
Interpretation and definitions

In this circular and its annexures, unless the context indicates a contrary intention, an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa* and the following expressions bear the meanings assigned to them below.

“A\$”	Australian dollar, the Australian currency;
“Anglo American Group”	Anglo American plc and all of its subsidiaries, whether direct or indirect;
“Anglo American plc”	Anglo American plc, registration number 3564138, a public company incorporated in accordance with the laws of England and Wales, all of the ordinary shares of which are listed on the London Stock Exchange plc (primary listing), the JSE, the SWX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange;
“AOL”	Anglo Operations Limited, registration number 1921/006730/06, a public company incorporated in accordance with the laws of South Africa and an indirectly wholly-owned subsidiary of Anglo American plc;
“BEE Holdco”	Main Street 333 (Proprietary) Limited, registration number 2005/025692/07, a black owned and controlled private company incorporated in accordance with the laws of South Africa and the controlling shareholder of Exxaro;
“Black Mountain”	Black Mountain Mining (Proprietary) Limited, registration number 2005/040096/07, a private company incorporated in accordance with the laws of South Africa, a wholly-owned subsidiary of AOL which will own the Black Mountain business pursuant to the exercise and implementation of the Black Mountain option;
“Black Mountain acquisition”	the acquisition by Exxaro Base Metals of a 26% interest in Black Mountain from AOL resulting from the exercise and implementation of the Black Mountain option;
“Black Mountain business”	the business conducted as a going concern by Black Mountain pertaining to the exploration, development, mining, treatment, production and sale of zinc, lead and copper concentrate and other metals and minerals in concentrate form, including the Gamsberg project;
“Black Mountain effective date”	the date on which the last of the conditions precedent in respect of the Black Mountain acquisition are fulfilled or, to the extent permitted, waived;
“Black Mountain option”	the option granted by AOL to Exxaro Base Metals to acquire a 26% interest in Black Mountain;
“Black Mountain Option Agreement”	the option agreement entered into between AOL, Exxaro Base Metals, Exxaro and Black Mountain on 11 September 2006 in terms of which AOL granted the Black Mountain option to Exxaro Base Metals, as amended on 5 February 2007;
“certificated shareholders”	shareholders who hold shares in certificated form;
“CGT”	Capital Gains Tax in terms of the Eighth Schedule to the Income Tax Act;
“circular”	this bound document, dated 19 February 2007, including the annexures and reports attached hereto;

"CSDP"	Central Securities Depository Participant, a participant as defined in section 1 of the Securities Services Act, 36 of 2004;
"dematerialised shareholders"	shareholders who hold Exxaro shares which have been incorporated into the STRATE system and which are no longer evidenced by physical documents of title in terms of the Securities Services Act, 36 of 2004;
"directors"	members of the Exxaro Board;
"documents of title"	share certificates, certified transfer deeds, balance receipts or any other documents of title to Exxaro certificated shares acceptable to Exxaro;
"empowerment transaction"	the empowerment transaction which resulted in the unbundling of a controlling interest in the company's iron ore interests and the transfer of a controlling interest in Exxaro to BEE Holdco, details of which were included in the Kumba circular;
"EBITDA"	earnings before interest, tax, depreciation and amortisation;
"Exxaro" or "the company"	Exxaro Resources Limited (previously Kumba Resources Limited), registration number 2000/011076/06, a public company incorporated in accordance with the laws of South Africa, all of the ordinary shares of which are listed on the JSE;
"Exxaro Base Metals"	Exxaro Base Metals (Proprietary) Limited, registration number 1967/004375/07, a private company duly incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of Exxaro;
"Exxaro Board"	Exxaro board of directors, as constituted from time to time;
"Exxaro Group"	Exxaro and its subsidiaries;
"Exxaro registered office"	Roger Dyason Road, Pretoria West, 0183;
"Exxaro shares"	ordinary shares with a par value of 1 cent each in the share capital of Exxaro;
"Exxaro TSA"	Exxaro TSA Sands (Proprietary) Limited, registration number 1998/001039/07, a private company incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of Exxaro;
"Gamsberg project"	the Gamsberg zinc project which is potentially a large scale, low to medium grade, open pit mine, located adjacent to Black Mountain mine in the Northern Cape Province;
"general meeting"	the general meeting of shareholders to be held at 10:00 on Tuesday, 6 March 2007 at the Exxaro registered office;
"independent expert"	Citigroup Global Markets Limited, the independent expert appointed by the Exxaro Board;
"JSE"	JSE Limited, registration number 2005/022939/06, a public company duly registered and incorporated with limited liability under the company laws of South Africa, licensed as an exchange under the Securities Services Act, 36 of 2004;
"ktpa"	thousand metric tonnes per annum;
"Kumba circular"	the circular to shareholders of the company dated 9 October 2006;
"KZN Sands"	Exxaro Sands (Proprietary) Limited, registration number 1987/001627/07, a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa and a wholly-owned subsidiary of Exxaro;
"last practicable date"	Friday, 9 February 2007, being the last practicable date prior to the finalisation of this circular;

"Listings Requirements"	the Listings Requirements of the JSE;
"MPRDA"	Mineral and Petroleum Resources Development Act, 28 of 2002;
"Namakwa Sands"	the assets and business of Namakwa Sands, being a mineral sands operation owned by AOL;
"Namakwa Sands acquisition"	the acquisition by Exxaro TSA of Namakwa Sands from AOL resulting from the exercise and implementation of the Namakwa Sands option;
"Namakwa Sands effective date"	the date on which the last of the conditions precedent in respect of the Namakwa Sands acquisition are fulfilled or, to the extent permitted, waived;
"Namakwa Sands option"	the option granted by AOL to KZN Sands, which was ceded to Exxaro TSA, to acquire Namakwa Sands, as a going concern;
"Namakwa Sands Option Agreement"	the option agreement entered into between AOL, KZN Sands and Exxaro on 11 September 2006 in terms of which AOL granted the Namakwa Sands Option to KZN Sands, which option was ceded to Exxaro TSA in terms of the amendment to the option agreement on 5 February 2007;
"Project 1000"	the R320 million expansion of Namakwa Sands released on SENS in November 2005 by AOL;
"SENS"	Securities Exchange News Service of the JSE;
"shareholders"	registered holders of Exxaro shares;
"South Africa"	the Republic of South Africa;
"STRATE"	a clearing and settlement environment for share transactions to be settled and transfer of ownership to be recorded electronically and managed by STRATE Limited;
"STRATE Limited"	STRATE Limited, registration number 1998/022242/06, a public company duly registered and incorporated with limited liability in accordance with the company laws of South Africa and which is a registered central securities depository;
"transaction"	collectively, the Black Mountain acquisition and the Namakwa Sands acquisition;
"transfer secretaries"	Computershare Investor Services 2004 (Proprietary) Limited, registration number 2004/003647/07, a private company duly registered and incorporated with limited liability in accordance with the company laws of South Africa and the transfer secretaries of Exxaro;
"US"	United States of America; and
"US\$"	US dollar, the US currency.