

- The mark to market value of commodity contracts as at 31 December 2005 and valued by independent risk and treasury management experts is ZAR6m negative. This value was based on exchange rates of 1:6.3250 (USD:ZAR) and 1877 (USD/t) zinc price, and the prevailing market rates at the time;
- The mark to market value of interest rate swaps as at 31 December 2005 and valued by independent risk and treasury management experts is ZAR0.5m negative; and
- The mark to market value of currency contracts as at 31 December 2005 and valued by independent risk and treasury management experts is ZAR2m positive; and
- A purchase consideration of R1,603 million for 100% of Eyesizwe's shares at 1 January 2006. The purchase consideration and value of Eyesizwe's 35% interest in the Twistdraai JV was excluded as this transaction had not been finalised at the date of this report.

**Table 14.187 Summary of Valuation Adjustments – Exxaro**

<b>Valuation Adjustments</b>	<b>Units</b>	<b>Sub-total</b>	<b>Total</b>
Unallocated Corporate Expenses	(ZARm)		(1,577)
Net debt at 31 December 2005	(ZARm)		(2,629)
Derivative instruments	(ZARm)		(5)
Eyesizwe Consideration	(ZARm)		(1,603)
Mark-to-market of Commodity Hedge Book at 31 December 2005	(ZARm)	(6.0)	
Mark-to-market of Interest Rate Swaps at 31 December 2005	(ZARm)	(0.5)	
Mark-to-market of Currency Contracts at 31 December 2005	(ZARm)	2.0	
<b>Total</b>	<b>(ZARm)</b>		<b>(5,813)</b>

## 15. SUMMARY EQUITY VALUE

### 15.1 Introduction

The following section includes an assessment of the Equity Value of Exxaro, which is based on the sum of the parts approach combining: the valuation of the Material Properties as represented by the sum of Enterprise Values, Valuation of Mineral Rights, Exploration Properties, and Non-LoM Resources and Valuation Adjustments.

In addition and based on the 306 million fully diluted ordinary shares in issue as at 1 January 2006, SRK has derived an Equity Value per share which can be compared to the latest available market price as at 31 December 2005, which was ZAR102.00 for Kumba. The 306 million shares does not take into account the issues of new shares, the *pro rata* repurchase of shares and the proposed issue of management incentive shares by Exxaro on the effective date of the transaction. Details regarding these share issues are contained in the circular to shareholders. The resulting ratio relating Equity Value to share price is included for presentation purposes only, and no detailed analysis is included as to the rational or appropriateness of such a ratio. Furthermore, SRK notes that the Equity Value as presented is done so in accordance with the Listings Requirements and is not intended to constitute an opinion or recommendation as would normally be expected in terms of a "fair and reasonable" statement.

For purposes of completeness and to demonstrate the effect of the transaction on the various entities participating in the transaction described in Section 1, SRK has included the individual equity values of the existing Kumba and Eyesizwe assets, and the equity values of the newly formed Exxaro and Kumba Iron Ore entities. Kumba Iron Ore's CPR will be contained in the pre-listing statement which will be issued to shareholders during September 2006.

In addition, SRK has included the results of Sensitivity analysis which indicates the impact of sales revenue, operating costs and capital expenditure on the Equity Value and the ratio of share price to Equity Value. These in addition to the results of the various Scenarios are included for comparative purposes and should not be regarded as definitive, but rather an indication of the resultant range given various assumptions.

### 15.2 Equity Values

The following tables show how the equity values for Kumba, Eyesizwe, Exxaro and Kumba Iron Ore were derived:

## 15.2.1 Kumba

**Table 15.1 Kumba Equity Value Analysis – Scenario I**

<b>Valuation Components</b>	<b>Units</b>	<b>Value of Operation</b>	<b>Attributable</b>	<b>Attributable Value</b>
<b>Enterprise Value</b>	<b>(ZARm)</b>	<b>(ZARm)</b>	<b>(%)</b>	<b>(ZARm)</b>
<b>Iron Ore</b>				
Sishen Mine	(ZARm)	22,170	100%	22,170
Sishen South Project	(ZARm)	489	100%	489
Thabazimbi Mine	(ZARm)	53	100%	53
<b>Coal</b>				
Grootegeluk Mine	(ZARm)	5,736	100%	5,736
Leeuwpan Mine	(ZARm)	1,256	100%	1,256
Tshikondeni Mine	(ZARm)	109	100%	109
Sintel Char Project	(ZARm)	116	100%	116
Inyanda	(ZARm)	330	50%	165
<b>Heavy Minerals</b>				
Hillendale Mine, Fairbreeze Project, Block P	(ZARm)	143	100%	143
Ticor Smelter	(ZARm)	384	100%	384
Tiwest JV	(ZARm)	5,925	50%	2,963
<b>Base Metals</b>				
Rosh Pinah	(ZARm)	573	89.5%	513
Zincor	(ZARm)	658	100%	658
Chifeng	(ZARm)	434	22%	96
<b>Industrial Minerals</b>				
Glen Douglas	(ZARm)	46	100%	46
Kumba FerroAlloys	(ZARm)	86	100%	86
<b>Mineral Rights, Exploration Properties and Non-LoM Resources</b>				<b>(ZARm)</b>
				<b>1,682</b>
<b>Total</b>				<b>(ZARm)</b>
				<b>36,665</b>
<b>Valuation Adjustments</b>				<b>(ZARm)</b>
				<b>(4,078)</b>
<b>Equity Value</b>				<b>(ZARm)</b>
				<b>32,586</b>
<b>Ordinary Shares in Issue on 1 January 2006</b>				<b>(No)</b>
				<b>306,000,000</b>
<b>Equity Value Per Share</b>				<b>(ZAR/share)</b>
				<b>106.49</b>

<sup>(1)</sup> For detail relating to the values ascribed to: Mineral Rights, Exploration Properties and Non-LoM Resources; and Valuation Adjustments refer to Table 14.182 and Table 14.185, respectively.

<sup>(2)</sup> ZAR/AUD = 4.77 on 1 January 2006 (Applied to Tiwest).

<sup>(3)</sup> ZAR/RMB = 0.86 on 1 January 2006 (Applied to Chifeng).

**Table 15.2 Kumba Equity Value Analysis – Scenario II**

<b>Valuation Components</b>	<b>Units</b>	<b>Value of Operation</b>	<b>Attributable</b>	<b>Attributable Value</b>
<b>Enterprise Value</b>	<b>(ZARm)</b>	<b>(ZARm)</b>	<b>(%)</b>	<b>(ZARm)</b>
<b>Iron Ore</b>				
Sishen Mine	(ZARm)	23,171	100%	23,171
Sishen South Project	(ZARm)	489	100%	489
Thabazimbi Mine	(ZARm)	53	100%	53
<b>Coal</b>				
Grootegeeluk Mine	(ZARm)	7,500	100%	7,500
Leeuwpan Mine	(ZARm)	1,256	100%	1,256
Tshikondeni Mine	(ZARm)	109	100%	109
Sintel Char Project	(ZARm)	116	100%	116
Inyanda Project	(ZARm)	330	50%	165
<b>Heavy Minerals</b>				
Hillendale Mine, Fairbreeze Project, Block P	(ZARm)	143	100%	143
Ticor Smelter	(ZARm)	384	100%	384
Tiwest JV	(ZARm)	5,925	50%	2,963
<b>Base Metals</b>				
Rosh Pinah	(ZARm)	573	89.5%	513
Zincor	(ZARm)	658	100%	658
Chifeng	(ZARm)	434	22%	96
<b>Industrial Minerals</b>				
Glen Douglas	(ZARm)	46	100%	46
Kumba FerroAlloys	(ZARm)	86	100%	86
<b>Mineral Rights, Exploration Properties and Non-LoM Resources</b>				<b>1,682</b>
<b>Total</b>				<b>39,429</b>
<b>Valuation Adjustments</b>				<b>(4,078)</b>
<b>Equity Value</b>				<b>35,351</b>
<b>Ordinary Shares in Issue on 1 January 2006</b>				<b>306,000,000</b>
<b>Equity Value Per Share</b>				<b>115.53</b>

<sup>(1)</sup> For detail relating to the values ascribed to: Mineral Rights, Exploration Properties and Non-LoM Resources; and Valuation Adjustments refer to Table 14.182 and Table 14.185, respectively.

<sup>(2)</sup> ZAR/AUD = 4.77 on 1 January 2006 (Applied to Tiwest).

<sup>(3)</sup> ZAR/RMB = 0.86 on 1 January 2006 (Applied to Chifeng).

## 15.2.2 Eyesizwe

**Table 15.3 Eyesizwe Equity Value Analysis – Scenario I**

<b>Valuation Components</b>	<b>Units</b>	<b>Value of Operation</b>	<b>Attributable</b>	<b>Attributable Value</b>
	<b>(ZARm)</b>	<b>(ZARm)</b>	<b>(%)</b>	<b>(ZARm)</b>
<b>Enterprise Value</b>				
Arnot Colliery	(ZARm)	201	100%	201
Matla Colliery	(ZARm)	517	100%	517
New Clydesdale Colliery	(ZARm)	520	100%	520
North Block Complex	(ZARm)	89	100%	89
Inyanda Project	(ZARm)	330	50%	165
Mafube JV Phase II Project	(ZARm)	446	50%	223
Belfast Project	(ZARm)	208	100%	208
Incgambu Project	(ZARm)	11	50%	5
<b>Mineral Rights, Exploration Properties and Non-LoM Resources</b>	<b>(ZARm)</b>			<b>268</b>
<b>Total</b>	<b>(ZARm)</b>			<b>2,196</b>
<b>Valuation Adjustments</b>	<b>(ZARm)</b>			<b>(187)</b>
<b>Equity Value</b>	<b>(ZARm)</b>			<b>2,009</b>

<sup>(1)</sup> For detail relating to the values ascribed to: Mineral Rights, Exploration Properties and Non-LoM Resources; and Valuation Adjustments refer to Table 14.183 and Table 14.186, respectively.

**Table 15.4 Eyesizwe Equity Value Analysis – Scenario II**

<b>Valuation Components</b>	<b>Units</b>	<b>Value of Operation</b>	<b>Attributable</b>	<b>Attributable Value</b>
	<b>(ZARm)</b>	<b>(ZARm)</b>	<b>(%)</b>	<b>(ZARm)</b>
<b>Enterprise Value</b>				
Arnot Colliery	(ZARm)	201	100%	201
Matla Colliery	(ZARm)	517	100%	517
New Clydesdale Colliery	(ZARm)	520	100%	520
North Block Complex	(ZARm)	89	100%	89
Inyanda Project	(ZARm)	330	50%	165
Mafube JV Phase II Project	(ZARm)	882	50%	441
Belfast Project	(ZARm)	208	100%	208
Incgambu Project	(ZARm)	11	50%	5
<b>Mineral Rights, Exploration Properties and Non-LoM Resources</b>	<b>(ZARm)</b>			<b>268</b>
<b>Total</b>	<b>(ZARm)</b>			<b>2,414</b>
<b>Valuation Adjustments</b>	<b>(ZARm)</b>			<b>(187)</b>
<b>Equity Value</b>	<b>(ZARm)</b>			<b>2,228</b>

<sup>(1)</sup> For detail relating to the values ascribed to: Mineral Rights, Exploration Properties and Non-LoM Resources; and Valuation Adjustments refer to Table 14.183 and Table 14.186, respectively.

### 15.2.3 Exxaro

**Table 15.5 Exxaro Equity Value Analysis – Scenario I**

<b>Valuation Components</b>	<b>Units</b>	<b>Value of Operation</b>	<b>Attributable</b>	<b>Attributable Value</b>
<b>Enterprise Value</b>	<b>(ZARm)</b>	<b>(ZARm)</b>	<b>(%)</b>	<b>(ZARm)</b>
<b>Iron Ore</b>				
Sishen Mine	(ZARm)	22,170	20%	4,434
Sishen South Project	(ZARm)	489	20%	98
Thabazimbi Mine	(ZARm)	53	20%	11
<b>Coal</b>				
Grootegeeluk Mine	(ZARm)	5,736	100%	5,736
Leeuwpan Mine	(ZARm)	1,256	100%	1,256
Tshikondeni Mine	(ZARm)	109	100%	109
Arnot Colliery	(ZARm)	201	100%	201
Matla Colliery	(ZARm)	517	100%	517
New Clydesdale Colliery	(ZARm)	520	100%	520
North Block Complex	(ZARm)	89	100%	89
Sintel Char Project	(ZARm)	116	100%	116
Inyanda Project	(ZARm)	330	100%	330
Mafube JV Phase II Project	(ZARm)	446	50%	223
Belfast Project	(ZARm)	208	100%	208
Incgambu Project	(ZARm)	11	50%	5
<b>Heavy Minerals</b>				
Hillendale Mine, Fairbreeze Project, Block P	(ZARm)	143	100%	143
Ticor Smelter	(ZARm)	384	100%	384
Tiwest JV	(ZARm)	5,925	50%	2,963
<b>Base Metals</b>				
Rosh Pinah	(ZARm)	573	89.5%	513
Zincor	(ZARm)	658	100%	658
Chifeng	(ZARm)	434	22%	96
<b>Industrial Minerals</b>				
Glen Douglas	(ZARm)	46	100%	46
Kumba FerroAlloys	(ZARm)	86	100%	86
<b>Mineral Rights, Exploration Properties and Non-LoM Resources</b>				<b>1,426</b>
<b>Total</b>				<b>20,167</b>
<b>Valuation Adjustments</b>				<b>(5,813)</b>
<b>Equity Value</b>				<b>14,354</b>
<b>Ordinary Shares in Issue on 1 January 2006</b>				<b>306,000,000</b>
<b>Equity Value Per Share</b>				<b>46.91</b>

(1) For detail relating to the values ascribed to: Mineral Rights, Exploration Properties and Non-LoM Resources; and Valuation Adjustments refer to Table 14.184 and Table 14.187, respectively.

(2) ZAR/AUD = 4.77 on 1 January 2006 (Applied to Tiwest).

(3) ZAR/RMB = 0.86 on 1 January 2006 (Applied to Chifeng).

**Table 15.6 Exxaro Equity Value Analysis – Scenario II**

<b>Valuation Components</b>	<b>Units</b>	<b>Value of Operation</b>	<b>Attributable</b>	<b>Attributable Value</b>
<b>Enterprise Value</b>	<b>(ZARm)</b>	<b>(ZARm)</b>	<b>(%)</b>	<b>(ZARm)</b>
<b>Iron Ore</b>				
Sishen Mine	(ZARm)	23,171	20%	4,634
Sishen South Project	(ZARm)	489	20%	98
Thabazimbi Mine	(ZARm)	53	20%	11
<b>Coal</b>				
Grootegeeluk Mine	(ZARm)	7,500	100%	7,500
Leeuwpan Mine	(ZARm)	1,256	100%	1,256
Tshikondeni Mine	(ZARm)	109	100%	109
Arnot Colliery	(ZARm)	201	100%	201
Matla Colliery	(ZARm)	517	100%	517
New Clydesdale Colliery	(ZARm)	520	100%	520
North Block Complex	(ZARm)	89	100%	89
Sintel Char Project	(ZARm)	116	100%	116
Inyanda Project	(ZARm)	330	100%	330
Mafube JV Phase II Project	(ZARm)	882	50%	441
Belfast Project	(ZARm)	208	100%	208
Incgambu Project	(ZARm)	11	50%	5
<b>Heavy Minerals</b>				
Hillendale Mine, Fairbreeze Project, Block P	(ZARm)	143	100%	143
Ticor Smelter	(ZARm)	384	100%	384
Tiwest JV	(ZARm)	5,925	50%	2,963
<b>Base Metals</b>				
Rosh Pinah	(ZARm)	573	89.5%	513
Zincor	(ZARm)	658	100%	658
Chifeng	(ZARm)	434	22%	96
<b>Industrial Minerals</b>				
Glen Douglas	(ZARm)	46	100%	46
Kumba FerroAlloys	(ZARm)	86	100%	86
<b>Mineral Rights, Exploration Properties and Non-LoM Resources</b>				<b>1,426</b>
<b>Total</b>				<b>22,349</b>
<b>Valuation Adjustments</b>				<b>(5,813)</b>
<b>Equity Value</b>				<b>16,536</b>
<b>Ordinary Shares in Issue on 1 January 2006</b>				<b>306,000,000</b>
<b>Equity Value Per Share</b>				<b>54.04</b>

<sup>(1)</sup> For detail relating to the values ascribed to: Mineral Rights, Exploration Properties and Non-LoM Resources; and Valuation Adjustments refer to Table 14.184 and Table 14.187, respectively.

<sup>(2)</sup> ZAR/AUD = 4.77 on 1 January 2006 (Applied to Tiwest).

<sup>(3)</sup> ZAR/RMB = 0.86 on 1 January 2006 (Applied to Chifeng).

#### 15.2.4 Kumba Iron Ore

Details of Kumba Iron Ore's equity value is provided for information purposes. Further details on Kumba Iron Ore will be contained in a CPR that will be issued with the pre-listing statement during September 2006.

**Table 15.7 Kumba Iron Ore Equity Value Analysis – Scenario I**

Valuation Components	Units	Value of Operation	Attributable	Attributable Value
Enterprise Value	(ZARm)	(ZARm)	(%)	(ZARm)
<b>Iron Ore</b>				
Sishen Mine	(ZARm)	22,170	74%	16,406
Sishen South Project	(ZARm)	489	74%	362
Thabazimbi Mine	(ZARm)	53	74%	39
<b>Mineral Rights, Exploration Properties and Non-LoM Resources</b>	<b>(ZARm)</b>			<b>485</b>
<b>Total</b>	<b>(ZARm)</b>			<b>17,292</b>
<b>Valuation Adjustments</b>	<b>(ZARm)</b>			<b>75</b>
<b>Equity Value</b>	<b>(ZARm)</b>			<b>17,367</b>
<b>Ordinary Shares in Issue on 1 January 2006</b>	<b>(No)</b>			<b>306,000,000</b>
<b>Equity Value Per Share</b>	<b>(ZAR/share)</b>			<b>56.75</b>

<sup>(1)</sup> Further details on Kumba Iron Ore will be contained in a CPR that will be issued with the pre-listing statement during September 2006.

**Table 15.8 Kumba Iron Ore Equity Value Analysis – Scenario II**

Valuation Components	Units	Value of Operation	Attributable	Attributable Value
Enterprise Value	(ZARm)	(ZARm)	(%)	(ZARm)
<b>Iron Ore</b>				
Sishen Mine	(ZARm)	23,171	74%	17,147
Sishen South Project	(ZARm)	489	74%	362
Thabazimbi Mine	(ZARm)	53	74%	39
<b>Mineral Rights, Exploration Properties and Non-LoM Resources</b>	<b>(ZARm)</b>			<b>485</b>
<b>Total</b>	<b>(ZARm)</b>			<b>18,032</b>
<b>Valuation Adjustments</b>	<b>(ZARm)</b>			<b>75</b>
<b>Equity Value</b>	<b>(ZARm)</b>			<b>18,107</b>
<b>Ordinary Shares in Issue on 1 January 2006</b>	<b>(No)</b>			<b>306,000,000</b>
<b>Equity Value Per Share</b>	<b>(ZAR/share)</b>			<b>59.17</b>

<sup>(1)</sup> Further details on Kumba Iron Ore will be contained in a CPR that will be issued with the pre-listing statement during September 2006.

### 15.3 Equity Value Analysis

The following tables contain details on the Equity Value for Kumba, Eyesizwe and Exxaro at various discount factors:

#### 15.3.1 Kumba

**Table 15.9 Kumba Equity Value Analysis: WACC Sensitivity Analysis – Scenario I**

Sensitivity (%)	South Africa Discount Factor (%)	Australia Discount Factor (%)	Projects Discount Factor (%)	NPV (ZAR/share)
-20.00%	9.80%	8.18%	12.96%	131.98
-15.00%	10.41%	8.70%	13.77%	124.86
-10.00%	11.03%	9.21%	14.58%	118.27
- 5.00%	11.64%	9.72%	15.39%	112.16
<b>0.00%</b>	<b>12.25%</b>	<b>10.23%</b>	<b>16.20%</b>	<b>106.49</b>
5.00%	12.86%	10.74%	17.01%	101.22
10.00%	13.48%	11.25%	17.82%	96.31
15.00%	14.09%	11.76%	18.63%	91.74
20.00%	14.70%	12.28%	19.44%	87.47

**Table 15.10 Kumba Equity Value Analysis: WACC Sensitivity Analysis – Scenario II**

Sensitivity (%)	South Africa Discount Factor (%)	Australia Discount Factor (%)	Projects Discount Factor (%)	NPV (ZAR/share)
-20.00%	9.80%	8.18%	12.96%	147.98
-15.00%	10.41%	8.70%	13.77%	138.70
-10.00%	11.03%	9.21%	14.58%	130.26
- 5.00%	11.64%	9.72%	15.39%	122.56
<b>0.00%</b>	<b>12.25%</b>	<b>10.23%</b>	<b>16.20%</b>	<b>115.53</b>
5.00%	12.86%	10.74%	17.01%	109.08
10.00%	13.48%	11.25%	17.82%	103.16
15.00%	14.09%	11.76%	18.63%	97.72
20.00%	14.70%	12.28%	19.44%	97.70

#### 15.3.2 Eyesizwe

**Table 15.11 Eyesizwe Equity Value Analysis: WACC Sensitivity Analysis – Scenario I**

Sensitivity (%)	South Africa Discount Factor (%)	NPV (ZARm)
-20.00%	9.80%	2,504
-15.00%	10.41%	2,364
-10.00%	11.03%	2,236
- 5.00%	11.64%	2,118
<b>0.00%</b>	<b>12.25%</b>	<b>2,009</b>
5.00%	12.86%	1,909
10.00%	13.48%	1,815
15.00%	14.09%	1,728
20.00%	14.70%	1,648

**Table 15.12 Eyesizwe Equity Value Analysis: WACC Sensitivity Analysis – Scenario II**

Sensitivity (%)	South Africa Discount Factor (%)	Australia Discount Factor (%)	Projects Discount Factor (%)	NPV (ZAR/share)
-20.00%	12.25%	10.23%	16.20%	2,829
-15.00%	12.25%	10.23%	16.20%	2,658
-10.00%	12.25%	10.23%	16.20%	2,502
- 5.00%	12.25%	10.23%	16.20%	2,359
<b>0.00%</b>	<b>12.25%</b>	<b>10.23%</b>	<b>16.20%</b>	<b>2,228</b>
5.00%	12.25%	10.23%	16.20%	2,107
10.00%	12.25%	10.23%	16.20%	1,996
15.00%	12.25%	10.23%	16.20%	1,894
20.00%	12.25%	10.23%	16.20%	1,800

**15.3.3 Exxaro**

**Table 15.13 Exxaro Equity Value Analysis: WACC Sensitivity Analysis – Scenario I**

Sensitivity (%)	South Africa Discount Factor (%)	Australia Discount Factor (%)	Projects Discount Factor (%)	NPV (ZAR/share)
-20.00%	9.80%	8.18%	12.96%	60.81
-15.00%	10.41%	8.70%	13.77%	56.92
-10.00%	11.03%	9.21%	14.58%	53.82
- 5.00%	11.64%	9.72%	15.39%	49.99
<b>0.00%</b>	<b>12.25%</b>	<b>10.23%</b>	<b>16.20%</b>	<b>46.91</b>
5.00%	12.86%	10.74%	17.01%	44.04
10.00%	13.48%	11.25%	17.82%	41.37
15.00%	14.09%	11.76%	18.63%	38.89
20.00%	14.70%	12.28%	19.44%	36.57

**Table 15.14 Exxaro Equity Value Analysis: WACC Sensitivity Analysis – Scenario II**

Sensitivity (%)	South Africa Discount Factor (%)	Australia Discount Factor (%)	Projects Discount Factor (%)	NPV (ZAR/share)
-20.00%	9.80%	8.18%	12.96%	73.58
-15.00%	10.41%	8.70%	13.77%	67.92
-10.00%	11.03%	9.21%	14.58%	62.83
- 5.00%	11.64%	9.72%	15.39%	58.22
<b>0.00%</b>	<b>12.25%</b>	<b>10.23%</b>	<b>16.20%</b>	<b>54.04</b>
5.00%	12.86%	10.74%	17.01%	50.24
10.00%	13.48%	11.25%	17.82%	46.77
15.00%	14.09%	11.76%	18.63%	43.59
20.00%	14.70%	12.28%	19.44%	40.68

## 15.4 Equity Value Sensitivity Analysis

The following tables assess the Equity Value Per Share of Kumba, Eyesizwe and Exxaro against a single parameter and double parameter sensitivity:

### 15.4.1 Kumba

**Table 15.15 Kumba: Single Parameter Equity Value Sensitivity at the WACC – Scenario I**

Sensitivity Range – Revenue	–30%	–20%	–10%	0%	10%	20%	30%
Sensitivity Range – Total Working Cost	–15%	–10%	–5%	0%	5%	10%	15%
Sensitivity Range – Capital Expenditure	–15%	–10%	–5%	0%	5%	10%	15%
	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)
Revenue	neg	1.27	52.62	<b>106.49</b>	162.92	221.85	283.33
Total Working Cost	144.37	131.74	119.12	<b>106.49</b>	93.87	81.224	68.62
Capital Expenditure	113.46	111.14	108.81	<b>106.49</b>	101.85	101.85	99.52

**Table 15.16 Kumba: Single Parameter Equity Value Sensitivity at the WACC – Scenario II**

Sensitivity Range – Revenue	–30%	–20%	–10%	0%	10%	20%	30%
Sensitivity Range – Total Working Cost	–15%	–10%	–5%	0%	5%	10%	15%
Sensitivity Range – Capital Expenditure	–15%	–10%	–5%	0%	5%	10%	15%
	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)
Revenue	neg	4.53	58.73	<b>115.53</b>	174.93	236.95	301.57
Total Working Cost	155.42	142.13	128.83	<b>115.53</b>	102.23	88.93	75.63
Capital Expenditure	122.64	120.27	117.90	<b>115.53</b>	111.15	110.78	108.41

### 15.4.2 Eyesizwe

**Table 15.17 Eyesizwe: Single Parameter Equity Value Sensitivity at the WACC – Scenario I**

Sensitivity Range – Revenue	–30%	–20%	–10%	0%	10%	20%	30%
Sensitivity Range – Total Working Cost	–15%	–10%	–5%	0%	5%	10%	15%
Sensitivity Range – Capital Expenditure	–15%	–10%	–5%	0%	5%	10%	15%
	(ZARm)	(ZARm)	(ZARm)	(ZARm)	(ZARm)	(ZARm)	(ZARm)
Revenue	neg	neg	59	<b>2,009</b>	3,955	5,902	7,850
Total Working Cost	3,890	3,262	2,634	<b>2,009</b>	1,379	751	123
Capital Expenditure	1,454	1,399	1,344	<b>2,009</b>	1,233	1,178	1,122

**Table 15.18 Eyesizwe: Single Parameter Equity Value Sensitivity at the WACC – Scenario II**

Sensitivity Range – Revenue	–30%	–20%	–10%	0%	10%	20%	30%
Sensitivity Range – Total Working Cost	–15%	–10%	–5%	0%	5%	10%	15%
Sensitivity Range – Capital Expenditure	–15%	–10%	–5%	0%	5%	10%	15%
	(ZARm)	(ZARm)	(ZARm)	(ZARm)	(ZARm)	(ZARm)	(ZARm)
Revenue	neg	neg	229	<b>2,228</b>	4,226	6,225	8,224
Total Working Cost	4,148	3,508	2,868	<b>2,228</b>	1,587	947	307
Capital Expenditure	1,672	1,618	1,564	<b>2,228</b>	1,455	1,401	1,346

### 15.4.3 Exxaro

**Table 15.19 Exxaro: Single Parameter Equity Value Sensitivity at the WACC – Scenario I**

Sensitivity Range – Revenue	–30%	–20%	–10%	0%	10%	20%	30%
Sensitivity Range – Total Working Cost	–15%	–10%	–5%	0%	5%	10%	15%
Sensitivity Range – Capital Expenditure	–15%	–10%	–5%	0%	5%	10%	15%
	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)
Revenue	neg	neg	10.32	<b>46.91</b>	83.98	121.58	159.68
Total Working Cost	80.32	69.18	58.04	<b>46.91</b>	35.76	24.62	13.48
Capital Expenditure	48.91	47.46	46.01	<b>46.91</b>	43.10	41.64	40.19

**Table 15.20 Exxaro: Single Parameter Equity Value Sensitivity at the WACC – Scenario II**

Sensitivity Range – Revenue	-30%	-20%	-10%	0%	10%	20%	30%
Sensitivity Range – Total Working Cost	-15%	-10%	-5%	0%	5%	10%	15%
Sensitivity Range – Capital Expenditure	-15%	-10%	-5%	0%	5%	10%	15%
	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)	(ZAR/ share)
Revenue	neg	neg	15.10	<b>54.04</b>	93.50	133.48	173.98
Total Working Cost	89.28	77.53	65.79	<b>54.04</b>	42.29	30.54	18.80
Capital Expenditure	56.19	54.69	53.19	<b>54.04</b>	50.19	48.69	47.19

## 16. CONCLUDING REMARKS

SRK has conducted a comprehensive review and assessment of all material issues likely to influence the future operations of the Material Properties. The LoM Plans for the Material Properties, as provided to and taken in good faith by SRK, have been reviewed and adjusted by SRK where considered appropriate. SRK also note that the impact of any adjustments (both positive and negative) made by SRK to the underlying LoM Plans have not been subjected to re-planning.

### 16.1 Equity Value

The Equity Values below are dependent on two valuation scenarios.

**Table 16.1 Summary Equity Value and Share Price: Equity Value ratios for Kumba**

Valuation Scenarios	Units
<b>Equity Value</b>	
Scenario I	(ZAR/share) 106.49
Scenario II	(ZAR/share) 115.53
<b>Share Price/Equity Value</b>	
Kumba Share Price – 1 January 2006	(ZAR) 102.00
Scenario I	Ratio 0.96
Scenario II	Ratio 0.88

**Table 16.2 Summary Equity Value: Equity Value for Eyesizwe**

Valuation Scenarios	Units
Scenario I	(ZARm) 2,007
Scenario II	(ZARm) 2,228

**Table 16.3 Summary Equity Value: Equity Value for Exxaro**

Valuation Scenarios	Units
Scenario I	(ZARm) 14,354
Scenario II	(ZARm) 16,536

SRK note the relatively low impact of the valuation of Mineral Rights, Exploration Properties and non-LoM Mineral Resources. The valuation of such assets is a highly subjective and SRK note that a lower level of certainty must be ascribed to this as compared with the Enterprise Values as reported herein.

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