



ArcelorMittal

# news release

## ARCELORMITTAL AND NUNAVUT IRON ANNOUNCE TAKE-UP OF COMMON SHARES AND 2007 WARRANTS OF BAFFINLAND AND EXTEND OFFER

**TORONTO 25 JANUARY 2011 / LUXEMBOURG 25 JANUARY 2011** – ArcelorMittal and Nunavut Iron Ore Acquisition Inc. (together the "**Offerors**") today announced that they have waived the minimum tender condition under their offer (the "**Offer**") to purchase all of the outstanding common shares ("**Common Shares**") of Baffinland Iron Mines Corporation ("**Baffinland**") and all outstanding Common Share purchase warrants issued pursuant to a warrant indenture dated 31 January 2007 (the "**2007 Warrants**"). The Offerors have taken-up 189,501,398 Common Shares and 2,701,406 2007 Warrants under the Offer, being all the Common Shares and 2007 Warrants tendered as at 11:59 p.m. (Toronto time) on 24 January 2011.

The 189,501,398 Common Shares taken-up represent approximately 50% of the outstanding Common Shares on a non-diluted basis (or approximately 48% of the outstanding Common Shares on an in-the-money, fully-diluted basis) and together with the 40,721,400 Common Shares held by Nunavut Iron and its affiliates, represent approximately 61% of the outstanding Common Shares on a non-diluted basis (or approximately 59% of the outstanding Common Shares on an in-the-money, fully-diluted basis). The 2,701,406 2007 Warrants taken-up under the Offer represent approximately 45% of the outstanding 2007 Warrants.

The Offerors have extended the Offer from 11:59 p.m. (Toronto time) on January 24, 2011 to 11:59 p.m. (Toronto time) on February 4, 2011 (the "**Expiry Time**") to allow Baffinland securityholders who have not yet tendered their Common Shares and 2007 Warrants time to do so.

ArcelorMittal and Nunavut Iron also announced that they entered into an agreement dated January 25, 2011 (the "**Agreement**") providing for the principal binding terms of the shareholders agreement to govern with respect to their ownership of Common Shares during the period of time prior to when they first acquire 66 2/3% or more of the outstanding Common Shares of Baffinland. The Agreement provides that ArcelorMittal and Nunavut Iron will, through a holding corporation formed by the amalgamation of a subsidiary of ArcelorMittal and an affiliate of Nunavut Iron ("**Amalco**"), own 70% and 30%, respectively, of all Common Shares and 2007 Warrants acquired pursuant to the Offer together

with the Common Shares held by Nunavut Iron and its affiliates, commit to use their voting control of Baffinland so far as is permitted by law to, among other things, begin a review and assessment of Baffinland's Mary River Project, and agree to fund their proportionate amounts in connection with any take-up and payment of Common Shares and 2007 Warrants under the Offer and all costs of Amalco on a pro rata basis.

The Amalco board of directors will be composed of six directors with four directors appointed by ArcelorMittal and two directors appointed by Nunavut Iron. Subject to certain extraordinary approval requirements, all decisions of the Amalco board of directors with respect to Amalco and with respect to the exercise of voting control over Baffinland will be determined by majority approval of the Amalco directors. In accordance with the agreement, Amalco will appoint such majority number of directors to the board of directors of Baffinland as it is permitted to do so under the Support Agreement.

The Agreement contains customary representations, covenants and conditions, including provisions relating to the transfer of each party's interest in Amalco and the default of a party in respect of the Offer or the failure to fund the costs of Amalco.

More detail with respect to the Agreement can be found in the notice of extension and change and the full Agreement will be made available on SEDAR at [www.sedar.com](http://www.sedar.com).

The notice of extension and change will be mailed to registered holders of Common Shares and 2007 Warrants promptly and will be available on SEDAR at [www.sedar.com](http://www.sedar.com).

ArcelorMittal has retained Georgeson Shareholder Communications Canada Inc. as information agent in connection with the Offer. Computershare Investor Services Inc. is the depository for the Offer. Any questions or requests for assistance or further information on how to tender Common Shares or 2007 Warrants to the Offer may be directed to, and copies of the above referenced documents may be obtained by contacting, the information agent at 1-888-605-7641 or by email at [askus@georgeson.com](mailto:askus@georgeson.com) or by contacting the depository at 1-800-564-6253 (North America) or 1-514-982-7555 (overseas), or by email at [corporateactions@computershare.com](mailto:corporateactions@computershare.com). Securityholders whose Common Shares or 2007 Warrants are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact such nominee for assistance in depositing their Common Shares and 2007 Warrants to the Offer.

*This document contains forward-looking information and statements about ArcelorMittal and its subsidiaries. These statements include statements regarding plans, objectives and expectations with respect to future operations and statements regarding future performance generally. Forward-looking statements may be identified by the words "will," "believe," "expect" or similar expressions. Although ArcelorMittal's management believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of ArcelorMittal's securities are cautioned that forward-looking information and statements are subject to numerous risks and uncertainties, many of which are difficult to predict and generally beyond the control of ArcelorMittal, that could cause actual results and developments to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the filings with the Luxembourg Stock Market Authority for the Financial Markets (Commission de Surveillance du Secteur Financier) and the United States Securities and Exchange Commission (the "SEC") made or to be made by ArcelorMittal, including ArcelorMittal's Annual Report on Form 20-F for the year ended 31 December, 2009 filed with the SEC. ArcelorMittal undertakes no*

obligation to publicly update its forward-looking statements, whether as a result of new information, future events or otherwise.

### **About ArcelorMittal**

ArcelorMittal is the world's leading steel company, with operations in more than 60 countries.

ArcelorMittal is the leader in all major global steel 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. With an industrial presence in over 20 countries spanning four continents, the Company covers all of the key steel markets, from emerging to mature.

Through its core values of Sustainability, Quality and Leadership, ArcelorMittal commits to operating in a responsible way with respect to the health, safety and wellbeing of its employees, contractors and the communities in which it operates. It is also committed to the sustainable management of the environment and of finite resources. ArcelorMittal recognises that it has a significant responsibility to tackle the global climate change challenge; it takes a leading role in the industry's efforts to develop breakthrough steelmaking technologies and is actively researching and developing steel-based technologies and solutions that contribute to combat climate change.

In 2009, ArcelorMittal had revenues of \$65.1 billion and crude steel production of 73.2 million tonnes, representing approximately 8 per cent of world steel output.

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

For more information about ArcelorMittal visit: [www.arcelormittal.com](http://www.arcelormittal.com)

### **ABOUT NUNAVUT IRON AND IRON ORE HOLDINGS, LP**

Nunavut Iron was incorporated under the laws of Canada on August 27, 2010 and has not carried on any material business other than in connection with matters directly related to Nunavut Iron's previous offer and this offer to acquire Baffinland.. Nunavut Iron is wholly owned by Iron Ore Holdings.

Iron Ore Holdings is a limited partnership formed under the laws of Delaware for the purpose of making the Offer. Iron Ore Holdings is owned by Bruce Walter, the Chairman of Nunavut Iron, Jowdat Waheed, the President and Chief Executive Officer of Nunavut Iron, and funds managed by The Energy & Minerals Group. The Energy & Minerals Group is a private investment firm with a family of funds with over US\$2 billion under management that invest in the energy and minerals sectors.

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