING)

BUSINESS OF THE MEETING

RESOLUTION 1 – APPROVAL OF AMENDMENTS TO CONSTITUTION

The Board is proposing Special Resolution 1 to amend the Constitution of the Company in the manner outlined in this Explanatory Memorandum (including Annexure 1), and for the reasons explained below.

At the Company's 2007 Annual General Meeting, the Company's shareholders voted in favour of a special resolution to amend the Company's Constitution to provide for certain director nomination rights in favour of Mitsui & Co., Ltd and its related bodies corporate (together, the **Mitsui Group**). The Mitsui Group was granted certain rights to nominate two directors to the board of directors of the Company (at least one of whom was not an associate of the Mitsui Group) for as long as the Mitsui Group held at least 15% of the ordinary shares on issue in the Company or one director if it held between 5% and 15% of the Company's issued ordinary shares. At that time, the Mitsui Group held just under 20% of the Company's issued ordinary shares but as at the date of this Notice holds approximately 18% of the Company's issued ordinary shares. Mr Sato is the Mitsui Group's only nominated director on the board of the Company. Consistent with the size of its current shareholding, the Mitsui Group has indicated to the Company that it does not intend to nominate a second director on the board of the Company. Consequently, in order to formalise that position and to align same with current best corporate governance practice, the proposed amendments to clause 19.6A (which has been moved to clause 19.6 of the proposed amended Constitution) of the Company's Constitution varies the Mitsui Group's rights so that it is entitled to nominate only one director for as long as the Mitsui Group holds at least 5% of the ordinary shares on issue in the Company from time to time.

It is proposed that the Company also takes this opportunity to update its Constitution, including for a number of administrative and relatively minor matters. These additional amendments are proposed to reflect developments in the use of technology, changes in regulatory requirements and trends in corporate governance practices since the Constitution was last reviewed and amended in 2010.

The other key amendments are summarised in Annexure 1 to this Explanatory Memorandum.

A full copy of the Constitution marked up to show all of the proposed amendments is available on the Company's website at www.simsmm.com. Shareholders may also request a copy of the proposed amended Constitution be sent to them by post or electronically (at no cost) by contacting the Company's share registry Link Market Services at Level 12, 680 George Street, Sydney NSW 2000; or by telephone: 1300 554 474 (outside Australia: +61 1300 554 474); or by facsimile: +61 2 9287 0303 or by email: registrars@linkmarketservices.com.au.

A copy of the proposed amended Constitution will also be available for inspection at the Meeting.

Voting requirements

Section 136(2) of the Corporations Act requires that an amendment to the constitution of a company be approved by a special resolution of the shareholders of the company. For Resolution 1 to be passed as a special resolution, at least 75% of the votes cast by Shareholders entitled to vote on Resolution 1 must be in favour of the resolution.

Board's recommendation

The Board, with Mr Sato absent and not voting, unanimously recommends you vote in favour of the proposed amendments to the Company's Constitution.

ANNEXURE 1

SUMMARY OF OTHER KEY PROPOSED AMENDMENTS TO THE CONSTITUTION

Subject	Summary of amendment	Clause reference
Preference Shares	Under the Corporations Act, the Company can issue preference Shares only if rights attached to the preference Shares with respect to certain matters are set out in the Constitution or otherwise approved by a special resolution of Shareholders. The Constitution does not currently set out the rights of preference Shares with respect to all of these matters. As such, it is proposed to amend the Constitution to address these additional matters. The amendments provide that if the Company issues any preference Shares, the holders of the preference Shares will have the following rights (amongst others), unless a special resolution of Shareholders approves otherwise: - the right to receive a dividend at a rate or of the amount and on the conditions that the Directors resolve under the terms of issue. Such dividend will rank for payment in priority to ordinary Shares; - in addition to the rights to receive a dividend, the right to participate equally with the ordinary Shares in the distribution of profits if and on the basis the Directors resolve under the terms of issue; - if any dividend is cumulative, the right in a winding up, reduction of capital or redemption, to payment of the amount of any accrued but unpaid dividends; - if any dividend is non-cumulative, if the Directors resolve under the terms of issue, the right in a winding up, reduction of capital or redemption, to payment of the amount of any dividends accrued but unpaid for the period commencing on the most recent dividend payment date and ending on the date of winding up, reduction of capital or redemption; - the right in a winding up, reduction of capital or redemption to payment of any amount that the Directors resolve at the time of issue. Payment of such amount will rank for payment in priority to ordinary Shares unless the Directors resolve otherwise under the terms of issue; - the right to a bonus issue or capitalisation of profits in favour of holders of preference Shares if the Directors resolve under the terms of issue; and - the right to participate with the ordinary Shares in profits and assets of the Company, including on a winding up, if the Directors resolve under the terms of issue.	2.3
Registration of paper-based transfers	To reflect changes made to the ASX Listing Rules in 2011, an amendment is proposed to be made to permit the Company to charge a reasonable fee for registering paper-based transfers of Shares, unless it is not permitted to charge a fee by the ASX Listing Rules.	8.3
Notice of general meetings	Amendments are proposed to clarify that: - notice of a change of venue for, or postponement or cancellation of, a general meeting must be given to ASX but need not be given individually to Shareholders; - the non-receipt of notice of a general meeting by, or the accidental omission to give notice of a general meeting to, a person entitled to receive notice does not invalidate any resolution passed at the meeting; and - a person's attendance at a general meeting waives any objection that person may have to failure to give notice (unless the person objects to the holding of the meeting at the beginning of the meeting) and to the consideration of a particular matter at the meeting which is not stated in the notice of meeting (unless the person objects to considering the matter when it is presented).	15.8 to 15.10

Subject	Summary of amendment	Clause reference
Proceedings at general meetings	Some amendments are proposed to clarify certain procedural aspects of general meetings, including: • for the purposes of determining a quorum at a general meeting, if a Shareholder has appointed more than one proxy, attorney or representative, only one of them is to be counted, and if an individual is attending both as a Shareholder and as a proxy, attorney or representative, that individual is to be counted only once; and • the Company may hold a general meeting at two or more venues using any technology that gives the Shareholders as a whole a reasonable opportunity to participate. To reflect advancements in technology, it is proposed to insert a provision which allows the Directors to, subject to the Corporations Act, determine that Shareholders may vote at a general meeting by electronic direct voting or other forms of direct vote.	16 and 17
Notices to Shareholders	The notice provisions are proposed to be expanded to more expressly allow the Company to give notices to Shareholders electronically and by any other method which is permitted by the Corporations Act or other applicable legislation.	33
Distribution of surplus assets on a winding up	The current Constitution provides that in a winding up, the surplus assets of the Company will (subject to the rights of holders of Shares issued on special terms, the Constitution, the Corporations Act and the Listing Rules) be distributed amongst the Shareholders to return capital paid up on their Shares and distribute any surplus in proportion to the amount paid up on Shares held by them. It is proposed to amend this provision to align it with the practice amongst a number of publicly listed companies, so that any surplus assets on a winding up will (subject to the rights of holders of Shares issued on special terms, the Constitution, the Corporations Act and the Listing Rules) be distributed amongst Shareholders in proportion to the number of fully paid Shares held by them (and pro-rated for partly paid shares), irrespective of the amounts paid or credited as paid on the Shares.	34.1



**SIMS
METAL
MANAGEMENT**

Sims Metal Management Limited
ABN 69 114 838 630

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Sims Metal Management Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Sims Metal Management Limited and entitled to attend and vote hereby appoint:

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 you are appointing as your proxy

or 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 act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **10:30am on Friday, 16 December 2016 at Level 12, 60 Carrington Street, Sydney NSW (the Meeting)** and at any postponement or adjournment of the Meeting.

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

VOTING DIRECTIONS

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 ☒

Resolution

For Against Abstain*

- 1 Approval of amendments to Constitution

☐	☐	☐
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* If you mark the Abstain box, 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.

SIGNATURE OF SHAREHOLDERS – 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).

SGM PRX1602A

HOW TO COMPLETE THIS SHAREHOLDER 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 shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

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 shares 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 shares 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's share registry 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 shares 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 **10:30am on Wednesday, 14 December 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 using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Sims Metal Management Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

or

Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**