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Interim Financial Results for the six months to 31 December 2018

Highlights

- Headline earnings increased by 20%
- Interim dividend maintained at R10 per share
- Manganese and iron ore prices remain firm
- Continuous commitment to overall safety performance

Johannesburg, 26 February 2019 -- Assore Ltd the base mineral and metals miner listed on the JSE [ASR], released another good set of interim results for the six months ended 31 December 2018 on SENS earlier today.

Headline earnings for H1 FY19 increased by 20% to R2,92 bn, compared to R2,43 bn for the H1 FY18. Assmang, in which Assore has a 50% interest, recorded headline earnings of R4,29 bn (H1 FY18: R3,47 billion), an increase of 23%, on a 100% basis. This contributed R2,14 bn towards the group's headline earnings.

The rest of the group's operations reported headline earnings that were 15% higher than the previous period, at R770m, of which Dwarsrivier contributed R327m (H1 FY18: R440m), with commissions and interest earned making up most of the balance. Attributable earnings amounted to R2,92 bn, 19% higher than H1 FY18.

CEO Charles Walters says: *"We are pleased to report a healthy increase in earnings for the first half of our financial year. During the first 6 months, we experienced an improved price basket and a weaker exchange rate which were countered by some difficulties with inland logistics on certain product lines. Following the 60% increase in the interim dividend last year, we have maintained the interim dividend at R10 per share whilst continuing to build the Group's reserves to fund our future growth ambitions."*

Manganese ore prices were higher for both quoted grades (44% and 37% manganese content) compared to H1 FY18. Sales volumes of iron ore and chrome ore were lower than in the previous period due to unforeseen inland logistical challenges while sales volumes for manganese ore and alloys were higher. The index price achieved for iron ore was stable while the lump premium increased.

Walters says: *"Increases in demand out of China for high quality ores continue to play out well for Assore's quality product portfolio. However, a declining trend in steel prices and reduced steel mill profitability in China seen towards the end of the period is anticipated to result in a swing back to ore with a lower iron content, leading to a narrowing of price differentials between the various grades of ore available in the market."*

(See full results attached)

- Ends -

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NOTES TO EDITORS

- Assore's principal investments comprise of a 50% interest in Assmang Proprietary Limited (Assmang), which it controls jointly with African Rainbow Minerals Limited (ARM) in terms of a longstanding shareholders' agreement. In accordance with International Financial Reporting Standards (IFRS), Assmang is classified as a joint venture and accordingly, its financial results are equity accounted.
- Assore has 100% ownership of Dwarsrivier Chrome Mine Proprietary Limited (Dwarsrivier), which was acquired with effect from 1 July 2016.
 - Dwarsrivier is an underground chrome mine located in Limpopo province near to Steelpoort and Lydenburg and currently has production capacity for 1,6 million tons of chrome product annually.
- Assmang mines both iron and manganese ore in the Northern Cape, the former at the Khumani and Beeshoek mines and the latter at the Black Rock mining complex. It has manganese smelting facilities at Cato Ridge in KwaZulu Natal. In addition, Assmang holds a 54.36% shareholding in Sakura Ferroalloys (Sakura), a manganese smelter located in the Sarawak Province of Malaysia. Sakura has a design capacity of 216 000 tons of ferromanganese per annum.