

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")

Section 189 Notice

On the 8<sup>th</sup> of February 2016, the Department of Labour ("DoL") informed the Company of its decision to "pause" the payments of the Training Layoff Scheme ("TLS") stipend, in response to the announcement that the IRL transaction has failed.

The Company's receipt of the stipend payment by 8 February 2016 was a condition for the TLS Agreement to become valid and enforceable. As a result of the DoL's suspension of the TLS stipend payment, this condition has not been met. In the absence of TLS support and alternative funding, the Business Rescue Practitioners will now look at option three in the Business Rescue Plan, which is the option of a wind-down of the Company, that would see the retrenchment of all employees and the issuing of notices in terms of Section (189) of the Labour Relations Act 66 of 1995 ("LRA"). The Business Rescue Practitioners will provide an update on 23 February 2016.

eMalahleni  
15 February 2016

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