

Evraz Highveld Steel and Vanadium Limited
(Incorporated in the Republic of South Africa)
(Registration No: 1960/001900/06)
Share code: EHS ISIN: ZAE000146171
("Highveld" or "the Company")

SUSPENSION OF LISTING AND CAUTIONARY ANNOUNCEMENT

1. Resolution to commence voluntary business rescue

Shareholders of Highveld are hereby advised that the board of directors of Highveld ("the Board") has resolved that the Company does not have adequate funding to meet its obligations for the short term. This is primarily as a result of historical operational difficulties and sustained financial losses within a capital constrained operating environment. This is despite the current operational stability achieved through the recent implementation of the Company's operational turnaround plan. Highveld's financial position has further been negatively impacted by weakened global steel and vanadium markets and a severe reduction of domestic steel demand.

The Board has accordingly resolved that it will be in the best interest of Highveld and its stakeholders to commence with voluntary business rescue proceedings in terms of section 129 of the Companies Act, 2008 (as amended) ("the Act"). The resolution to this effect has been filed with the Companies and Intellectual Property Commission ("CIPC").

The Board believes that implementation of voluntary business rescue will afford the business practitioner the opportunity to consider the continued implementation of the turnaround plan and successfully re-establish the Company.

The Board has further resolved to appoint Messers Daniel Terblanche and Piers Marsden as joint business rescue practitioners. The relevant forms relating to, and necessary to formalise, the appointment of the business rescue practitioners, as contemplated in section 129(b) of the Act, will be filed with the CIPC in due course.

2. Application for suspension of listing on the JSE and cautionary announcement

The commencement of business rescue proceedings by the Company is expected to have a material impact on the price of the Company's shares.

In accordance with section 1.9(a)(iii) of the JSE Listings Requirements, the Board has made an application to the Johannesburg Securities Exchange ("JSE") to suspend the listing of Highveld's shares with immediate effect. JSE granted such application.

Shareholders are accordingly advised to exercise caution when dealing in shares of the Company.

3. Update on the agreement between Macrovest and EVRAZ plc subsidiary
Shareholders are referred to the announcement released by the Company on 12 August 2014 wherein it was advised that Macrovest 147 (Pty) Ltd ("Macrovest") had entered into an agreement with a subsidiary of EVRAZ plc ("EVRAZ"), the 85% shareholder of Highveld, to acquire 34% of the shares in Highveld subject to certain conditions precedent. Shareholders are hereby advised that the agreement between Macrovest and EVRAZ has lapsed.

4. Due to the uncertainties associated with the business rescue proceedings the Company will not be able to release its results as required today.

eMalahleni

14 April 2015

Sponsor

J.P. Morgan Equities South Africa (Pty) Ltd.