

EXXARO RESOURCES LIMITED

Incorporated in the Republic of South Africa

(Registration Number: 2000/011076/06)

JSE share code: EXX

ISIN: ZAE000084992

ADR code: EXXAY

("Exxaro" or "the Company")

TRADING STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

Shareholders are advised that Exxaro and its directors have reasonable certainty relating to the expected financial results of Exxaro for the year ended 31 December 2018.

Attributable earnings per share (AEPS) for the year ended 31 December 2018 are expected to be between 2 690 cents per share and 2 886 cents per share, an increase of between 39% and 49%, compared to 1 923 cents per share reported for the year ended 31 December 2017.

Headline earnings per share (HEPS) for the year ended 31 December 2018 are expected to be between 2 607 cents per share and 2 708 cents per share compared to 502 cents per share reported for the year ended 31 December 2017.

Whilst the coal business benefited from higher selling prices, the increases in AEPS and HEPS are primarily due to the once-off transactions incurred in 2017 relating to the implementation of the Replacement Black Economic Empowerment (BEE) Transaction which resulted in the BEE shares to be treated as treasury shares, and excluded from the weighted average number of shares (WANOS). The WANOS at 31 December 2018 was 251 million compared to 311 million at 31 December 2017.

If the once-off impacts of non-recurring transactions are excluded for both financial years, the core HEPS⁽¹⁾ (based on a core WANOS⁽¹⁾ of 332 million shares) for the year ended 31 December 2018 are expected to be between 2 073 cents per share and 2 215 cents per share, an increase of between 3% and 10% compared to 2 011 cents per share reported for the year ended 31 December 2017. For the sake of clarity, core AEPS are the same as core HEPS.

Shareholders are advised that Exxaro will release its reviewed financial results for the year ended 31 December 2018 on 14 March 2019. Further details are available on our website, www.exxaro.com.

The forecast financial information on which this trading statement is based has not been reviewed, audited nor reported on by Exxaro's external auditors.

This statement is issued in compliance with the JSE Listings Requirements.

(1) Core HEPS are calculated by adjusting headline earnings with once-off items and core WANOS is calculated by deducting Exxaro's 24.9% shareholding in Eyesizwe RF Proprietary Limited from Exxaro's total shares in issue. These are not defined terms under International Financial Reporting Standards and may not be comparable with similarly titled measures reported by other companies. The afore-mentioned adjustments are the responsibility of the directors of Exxaro. The adjustments have been prepared for illustrative purposes only and due to their nature, may not fairly present Exxaro's financial position, changes in equity, results of operations or cash flows.

Editor's note:

Exxaro is one of the largest South African based diversified resources companies, with interests in the coal, titanium dioxide, iron ore and energy. www.exxaro.com

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Pretoria
5 March 2019

Sponsor:

Absa Bank Limited (acting through its corporate and investment bank

