

11th April 2008

Mr. Ravi Nair
General Manager
Sales and Marketing,
Transnet Freight Rail
Johannesburg

Fax: 011 - 5449588

Dear Ravi



Performance of Iron Ore and Coal Flows

As you are aware the stock levels of the Grootegeluk coal at Newcastle works have improved to eleven days since the workshop held on 10 March 2008, I would like to express our appreciation to you and your team for the commitment and effort in improving our stock position.

In addition we would also like to express our appreciation for the 30 iron ore trains achieved in week ending 30 March 2008; it is truly a great achievement as it is the first time it has ever been achieved.

In the recent past we had some issues on the availability of some of the raw materials due to some technical issues. We have taken up the issues with the concerned suppliers and hope that availability will not be a constraint in achieving our targets.

We look forward to working together with you to improve the rail service so that both of us are in a Win-Win situation.

Kind regards,

A handwritten signature in black ink, appearing to read "Rajendra Joshi", with the date "11/04" written next to it.

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Rajendra Joshi
General Manager Procurement & Logistics
Mittal Steel South Africa

Copy to:

- (1) Mr.Siyabonga Gama, CEO, Transnet Freight Rail.
- (2) Ms.Nonkululeko Nyembezi-Heita, CEO, AMSA