



BHP Group Limited

BHP Group Limited ABN 49 004 028 077

Registered in Australia

Registered Office: Level 18, 171 Collins Street Melbourne VIC 3000

Share code: BHG

ISIN: AU000000BHP4

Exchange release

29 May 2024

Statement regarding proposal for Anglo American plc

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THIS ANNOUNCEMENT IS AN ANNOUNCEMENT UNDER RULE 2.8 OF THE UK CITY CODE ON TAKEOVERS AND MERGERS (THE **UK CODE**)

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

BHP Group Ltd (**BHP**) confirms that it does not intend to make a firm offer for Anglo American plc (**Anglo American**).

This is a statement to which Rule 2.8 of the UK Code applies. As is customary, BHP reserves the right to set aside this statement in the following circumstances that are set out under Note 2 to Rule 2.8 of the UK Code:

- (a) The Board of Directors of Anglo American agreeing to this statement being set aside;
- (b) a third party announcing a firm intention to make an offer for Anglo American;
- (c) Anglo American announcing a Rule 9 waiver proposal (as described in Note 1 of the Notes on Dispensations from Rule 9 of the UK Code) or a reverse takeover (as defined in the UK Code); or
- (d) the UK Panel on Takeovers and Mergers determining that there has been a material change of circumstances.

Mike Henry, BHP Chief Executive Officer said:

“BHP will not be making a firm offer for Anglo American. BHP is committed to its Capital Allocation Framework and maintains a disciplined approach to mergers and acquisitions.

While we believed that our proposal for Anglo American was a compelling opportunity to effectively grow the pie of value for both sets of shareholders, we were unable to reach agreement with Anglo American on our specific views in respect of South African regulatory risk and cost and, despite seeking to engage constructively and numerous requests, we were not able to access from Anglo American key information required to formulate measures to address the excess risk they perceive

We remain of the view that our proposal was the most effective structure to deliver value for Anglo American shareholders, and we are confident that, working together with Anglo American, we could have obtained all required regulatory approvals, including in South Africa.”



On 20 May 2024, BHP submitted an increased and final offer ratio to the Board of Directors of Anglo American as part of its revised proposal for a potential combination with Anglo American to be effected by way of a scheme of arrangement. The final offer ratio represented a total value of £31.11 per BHP's announcement on 22 May 2024 (based on the closing share prices of BHP as at 22 May 2024 and Anglo Platinum and Kumba as at 21 May 2024)¹. The revised proposal followed BHP's proposals for a potential combination with Anglo American which were submitted to the Board of Anglo American on 7 May 2024 and 16 April 2024.

BHP's revised proposal was rejected by the Board of Anglo American on 22 May 2024. BHP is disappointed that the Board of Anglo American has decided not to continue discussions with BHP to resolve its concerns regarding the implementation of BHP's revised proposal. BHP had been engaging with Anglo American on these topics since the submission of its revised proposal on 20 May and believes that there was a viable pathway available to resolve Anglo American's concerns. In particular, Anglo American's assertion that value risk under our proposal would be exclusively for the account of Anglo American shareholders is not accurate. As stated in our announcement today and to Anglo American directly, BHP's intent was to share in the cost associated with certain conditions that may be imposed as part of South African regulatory approvals.

BHP's revised proposal would have offered immediate value for Anglo American shareholders and would have allowed Anglo American shareholders to benefit from the long-term value created from combining Anglo American and BHP.

This announcement is being made by BHP without Anglo American's prior agreement or approval.

Sponsor: J.P. Morgan Equities South Africa Proprietary Limited

Authorised for release by Stefanie Wilkinson, Group Company Secretary.

Notes:

1. Based on 0.8860 BHP shares for each ordinary share. The number of fully diluted Anglo American shares assumed excluded shares held by Tarl Investment Holdings Limited, Epoch Investment Holdings Limited, and Epoch Two Investment Holdings. These shares total 112,300,129 as per the Rule 2.9 announcement by Anglo American dated 25 April 2024.



Important Notices

Rule 9 waiver proposal and reverse takeover

A Rule 9 waiver proposal is where the Panel is asked to waive the obligation to make an offer under Rule 9 of the UK Code which would otherwise arise where, as a result of the issue of new securities as consideration for an acquisition or a cash subscription or in fulfilment of obligations under an agreement to underwrite the issue of new securities, a person or group of persons acting in concert acquires an interest, or interests, in shares which carry 30% or more of the voting rights of a company (to which the UK Code applies).

A transaction will be a reverse takeover if an offeror (being a company to which the UK Code applies) might as a result need to increase its existing issued voting equity share capital by more than 100%.

Financial advisers

Barclays Bank PLC, acting through its Investment Bank ("Barclays"), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for BHP and no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than BHP for providing the protections afforded to clients of Barclays nor for providing advice in relation to the subject matter of this announcement.

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Publication on a website

In accordance with Rule 26.1 of the UK Code, a copy of this announcement will be available at <https://www.bhp.com> promptly and in any event by no later than 12 noon (UK time) on the business day following this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.



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