

NEWS RELEASE

24 October 2017

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 30 September 2017

Kumba Iron Ore Limited ("Kumba") today released its production and sales report for the quarter ended 30 September 2017. Total production guidance for 2017 has been revised to 42-44Mt.

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:

- Production down 2% to 11.5Mt as a result of a decrease in Sishen production.
- Export sales up 4% to 10.8Mt due to delayed shipping

Production summary					
' 000 tonnes			% change Q3 2017 vs Q3 2016	Q2 2017	% change Q3 2017 Vs Q2 2017
	Q3 2017	Q3 2016			
Total	11,486	11,760	(2)	11,382	1
- Sishen Mine	7,786	8,349	(7)	7,872	(1)
<i>DMS Plant</i>	4,607	5,325	(13)	4,909	(6)
<i>Jig Plant</i>	3,179	3,024	5	2,963	7
- Kolomela Mine	3,700	3,411	8	3,510	5

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Kumba Iron Ore Limited

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Sales summary					
' 000 tonnes			% change Q3 2017 vs Q3 2016	Q2 2017	% change Q3 2017 Vs Q2 2017
	Q3 2017	Q3 2016			
Total	11,427	11,050	3	10,348	10
- Export sales	10,783	10,343	4	9,423	14
- Domestic sales	644	707	(9)	925	(30)
<i>Sishen mine</i>	644	707	(9)	925	(30)

Sishen production decreased by 7% to 7.8Mt (3Q16: 8.3Mt). The higher production in 3Q16 was attributable to temporary access to low strip ratio ore and higher plant yields as per the mine plan. As planned, production for 3Q17 was in line with 1Q17 and 2Q17. Waste removal increased by 21% to 42Mt, compared to 35Mt in 3Q16. Sishen maintained its solid and consistent performance and ongoing improvements which have resulted in production guidance for 2017 being revised to 29-30Mt. Waste guidance remains unchanged at 155-165Mt.

Kolomela production increased to 3.7Mt, up 8% compared to 3Q16, mainly due to productivity improvements and the ramp up of the modular plant. Waste mined increased by 11% to 16Mt resulting from ongoing improvements in operational efficiency. Kolomela is on track to meet full year production and waste guidance for 2017 of 13-14Mt and 50-55Mt respectively.

Export sales increased by 4% to 10.8Mt mainly due to shipping of delayed volumes on hand at Saldanha at 30 June 2017. Total finished product stocks were 4.6Mt, compared to 4.4Mt at 30 June 2017. Full year sales guidance has been revised to 42-44Mt.

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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. 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



Notes to editors:

Anglo American is a globally diversified mining business. Our portfolio of world-class competitive mining operations and undeveloped resources provides the raw materials to meet the growing consumer-driven demands of the world's developed and maturing economies. Our people are at the heart of our business. It is our people who use the latest technologies to find new resources, plan and build our mines and who mine, process and move and market our products to our customers around the world.

As a responsible miner - of diamonds (through De Beers), copper, platinum and other precious metals, iron ore, coal and nickel – we are the custodians of what are precious natural resources. We work together with our key partners and stakeholders to unlock the long-term value that those resources represent for our shareholders and for the communities and countries in which we operate – creating sustainable value and making a real difference.

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