

# SECTION 4

## Frequently asked questions

### 4.1 What is the Offer?

The Offer is A\$0.46 cash for each of your Territory Shares.

### 4.2 Who is Exxaro?

Exxaro is a South African-based diversified mining group listed on the Johannesburg Stock Exchange with a world-class portfolio of assets spread across coal, mineral sands, base metals and iron ore. Please refer to section 6 of this Bidder's Statement for further information on Exxaro.

### 4.3 Who is Exxaro Iron?

Exxaro Iron is a wholly-owned subsidiary of Exxaro, formed for the purpose of making the Offer and acquiring your Territory Shares. Exxaro Iron is not currently involved in any other activities.

### 4.4 How do I accept the Offer?

To accept the Offer, you should follow the instructions set out in paragraph 3 of the Appendix to this Bidder's Statement and in the enclosed Acceptance Form.

### 4.5 Can I accept the Offer for part of my holding?

No, you cannot accept for part of your holding. Your acceptance will be treated as being for all of your Territory Shares.

### 4.6 Do I have to pay brokerage fees or stamp duty if I accept the Offer?

You will not incur any brokerage connected with you accepting the Offer.

You will not pay any stamp duty on accepting the Offer.

### 4.7 What are the tax implications of acceptance?

If you accept the Offer, you will dispose of your Territory Shares and this may have tax consequences.

A general summary of the likely Australian tax consequences is set out in section 11.6 of this Bidder's Statement. However, as personal circumstances vary, please consult your financial, tax or other professional adviser on the tax implications of accepting the Offer.

### 4.8 How long do I have to accept the Offer?

The Offer is currently scheduled to close at midnight on 4 July 2011, unless extended.

### 4.9 Can the Offer period be extended?

Yes, the Offer can be extended by Exxaro Iron or otherwise in accordance with the Corporations Act. If you have not accepted the Offer, you will receive written notice of any extension, as required by the Corporations Act.

### 4.10 If I accept the Offer, when will I be paid?

If you accept the Offer, once the Offer conditions have been satisfied, Exxaro Iron will pay the cash consideration of A\$0.46 per Territory Share by the earlier of:

- 1 month after acceptance (or if the Offer is conditional when acceptance is made, within 1 month after the Offer becomes unconditional); and
- 21 days after the end of the Offer Period.

Full details of when you will be paid are set out in paragraph 5 of the Appendix to this Bidder's Statement.

**4.11 Can I withdraw my acceptance?**

A withdrawal right will only arise if, after you have accepted the Offer and the Offer remains conditional, Exxaro Iron varies the Offer in a way that postpones for more than 1 month the time when Exxaro Iron has to pay you under the Offer.

**4.12 What if the conditions of the Offer are not satisfied or waived?**

If the conditions of the Offer are not satisfied or waived before the Offer closes (or in the case of prescribed occurrences, within 3 days after the Offer closes), the Offer will lapse, and acceptances will be cancelled. In other words, you will continue to hold your Territory Shares.

**4.13 Can I sell my Territory Shares on the ASX?**

Yes, but you will likely pay brokerage fees if you do.

**4.14 Are there any conditions to the Offer?**

Yes. The Offer is subject to conditions which are set out in detail in paragraph 6 of the Appendix to this Bidder's Statement. Takeover offers usually contain conditions. Note that Exxaro Iron may choose to waive conditions in accordance with the terms of the Offer.

**4.15 What happens if I do not accept the Offer and Exxaro Iron achieves a relevant interest in 90% of all Territory Shares?**

If you do not accept the Offer and Exxaro Iron acquires a relevant interest in at least 90% of all Territory Shares and the conditions of the Offer are satisfied or waived, Exxaro Iron intends to proceed to compulsorily acquire your Territory Shares. If this occurs, you will be paid the Offer consideration at the conclusion of the compulsory acquisition process. In these circumstances, you would have received the Offer consideration sooner if you had accepted the Offer prior to its close.

**4.16 What happens if I do not accept the Offer and Exxaro Iron achieves a relevant interest in less than 90% of all Territory Shares but gains effective control of Territory?**

If you do not accept the Offer and the conditions of the Offer are satisfied or waived and Exxaro Iron acquires a relevant interest in less than 90% of all Territory Shares, you will be entitled to retain your Territory Shares. However, if this occurs, your Territory shareholding will be exposed to a variety of risks, some of which are described in section 3.4, including the risk that it may become harder to sell your Territory Shares.

**4.17 Is there a number that I can call if I have further queries in relation to the Offer?**

Should you have any questions about this Offer or how to accept it, please call the Exxaro Offer Information Line on 1800 129 431 (local call cost within Australia) or +61 2 8280 7731 (from outside Australia).