

MERAFE RESOURCES LIMITED  
(Incorporated in the Republic of South Africa)  
(Registration number 1987/003452/06  
Share Code: MRF  
ISIN: ZAE000060000  
("Merafe")

### **Further ferrochrome production cuts**

On 1 December 2008, the Xstrata-Merafe Chrome Venture (the "Venture") announced the temporary suspension of a total of 11 ferrochrome furnaces, representing 906,000 tonnes of annual ferrochrome operating capacity.

Subsequent to this, a further 6 furnaces have been suspended due to market conditions. The total suspended ferrochrome production capacity represents 1,37 million tonnes or 80% of annual operating capacity.

The Venture will continue to monitor prevailing market conditions closely. No lay-offs are anticipated for permanent employees at the furnaces, enabling the Venture to return to capacity quickly and efficiently when market conditions allow.

Sandton

16 January 2009

Sponsor  
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