

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 AND UPDATE ON INVESTMENT PROCESS

### Section 189 Notice

Shareholders are advised that despite successful efforts to reduce fixed costs as well as process improvements in efficiencies, it was decided to temporarily cease production of steel making at its Steelworks. This was necessitated by amongst others working capital constraints and reduced domestic demand in steel mainly due to a significant increase in Chinese imports. All plant and equipment will be placed in curtailed operations mode and prepared for future start up.

As a result of the temporary closure, the Company reviewed its position and has issued a proposed restructuring notice in terms of Section 189, which will require a 60 day consultation process with employees, trade unions, facilitated by the CCMA, regarding a possible reduction of approximately 50% in the workforce.

The Company will restructure to a curtailed operating mode, which will allow a start-up on a limited basis when market conditions improve and adequate funding obtained.

### Investment process

The Company confirms that it has received a number of indicative offers to invest in the Company. The prospective bidders are required to provide the necessary guarantees by Monday 27 July 2015 to proceed to the next stage of the bidding process.

eMalahleni  
21 July 2015

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