



Shareholders Announcement

Further to the announcement dated 14 February 2012, shareholders are advised that the Xstrata-Merafe Chrome Venture (“the Venture”) has reached an agreement with Eskom to assist with the power utility’s power supply requirements. The key features of this arrangement are:

- The Venture will temporarily close five of its furnaces until 31 May 2012;
- In return, Eskom will buy-back the energy not consumed by these five furnaces until 31 May 2012;
- The arrangement, which is effective from 18 February 2012 until 31 May 2012, will have a net positive economic impact for both the Venture and Eskom and will not result in job losses at these five furnaces.

Four of the temporary furnace closures will be at the Venture’s Rustenburg smelter, which is currently the Venture’s least energy efficient operation, and one furnace will be temporarily closed at the Wonderkop smelter. As shareholders are aware, the completion of the pelletising and sintering plant (“Project Tswelopele”) at the Rustenburg smelter in the second half of 2012, will improve the energy efficiencies at the Rustenburg smelter. As a result of the arrangement with Eskom, the ferrochrome production loss to the Venture is estimated to be 100,000 tonnes.

Sandton

17 February 2012

Sponsor
Deutsche Securities SA (Proprietary) Limited