



ANNOUNCEMENT BY LNM HOLDINGS NV OF A FIRM INTENTION TO MAKE A CONDITIONAL PARTIAL OFFER TO ISCOR SHAREHOLDERS AND CAUTIONARY ANNOUNCEMENT

Iscor shareholders are referred to the announcement published today by LNM Holdings NV ("LNM"), stating its firm intention to make a conditional partial offer to all Iscor shareholders other than LNM ("the minority shareholders") to acquire a portion of their Iscor shares ("the LNM partial offer").

LNM currently holds 34,81% of the issued share capital of Iscor. In terms of the LNM partial offer, LNM intends to acquire up to a further 12,19% of the issued share capital of Iscor, which is equivalent to 18,70% of the shares held by the minority shareholders, at a price of R30 per Iscor share. The LNM partial offer must be approved by the minority shareholders in terms of the Securities Regulation Code on Takeovers and Mergers. Should the LNM partial offer be fully implemented, LNM will hold 47% of the issued share capital of Iscor.

Pursuant to the Business Assistance Agreement entered into between Iscor and LNM, Iscor will issue between 5% and 10% of its issued share capital to LNM over the three year period ending on 31 December 2004 (with a maximum annual award of 4,9%) if certain specified costs savings are achieved.

The Board of Directors of Iscor ("the Board") has appointed Investec Bank Limited to advise the Board on the terms of the LNM partial offer and the effects on the minority shareholders. The members of the Board other than those representing LNM ("the independent Board members") will in due course advise the minority shareholders of their opinion of the LNM partial offer and their recommendation on how the minority shareholders should react to the LNM partial offer.

Until such time as the Board has received the advice of its independent advisers and the independent Board members have made their recommendation on the LNM partial offer, the minority shareholders are advised to exercise caution when dealing in their Iscor shares.

ShareCare Line:

Iscor shareholders are invited to contact the Iscor ShareCare Line should they require further information on 0800 006960 or, if they are calling from outside the Republic of South Africa, on +27 11 775 3420.

Pretoria
3 December 2002

Merchant bank and independent adviser to Iscor



Corporate law advisers to Iscor



Sponsor to Iscor



Communication agent of Iscor

