
Palabora Mining Company Limited
(Incorporated in the Republic of South Africa)
(Registration No. 1956/002134/06)
JSE Code: PAM ISIN: ZAE00005245

Industrial Development Corporation of South Africa Limited ("IDC")

Hebei Iron & Steel Group Co. Limited

Tewoo Group Co. Limited

General Nice Development Limited

China-Africa Development Fund

CONFIRMATION THAT THE COMPULSORY ACQUISITION IN TERMS OF SECTION 124(1) OF THE COMPANIES ACT, 2008 ("ACT") WILL PROCEED ON 4 APRIL 2014

1. INTRODUCTION

As announced on the Stock Exchange News Service of the JSE Limited ("JSE") on 7 February 2014 and published in the press on 10 February 2014, Rio Tinto South Africa Limited (which has subsequently changed its name to Smart Union Resources South Africa Limited) ("**RTSA**"), has invoked the provisions of section 124(1)(a) of the Act in order to compulsorily acquire all the remaining ordinary shares in Palabora Mining Company Limited ("**PMC**") not already owned by it (the "**Remaining Offer Shares**") from those holders who did not accept the offer ("**Remaining Holders**") contained in a circular dated 16 September 2013 ("**the Offer**").

2. CONFIRMATION THAT NO COURT APPLICATION WAS MADE IN TERMS OF SECTION 124(2) OF THE ACT

In terms of the notice in terms of section 124 of the Act to Remaining Holders dated 7 February 2014 (the "**Notice**") the Remaining Holders were advised that if they did not want RTSA to compulsorily acquire their Remaining Offer Shares, the Remaining Holders were entitled to make an application to the High Court of South Africa ("**the Court**") in terms of section 124(2) of the Act within 30 business days after receiving the Notice, seeking an order in terms of that section.

The last day for the Remaining Holders to make application to Court in terms of section 124(2) of the Act was Tuesday, 1 April 2014. RTSA hereby confirms that, as at 3 April 2014, no applications were made to the Court in terms of the afore-mentioned section. Accordingly, RTSA is entitled and bound to acquire the Remaining Offer Shares on the same terms and conditions as those of the Offer (the "**Compulsory Acquisition**"). The Compulsory Acquisition will take place on Friday, 4 April 2014.

3. SALIENT DATES AND TIMES

Accordingly, the salient dates and times of the Compulsory Acquisition as contained in the Notice remain unchanged and are as follows:

	2014
Last day to trade to be recorded on the register as one of the Remaining Holders	Friday, 7 February
Suspension of PMC Ordinary Shares on the JSE from the commencement of trading on	Monday, 10 February

Record date to be recorded on the register as one of the Remaining Holders	Friday, 14 February
Last day for Remaining Holders to apply to the Court in terms of section 124(2) of the Act	Tuesday, 1 April
Compulsory Acquisition date	Friday, April 4
Date of commencement of payment of the “ Consideration ”, as defined in the Notice, to Remaining Holders who have submitted forms of surrender and/or whose details are known and/or holding dematerialised PMC ordinary shares within six business days after the Compulsory Acquisition date (unclaimed Consideration to be held in trust subject to the provisions of section 124(8) of the Act and to be paid on demand)	Monday, April 14
Termination of listing of PMC on the JSE from the commencement of trading on	Tuesday, 15 April

Note:

The above-mentioned dates and times are South African dates and times and are subject to change at the discretion of RTSA. All references to days are to business days.

Johannesburg
3 April 2014

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General

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This announcement is not intended to, and does not, constitute, or form part of, an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction. This announcement does not constitute a prospectus or a prospectus equivalent document. Holders are advised to read carefully the formal documentation in relation to the Offer once it has been dispatched. The Offer will be made solely through the Offer Circular, which will contain the full terms and conditions of the Offer. Any decision to accept the Offer or other response to the proposals should be made only on the basis of the information contained in the Offer Circular.

Edward Nathan Sonnenbergs Inc., Absa Corporate and Investment Bank (a division of Absa Bank Limited), Barclays Bank PLC and Deutsche Bank are acting exclusively for the shareholders of RTSA in connection with the Offer and for no one else and will not be responsible to anyone other than the shareholders of RTSA for providing the protections afforded to its clients or for providing advice in relation to the Offer. Webber Wentzel, Investec Bank and One Capital are acting exclusively for PMC in connection with the Offer and for no one else and will not be responsible to anyone other than PMC for providing the protections afforded to its clients or for providing advice in relation to the Offer.
