

Kumba Iron Ore Limited

(Registration number: 2005/015852/06)
Incorporated in the Republic of South Africa
Share code: KIO
ISIN: ZAE000085346
("Kumba")

ArcelorMittal South Africa Limited

(Registration number 1989/002164/06)
Incorporated in the Republic of South Africa
Share code: ACL
ISIN: ZAE 000134961
("ArcelorMittal South Africa")

TRANSFER OF THABAZIMBI MINE TO ARCELORMITTAL SOUTH AFRICA

Kumba and ArcelorMittal South Africa are pleased to announce that all the conditions precedent to the Transfer of Thabazimbi Mine ("the Mine"), together with the mining rights, to ArcelorMittal South Africa have either been fulfilled or waived. The employees, assets and liabilities as well as the mining rights and the assumed liabilities for the Mine will be transferred at a nominal purchase consideration from Sishen Iron Ore Company Proprietary Limited ("SIOC") to Thabazimbi Iron Ore Mine (Pty) Ltd (a wholly-owned subsidiary of ArcelorMittal South Africa, previously ArcelorMittal South Africa Operations (Pty) Ltd on 1 November 2018.

Themba Mkhwanazi, CEO of Kumba, said, "We are pleased that consent for the transfer of the mining rights of Thabazimbi Mine has been granted as it will enable ArcelorMittal South Africa to directly manage their liabilities. This brings to culmination a very collaborative transfer process with ArcelorMittal South Africa and we thank them for the role they played in the process. We also thank the employees at the Mine for their contribution and commitment over the years and wish them everything of the best as they embark on a new journey".

Kobus Verster, CEO of ArcelorMittal South Africa, said "The conclusion of this process allows us to take full ownership of the Thabazimbi Mine and continue with our investigations to decide the future of the operations. We remain committed to ensuring the transition process is managed in the best interest of Thabazimbi Mine employees and local communities".

Kumba and ArcelorMittal South Africa have prior to this issued a joint announcement on 9 February 2017 advising that SIOC and ArcelorMittal South Africa had entered into an agreement for the transfer of the Mine together with the mining rights, to ArcelorMittal South Africa. The Transfer was dependent on certain conditions being fulfilled.

As reported in Kumba's 2018 Interim results on 24 July 2018, the grant letter in respect of Section 11 of the Mineral and Petroleum Resources Development Act No.28 of 2002, approving the transfer of the mining rights was received from the Department of Mineral Resources on 10 July 2018.

The Transfer is below the JSE transaction threshold for both Kumba and ArcelorMittal South Africa and this announcement is for information purposes only.

Centurion
12 October 2018

Sponsor to Kumba Iron Ore Limited:

Rand Merchant Bank (A division of FirstRand Bank Limited)

Sponsor to ArcelorMittal South Africa

Absa Bank (acting through its Corporate and Investment and Banking division)

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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 global diversified mining business and our products are the essential ingredients in almost every aspect of modern life. Our portfolio of world-class competitive mining operations and undeveloped resources provides the metals and minerals to meet the growing consumer-driven demands of the world's developed and maturing economies. With our people at the heart of our business, we use innovative practices and the latest technologies to discover new resources and mine, process, 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 sustainable value that those resources represent for our shareholders, the communities and countries in which we operate and for society at large. Anglo American is re-imagining mining to improve people's lives.

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