

Kumba Iron Ore Limited
A member of the Anglo American plc group
(Incorporated in the Republic of South Africa)
(Registration number 2005/015852/06)
JSE Share code: KIO
ISIN: ZAE000085346
("Kumba" or the "Company")

Extension of cautionary and update on Sishen Mine's 21.4% mining right

On 3 November 2015, Kumba advised shareholders that it had received 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 conditions (which are described by the DMR as "proposals").

Until the legal and practical implications of the proposed conditions have been clarified with the DMR, SIOC is unable to accept the conditions. Section 96 of the Mineral & Petroleum Resources Development Act ("MPRDA") allows for an internal appeal to the Minister of Mineral Resources. Kumba therefore submitted an internal appeal to the Minister as per the requirements of the MPRDA.

In the interim, Kumba continues to engage with the Minister of Mineral Resources in relation to the proposed conditions in order to achieve a mutually beneficial solution.

The conditions contained in the Letter of Grant relate substantively to domestic supply, support for skills development, research & development, and procurement.

Shareholders will be updated as appropriate and are hereby advised to continue exercising caution when dealing in the Company's shares and securities, until a further announcement is made.

Note to Editors:

The Constitutional Court ruled on 12 December 2013 that the residual 21.4% undivided share of the mining right in respect of Kumba's Sishen mine, which is owned by Kumba's subsidiary SIOC, remained available for allocation by the DMR and that, based on the provisions of the MPRDA, only SIOC could apply to be granted the residual right. SIOC subsequently applied to the DMR in relation to the residual right.

Centurion
15th December 2015

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

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