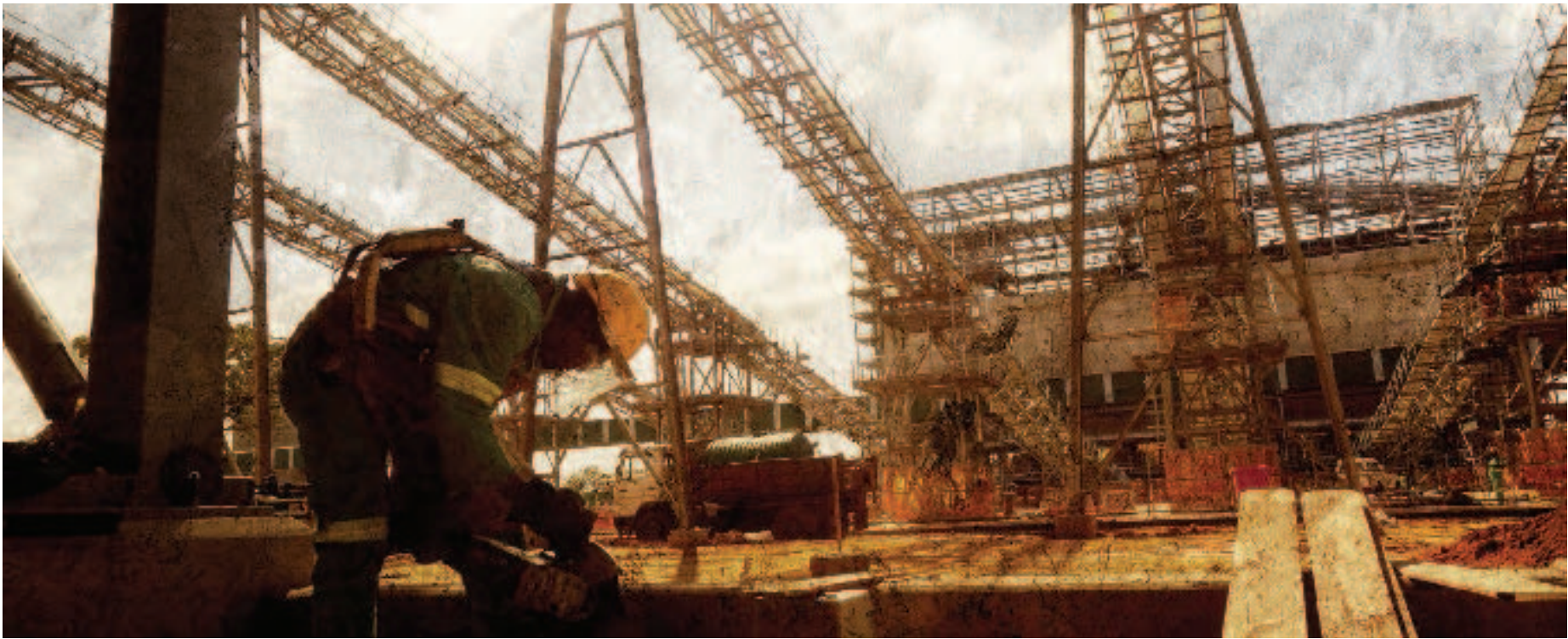


CONDENSED GROUP ANNUAL FINANCIAL RESULTS

for the year ended 31 December 2013



COAL

Second largest coal producer in RSA (tied operations and commercial operations). Construction on the Grootegeluk Medupi Expansion Project (GMEP) to supply Eskom's Medupi power station with coal progressed to 97% complete at 31 December 2013. A sale of assets of New Clydesdale Colliery (NCC) agreement was concluded in January 2014 subject to conditions precedent.

FERROUS

Investment of 19,98% in SIOC, the 4th largest supplier in international iron ore seaborne trade. Owner-controlled operations (Mayoko, FerroAlloys and AlloyStream™). The exploitation licence for the Mayoko project was issued by the Republic of Congo government during the second half of 2013. The mining convention, Port Memorandum for Understanding as well as the rail framework agreements were signed.

TiO<sub>2</sub>

44,4% investment in Tronox Limited, the world's largest fully integrated producer of titanium ore and titanium dioxide.

OTHER

50:50 JV with Tata Power in Cennergi continues the project execution phase of two wind farms. The agreements between Linc Energy and Exxaro in relation to the development of an underground coal gasification project as a commercial business to develop energy solutions in sub-Saharan Africa became unconditional in November 2013. Base metals: 26% in Black Mountain and 11,7% in Chifeng.

PERFORMANCE IN BRIEF

COAL REVENUE  
**R13,4b**  
UP 11%

COAL NET OPERATING PROFIT  
AT **R2,8b**  
UP 32%

EQUITY-ACCOUNTED  
INVESTMENT INCOME OF  
**R3,6b**

HEPS OF **1 463 cps** UP 4%  
ON 2012

AEPS OF **1 751 cps** DOWN 36%  
ON 2012

FINAL DIVIDEND OF  
**315 cps**

TOTAL DIVIDEND OF **550 cps**  
UP 10%

LTIFR AT  
**0,19**  
IMPROVEMENT OF 34%

**ZERO FATALITIES**  
14-MONTH RECORD

COAL PRODUCTION  
(EXCLUDING BUY-INS)  
**38,7Mt**  
DOWN 3%

19-DAY INDUSTRIAL  
ACTION

**4,5Mt**  
COAL EXPORTS  
UP 15%

Mayoko mining convention signed  
Zincor refinery sold  
NCC sale agreement signed

FINANCIAL EXCELLENCE

Group consolidated revenue decreased by 16% to R13 568 million, mainly as a result of the exclusion of the mineral sands and Rosh Pinah businesses in the 2013 results. These businesses were sold in 2012 and were included for five-and-a-half and five months, respectively, in the 2012 financial year. This was partially offset by an 11% revenue increase from the coal operations.

Coal revenue was 11% higher mainly due to higher export sales and weaker ZAR/ US\$ exchange rate. This was partly offset by lower local steam and power station coal sales volumes.

Group consolidated net operating profit was R759 million lower at R2 658 million after excluding profits on the sale of subsidiaries and non-core assets, as well as impairments and impairments reversals, mainly as a result of the exclusion of the discontinued operations in the 2013 results. This was partially offset by a 32% increase in coal's net operating profit as well as R157 million lower costs across the group.

Coal production was 3% lower than in 2012 mainly due to the effects of the industrial action in 2013 as well as the cessation of production at the NCC operation.

Attributable earnings, including Exxaro's equity-accounted investment in associates, were R6 217 million or 1751 cents per share, down 36% from 2012 mainly due to non-recurring profits on the sale of subsidiaries and other non-core assets in 2012.

Headline earnings were R5194 million or 1463 cents per share, representing a 4% increase on 2012 headline earnings per share. This was mainly due to the

32% increase in the coal business net operating profit.

Cash generated from operations was R2 159 million for the group. This was primarily used to fund net financing charges of R192 million, taxation payments of R158 million and pay dividends of R1 387 million. A total of R4 764 million was spent on acquiring property, plant and equipment (capital expenditure), of which R3 507 million was invested in new capacity (expansion capital), with R1 257 million applied to sustaining and environmental capital. Of the funds spent on new capacity, R1 812 million was for the Grootegeluk Medupi Expansion Project (GMEP) and R1 613 million for the Mayoko project.

After the receipt of dividends, primarily from Sishen Iron Ore Company Proprietary Limited (R2 664 million) and Tronox (R507 million), as well as the outflow associated with capital expenditure, the group had a net cash outflow before financing activities of R1 058 million for the year under review.

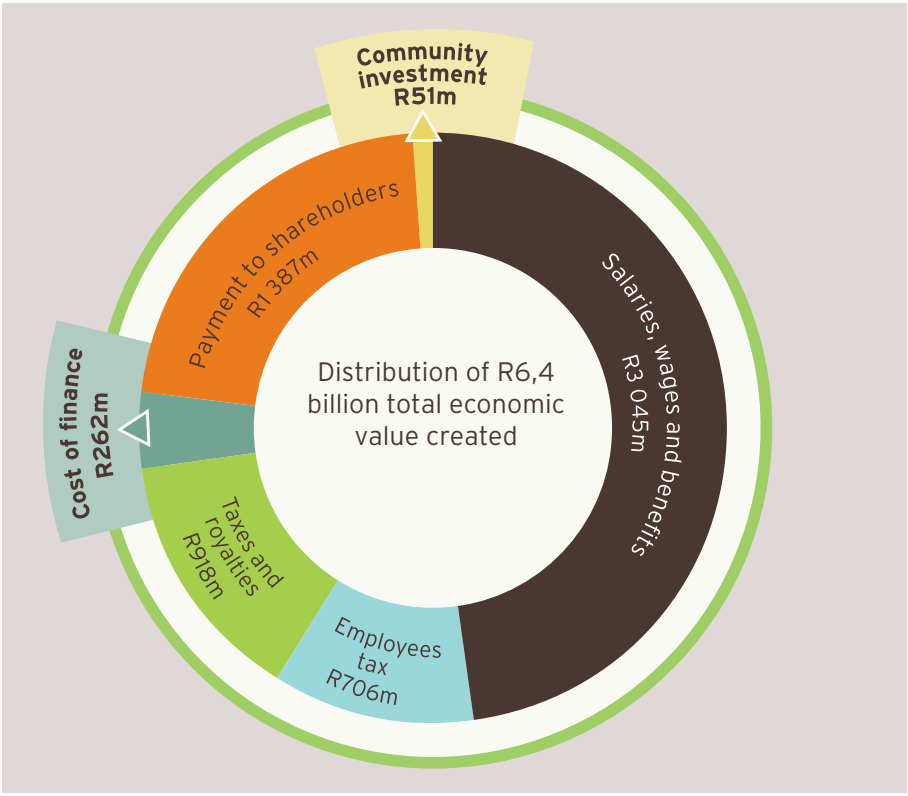
Net debt at 31 December 2013 increased to R3 377 million, reflecting a net debt to equity ratio of 10%.

**Final dividend declaration**

Dividend of 315 cents per share.

The salient dates relating to payment of the dividend are:

Last day to trade cum dividend on the JSE	Friday, 4 April 2014
First trading day ex dividend on the JSE	Monday, 7 April 2014
Record date	Friday, 11 April 2014
Payment date	Monday, 14 April 2014



CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME (Rm)			
For the year ended 31 December			
	2013	2012	
<b>Revenue</b>	13 568	12 229	
Operating expenses	(12 719)	(10 885)	
Other income	1 594	352	
Gains on disposal of non-core assets		42	
<b>Net operating profit</b>	2 443	1 738	
Net financing cost	(286)	(187)	
Income from investments	12	3	
Share of income from equity-accounted investments	3 631	3 602	
<b>Profit before tax</b>	5 800	5 156	
Income tax expense	(645)	(537)	
Profit for the year from continuing operations	5 155	4 619	
Profit for the year from discontinued operations	1 049	5 028	
<b>Profit for the year</b>	6 204	9 647	
Other comprehensive income (net of tax)	420	68	
<b>Total comprehensive income</b>	6 624	9 715	
Attributable earnings per share (cents)			
– basic	1 751	2 734	
– diluted	1 746	2 726	
Headline earnings per share (cents)			
– basic	1 463	1 401	
– dilute	1 459	1 397	

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION (Rm)			
As at 31 December			
	2013	2012	
Non-current assets	42 461	37 445	
Current assets	4 483	4 972	
Non-current assets classified as held-for-sale	342		
<b>Total assets</b>	47 286	42 417	
Total equity	34 052	28 806	
Non-current liabilities	9 157	8 417	
Current liabilities	3 852	5 194	
Non-current liabilities classified as held-for-sale	225		
<b>Total equity and liabilities</b>	47 286	42 417	
Total assets (Rb)	47	42	
Net asset value per share (Rands)	95	80	
Market capitalisation (Rb)	52	60	

	Year ended 31 December		Six months ended 31 December	
	2013	2012	2013	2012
<b>Revenue</b>				
<b>Coal</b>				
– Tied	13 362	12 064	7 213	6 239
– Commercial	3 917	3 449	2 135	1 996
	9 445	8 615	5 078	4 243
<b>Ferrous</b>				
– Alloys	120	107	65	62
<b>TiO<sub>2</sub></b>				
<b>Other</b>	86	3 594	45	65
– Base metals		357		
– Other	86	299	45	11
		58		54
<b>Total external revenue</b>	13 568	16 122	7 323	6 366
<b>Net operating profit</b>				
<b>Coal</b>				
– Tied	2 769	2 105	1 738	753
– Commercial	215	285	5	206
	2 554	1 820	1 733	547
<b>Ferrous</b>	(141)	(31)	(97)	56
– Iron Ore	(27)	(9)	(26)	69
– Alloys	(61)	(25)	(35)	(16)
– Other	(53)	3	(36)	3
<b>TiO<sub>2</sub></b>				
<b>Other</b>	938	1 925	1 008	(493)
– Base metals	145	422	113	(26)
– Other	793	3 136	895	(467)
<b>Total net operating profit</b>	3 566	7 557	2 649	316



SAFETY, HEALTH, ENVIRONMENT AND COMMUNITY

Exxaro strives for no fatalities at all its operations. This target was achieved for the first time since the formation of the group when the group recorded no fatalities for the year ended 31 December 2013. A LTIFR of 0,19 was achieved for the year ended 31 December 2013. This was a 34% improvement on 0,29 recorded in 2012.

Exxaro's wetland strategy is in its final stages of development, with the completion of a detailed wetland study for all business units to mitigate the impact of mining on water resources. This proactive approach to sensitive ecosystems and water resource management is being used internally to guide growth plans and water stewardship as well as considering the environmental regulatory landscape. Group-wide water conservation plans aligned to the national water management strategy are expected to be finalised in the first quarter of 2015.

Environmental authorisations on the Belfast colliery project was received in July 2013 and the mining right was executed in October 2013. The integrated water use licence authorisation is anticipated in the first half of 2014 and the bankable feasibility study is on track for conclusion in the first quarter of 2014.

Most social and labour plans (SLP) projects are channelled through the Exxaro Chairman's Fund to which all operations contribute. The total fund contribution to corporate projects and business units' SLP projects was R65 million in 2013 (2012: R50 million), while the actual spend on SLP was R51 million in 2013 compared to R24 million in 2012.

CONVERSION OF MINING RIGHTS	
Old-order mining right conversions	
Operation	Status
Grootegeluk, Mafube, and Magvanti (Gravelotte)	Registered
Matla, Tshikondeni, and Strathrae (North Block Complex)	Granted
Leeuwpan, Glisa (North Block Complex), and Arnot	Executed
New mining right application	
Operation	Status
Goni	Registered
Thabametsi, Glisa South (Paardeplaats), Eerstelingsfontein (NBC) – renewal	Submitted
Inyanda, Belfast, Mafube Nootgedacht, New Clydesdale Colliery, Leeuwpan Ext, Eerstelingsfontein (NBC)	Executed

DEVELOPING OUR PEOPLE

- Mining Charter targets achieved and exceeded in most categories
- 800 young people trained
- R200 million spent in 2013 on training interventions
- R16 million MPower 2012 dividends declared in 2013, 7 240 people benefited from payout.

ACHIEVEMENTS AND RECOGNITION

**Sustainability**

- 2013 Frost and Sullivan visionary innovation award

**Leadership and people**

- Top Employer Institute: first in mining industry Top Employer South Africa 2013/14 survey
- Corporate Secretaries International Association: Group Company Secretary elected president
- Deloitte best company to work for survey: second place in mining category
- The Afrikaanse Handelsinstituut: CEO received the MS Louw award for business leadership

**Integrated reporting**

- Nkonki Integrated Reporting Awards 2013
  - First in basic metals sector
  - Excellent Award category
  - Third in overall top 10 category
- EY Integrated Reporting Awards 2012/13: third in overall Top 10 category

FURTHER INFORMATION

This short form announcement is the responsibility of the directors. It is only a summary of the information contained in the full announcement and does not contain full or complete details.

Any investment decision should be based on the full announcement published on SENS on Thursday, 6 March 2014, and also available on Exxaro's website at [www.exxaro.com](http://www.exxaro.com). Copies of the full announcement may be requested by contacting Exxaro Investor Relations.

On behalf of the board:

<b>Len Konar</b> Chairman 5 March 2014	<b>Sipho Nkosi</b> Chief Executive Officer	<b>Wim de Klerk</b> Finance Director
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**Group Company Secretary:** CH Wessels

**Investor relations:** P Lebina (+27 12 307 3081)

**Sponsor:** Deutsche Securities (SA) Proprietary Limited (+27 11 775 7000)

Registration number: 2000/011076/06

JSE Share code: EXX

ISIN: ZAE000084992

ADR code: EXXAY

("Exxaro" or "the company" or "the group")

If you have any queries regarding your shareholding in Exxaro Resources Limited, please contact the transfer secretaries at (+27 11 370 5000).

The full report is available on [www.exxaro.com](http://www.exxaro.com) or scan the code with your smartphone to take you there.

POWERING POSSIBILITY