



ASSORE LIMITED

Interim results for the half year ended 31 December 2010

**Despite strong rand, interim earnings increase more than three times, mainly due to strong iron ore prices,
Capital projects remain on track**

Assore Limited ("Assore"), the iron, manganese and chrome ore miner, ferroalloy producer and mining group which owns 50% of Assmang Limited ("Assmang"), today announced its interim results for the half year ended 31 December 2010.

Assore's headline earnings for the half year to 31 December 2010 increased by 313,2% to R1,392 billion due to the significant increase in the earnings of Assmang, together with increased commissions earned on the improved sales prices of group products.

Assmang turnover improved significantly in comparison to the same period in the previous year by 76,3%. Although market conditions have improved since December 2009, the strong South African Rand/US Dollar exchange rate continued to negatively impact earnings.

Sales volumes for this period were lower for all commodities, except for chrome. Derailments on the Sishen-Saldanha export line resulted in lower iron ore volumes, while the rebuilding of manganese furnaces resulted in lower volumes for the manganese division.

The group continues to invest significant amounts of capital, mostly through Assmang. R2 billion was spent in the period, with R1,2 billion laid out on the expansion of Assmang's Khumani iron ore mine, which, upon commissioning in mid 2012, is expected to export 14 million tons per annum once full production capacity is reached.

Desmond Sacco, Chairman of Assore said: ***"While sales volumes during the first half were generally lower compared with the same period in the previous year, iron ore demand and prices continued to be strong. The markets for manganese and chrome remain balanced and are unlikely to change much in the second half."***

In line with the results for the half year the Board has declared an interim dividend of 200 cents per share compared to 100 cents per share declared in the previous period.

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- ENDS -**

Further enquiries:

Assore

Chris Cory Tel: 011-770 6888
Ross Davies Tel: 011-770 6815

College Hill

Jacques de Bie Tel: 011-447 3030
Cell: 082-691 5384

Notes to Editors:

- Assore holds a 50% interest in Assmang, which is proportionately consolidated in accordance with International Financial Reporting Standards (IFRS).
- The bulk of the Group's capital expenditure occurs in Assmang, specifically in the iron ore and manganese divisions, and amounted to more than R2 billion (2009: R3.3 billion)
 - A total of R1.565 billion was spent at Assmang's Khumani Iron Ore Mine, of which R1.204 billion was spent on the ongoing infrastructural development and the Khumani Expansion Project ("KEP") which is planned to meet Assmang's increased export allocation from 10 to 14 million tons per annum by July 2012.
 - An additional R156 million was spent on waste development at Khumani.
 - A further R60 million was spent at Assmang's Black Rock Manganese Mine on the construction of surface plant.
 - R216 million was spent on rebuilding manganese and chrome furnaces in Assmang.
 - Additional capital amounting to R13 million being utilised at the Rustenburg Chrome Ore Mine, where the first of two underground shafts commenced commercial production, while the second is expected to be in full production within the next 18 months.
- Assore is committed to broad-based BEE in South Africa and completed its second BEE transaction in January 2010 resulting in 26,07% of Assore's shares being controlled by Historically Disadvantaged South Africans, as required by the Mining Charter.