

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 approves Kapstevél South project at Kolomela

Kumba is pleased to announce the approval of its Kapstevél South project at its Kolomela mine by both the Company and Anglo American's boards.

The total capital cost of the project will be approximately R7 billion, including pre-stripping. It is anticipated that the addition of the Kapstevél South pit will deliver an after-tax internal rate of return of ~25% and allow Kolomela to maintain an estimated EBITDA margin of >35% in the long-term.

The project entails the development of a new pit, Kapstevél South and associated infrastructure at Kolomela. The pit is a conventional truck and shovel operation producing high quality direct shipping ore (DSO). Whilst the pit is included in the current life of mine, it contributes significantly to sustaining production of ~13Mt for the remaining life of mine. Pit establishment and waste stripping will commence this year with first ore expected in 2024.

Themba Mkhwanazi, CEO of Kumba, said: "The approval of this project, at a time when the global and South African economies face the challenges of Covid-19, underscores Kumba's positive longer-term outlook for demand for its high-quality product. It also demonstrates our commitment to extend the lives of our mines and continue providing much-needed jobs and livelihoods in the Northern Cape region."

The operational and financial forecasts provided in this announcement are estimates and the financial information has not been reviewed and reported on by the Company's external auditors.

Centurion

28 July 2020

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)

For further information, please contact:

Company Secretary

Fazila Patel

fazila.patel@angloamerican.com

Tel: +27 12 683 7060

Mobile: +27 83 297 2293

Investors

Penny Himlok
penny.himlok@angloamerican.com
Tel: +27 12 622 8324
Mobile: +27 82 781 1888

Media

Sinah Phochana
sinah.phochana@angloamerican.com
Tel: +27 12 683 7019
Mobile: +27 76 066 0655

Notes to editors:

Such forward-looking statements are based on numerous assumptions regarding Kumba's present and future business strategies and the environment in which Kumba will operate in the future. Important factors that could cause Kumba's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, mineral resource exploration and development capabilities, recovery rates and other operational capabilities, the effects of global pandemics and outbreaks of infectious diseases, the availability of mining and processing equipment, the ability to produce and transport products profitably, the availability of transport infrastructure, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, the effects of inflation, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as permitting and changes in taxation or safety, health, environmental or other types of regulation in the countries where Kumba operates, conflicts over land and resource ownership rights and such other risk factors identified in Kumba's most recent Integrated Report.

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 leading global mining company and our products are the essential ingredients in almost every aspect of modern life. Our portfolio of world-class competitive operations, development projects and undeveloped resources, provides many of the metals and minerals that enable a cleaner, greener, more sustainable world and that meet the fast growing consumer-driven demands of developed and maturing economies. With our people at the heart of our business, we use innovative practices and the latest technologies to mine, process, move and market our products to our customers – and to discover new resources – safely and sustainably.

As a responsible producer of diamonds (through De Beers), copper, platinum group metals, the steelmaking ingredients of iron ore and metallurgical coal, and nickel – with crop nutrients in development and thermal coal operations planned for divestment – we are committed to being carbon neutral across our operations by 2040. We work together with our business partners and diverse stakeholders to unlock sustainable value from precious natural

resources for the benefit of the communities and countries in which we operate, for society as a whole, and for our shareholders. Anglo American is re-imagining mining to improve people's lives.

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