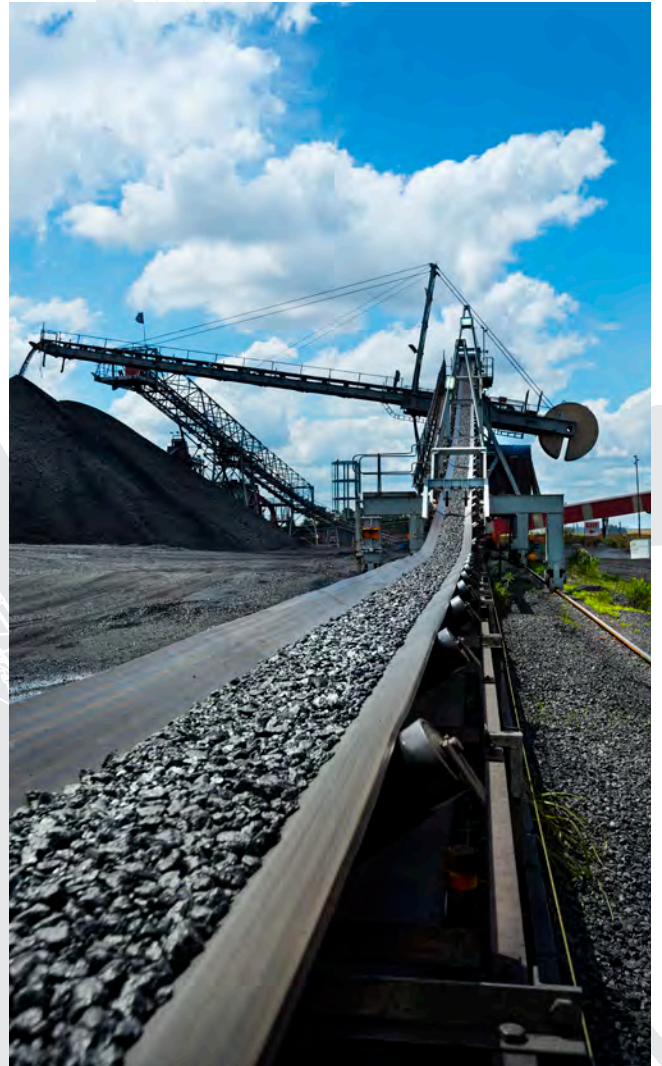


01

# GROUP PROFILE



# GROUP PROFILE

## PROFILE

Exxaro is one of the largest and foremost black-owned, South Africa-based diversified resources companies, with current business interests in South Africa, Europe, Republic of the Congo and United States of America. It is listed on the JSE and has long been part of the Socially Responsible Investment (SRI) index, which was reconstituted as the FTSE/JSE Responsible Investment index in 2015.

Exxaro produced 42 million tonnes of coal per annum (Mtpa) (2014: 39Mtpa), reflecting contributions from the completed expansion of our flagship Grootegeluk mine and acquisition of TCSA, renamed ECC.

At 31 December 2015, Exxaro had assets of R52,6 billion and a market capitalisation of R15,8 billion (US\$10 billion). Although just nine years old, Exxaro's pedigree and skills were built over decades as a company rooted in South Africa and respected by its peers for its innovation, ethics and integrity.

Based on a well-executed strategy, solid returns, access to funds and quality resources, Exxaro is a unique listed investment opportunity into its chosen commodities.

Dreamvision Investments Proprietary Limited 54,1%	Morningtide Investments 168 Proprietary Limited (KagisoTiso) 9,7%	Capital Consortium Proprietary Limited (Eyabantu) 9,7%	Basadi Ba Kopane Investments Proprietary Limited 11,2%	Industrial Development Corporation Limited 15,3%
--	--	---	---	---

OUR OWNERSHIP STRUCTURE				
Main Street 333 Proprietary Limited (BEE Holdco)	Anglo American plc <sup>1</sup>	Exxaro Mpower	Minorities (free- float)	Other non-public shareholders
52,09%	9,70%	0,77%	37,27%	0,17%



POWERING POSSIBILITY

INVESTMENT PORTFOLIO					
	SIOC 20%	TRONOX 44%	MAFUBE 50:50 with Anglo	CENNERGI 50:50 with Tata Power	BLACK MOUNTAIN 26%
PRODUCTION	Iron ore	Titanium dioxide, pigment and Alkali chemicals	Coal	Wind energy	Zinc

1. Held through Anglo South Africa Capital Proprietary Limited.

# OUR COAL ASSETS BASE

## ZONDERWATER

Location	West of Lephale
Project stage	Concept phase
Product	Thermal coal
Resources (inclusive)	22,7Mt indicated
Reserves	Not yet declared
Mining method	Underground

## THABAMETSI

Location	West of Lephale
Project stage	Feasibility concluded
Product	Thermal coal
Resources (inclusive)	270Mt measured; 749Mt indicated
Reserves	109Mt proved; 21Mt probable
Mining method	Open-cut and underground
Life of mine	30+ years

## LEEUWPAN

Location	South-east of Delmas
Market	Domestic and export
Product	Thermal and metallurgical coal
Resources (inclusive)	146,7Mt measured
Reserves	18,7Mt proved; 80,5Mt probable
Mining method	Open-cut and underground
Run of mine	3,8Mt
Life of mine	14 years

## ELOFF (51%)

Location	South-west of Delmas
Project stage	Concept phase
Product	Thermal coal
Resources (inclusive)	10Mt measured; 239Mt indicated
Reserves	Not yet declared
Mining method	Open-cut and underground

BOTSWANA

## GROOTEGELUK

Location	West of Lephale
Market	Domestic and export
Product	Thermal, metallurgical and coking coal
Resources (inclusive)	3 298Mt measured, 983Mt indicated
Reserves	2 678Mt proved; 537Mt probable
Mining method	Open-cut
Run of mine	45,3Mt
Life of mine	30+ years

## MATLA

Location	West of Kriel
Market	Domestic (Eskom)
Product	Thermal coal
Resources (inclusive)	516Mt measured; 255Mt indicated
Reserves	188Mt proved; 69Mt probable
Mining method	Underground
Run of mine	15,7Mt
Life of mine	10+ years

## DORSTFONTEIN COMPLEX (74%)

Location	West of Kriel
Market	Export
Product	Thermal coal
Resources (inclusive)	94Mt measured; 47Mt indicated
Reserves	12,2Mt proved; 8,1Mt probable
Mining method	Open-cut and underground
Run of mine	4,2Mt

● LEPHALALE

NORTH WEST

● PRETORIA

GAUTENG

● JOHANNESBURG

FREE STATE



Only mineral assets with measured and indicated resources are illustrated. Inferred resources are reported in the supplementary consolidated mineral resources and reserves report (CMRR).

LIMPOPO

INYANDA*	
Location	North of eMalahleni
Market	Export
Product	Thermal coal
Resources (inclusive)	Resources depleted
Reserves	Reserves depleted
Mining method	Open-cut
Run of mine	1,5Mt
Life of mine	Reached end of life in 2015

TSHIKONDENI*	
Location	East of Mutale
Product	Coking coal
Market	Domestic (ArcelorMittal)
Resources (inclusive)	28,8Mt
Reserve	0 mine closure
Mining method	Underground
Run of mine	0,3Mt
Life of mine	Reached end of life in 2014

MOZAMBIQUE

NORTH BLOCK COMPLEX	
Location	West of Belfast
Market	Domestic
Product	Thermal coal
Resources (inclusive)	23,4Mt measured
Reserves	9,2Mt proved
Mining method	Open-cut
Run of mine	2,8Mt
Life of mine	2 years

● POLOKWANE

TUMELO (49%)	
Location	North-west of Hendrina
Market	Export
Product	Thermal coal
Resources (inclusive)	6Mt measured
Reserves	Not yet declared
Mining method	Underground

*The mine is under care and maintenance.*

MAFUBE (50%)	
Location	East of Middelburg
Market	Domestic and export
Product	Thermal coal
Resources (inclusive)	164Mt measured; 13Mt indicated
Reserves	2,5Mt proved; 120Mt probable
Mining method	Open-cut
Run of mine	3,7Mt
Life of mine	17 years

GLISA SOUTH	
Location	West of Belfast
Project stage	Prefeasibility phase
Product	Thermal coal
Resources (inclusive)	20Mt measured; 47Mt indicated
Reserves	Not yet declared
Mining method	Open-cut

MPUMALANGA

● EMALAHLENI

ARNOT*	
Location	South of Middelburg
Market	Domestic (Eskom)
Product	Thermal coal
Resources (inclusive)	138,5Mt measured; 64,3Mt indicated
Reserves	17,9Mt probable
Mining method	Open-cut and underground
Run of mine	1,4Mt
Life of mine	8 years

*The coal supply agreement with Eskom was terminated on 31 December 2015.*

FORZANDO COMPLEX (74%)	
Location	North of Bethal
Market	Export
Product	Thermal coal
Resources (inclusive)	57Mt measured; 38Mt indicated
Reserves	7Mt proved; 4,5Mt probable
Mining method	Underground
Run of mine	2,1Mt

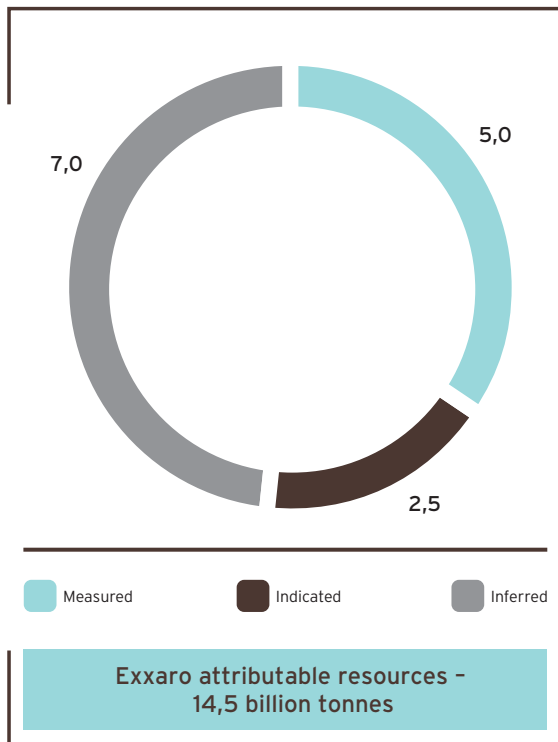
SWAZILAND

BELFAST	
Location	South of Belfast
Project stage	Feasibility concluded
Product	Thermal coal
Resources (inclusive)	81Mt measured; 22,4Mt indicated
Reserves	45,7Mt proved
Mining method	Open-cut
Life of mine	17 years

## GROUP PROFILE (CONTINUED)

### Coal

- Eight managed coal mines produced 42Mtpa of power station, steam and coking coal, up 7% on 2014. Most power station coal is supplied to the national power utility, Eskom
- In current market conditions, our char plant has been placed on care-and-maintenance
- Robust pipeline of greenfield and brownfield expansion projects:
  - The R3 billion Belfast mine is scheduled to be commissioned by 2018, depending on the water tribunal's progress with a current licence appeal and rezoning objection to enable construction to begin mid-2016. At full capacity the mine will deliver around 2,2Mtpa of export steam coal and 500 kilo tonnes per annum (ktpa) of power station coal
  - The bankable feasibility study for the opencast Thabametsi mine was completed by the end of 2014, and the integrated water use licence approved in January 2016, although an appeal has been lodged. Construction of the coal independent power-station plant by partners from Korea and Japan is planned for 2016. Thabametsi mine is projected to produce an average of 4Mtpa in power station coal for the independent power plant which, in turn, is expected to produce 600 megawatts (MW) by 2021.



**Strong South African presence and market:**

- Solid resource base - the biggest locally
- Resources in the Waterberg provide many growth opportunities and play a major part in our plans

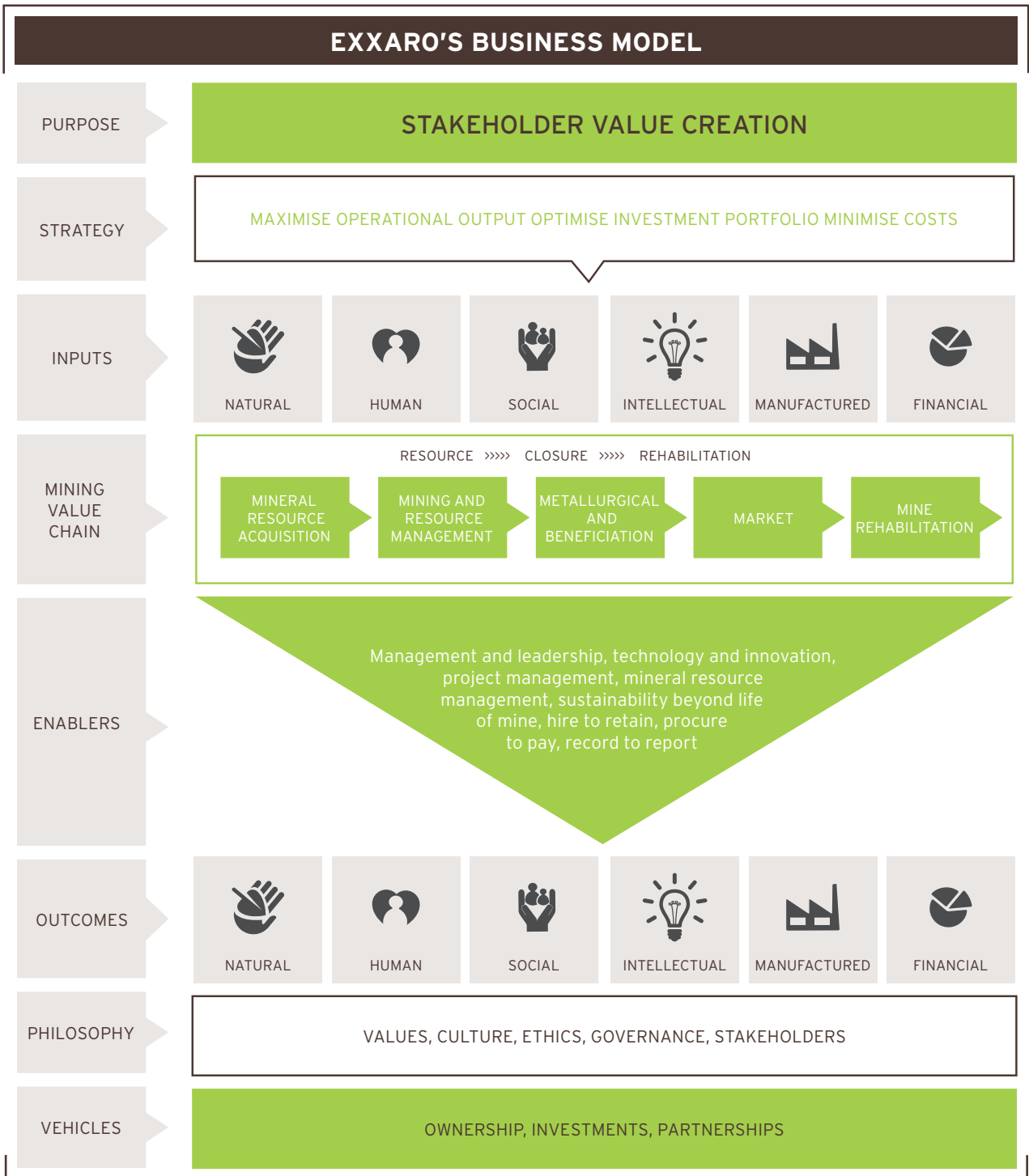
**Grootegeluk is one of the most efficient mining operations in the world, and runs the world's largest coal-beneficiation complex. It is the only producing mine in the coal-rich Waterberg, adjacent to Eskom's existing Matimba and new Medupi power stations**

### Ferrous

- FerroAlloys produces gas-atomised ferrosilicon for use in dense medium separation plants
- Mayoko iron ore project remains on care-and-maintenance and current actions are limited to security of the mining convention

### Investment portfolio

- Iron ore: 20% of SIOC, a leading supplier of high-quality iron ore to the global steel industry, and a subsidiary of the listed Kumba Iron Ore Limited (KIO)
- Titanium dioxide, pigments and chemicals: 26% direct interest in both KZN Sands and Namakwa Sands, as well as 44% of US-listed Tronox, a global leader in mining, production and marketing inorganic minerals and chemicals. Tronox operates two vertically integrated businesses: titanium dioxide (TiO<sub>2</sub>) and Alkali chemicals. Tronox owns the balance in KZN Sands and Namakwa Sands, other titanium dioxide interests outside South Africa and the Alkali chemicals business in the USA
- Renewable energy: Exxaro will be contributing to national energy supply through Cennergi, its joint venture with Tata Power. Two wind projects are under way in the Eastern Cape, both on track and in line with budget:
  - Amakhala Emoyeni near Bedford (139MW) - completion planned for mid-2016, with commercial operation in the third quarter of 2016
  - Tsitsikamma Community wind farm on Mfengu community land (95MW) - construction completed in the final quarter of 2015, with commercial operation beginning once the Eskom grid connection is completed
- Coal: Mafube - 50/50 coal joint venture with Anglo American in Mpumalanga
- Zinc: 26% of Black Mountain, subsidiary of Vedanta in the Northern Cape.



BUSINESS MODEL PDF AVAILABLE ON THE WEB