

African Rainbow Minerals Limited  
(Incorporated in the Republic of South Africa)  
(Registration number 1933/004580/06)  
JSE Share code: ARI  
ISIN: ZAE000054045  
("ARM" or the "Company")

**TRADING STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2020  
(1H F2021)**

In terms of paragraph 3.4(b) of the Listings Requirements of the JSE Limited, a listed company is required to publish a trading statement as soon as it is satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by at least 20% from those of the previous corresponding period.

Headline earnings for 1H F2021 are expected to increase by between 129% and 138% compared to R2 155 million in the corresponding six months ended 31 December 2019 (1H F2020) to between R4 935 million and R5 129 million. The increased earnings were underpinned by higher iron ore and platinum group metals (PGM) prices coupled with an increase in export iron ore sales volumes. Headline earnings per share are expected to be between 2 529 cents and 2 640 cents (1H F2020: 1 114 cents).

Basic earnings for 1H F2021 are expected to increase by between 123% and 133% to between R4 754 million and R4 968 million (1H F2020: R2 132 million). The 1H F2021 basic earnings per share are expected to be between 2 446 and 2 546 cents (1H F2020: 1 102 cents).

Update on ARM Coal Receivable

ARM Coal in prior periods recorded an amount payable by Glencore Operations South Africa (GOSA) to ARM Coal of R452 million (ARM's attributable portion: R230 million) as a long-term receivable ('receivable').

At the date of ARM's previous report which was for the financial year ended 30 June 2020, GOSA had not agreed the outstanding balance of the receivable and ARM Coal was unable at that time to provide sufficient evidence to validate this receivable in its accounting records.

Details of this were included in the audited annual financial statements ended 30 June 2020, which can be found on [www.arm.co.za](http://www.arm.co.za).

ARM has since completed the investigation and the entries which gave rise to the long-term receivable have been identified and agreed between ARM Coal, GGV Mine and GOSA.

The results of the investigation concluded that all the items included in the ARM Coal long-term receivable were valid receivables, however R283 million should have been classified as trade and other receivables and R53 million should have been included in the long-term borrowings rather than being netted off against long-term receivables in the statement of financial position.

Management proposes accounting for the above as a prior period error in terms of IAS 8 which is being considered for approval through the necessary governance structures. The restatement is expected to have no impact on the statement of profit or loss and other comprehensive income and no impact on the statement of cash flows.

The Company's 1H F2021 financial results will be released on 3 March 2021.

ENDS

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Sponsor: Investec Bank Limited