

25 April 2019

Kumba Iron Ore Limited

A member of the Anglo American plc group
(Incorporated in the Republic of South Africa)
(Registration number 2005/015852/06)

Share code: KIO

ISIN: ZAE000085346

("Kumba" or "the company")

Kumba Iron Ore Limited Production and Sales Report for the quarter ended 31 March 2019

Kumba is on track to deliver its sales and production guidance of 43-44Mt for 2019, with continued focus on improving its health, safety and operational performance. 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:

- Kumba continued to be fatality free, with ongoing focus on improving its health and safety performance.
- Total sales of 10.9Mt were in line with Q1 2018, with export sales increasing by 2% to 10.1Mt.
- Total production volumes decreased by 12% compared to Q1 2018, due to maintenance requirements at Sishen and Kolomela.
- Total finished stock reduced to 4.2Mt, from 5.3Mt at 31 December 2018.

Sales summary					
' 000 tonnes	Quarter ended		% change vs Q1 2018	Quarter ended Q4 2018	% change vs Q4 2018
	Q1 2019	Q1 2018			
Total	10,879	10,831	-	11,591	(6)
- Export sales	10,131	9,946	2	10,723	(6)
- Domestic sales	748	885	(16)	868	(14)

Production summary					
' 000 tonnes	Quarter ended		% change vs Q1 2018	Quarter ended Q4 2018	% change vs Q4 2018
	Q1 2019	Q1 2018			
Total	9,516	10,855	(12)	10,170	(6)
- Sishen Mine	6,447	7,325	(12)	6,960	(7)
- Kolomela Mine	3,070	3,530	(13)	3,210	(4)

Total sales volumes of 10.9Mt were broadly flat relative to Q1 2018 with export sales growth of 2% to 10.1Mt partially offset by lower domestic sales. Relative to Q4 2018, export sales decreased by 6% due to lower opening stock levels at Saldanha Port at the beginning of the year, following the derailments and bridge incident in 2018.

Kumba's total plant production volumes decreased by 12% to 9.5Mt compared to Q1 2018. This was driven by unscheduled plant maintenance at Sishen and stoppage of the dense media separation plant at Kolomela to

perform a critical infrastructure upgrade. Production at Sishen decreased by 12% to 6.4Mt and at Kolomela by 13% to 3.1Mt. With rail logistics performing in line with plan, this resulted in a drawdown of excess finished stock levels at the mines and total finished stock reducing to 4.2Mt from 5.3Mt as at 31 December 2018.

From a mining perspective, waste stripping at Sishen was 3% lower at 40.9Mt (Q1 2018: 42.2Mt) due to a marginal reduction in shovel availability. While at Kolomela, longer haul distances led to a 5% decrease in waste stripping to 12.8Mt. Improving mine to plan practices and operating equipment performance are key priorities as we progress towards new levels of benchmark operating performance.

Guidance

Logistical performance improved during the quarter, reflecting the progress made by the joint steering committee and the benefits of working more closely with Transnet. This progress was one of the key factors underpinning the maintenance of the 2019 full year guidance announced in Kumba's 2018 annual results on 19 February 2019. The 2019 guidance is unchanged, as follows:

- Total sales of 43-44Mt
- Total production of 43-44Mt
 - Sishen ~30Mt
 - Kolomela 13-14Mt
- Waste
 - Sishen 170-180Mt
 - Kolomela 55-60Mt

Centurion
25 April 2019

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)

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Notes to editors:

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As a responsible miner – of diamonds (through De Beers), copper, platinum group metals, iron ore, coal and nickel – we are the custodians of what are precious natural resources. We work together with our business partners and diverse stakeholders to unlock the sustainable value that those resources represent for our shareholders, the communities and countries in which we operate, and for society as a whole. Anglo American is re-imagining mining to improve people's lives.

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