OUTLOOK (continued)

Assmang's 10 million tons Iron Ore Mine has been completed and approval to increase capacity to 16 million tons per annum has been granted. The Group's performance continues to be significantly exposed to fluctuations in exchange rates as the bulk of the Group's sales remain in the export market.

DIVIDENDS

The results in this announcement include the interim dividend of 1 000 cents (2008: 250 cents) per share which was declared on 17 February 2009 and paid to shareholders on 16 March 2009.

In line with the results for the year the Board has maintained a final dividend of 1 000 cents making a total dividend for the year of 2 000 cents per share (2008: 1 250 cents). The final dividend will be paid to shareholders on or about 21 September 2009 and is not included in the results as it was declared after year-end.

REVIEW BY AUDITOR

Ernst & Young Inc, the Group's auditors, has reviewed the financial results included in this announcement in accordance with ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, whose unmodified report is available for inspection at the registered office of the company.

ACCOUNTING POLICIES AND BASIS OF PREPARATION

The financial results included in this announcement are presented in terms of IAS 34 – Interim Financial Reporting and have been prepared in accordance with the principal accounting policies of the Group, which comply with IFRS and are consistent with those applied in the previous year, with the exception of the adoption of the following policies in response to changes in IFRS since the previous year end:

- IAS 39 and IFRS 7: Reclassification of Financial Assets – Amendments to IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures
- IFRIC 11 – Group and Treasury Share Transactions
- IFRIC 12 – Service Concession Agreements
- IFRIC 13 – Customer Loyalty Programmes
- IFRIC 14 and IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these amendments to standards and interpretations has had no effect on the financial statements of the Group except for the disclosure of additional information.

DECLARATION OF FINAL DIVIDEND

Final dividend No. 105 of 1 000 cents per share was declared on 26 August 2009, in the currency of the Republic of South Africa. In accordance with STRATE, the following dates apply to the dividend declared:

The last date to trade to qualify for the dividend (and for changes of address or dividend instructions) will be Friday, 11 September 2009.

The company's ordinary shares will commence trading "ex dividend" from the commencement of business on Monday, 14 September 2009.

The record date will be Friday, 18 September 2009.

Dividend cheques in payment of this dividend to holders of certificated shares will be posted on or about Monday, 21 September 2009. 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, 21 September 2009.

Share certificates may not be dematerialised or rematerialised between Monday, 14 September 2009 and Friday, 18 September 2009, both days inclusive.

On behalf of the board

Desmond Sacco
Chairman

CJ Cory
Chief Executive Officer

Johannesburg
27 August 2009

Registered office
Assore House
15 Fricker Road
Illovo Boulevard
Johannesburg 2196

Transfer office
Computershare Investor Services (Pty) Limited
70 Marshall Street
Johannesburg 2001

Company secretaries
African Mining and Trust Company Limited

Assore Limited
Company registration number: 1950/037394/06
Share code: ASR ISIN: ZAE000017117

Directors
Executive
Desmond Sacco *(Chairman)*
RJ Carpenter *(Deputy Chairman)*
CJ Cory *(Chief Executive Officer)*
PC Crous *(Technical and Operations)*

Non-executive
BM Hawksworth
MC Ramaphosa
EM Southey
Dr JC van der Horst

Alternate
JW Lewis *(British)*
NG Sacco
PE Sacco
R Smith

GRAPHICOR 41112

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Johannesburg 2196

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FINAL RESULTS 2009

FOR THE YEAR ENDED 30 JUNE 2009

- Record iron ore volumes but at lower prices
- Assmang's 10 million tons per annum Khumani Iron Ore Mine completed and expansion project to 16 million tons per annum approved
- Headline earnings increased by 6,8%
- Dividends per share for fiscal year 2009 60% higher than 2008

CONSOLIDATED INCOME STATEMENT

	Year ended 30 June 2009 Reviewed R'000	Year ended 30 June 2008 Audited R'000
Turnover	**8 818 655**	9 158 937
Cost of sales	**(3 983 720)**	(4 668 547)
Gross profit	**4 834 935**	4 490 390
Profit on disposal of available-for-sale investments	**19 086**	22 350
Other income	**1 410 828**	611 737
Other expenses	**(717 821)**	(399 005)
Finance costs	**(298 148)**	(38 016)
Profit before taxation and State's share of profits	**5 248 880**	4 687 456
Taxation and State's share of profits	**(1 981 493)**	(1 509 091)
Profit for the year	**3 267 387**	3 178 365
Earnings attributable to:		
Shareholders of the holding company	**3 241 452**	3 069 522
Minority interests	**25 935**	108 843
Profit for the year (as above)	**3 267 387**	3 178 365
Attributable earnings as above	**3 241 452**	3 069 522
(Profit)/loss on disposal (net of tax) of:		
– Available-for-sale investments	**(16 414)**	(19 221)
– Property, plant and equipment	**(18 359)**	7 407
Impairment of non-financial assets	**59 114**	–
Headline earnings	**3 265 793**	3 057 708
Earnings per share (cents) (basic and diluted)	**13 669**	11 406
Headline earnings per share (cents) (basic and diluted)	**13 772**	11 362
Dividends per share declared in respect of the abovementioned earnings (cents):	**2 000**	1 250
– Interim	**1 000**	250
– Final	**1 000**	1 000
Weighted average number of ordinary shares (million)		
Ordinary shares in issue	**27,66**	28,00
Weighted impact of treasury shares:		
– Held by Group companies	**(3,03)**	(0,18)
– Held by Bokamoso Trust	**(0,91)**	(0,91)
Weighted average number of ordinary shares	**23,72**	26,91
Net asset value per share (Rand)	**278,9**	175,9
Capital expenditure (R million)	**1 459,5**	1 537,0
Capital commitments (R million)	**3 656,9**	857,3

CONSOLIDATED CASH FLOW STATEMENT

	Year ended 30 June 2009 Reviewed R'000	Year ended 30 June 2008 Audited R'000
Cash generated from operations	**3 714 419**	5 691 607
Cash utilised in investing activities	**(1 635 427)**	(3 857 325)
Cash utilised by financing activities	**(1 018 882)**	(154 782)
Increase in cash for the year	**1 060 110**	1 679 500
Cash resources at beginning of year	**1 988 957**	309 457
Cash resources per balance sheet	**3 049 067**	1 988 957

CONSOLIDATED BALANCE SHEET

	At 30 June 2009 Reviewed R'000	At 30 June 2008 Audited R'000
ASSETS		
Non-current assets		
Property, plant and equipment, investment properties and intangible assets	**5 183 450**	4 196 018
Investments – Available-for-sale	**415 066**	590 066
– Other	**42 259**	125
Total non-current assets	**5 640 775**	4 786 209
Current assets		
Inventories	**1 804 010**	1 287 730
Trade and other receivables	**593 087**	1 998 542
Cash resources	**3 049 067**	1 988 957
Total current assets	**5 446 164**	5 275 229
TOTAL ASSETS	**11 086 939**	10 061 438
EQUITY AND LIABILITIES		
Share capital and reserves		
Ordinary shareholders' interest	**6 603 229**	4 110 872
Minority shareholders' interest	**71 819**	111 528
Total equity	**6 675 048**	4 222 400
Non-current liabilities		
Deferred taxation	**1 341 836**	899 701
Long-term liabilities	**257 513**	223 320
Total non-current liabilities	**1 599 349**	1 123 021
Current liabilities		
Interest bearing	**1 623 843**	2 621 489
Non-interest bearing	**1 188 699**	2 094 528
Total current liabilities	**2 812 542**	4 716 017
TOTAL EQUITY AND LIABILITIES	**11 086 939**	10 061 438

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Year ended 30 June 2009 Reviewed R'000	Year ended 30 June 2008 Audited R'000
Share capital, share premium and other reserves		
Balance at beginning of year	**389 173**	201 459
Par value of shares repurchased and cancelled	**(11)**	–
Net (decrease)/increase in the market value of available-for-sale investments	**(289 229)**	209 669
Deferred capital gains taxation on changes in market value of available-for-sale investments	**40 492**	(27 675)
Foreign currency translation reserve arising on consolidation	**11 337**	5 720
Balance at end of year	**151 762**	389 173
Treasury shares		
Balance at beginning of year	**(2 341 725)**	(86 262)
Treasury shares purchased during the year	**(31 503)**	(27 407)
Treasury shares warehoused	**–**	(2 228 056)
Cancellation of treasury shares		
– Value of shares cancelled, excluding par value	**248 718**	–
– Costs of shares cancelled	**(775)**	–
Balance at end of year	**(2 125 285)**	(2 341 725)
Retained earnings		
Balance at beginning of year	**6 063 424**	3 115 510
Attributable profit for the year	**3 241 452**	3 069 522
Treasury shares repurchased and cancelled during the year	**(248 718)**	–
Ordinary dividends declared during the year Nos. 103 and 104 aggregating R20,00 per share (2008: R4,50 per share)	**(479 406)**	(121 608)
Balance at end of year	**8 576 752**	6 063 424
Per balance sheet	**6 603 229**	4 110 872

COMMENTARY

Headline earnings for the fiscal year to 30 June 2009 have increased by 6,8% to R3 266 million due to a rise in the earnings of Assmang Limited (Assmang), and the increased commissions earned on the higher sales of Group products, mostly occurring in the first fiscal quarter. Assore holds a 50% interest in Assmang, which is proportionately consolidated in accordance with International Financial Reporting Standards (IFRS).

Assmang's headline earnings increased by 13% to R6 288 million compared to the previous year, buoyed by record volumes of iron ore sales. The increase in earnings was achieved despite the world economic turmoil, which set in at the beginning of October 2008, and is largely attributable to a combination of substantially higher US Dollar prices for all products in the first fiscal quarter and weaker US Dollar/SA Rand exchange rates, prevalent in the second fiscal quarter. Markets for all products were strong in the first quarter with prices and volumes driven by increased production of carbon- and stainless steels worldwide, particularly in China. The second quarter saw a dramatic deterioration in market conditions on the back of the current world economic turmoil, resulting in decreased demand for all group products, except for iron ore, where export volumes are largely unaffected, but prices have declined. This situation improved over the remainder of the year, specifically impacting upon the level of spot transactions for manganese ore in the second half of the year.

SALES VOLUMES AND DIVISIONAL CONTRIBUTION

Assmang's turnover for the period under review reached a record level of R15,3 billion (2008: R14,8 billion). However, with the exception of iron ore which was at record levels, sales volumes over the year were lower for all products due to the world economic turmoil referred to above that set in from the second fiscal quarter, as shown in the table below:

	2009 M tons '000	2008 M tons '000	% change
Iron ore	**7 409**	6 581	13
Manganese ore*	**2 152**	3 711	(42)
Manganese alloys*	**117**	247	(53)
Charge chrome	**144**	275	(48)
Chrome ore*	**256**	304	(16)

* *Excluding intra-group sales*

The divisional contributions to headline earnings of Assmang for the year were as follows:

	2009 Rm	2008 Rm	% change
Iron ore division	**2 160**	780	177
Manganese division	**3 915**	4 087	(4)
Chrome division	**213**	683	(69)
Total – Assmang	**6 288**	5 550	13
Attributable to Assore 50%	**3 144**	2 775	13

CAPITAL EXPENDITURE

The bulk of the Group's capital expenditure occurs in Assmang and is summarised by division for the period under review as follows:

	2009 Rm	2008 Rm
Iron ore division	**1 529**	2 231
Manganese division	**854**	511
Chrome division	**397**	158
Total – Assmang	**2 780**	2 900

The major capital expenditure for the year occurred in the iron ore and manganese divisions of Assmang. A total of R924 million was spent on infrastructural items at the recently commissioned Khumani Iron Ore Mine; R161 million was spent on the beneficiation plant at the Nchwaning Manganese Mine and R63 million being spent at the Dwarsrivier Chrome Ore Mine. Furnace rebuilding and emission reduction projects totalling R296 million were undertaken at Cato Ridge Works and at Machadadorp Works. Apart from the expenditure in Assmang, R48 million has been spent on the development of two underground shafts at the Rustenburg Chrome Ore Mine, which is 44% held by a black economic empowerment partner for the benefit of historically disadvantaged groups in the area surrounding the mining operations. The estimated expenditure to complete this development is R60 million.

The feasibility study to expand Khumani's annual capacity to 16 million tons per annum has been completed, and R5,5 billion of additional capital has been approved for this project, which will be funded from internally generated cash flows and existing borrowing facilities. Commitment to increase Assmang's annual export allocation on the Sishen/Saldanha line to 14 million tons per annum has been received from Transnet.

OUTLOOK

Recent conditions in all markets have shown signs of improvement, with increased sales prices being realised. However, it is too early to assess the sustainability of these improvements. Therefore, it is not possible to estimate the extent of the impact of these developments on Group earnings with reasonable assurance or accuracy.