

NOTICE 23 OF 2005
COMPETITION TRIBUNAL

NOTIFICATION OF DECISION TO APPROVE MERGER

The Competition Tribunal gives notice in terms of rule 35 (5)(b) (ii) of the "Rules for the conduct of proceedings in the Competition Tribunal" as published in Government Gazette No. 22025 of 01 February 2001, that on 15 December 2004 it approved the merger between Xstrata South Africa (Pty) Ltd **and** Egalite (Pty) Ltd & International Carbon Holdings (Pty) Ltd subject to the following conditions:

- 1.1. Without prejudice to any rights of any of African Carbon Producers (Proprietary) Limited, African Carbon Manufacturers (Proprietary) Limited, African Carbon Union (Proprietary) Limited and African Fine Carbon (Proprietary) Limited (collectively "the Contracting Parties") pursuant to a breach of the following agreements by the purchasers in terms of those agreements, each of the Contracting Parties shall comply with the provisions of –
 - 1.1. the supply agreement entered into between the Contracting Parties and Samancor Limited acting through its Chrome Division on 26 November 2004 ("the Samancor Supply Agreement"), for the contract period stipulated in clause 3 of the Samancor Supply Agreement; and
 - 1.1.2. the existing char and/or gas coke supply agreements between each of the Contracting Parties and any ferrochrome producer other than Samancor Limited, for a period of three years from the date on which the merger is approved.
2. In the event that, during the term of the conditions in 1.1 above, the whole or part of the business of any of the Contracting Parties is sold or transferred to a firm that forms part of the acquiring firm as defined in the Competition Act No. 89 of 1998 ("Acquiring Firm") and/or the rights and obligations of any of the Contracting Parties are assigned in whole or in part to an Acquiring Firm, then such Acquiring Firm to which the whole or part of the business of any such Contracting Party is transferred and/or the rights and obligations of such Contracting Party is assigned shall be bound by the conditions in 1.1 above as if it were the relevant Contracting Party.

(Case no.: 54/LM/Jul04)

The Chairperson
Competition Tribunal