

**KUMBA IRON ORE**

Kumba Iron Ore Limited

 CORPORATE OFFICE  
 Centurion Gate Building 2B  
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 South Africa

**Kumba Iron Ore Limited production and sales report for the quarter ended 31 December 2015 and extension of cautionary announcement**

Kumba Iron Ore Limited (“Kumba”) today released its production and sales report for the quarter ended 31 December 2015. Throughout this report, production and sales volumes referred to are 100% of Sishen Iron Ore Company Proprietary Limited (“SIOC”), and attributable to shareholders of Kumba as well as the non-controlling interests in SIOC.

**Overview:**

- Full year production of 44.9 Mt, as expected
- Total production decreased by 12% to 10.9 million tonnes compared to Q4 2014, and was 4% lower compared to the previous quarter.
- Total export sales volumes decreased to 10.5 million tonnes, 10% lower than Q4 2014 but 7% higher than the previous quarter.

'000 tonnes	Quarter		% change	Quarter	% change
	Q4 2015	Q4 2014	Q4 2015 vs Q4 2014	Q3 2015	Q4 2015 vs Q3 2015
<b>Total</b>	<b>10,935</b>	<b>12,432</b>	(12)	<b>11,391</b>	(4)
- Sishen mine	7,661	9,286	(17)	7,670	-
<i>DMS plant</i>	5,124	5,909	(13)	4,960	3
<i>Jig plant</i>	2,537	3,377	(25)	2,710	(6)
- Kolomela mine	2,854	2,728	5	3,348	(15)
- Thabazimbi mine	420	418	-	373	13

'000 tonnes	Quarter		% change	Quarter	% change
	Q4 2015	Q4 2014	Q4 2015 vs Q4 2014	Q3 2015	Q4 2015 vs Q3 2015
<b>Total</b>	<b>11,043</b>	<b>12,600</b>	(12)	<b>10,807</b>	2
- Export sales	10,509	11,699	(10)	9,847	7
- Domestic sales	534	902	(41)	960	(44)
<i>Sishen mine</i>	280	551	(49)	665	(58)
<i>Thabazimbi mine</i>	254	351	(28)	295	(14)

**A member of Anglo American plc group**
**Kumba Iron Ore Limited**

Centurion Gate, Building 2B, 124 Akkerboom Road, Centurion, 0157. PO Box 9679, Centurion, 0046, South Africa. T +27 (0) 12 683 7000. F +27 (0) 12 295 0746. Incorporated in South Africa. Registration Number: 2005/015852/06

**Directors:** F Titi - Independent Non-Executive Chairman, NB Mbazima (Zambian) - Executive Director (CEO), FT Kotzee - Executive Director (CFO)

**Non-Executive Directors:** ZBM Bassa, DD Mokgatle, AJ Morgan, LM Nyhonyha, AH Sangqu, BP Sonjica, AM O'Neill (Australian)

**Company Secretary:** A Parboosing

**Kumba Iron Ore** – Production from Kumba Iron Ore decreased by 12% to 10.9 million tonnes.

Sishen produced 7.7 million tonnes, a decrease of 17%. Production continued to be impacted by a lack of sufficient exposed high quality ore for blending purposes as the mine transitions to the lower cost pit configuration.

Full year production at Sishen was in line with the revised targeted production of ~31Mt as indicated in the Q32015 production statement. Waste mined for the quarter was 54.3 million tonnes down 10%, in line with the full year revised guidance of ~230 Mtpa.

At Kolomela, efficiencies and throughput at the plant continued to improve, partially offset by planned plant maintenance during October, resulting in production of 2.9 million tonnes for the quarter, a 5% increase. Waste mining remained flat at 9.7 million tonnes.

Mining ceased at Thabazimbi in September 2015 and the closure process remains on track.

Export sales reached 10.5 million tonnes, a decrease of 10% due to lower production. Total finished product stocks were 4.7 million tonnes, compared with 6.5 million tonnes at 31 December 2014 as stocks were drawn down to optimal levels.

The financial information on which the above forecast is based has not been reviewed and reported on by the company's external auditors.

#### **Extension of Cautionary**

On 15 December 2015, Kumba extended the cautionary announcement relating to the notice from the Department of Mineral Resources ("DMR") that the Director General of the DMR had consented to the amendment of Sishen Iron Ore Company (Pty) Ltd.'s ("SIOC") mining right in respect of the Sishen Mine to include the residual 21.4% undivided share of the mining right for the Sishen Mine, subject to certain proposed conditions.

Shareholders are hereby advised to continue exercising caution when dealing in the company's shares and securities, until a further announcement is made.

For further information, please contact:

#### **Investors and analysts**

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28 January 2016

Sponsor  
RAND MERCHANT BANK (A division of FirstRand Bank Limited)

**Notes to editors:**

**Kumba Iron Ore Limited**, a member of the Anglo American plc group, is a leading value-adding supplier of high quality iron ore to the global steel industry. Kumba produces iron ore in South Africa at Sishen and Kolomela mines in the Northern Cape Province, and at Thabazimbi mine in the Limpopo Province. Kumba exports iron ore to customers in a range of geographical locations around the globe including China, Japan, Korea and a number of countries in Europe and the Middle East.

[www.angloamericankumba.com](http://www.angloamericankumba.com)

**Notes to editors:**

Anglo American is one of the world's largest mining companies, is headquartered in the UK and listed on the London and Johannesburg stock exchanges. Our portfolio of mining businesses meets our customers' changing needs and spans bulk commodities – iron ore and manganese, metallurgical coal and thermal coal; base metals and minerals – copper, nickel, niobium and phosphates; and precious metals and minerals – in which we are a global leader in both platinum and diamonds. At Anglo American, we are committed to working together with our stakeholders – our investors, our partners and our employees – to create sustainable value that makes a real difference, while upholding the highest standards of safety and responsibility across all our businesses and geographies. The company's mining operations, pipeline of growth projects and exploration activities span southern Africa, South America, Australia, North America, Asia and Europe.

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