



INTERIM RESULTS

for the half-year ended 31 December 2005

HIGHLIGHTS

Attributable earnings for the half-year decreased from R199,8 million to R146,7 million

Interim dividend increased from R0,50 to R0,80 per share

15,02% BEE deal concluded and implemented

Interest in Assmang increased to 50% following offer to minorities

CONSOLIDATED INCOME STATEMENT

	Half-year ended		Year ended
	31 December 2005 Unaudited R'000	31 December 2004 Unaudited R'000	30 June 2005 Audited R'000
Turnover	1 410 131	1 342 874	3 093 944
Cost of sales	(1 126 013)	(1 000 573)	(2 317 628)
Gross profit	284 118	342 301	776 316
Other income	61 748	58 920	196 514
Other expenses	(94 529)	(68 870)	(157 501)
Finance costs	(10 495)	(15 316)	(21 721)
Profit before taxation	240 842	317 035	793 608
Income tax expense	(85 462)	(101 959)	(252 546)
Profit for the period	155 380	215 076	541 062
Earnings attributable to:			
Equity holders of the parent	146 670	199 787	509 445
Minority interests	8 710	15 289	31 617
	155 380	215 076	541 062
Earnings per share (cents)	523,8	713,5	1 819,4
Headline earnings per share (cents) *	523,5	698,1	1 833,7
Dividends per share (cents)			
– Dividend paid in October 2005/2004	150	45	95
* Determination of headline earnings			
Attributable earnings per income statement as above	146 670	199 787	509 445
Net (profit)/loss on disposal of assets	(82)	(4 318)	4 000
Headline earnings	146 588	195 469	513 445
Ordinary shares in issue (million)	28,0	28,0	28,0
Net asset value per share (Rand)	82,7	63,7	76,1
Capital expenditure (R million)	159,5	140,4	337,9
Capital commitments (R million)	195,4	178,5	218,2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Half-year ended		Year ended
	31 December 2005 Unaudited R'000	31 December 2004 Unaudited R'000	30 June 2005 Audited R'000
SHARE CAPITAL AND RESERVES			
Balance at beginning of period	99 579	39 012	39 012
Net increase in the market value of listed investments	95 243	22 031	66 500
Deferred taxation on changes in market value of listed investments	(9 411)	(2 730)	(9 410)
Foreign currency translation reserve	(792)	(165)	3 477
Balance at end of period	184 619	58 148	99 579
RETAINED INCOME			
Balance at beginning of year	1 993 142	1 510 297	1 510 297
Attributable earnings for period as above	146 670	199 787	509 445
Ordinary dividends paid			
No 97 aggregating R1,50 per share (2004: 45 cents per share)	(42 000)	(12 600)	(26 600)
Balance at end of period	2 097 812	1 697 484	1 993 142
PER BALANCE SHEET	2 282 431	1 755 632	2 092 721

CONSOLIDATED CASH FLOW STATEMENT

	Half-year ended		Year ended
	31 December 2005 Unaudited R'000	31 December 2004 Unaudited R'000	30 June 2005 Audited R'000
Cash generated from operations	67 745	234 049	638 730
Cash utilised in investing activities	(160 867)	(130 841)	(336 535)
Cash generated by/(utilised in) financing activities	21 292	(91 288)	(192 892)
(Decrease)/increase in cash for period	(71 830)	11 920	109 303
Cash resources at beginning of period	275 566	166 263	166 263
CASH RESOURCES PER BALANCE SHEET	203 736	178 183	275 566

CONSOLIDATED BALANCE SHEET

	At	At	At
	31 December 2005 Unaudited R'000	31 December 2004 Unaudited R'000	30 June 2005 Audited R'000
ASSETS			
Non-current assets			
Property, plant, equipment and intangible assets	1 480 683	1 280 682	1 391 931
Long-term loans receivable	2 693	–	–
Environmental rehabilitation trust funds	17 694	13 694	17 493
Investments	332 481	188 258	232 093
Total non-current assets	1 833 551	1 482 634	1 641 517
Current assets			
Inventories	794 450	644 399	695 600
Trade and other receivables	475 294	409 049	624 169
Cash resources	203 736	178 183	275 566
Total current assets	1 473 480	1 231 631	1 595 335
TOTAL ASSETS	3 307 031	2 714 265	3 236 852
EQUITY AND LIABILITIES			
Share capital and reserves			
Ordinary shareholders' interest	2 282 431	1 755 632	2 092 721
Outside shareholders' interest	33 029	28 347	39 363
Total equity	2 315 460	1 783 979	2 132 084
Non-current liabilities			
Deferred taxation	387 665	284 139	345 181
Long-term liabilities	62 708	58 507	65 333
Total non-current liabilities	450 373	342 646	410 514
Current liabilities			
Interest bearing	265 009	317 222	226 740
Non-interest bearing	276 189	270 418	467 514
Total current liabilities	541 198	587 640	694 254
TOTAL EQUITY AND LIABILITIES	3 307 031	2 714 265	3 236 852

DECLARATION OF INTERIM DIVIDEND

Interim dividend No. 98 of 80 cents per share was declared on 15 March 2006. The dividend has been declared in the currency of the Republic of South Africa. In accordance with STRATE, the following dates apply to the interim dividend:

The last date to trade to qualify for the dividend (and for changes of address or dividend instructions) will be Friday, 31 March 2006.

The company's ordinary shares will commence trading "ex" the dividend from the commencement of business on Monday, 3 April 2006.

The record date will be Friday, 7 April 2006.

Dividend cheques in payment of this dividend to holders of certificated shares will be posted on or about Monday, 10 April 2006. Electronic payment to holders of certificated shares will be undertaken simultaneously.

Holders of dematerialised shares will have their accounts at their Central Securities Depository Participant or broker credited on Monday, 10 April 2006.

Share certificates may not be dematerialised or rematerialised between Monday, 3 April 2006 and Friday, 7 April 2006, both days inclusive.

On behalf of the board

Desmond Sacco
Chairman

C J Cory
Chief Executive Officer

Johannesburg

15 March 2006

Directors:
Executive
Desmond Sacco (Chairman)
R J Carpenter (Deputy Chairman)
C J Cory (Chief Executive Officer)
P C Crous (Technical and Operations)

Registered office:
Assore House
15 Fricker Road
Illovo Boulevard
Johannesburg 2196

Non-executive
P N Boynton
B M Hawksworth
Dr J C van der Horst

Assore Limited
Company registration number: 1950/037394/06
Share code: ASR ISIN: ZAE000017117
("the company" or "the group")

Alternate
J W Lewis (British)

COMMENTARY

RESULTS

Attributable earnings for the six months ended 31 December 2005 were R146,7 million, a decrease of 26,6% on the equivalent period for the previous year of R199,8 million. The decrease, which is in line with the trading update released on SENS on 14 February 2006, is attributable to a 24% decrease in the earnings for the period of Assmang Limited ("Assmang") which Assore controls jointly with African Rainbow Minerals Limited ("ARM") and is proportionately consolidated in accordance with the group's accounting policies.

Assmang's results for the half-year were affected by recent negative market conditions for manganese ore, ferromanganese and charge chrome which have resulted in lower market prices and lower sales volumes for certain products.

SALES VOLUMES

Sales volumes for the period under review are set out in the table below:

	Six months ended		% Volume increase/(decrease)
	31 December 2005 (tons)	2004 (tons)	
Iron ore	2 599 779	2 540 595	2,3
Manganese ore*	573 407	767 986	(25,3)
Manganese alloys	129 512	105 272	23,0
Charge chrome	89 064	104 371	(14,7)
Chrome ore*	242 264	240 260	0,8

* Excluding intra-group sales.

CAPITAL EXPENDITURE

Assmang continued its capital expenditure programme, spending R313 million (2004 : R286 million) during the period under review. Of this, R43 million was spent on the completion of the Dwarsrivier underground chrome mine, which commenced production well ahead of schedule and under budget, at a total capital cost of R187 million.

During the period under review, the board of Assmang approved the first construction phase of a new export iron ore mine on its Bruce, King and Mokaning properties ("the Khumani Iron Ore mine"), adjacent to Kumba's Sishen mine, near Kathu in the Northern Cape Province.

Construction of the Khumani mine commenced during the early part of calendar 2006 with the first phase resulting in a new 8,4 million ton per annum export iron ore mine at an estimated total capital cost of R3,2 billion, excluding capitalised interest. First production is expected during the first half of calendar 2008.

Subject to Assmang Board approval, a second expansion phase of the Khumani mine, to increase production volumes from the initial 8,4 million tons per annum to 16,0 million tons per annum export capacity, forms part of the current design and incorporates some of the capital required for the first phase. A further estimated R1,8 billion will be required to complete the second phase expansion to increase the capacity to 16,0 million tons per annum export capacity. This second phase expansion is, however, dependent on further increases in the capacity of Transnet's Sishen/Saldanha export rail channel.

OUTLOOK

For the next six months Chinese demand for commodities will remain the biggest global influence on volumes and prices for the group's products. The price for iron ore is expected to improve, but manganese ore prices have come under pressure and are declining. At present, prices for manganese alloys are stable but these could be impacted by the lower manganese ore price. Charge chrome remains the weakest of the group's products but the price is expected to improve marginally during the last quarter of the financial year. However, the Rand/US Dollar exchange rate will continue to be an important factor in determining earnings.

DIVIDENDS

The results in this announcement include the final dividend of 150 cents (2004: 45 cents) per share which was declared on 30 August 2005 and paid to shareholders on 3 October 2005.

Included in this announcement is the declaration of an increased interim dividend of 80 cents (2005: 50 cents) per share which will be paid to shareholders on or about Monday, 10 April 2006. As it has not yet been paid, this dividend is not included in the results in accordance with the group's accounting policy for dividends.

ACCOUNTING POLICIES

The financial information included in this announcement has been prepared in accordance with International Financial Reporting Standards ("IFRS"). This is consistent with the basis used in the previous reporting period, except for IAS 16 regarding property, plant and equipment and IAS 21 regarding the effects of changes in foreign exchange rates which were adopted with effect from 1 July 2005 but had no material effect on the results for the period under review.

POST-BALANCE SHEET EVENTS

In November 2005 shareholders were advised by circular that, subject to certain conditions precedent:

- Assore had made an offer to the minority shareholders of Assmang in terms of a scheme of arrangement which, if successful, would result in Assore increasing its interest to 50% of the ordinary share capital of Assmang and the subsequent delisting of Assmang from the JSE Limited;
- Assore had finalised a black economic empowerment ("BEE") transaction which would facilitate the acquisition of 15,02% of the company's shares by Shanduka Resources (Proprietary) Limited, a black owned and managed investment company (11,76%) and the Bokomoso Trust (3,26%), a community trust established for the benefit of broad-based community groupings in the areas in which the group's mines and beneficiation plants are located.

Subsequent to the half-year end, both these transactions became unconditional in accordance with the terms and provisions set out in their respective circulars and have been put into effect.

Transfer office:

Computershare Investor Services 2004 (Pty) Ltd
70 Marshall Street
Johannesburg 2001

Company secretaries:

African Mining and Trust Company Limited