

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 production and sales report for the fourth quarter, and trading statement, for the year ended 31 December 2024**

### **Production and sales report for the fourth quarter and year ended 31 December 2024**

Kumba Chief Executive, Mpumi Zikalala, said: "Kumba continued to focus on operational excellence and strengthening its safety performance, while working with government and Transnet to improve logistics performance. Consistent with our reconfigured business plan, we delivered production in line with Transnet's logistics capacity.

"Ore railed to Saldanha Bay Port decreased by 8% compared to Q3 2024, due to the planned 15-day annual maintenance shutdown and unfortunate train derailments following the re-opening of the Ore Export Channel (OEC). To maintain a balanced and efficient value chain, finished stock at the mines was drawn down and production reduced by 17% compared to Q3 2024, while sales increased by 1% to 9.1 Mt.

"Kumba as part of the Ore User's Forum (OUF) worked closely with Transnet to prepare for the annual maintenance shutdown in October 2024 and good progress was made in upgrading 90km of rail infrastructure which allowed speed restrictions to be lifted on approximately 50km of the OEC. In parallel, work by the OUF and Transnet is underway to convert the outcomes of the independent technical assessment into a multi-year ore corridor restoration programme of focused projects to restore the OEC to full capacity.

"For the full year 2024, despite rail performance deteriorating by 2%, Kumba's production and sales were within guidance of 35-37 Mt and 36-38 Mt, respectively. Production of 35.7 Mt was consistent with performance in 2023 and closely matched the ore railed by Transnet of 35.6Mt. Due to the challenging rail performance during the year, sales ended the year at 36.3 Mt.

"Lower iron ore prices continued to reflect subdued steel demand, coupled with an increase in iron ore supply, with strong steel exports and economic stimulus support in China providing a partial offset. Lump premium remained relatively stable as lump iron ore utilisation rates improved on the back of decreasing metallurgical steelmaking coal prices. Kumba achieved an average realised price of US\$92 per wet metric tonne (wmt) for the year, 3% above the benchmark price of US\$89/wmt.

"On the project front, the execution of the ultra-high-dense-medium-separation technology (UHDMS) project has re-commenced and is progressing according to plan. In line with our disciplined capital allocation approach, the balance of the UHDMS project will be implemented over a five-year period ending in 2029. The project is aligned to our premium product strategy and supports the optimal use of available rail capacity.

"The outlook for Kumba's production for the period 2025 to 2027 has been updated, subject to Transnet's logistics performance. We remain committed to the process of working in partnership with Government and Transnet to restore the OEC and while there are signs of progress, the logistics issues will take some time to resolve. As a result, in 2025 production is expected to be between 35 - 37Mt. In 2026, due to the main shut down of the dense media separation plant and tie-in of the UHDMS plant, production has been revised to 31 - 33 Mt, with the balance of the saleable product expected to be supplemented by finished stock at Sishen. Thereafter, in 2027, production is expected to increase to 35 - 37 Mt.

"As a member of the OUF, Kumba has been a strong advocate for Private Sector Participation (PSP) to potentially improve the performance of the OEC through concession models. We also continue to play an active role in the National Logistics Crisis Committee to collaborate on sustainable logistics solutions.

"The Network Statement released by Transnet at the end of 2024, which sets out the rules of engagement and the access charges, is a significant step forward in terms of the liberalisation of the South African railway industry. Kumba is engaging with Transnet on how the Network Statement will be implemented in relation to the current contractual agreements for both Sishen and Kolomela."

### **Overview of Q4 2024 and the full year 2024**

- Total recordable injury frequency rate (TRIFR) improved to 0.76, the lowest ever rate recorded at Kumba, while Sishen achieved more than eight years of fatality-free production.
- Production increased by 8% to 7.8 Mt in Q4 2024 (Q4 2023: 7.2 Mt), with the full year performance consistent at 35.7 Mt, aligned to OEC throughput.
- Sales decreased by 2% to 9.1 Mt in Q4 2024 (Q4 2023: 9.3 Mt) and by 2% to 36.3 Mt for the full year 2024 (2023: 37.2 Mt), due to OEC constraints leading to low levels of finished stock at the Saldanha Bay port, following Transnet's annual shutdown and train derailments during the Q4 2024 period.
- Closing finished stock ended Q4 2024 at 7.5 Mt (Q3 2024: 8.6 Mt; Q4 2023: 7.1 Mt), with 6.9 Mt at the mines and 0.5 Mt at Saldanha Bay Port.
- Kumba achieved an average realised free-on-board (FOB) export iron ore price of US\$92/wmt, this 3% above the benchmark price of US\$89/wmt.

	Q4	Q3	Q2	Q1	Q4	% change	% change	Full year	Full year	% change
000 tonnes	2024	2024	2024	2024	2023	vs	vs	2024	2023	vs
						Q4 2023	Q3 2024			2023
Iron ore waste	<b>27,835</b>	39,414	44,663	43,794	46,021	(40)	(29)	<b>155,706</b>	216,839	(28)
Iron ore production	<b>7,826</b>	9,446	9,184	9,275	7,234	8	(17)	<b>35,731</b>	35,715	—
Iron ore sales	<b>9,135</b>	9,027	9,556	8,533	9,343	(2)	1	<b>36,251</b>	37,159	(2)
Kumba waste	<b>27,835</b>	39,414	44,663	43,794	46,021	(40)	(29)	<b>155,706</b>	216,839	(28)
Sishen	<b>25,100</b>	34,073	39,265	35,502	37,391	(33)	(26)	<b>133,940</b>	163,801	(18)
Kolomela	<b>2,735</b>	5,341	5,398	8,292	8,630	(68)	(49)	<b>21,766</b>	53,038	(59)
Kumba production bv mine	<b>7,826</b>	9,446	9,184	9,275	7,234	8	(17)	<b>35,731</b>	35,715	—
Sishen	<b>5,687</b>	6,767	6,644	6,563	5,958	(5)	(16)	<b>25,661</b>	25,421	1
Kolomela	<b>2,139</b>	2,679	2,540	2,712	1,276	68	(20)	<b>10,070</b>	10,294	(2)
Kumba sales	<b>9,135</b>	9,027	9,556	8,533	9,343	(2)	1	<b>36,251</b>	37,159	(2)
Lump	<b>6,071</b>	6,191	5,925	5,620	6,220	(2)	(2)	<b>23,807</b>	24,697	(4)
Fines	<b>3,064</b>	2,836	3,631	2,913	3,123	(2)	8	<b>12,444</b>	12,462	—

1. Volumes, excluding waste stripping, are reported as wet metric tonnes. Product is shipped with a moisture content of approximately 1.6%.

### Safety and health

At Kumba, the safety, health and wellbeing of our people and our service partners people remains our highest priority. We strengthened our safety performance in Q4 2024 by focusing on increased leadership time in the field, employee engagements and initiatives aimed at building a resilient safety culture. Our Call-to-action initiatives, such as the "Stop for Safety" programme, seeks to improve safety vigilance and empower our teams to proactively prevent unsafe behaviour and report safety hazards.

Kumba's commitment to safety contributed to our TRIFR improving to 0.76 for the full year and has underpinned Sishen's achievement of more than eight years of fatality-free production while Kolomela has progressed to 22 months of fatality-free production.

### Mining and production

In line with Kumba's business reconfiguration to align production to logistical capacity and consistent with our optimised mine plan, waste mining was decreased by 40% to 27.8 Mt (Q4 2023: 46 Mt). This was driven by a 33% decrease in waste mining at Sishen to 25.1 Mt (Q4 2023: 37.4 Mt) and a 68% reduction at Kolomela to 2.7 Mt (Q4 2023: 8.6 Mt). Good progress continues to be made on operational efficiency and productivity improvements. For the full year 2024, planned waste mining decreased by 28% to 155.7 Mt (2023: 216.8 Mt).

Total production increased by 8% to 7.8 Mt in Q4 2024, primarily as a result of the decision in the prior Q4 2023 period to reduce production by 27% to 7.2 Mt to alleviate high mine stockpiles. In addition, in Q4 2024, the rail performance tempo improved due to speed restrictions being lifted on 50km of the OEC following an upgrade on 90km of rail infrastructure. Total production was driven by Sishen's production decreasing by 5% to 5.7 Mt (Q4 2023: 6.0 Mt), while Kolomela's production increased by 68% to 2.1 Mt (Q4 2023: 1.3 Mt). For the full year 2024, production of 35.7 Mt was consistent with that achieved in 2023 and includes a drawdown of finished stock to proactively manage mine stock levels.

### Logistics, sales and the market environment

Compared to Q3 2024, ore railed to Saldanha Bay port decreased by 8% to 8.4 Mt due to the annual maintenance shut and a number of train derailments causing finished stock at the port to reduce from 1.1 Mt in Q3 2024 to 0.5 Mt in Q4 2024. This limited sales to 9.1 Mt, an increase of 1% compared to Q3 2024.

For the full year 2024, rail performance deteriorated by 2%, compared to 2023, leading to low levels of finished stock at Saldanha Bay Port. Consequently, sales decreased by 2% to 36.3 Mt.

Closing finished iron ore stock in December 2024 of 7.5 Mt (Q3 2024: 8.6 Mt; Q4 2023: 7.1 Mt), was comprised of 6.9 Mt situated at the mines (Q3 2024: 7.5 Mt; Q4 2023: 6.5 Mt) and 0.5 Mt at Saldanha Bay port (Q3 2024: 1.1 Mt; Q4 2023: 0.6 Mt).

Kumba's average iron ore content improved to 64.1% Fe (2023: 63.7%) and the average lump:fines ratio was 66:34 (2023: 66:34). The average realised FOB export iron ore price of US\$92/wmt (2023: US\$113/wmt), was 3% higher than the 62% benchmark index FOB price of US\$89/wmt (2023: US\$104/wmt).

Production and sales volumes referred to are 100% of Sishen Iron Ore Company Proprietary Limited (SIOC), and attributable to Kumba's shareholders and the non-controlling interests in SIOC.

**Trading statement for the year ended 31 December 2024**

Kumba is currently finalising its financial results for the year ended 31 December 2024 (the period). Further information will be provided in the 2024 Annual results, which will be released on SENS on or about 18 February 2025.

In accordance with paragraph 3.4(b) of the JSE Limited Listings Requirements, shareholders are advised that headline earnings for the period are expected to be between R11,745 million and R12,995 million. Headline earnings per share (HEPS) for the period are expected to be between R36.60 and R40.50, a decrease of between 43% and 48% from the previous year ended 31 December 2023 (comparative period). The decrease in earnings for the period is largely attributable to the lower average realised FOB export ore price and a 2% decrease in sales volumes, relative to the comparative period. Reported headline earnings and HEPS for the comparative period (released on SENS on 20 February 2024) were R22,724 million and R70.80, respectively.

Basic earnings for the period include the reversal of an impairment on the asset value of the Kolomela cash generating unit in 2022. The impairment reversal is due to a revision in the forecast production volume profile of Kolomela as part of the Company's business reconfiguration plan to optimise value considering the current rail capacity. As a result, basic earnings for the period are expected to be between R13,817 million and R15,287 million. Basic earnings per share (EPS) for the period are expected to be between R43.06 and R47.64, a decrease of between 33% and 39% from the comparative period. Reported basic earnings and EPS for the comparative period (released on SENS on 20 February 2024) were R22,725 million and R70.80 respectively.

This announcement contains forward-looking statements which are based on the Company's current beliefs and expectations about future events. The financial information contained in this announcement, has not been reviewed and reported on by the Company's external auditors.

Johannesburg  
6 February 2025

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

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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 around the globe including in China, Japan, South Korea and a number of countries in Europe and the Middle East.

[www.angloamericankumba.com](http://www.angloamericankumba.com)

Anglo American is a leading global mining company focused on the responsible production of copper, premium iron ore and crop nutrients – future-enabling products that are essential for decarbonising the global economy, improving living standards, and food security. Our portfolio of world-class operations and outstanding resource endowments offers value-accretive growth potential across all three businesses, positioning us to deliver into structurally attractive major demand growth trends.

Our integrated approach to sustainability and innovation drives our decision-making across the value chain, from how we discover new resources to how we mine, process, move and market our products to our customers – safely, efficiently and responsibly. Our Sustainable Mining Plan commits us to a series of stretching goals over different time horizons to ensure we contribute to a healthy environment, create thriving communities and build trust as a corporate leader. We work together with our business partners and diverse stakeholders to unlock enduring value from precious natural resources for our shareholders, for the benefit of the communities and countries in which we operate, and for society as a whole. Anglo American is re-imagining mining to improve people's lives.

Anglo American is currently implementing a number of major structural changes to unlock the inherent value in its portfolio and thereby accelerate delivery of its strategic priorities of Operational excellence, Portfolio simplification, and Growth. This portfolio transformation will focus Anglo American on its world-class

resource asset base in copper, premium iron ore and crop nutrients, once the sale of our steelmaking coal and nickel businesses, the demerger of our PGMs business (Anglo American Platinum), and the separation of our iconic diamond business (De Beers) have been completed.

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#### **Forward-looking statements**

This announcement includes forward-looking statements. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding Kumba's financial position, business, acquisition and divestment strategy, dividend policy, plans and objectives of management for future operations (including development plans and objectives relating to Kumba's products, production forecasts and Ore Reserves and Mineral Resource estimates), are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of Kumba, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

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, the actions of competitors, activities by governmental authorities such as permitting and changes in taxation or safety, health, environmental or other types of regulation, conflicts over land and resource ownership rights and such other risk factors identified in Kumba's most recent Integrated Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements.

These forward-looking statements speak only as of the date of this announcement. Kumba expressly disclaims any obligation or undertaking (except as required by applicable law, the Takeover Regulation Panel, the Listings Requirements of the securities exchange of the JSE Limited in South Africa, the Financial Sector Conduct Authority and any other applicable regulations) to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Kumba's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Nothing in this announcement should be interpreted to mean that future earnings per share of Kumba will necessarily match or exceed its historical published earnings per share.

Certain statistical and other information about Kumba included in this announcement is sourced from publicly available third-party sources. As such, it has not been independently verified and presents the views of those third parties, though these may not necessarily correspond to the views held by Kumba and Kumba expressly disclaims any responsibility for, or liability in respect of, such third-party information.