



ANNOUNCEMENT

7 APRIL 2009

ARCELORMITTAL SOUTH AFRICA ACQUIRES 16.3% STAKE IN COAL OF AFRICA

ArcelorMittal South Africa today announced that it has acquired ArcelorMittal Group's 16.3% stake in Coal of Africa Limited ("CoAL") for R404.5 million in cash. The price is based on the previous 15-day volume weighted average share price of CoAL on the Johannesburg Stock Exchange ("JSE").

The transaction will secure part of ArcelorMittal South Africa's future coal needs, mitigating one of the company's key variable input costs. As part of the transaction, ArcelorMittal South Africa has secured an option to enter into an off-take agreement with CoAL for the supply of 2.5 million tonnes of metallurgical (coking) coal annually, with an option to raise this further in future. ArcelorMittal South Africa last year purchased 5.2 million tonnes of coal. This makes coal one of the largest input raw materials for the company.

In addition to securing future coal supplies, ArcelorMittal South Africa believes that the quality of the coal it will procure from CoAL's Vele Colliery Project will enable the company to increase the quantity of local coal in its overall coal mix to feed its furnaces, further enhancing management of input costs.

Commenting on the transaction Nku Nyembezi-Heita, ArcelorMittal South Africa CEO said: "This transaction ensures secure supplies of a key input material for the steelmaking process and is an important step in our strategy to pursue raw material backward integration."

CoAL is focused on the acquisition, exploration and development of thermal and metallurgical coal projects in South Africa. Listed on the Australian Stock Exchange ("ASX"), London's Alternative Investment Market ("AIM") and the JSE, the company currently has three coal projects in various stages of development namely:

- Mooiplaats Thermal Coal Project;
- Vele Coking Coal Project (74% ownership); and
- Makhado Coking Coal Project.

CoAL also owns NiMag, an alloy processing company, and Holfontein, a small coal project which is non core to the operations of the company.

The 16.3% stake makes ArcelorMittal South Africa CoAL's second largest shareholder after the 17.3% owned by Africa Management Limited, a black economic empowerment company associated with the Mvelaphanda Group.

CoAL Managing Director Simon Farrell commented: “We welcome ArcelorMittal South Africa as a major shareholders and first customer for our coking coal products.”

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About CoAL:

Coal of Africa Limited (“CoAL”) is primarily focused on the acquisition, exploration and development of thermal and metallurgical coal projects. The Company’s key projects, along with its leading metals processing company NiMag Group (Pty) Ltd are in South Africa. The Company was incorporated in Western Australia and listed in 1980. Since 2005, the Company has also listed on both the AIM and JSE markets, allowing further growth in the Company’s coal assets.

About ArcelorMittal

ArcelorMittal is the world's largest and most global steel company, with 310,000 employees in more than 60 countries. The company brings together the world's number one and number two steel companies, Arcelor and Mittal Steel.

ArcelorMittal is the leader in all major global markets, including automotive, construction, household appliances and packaging, with leading R&D and technology, as well as sizeable captive supplies of raw materials and outstanding distribution networks. An industrial presence in 28 European, Asian, African and American countries exposes the company to all the key steel markets, from emerging to mature, positions it will be looking to develop in the high-growth Chinese and Indian markets.

ArcelorMittal key financials for 2007 show revenues of USD 105.2 billion, with a crude steel production of 116 million tonnes, representing around 10 per cent of world steel output.

ArcelorMittal is listed on the stock exchanges of New York (MT), Amsterdam (MT), Paris (MTP), Brussels (MTBL), Luxembourg (MT) and on the Spanish stock exchanges of Barcelona, Bilbao, Madrid and Valencia (MTS).