exxaro

POWERING POSSIBILITY

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EXXARO RESOURCES LIMITED

REVIEWED CONDENSED GROUP INTERIM FINANCIAL STATEMENTS AND UNREVIEWED PRODUCTION AND SALES VOLUMES INFORMATION

for the six-month period ended 30 June 2019

CONTENTS

SALIENT FEATURES

Group

- **Revenue** R12 billion, down 2%
- **HEPS*** of 1 730 cents up 42%
- Net operating profit R2.4 billion, down 24%
- **AEPS**** of 2 589 cents, up 104%
- **Interim dividend** of 864 cents per share, up **334** cents per share
- **Cash generated** by operations at R3.2 billion, down 18%

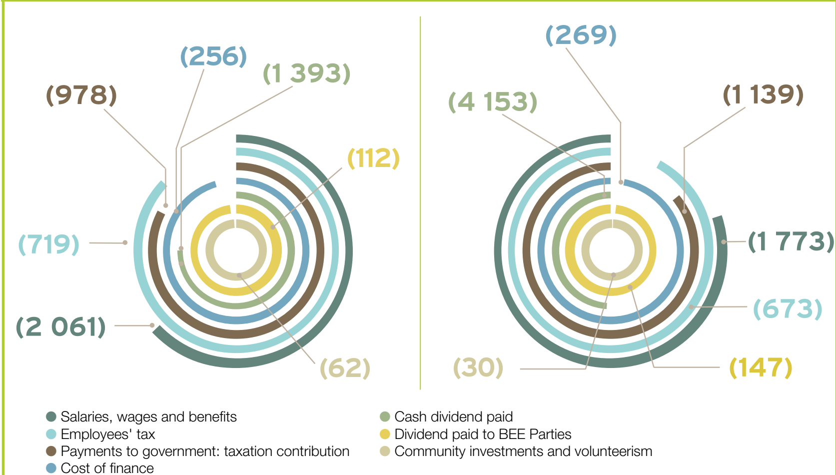
SIOC

- R2.7 billion post-tax equity-accounted income
- R2.7 billion, Exxaro's share of dividend declared for 1H19

Tronox

- Cash from Tronox investment disposals of R5 billion
- Special dividend of 897 cents per share

Value distribution 1H19 (R million) | **Value distribution 1H18 (R million)**



* *Headline earnings per share*
** *Attributable earnings per share*
Please refer to the inside back cover for an explanation of the acronyms used throughout this booklet.

Comments below are based on a comparison between the six-month periods ended 30 June 2019 and 2018 (1H19 and 1H18), respectively.

SAFETY

Zero Harm remains Exxaro's key safety objective. During 1H19, the group recorded a LTIFR of 0.13 (FY18: 0.12), which is higher than the set target of 0.11. We have done better in previous years and remain confident that we will improve on this through ongoing safety initiatives. We are pleased to report zero fatalities for 28 consecutive months as at 30 June 2019 and zero HPIs during 1H19 (1H18: five HPIs).

RESULTS OVERVIEW

Core EBITDA of R2 813 million (1H18: R3 954 million) was 29% lower from our managed operations (after adjusting for non-core items) was lower due to a significant decline in the benchmark API4 price negatively impacting revenue, as well as cost pressures which are further explained under financial and operational results.

Our share of core equity-accounted income of associates and joint ventures increased to R2 930 million (1H18: R1 036 million), mainly as a result of SIOC.

Core headline earnings rose 20% to R3 988 million (1H18: R3 322 million), despite the lower core EBITDA, which was more than offset by the net increase in our core equity-accounted income.

COMPARABILITY OF RESULTS

The key transactions shown in the table on page 3 should be considered for a better understanding of the comparability of results between the different reporting periods. EBITDA is calculated by adjusting net operating profit before interest, tax, depreciation, amortisation, impairment charges and net loss or gain on disposal of assets and investments (including translation differences recycled to profit or loss). This term is not defined under IFRS and may not be comparable with similarly titled measures reported by other companies.

Key items impacting on comparability of results (non-core adjustments)

Segment	Description	1H19 Rm	1H18 Rm	2H18 Rm
TiO_2	– Losses on financial instruments revaluations recycled to profit or loss	1		
	– Indemnification asset movement relating to the tax implications of the partial disposal of Tronox Holdings plc	(86)		
Other	– Fair value adjustment on Lebonix debt	(58)		
	– Fair value adjustment on the ECC contingent consideration	(232)	188	169
Group	**Total EBITDA impact**	(375)	188	169
Coal	– Insurance claim received from external parties[1]	(1)		(57)
	– Gain on disposal of non-core investments[1, 2]			(171)
	– Loss on loss of control of Tumelo[1]	67		
	– Net gain on disposal of property, plant and equipment[1, 3]	(14)	(117)	(4)
	– Tax on disposal of property, plant and equipment[1]	4	(1)	13
	– Tax on insurance claim received[1]			17
Ferrous	– Post-tax share of SIOC's loss/(gain) on disposal of property, plant and equipment[1]	2	(9)	22
TiO_2	– Net gains on disposal of investments in Tronox, including recycling of the foreign currency translation reserve[1, 4]	(2 336)		
	– Tax on partial disposal of investment in Tronox Holdings plc[1,5]	86		
Other	– Recycling of foreign currency translation reserve on liquidation of foreign entities to profit or loss[1]	(10)	14	(28)
	– Net loss on dilution of equity-accounted investments, including recycling of the foreign currency translation reserve[1]	42		
Various	– Items individually less than R10 million	3	(2)	3
Net financing cost	– Eyesizwe preference dividend accrued (consolidation impact)	21	67	33
Group	**Total attributable earnings impact**	(2 511)	140	(3)

[1] Excluded from headline earnings.
[2] 2H18 comprises a gain on disposal of Manyeka (R69 million) and a gain on disposal of certain assets and liabilities of NBC (R102 million).
[3] 1H18 includes R115 million gain on disposal of mineral properties by Matla.
[4] Includes a gain of R1 234 million on the partial disposal of Tronox Holdings plc, a gain of R832 million on translation differences recycled to profit or loss on the partial disposal of Tronox Holdings plc and a gain of R270 million on the redemption of the membership interest in Tronox UK.
[5] Tax impact indemnified by Tronox Holdings plc.

COMMODITY PRICE PERFORMANCE AND GROUP SEGMENT RESULTS

The movement in the main commodity prices impacting on Exxaro's performance are summarised in the table below.

Change in commodity prices

	Average US$ per tonne		
Commodity price	**1H19**	**1H18**	**% change**
API4 coal	74	97	-24
Iron ore fines 62% Fe (CFR China)	92	70	+31

Group segment results (Rm)

	Revenue			Core EBITDA[1]		
	1H19	**1H18**	**2H18**	**1H19**	**1H18**	**2H18**
Coal	11 927	12 240	13 062	2 829	3 980	3 637
Commercial – Waterberg	6 726	6 548	6 741	3 574	3 632	3 250
Commercial – Mpumalanga	3 293	3 865	4 119	(251)	774	784
Tied[2]	1 769	1 639	2 026	79	72	72
Other	139	188	176	(573)	(498)	(469)
Ferrous	27	12	157	5	7	8
Other	7	8	12	(21)	(33)	(318)
Total	11 961	12 260	13 231	2 813	3 954	3 327

[1] *Core EBITDA is calculated after adjusting for non-core items.*
[2] *Matla mine supplying its entire production to Eskom.*

FINANCIAL AND OPERATIONAL RESULTS

Group financial results

Revenue and core EBITDA

Consolidated group revenue was down 2% to R11 961 million (1H18: R12 260 million). While coal export volumes increased by 9%, there was a significant decline in the benchmark API4 price resulting in a 32% lower average price per tonne achieved of US$54 (1H18: US$79). This impact was cushioned somewhat by a weaker average spot exchange rate of R14.19 to the US dollar (1H18: R12.30). On the domestic front, lower than contracted volumes were taken by Eskom for the Medupi Power Station, however, commercially there was no impact on revenue. The previous period also included revenue from our NBC operation, which was disposed of in 2H18.

Consolidated group core EBITDA decreased by 29% to R2 813 million (1H18: R3 954 million), mostly due to lower revenue, inflationary pressure on costs, higher distribution costs driven by higher export volumes and higher rehabilitation costs resulting from revised cost estimates.

Earnings

Headline earnings were 42% higher at R4 342 million (1H18: R3 067 million) or 1 730 cents per share (1H18: 1 222 cents per share). This was mainly driven by an increase in Exxaro's share of equity-accounted income of R1 878 million to R2 924 million (1H18: R1 046 million).

FINANCIAL AND OPERATIONAL RESULTS continued

Group financial results continued

Earnings continued

After adjusting for non-core items, core headline earnings rose 20% to R3 988 million (1H18: R3 322 million) or 1 201 cents per share (1H18: 1 001 cents per share). The core WANOS for both periods was 332 million. Exxaro's share of core equity-accounted income increased by R1 894 million as shown in the table below.

Core equity-accounted income/(loss) (Rm)

	Core equity-accounted income/(loss)			Dividend income		
	1H19	1H18	2H18	1H19	1H18	2H18
Coal: Mafube	105	(31)	144			
Coal: RBCT	4	(18)	(16)			
Ferrous: SIOC	2 727	784	1 821	1 369	1 306	1 263
TiO_2: Tronox SA and UK operations[1,2]	111	224	267			
TiO_2: Tronox Holdings plc[3]				28	31	38
Energy[4]	(28)	20	40	73		58
Other: Other[5]	11	57	(21)			
Total	2 930	1 036	2 235	1 470	1 337	1 359

[1] *Exxaro has a 26% interest in Tronox SA.*
[2] *Application of equity method ceased when the investment was classified as a non-current asset held-for-sale on 30 November 2018.*
[3] *Application of the equity method ceased when the investment was classified as a non-current asset held-for-sale on 30 September 2017.*
[4] *Includes a loss from Cennergi of R13 million (1H18: income of R20 million) and a loss from LightApp of R15 million (1H18: nil). The dividend received for both periods is from Cennergi.*
[5] *1H19 mainly includes income from Black Mountain of R54 million (1H18: R57 million) and a loss from Insect Technology (previously AgriProtein) of R43 million (1H18: nil).*

Cash flow and funding

Cash flow generated by operations of R3 228 million (1H18: R3 941 million) and dividends income from investments of R1 460 million (1H18: R1 338 million), together with an opening balance of cash and cash equivalents of R549 million was sufficient to cover our capital expenditure and ordinary dividends paid.

Deploying cash generated by operations (Rm)

	1H19	1H18	2H18
Cash generated by operations	3 228	3 941	3 083
Dividends received from investments in associates and joint ventures	1 460	1 337	1 359
Net finance costs paid	(116)	(126)	(163)
Capital expenditure	(2 698)	(2 037)	(3 753)
Tax paid	(674)	(588)	(419)
Final/interim ordinary dividend paid	(1 393)	(1 004)	(1 330)
Net (deficit)/surplus after operating activities and capital expenditure	(193)[1]	1 523[2]	(1 223)[2]

[1] *Shows a surplus of R356 million after applying the opening cash balance of R549 million.*
[2] *1H18 and 2H18 should be read together for a net cash position for FY18 of R300 million.*

FINANCIAL AND OPERATIONAL RESULTS continued

Group financial results continued

Cash flow and funding continued

Total capital expenditure for 1H19 increased by R661 million when compared to the corresponding period last year, consisting of R62 million decrease in spend on sustaining and environmental capital (stay-in-business capital) and R723 million increase in spend on new capacity (expansion capital).

A final dividend of R1 369 million was received from our investment in SIOC (1H18: R1 306 million). SIOC has declared an interim dividend to its shareholders in July 2019, amounting to R2 680 million for Exxaro's 20.62% shareholding. The dividend will be accounted for in 2H19.

Debt exposure

Net debt at 30 June 2019 was R758 million compared to R3 867 million at 31 December 2018. Net debt includes the preference share liability of R186 million (FY18: R609 million) for Eyesizwe.

On 15 February 2019, Exxaro received total cash of R2 057 million from Tronox UK for the redemption of Exxaro's 26% membership interest, of which R460 million was a members' distribution.

On 9 May 2019, Tronox Holdings plc repurchased 14 000 000 shares from Exxaro at a share price of US$14.32 per share amounting to R2 889 million cash received.

Coal business performance

Unreviewed coal production and sales volumes ('000 tonnes)

	Production			Sales		
	1H19	1H18	2H18	1H19	1H18	2H18
Thermal	20 819	22 218	22 200	20 552	22 125	21 842
Commercial – Waterberg	12 857	13 651	13 725	11 702	12 389	12 974
Commercial – Mpumalanga	5 353	5 029	5 404	1 968	2 277	1 756
Exports commercial				4 265	3 921	4 045
Tied	2 609	3 538	3 071	2 617	3 538	3 067
Metallurgical	1 167	1 179	1 143	550	584	613
Commercial – Waterberg	1 167	1 179	1 143	550	584	613
Total coal	21 986	23 397	23 343	21 102	22 709	22 455
Semi-coke		23			33	
Total coal (excluding buy-ins)	21 986	23 420	23 343	21 102	22 742	22 455
Thermal coal buy-ins	61	868	181			
Total coal (including buy-ins)	22 047	24 288	23 524	21 102	22 742	22 455

Good demand for sized product in the domestic market continued. As more domestic supply was available due to weak export prices, domestic pricing remained flat in real terms.

The export sales prices came under severe pressure, trading at levels last seen in 2016. The lack of import demand from China continues to put pressure on Pacific coal prices. European stock levels are at record levels amidst very high levels of renewable energy generation and very low gas prices leading to coal-to-gas switching. India continues to import South African coal. However, the demand has switched to higher calorific value coal which is favourable to Exxaro's strategy. The benchmark API4 RBCT export price averaged US$74 per tonne in 1H19 compared to US$97 per tonne in 1H18. Our export volumes increased by 9% from 3.9Mt in 1H18 to 4.3Mt in 1H19. The group realised an average export price of US$54 per tonne in 1H19 against US$79 in 1H18.

FINANCIAL AND OPERATIONAL RESULTS continued

Coal business performance continued

Production and sales volumes

Coal production volumes (excluding buy-ins and semi-coke) were down 1 411kt (-6%), thereby impacting sales volumes by -8%. The decrease can mainly be attributed to the divestment of NBC at end of October 2018, lower production at Matla as well as lower production at Grootegeluk due to the lower demand from Eskom for the Medupi Power Station.

Thermal coal

Commercial: Waterberg

Production at Grootegeluk declined by 794kt (-6%) due to the lower demand from Eskom for the Medupi Power Station. This also resulted in a decrease in sales volumes of 686kt (-6%) and an increase in the strategic stock pile levels.

Commercial: Mpumalanga

The commercial Mpumalanga mines' thermal coal production was 324kt (+6%) higher compared to 1H18 driven by:

- Higher production at Mafube of 731kt as Nooitgedacht ramps up
- Higher production at Leeuwpan of 208kt due to the change in production specifications resulting in higher yields and improved throughput
- Higher production at ECC of 165kt following the start-up of FZON and increased yield and product achieved at DCME by producing an Eskom product
- Belfast ramping up earlier than expected and producing 164kt.

The increase was partly offset by no volume from NBC (-945kt) as a result of our divestment in 2H18.

The commercial Mpumalanga mines' thermal coal sales were down 309kt (-14%), mainly due to our divestment of NBC (-994kt) in 2H18. The decrease was partly offset by higher sales at Leeuwpan of 437kt (+45%) and ECC of 284kt (+82%) due to a change in market from export to Eskom in 1H19.

Exports commercial

Export sales increased by 343kt (+9%) as a result of more coal being available from Mafube, ECC, Grootegeluk and Belfast. This was partly offset by lower buy-ins and Leeuwpan supplying coal to Eskom.

Tied

Coal production and sales from Matla mine were down 929t (-26%), mainly due to the shortwall start-up delay at Mine 2 where 569kt was lost, the shortwall stop at Mine 3 and other production challenges.

Metallurgical coal

Grootegeluk's metallurgical coal production was in line with the comparative period. Sales volumes were slightly lower by 34kt (-6%) mainly due to the unavailability of trains to dispatch coal to the domestic market.

Capex and projects

Exxaro's capital for its coal business increased by 28% compared to 1H18. This is mainly due to an increase in our expansion capital in Mpumalanga. We are pleased to report that first coal from our greenfield Belfast mine was produced in March 2019 and first product sales took place in May 2019. Completion of the beneficiation plant is projected to remain ahead of schedule with commissioning and ramp up taking place in 4Q19. At Mafube, ramping up of the Nooitgedacht reserve to name plate capacity remains on track for 4Q19, as this mine continues to exceed its 1H19 expectations.

FINANCIAL AND OPERATIONAL RESULTS continued

Coal business performance continued

Capex and projects continued

Coal Capex (Rm)

	1H19	1H18	2H18	% change 1H19 vs 1H18
Sustaining	958	1 122	1 657	-15
Commercial – Waterberg	753	807	1 097	-7
Commercial – Mpumalanga	205	315	560	-35
Expansion	1 583	860	2 083	+84
Commercial – Waterberg	477	622	1 365	-23
Commercial – Mpumalanga	1 106	238	718	+365
Total coal capex	2 541	1 982	3 740	+28

Revenue and core EBITDA

Coal revenue of R11 927 million was 3% lower (1H18: R12 240 million). The lower revenue was mainly due to lower export prices, lower domestic and Eskom off-take, partly offset by higher export sales volumes and a favourable ZAR/USD exchange rate.

Coal core EBITDA of R2 829 million (1H18: R3 980 million) decreased by 29%, mainly driven by:
- Lower commercial revenue (-R451 million)
- Inflation (-R414 million)
- Higher rehabilitation costs (-R276 million)
- Higher distribution costs due to increased exports (-R197 million)

The decrease was partly offset by:
- Higher stock levels (+R188 million)

Equity-accounted investment

Mafube, a 50% joint venture with Anglo, recorded core equity-accounted income of R105 million (1H18: core equity-accounted loss of R31 million) mainly due to the ramping up of the Nooitgedacht reserve.

Ferrous business

Equity-accounted investment

The increase in core equity-accounted income from SIOC of R1 943 million to R2 727 million in 1H19, is primarily driven by the effect of the higher iron-ore prices realised and a weaker exchange rate.

Titanium dioxide

Equity-accounted investment

Core equity-accounted income from Tronox SA and UK operations decreased by R113 million to R111 million compared to 1H18. The decrease is mainly as a result of the cessation of applying the equity method to Tronox UK, which was classified as a non-current asset held-for-sale at 30 November 2018.

Energy business

Equity-accounted investment

Cennergi, a 50% joint venture with Tata Power, recorded core equity-accounted losses of R13 million for 1H19 (1H18: core equity-accounted income of R20 million). The results were negatively impacted by hedge ineffectiveness due to forecast interest rates being lower than the fixed interest rate. Cash flow generation remains positive and in addition to the R58 million dividend received in 2H18, Exxaro received a further dividend of R73 million in 1H19.

The two windfarm projects are running at slightly lower than planned capacity due to lower than expected wind speeds, which was offset by better than contracted equipment availability. Electricity generation approximated planned numbers for the first six months, which exceeded expectations, considering that two turbines were destroyed in separate fire incidents. The claims for physical damage and loss of business are in progress. Replacement turbines are scheduled for delivery and installation during this 3Q19, with commissioning planned for 4Q19.

PERFORMANCE AGAINST NEW B-BBEE CODES AND MINING CHARTER

Exxaro is proud to have achieved a Level 2 B-BBEE recognition status for FY18 compared to a Level 5 for FY17, one year earlier than we had planned. This is attributable to significant improvements in the ownership, enterprise and supplier development and socio-economic development elements. This milestone is testament to Exxaro's unwavering commitment to transformation. We will continue to strive to improve and solidify our BEE recognition status, including assessing the implications of the new Mining Charter.

IMPLEMENTATION OF EMPLOYEE AND COMMUNITY EMPOWERMENT SCHEME

With the conclusion of Exxaro's new empowerment shareholding transaction in December 2017, we undertook to transfer at least 10% of our 24.9% shareholding in Eyesizwe into structures for the benefit of Exxaro's employees and communities adjacent to our operations.

The prevailing legislative uncertainty led to the delay in the implementation of the employee and community schemes until after the publication of the Mining Charter in September 2018 and the implementation guidelines in December 2018. With the gazetting of these documents Exxaro commenced with a process of investigating the impact on the proposed structuring of the employee and community schemes.

It is anticipated that implementation will be concluded in 2H19.

MINERAL RESOURCES AND MINERAL RESERVES

Other than normal LOM depletion, there are no material changes to the Mineral Resources and Mineral Reserves as disclosed in the 2018 integrated report.

MINING AND PROSPECTING RIGHTS

Exxaro has experienced a noticeable improvement in communication and feedback regarding outstanding applications for amendments and registration of mining rights from the Mpumalanga DMR office after it had been temporarily closed. The following are notable achievements for the period:

- The ministerial consent to transfer Arnot mining right to a consortium consisting of mostly former employees
- The granting of the Tumelo mining right renewal
- The registration of the Paardeplaats mining right.

OUTLOOK

Increasing geopolitical risks and aggressive trade policies are anticipated to weigh on global economic activity during 2H19. In terms of the global coal market, we do not see a recovery from the current pricing and demand balance. China will continue to influence the supply/demand balance in the Pacific with related price volatility. With the oversupply of coal in the Atlantic Basin, coupled with gas price forecasts remaining low, the market remains bearish for the remainder of the year. We therefore expect the API4 price index to remain under pressure.

The weak South African growth outcome has raised the risk of a sovereign rating downgrade towards the end of 2H19. The rand/dollar exchange rate is expected to remain volatile. We expect domestic coal demand and pricing to remain stable for the remainder of the year. The Medupi Power Station offtake from Grootegeluk is expected to remain as per the offtake plan for the remainder of 2019. We welcome government's commitments in the short term towards Eskom; however, much more structural and sustainable reforms are required to inject the confidence required that will build the economy and create the employment opportunities so desperately required.

As we roll out the integrated operations centres (IOCs) at all our operations, in terms of our digitalisation plan, the increased visualisation of the mining value chain will highlight inefficiencies that will be addressed through improved decision-making relating to safety, productivity and cost performance.

During 2H19, the performance of our SIOC investment will be well supported by the momentum from 1H19, a tight iron ore market, strong fines price with above average lump premium and continued stable demand for higher-grade products. However, an expected recovery in seaborne supply, with moderation of Chinese demand may dampen current market enthusiasm.

Exxaro's stake in Tronox Holdings plc has been reduced to approximately 14.7 million shares, representing about 10% of the total outstanding shares at 30 June 2019. We remain committed to monetising our remaining stake in Tronox Holdings plc over time and in the best possible manner, taking into account prevailing market conditions.

In respect of the Moranbah South hard coking coal project, Exxaro, together with Anglo Coal, is in the process of reassessing the potential development plan for the project.

Our response to climate change requires much more definitive and structural changes to our business model. We are feeling the impact of increasing societal demand for proactive response and action to climate change:
- Firstly, through enquiry from shareholders about our climate risk response
- Secondly, we are experiencing higher insurance premiums in the renewal of our insurance policies and will be incurring a carbon tax
- Lastly, the continuing delay in the granting of an operating licence for the Thabametsi Coal IPP, impacting on the development of the Thabametsi coal mine.

Therefore, the impact of climate change on our business is systemic and requires a response that will ensure a sustainable Exxaro in a carbon constrained environment. The migration to a lower carbon environment has to be JUST and conscious to potentially negative impacts on our stakeholders, especially the poor and needy in South Africa.

We will present to you, in due course, our climate response strategy, including our progress with incorporating the recommendations from the FSB's Taskteam on Climate-related Financial Disclosures (TCFD) which highlight climate change transitional and physical risks confronting our business and the related financial impacts of these risks.

SPECIAL DIVIDEND

We are pleased with the progress made in optimising our asset portfolio. Cash generated from the sale of non-core assets (disposal of our 26% membership interest in Tronox UK and partial disposal of our investment in Tronox Holdings plc), was taken into account by the board in approving a special dividend of 897 cents per share.

INTERIM DIVIDEND

In terms of our capital allocation framework, we will remain prudent in returning cash to shareholders, managing debt, and selectively reinvesting for the growth of our business. Exxaro's declared dividend policy is based on two components: a pass through of the SIOC dividend received and a targeted cover ratio of 2.5 times to 3.5 times core attributable coal earnings.

Additionally, Exxaro is targeting a gearing ratio below 1.5 times net debt to EBITDA.

The board has declared a cash dividend comprising:

- 3.3 times core attributable coal earnings and
- Pass through of SIOC dividend of R2 680 million.

Notice is hereby given that a gross interim cash dividend, number 33 of 864 cents per share, for the six-month period ended 30 June 2019 was declared, and is payable to shareholders of ordinary shares. For details of the dividend, please refer note 11 of the reviewed condensed group interim financial statements for the six-month period ended 30 June 2019.

Salient dates for payment of the interim dividend are:

– Last day to trade cum dividend on the JSE	Tuesday, 8 October 2019
– First trading day ex dividend on the JSE	Wednesday, 9 October 2019
– Record date	Friday, 11 October 2019
– Payment date	Monday, 14 October 2019

No share certificates may be dematerialised or re-materialised between Wednesday, 9 October 2019 and Friday, 11 October 2019, both days inclusive. Dividends for certificated shareholders will be transferred electronically to their bank accounts on payment date. Shareholders who hold dematerialised shares will have their accounts at their central securities depository participant or broker credited on Monday, 14 October 2019.

GENERAL

Additional information on financial and operational results for the six-month period ended 30 June 2019, and the accompanying presentation can be accessed on our website on www.exxaro.com.

On behalf of the board

Jeff van Rooyen	**Mxolisi Mgojo**	**Riaan Koppeschaar**
Chairman	Chief executive officer	Finance director

22 August 2019

CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME

	6 months ended 30 June 2019 Reviewed Rm	6 months ended 30 June 2018 Reviewed Rm	12 months ended 31 December 2018 Audited Rm
Revenue (note 7)	11 961	12 260	25 491
Operating expenses (note 8)	(9 584)	(9 134)	(19 788)
Net operating profit	2 377	3 126	5 703
Finance income (note 9)	164	168	283
Finance costs (note 9)	(155)	(345)	(605)
Income from financial assets		1	6
Share of income of equity-accounted investments (note 10)	2 924	1 046	3 259
Profit before tax	5 310	3 996	8 646
Income tax expense	(958)	(809)	(1 653)
Profit for the period from continuing operations	4 352	3 187	6 993
Profit for the period from discontinued operations (note 6)	2 092	31	69
Profit for the period	6 444	3 218	7 062
Other comprehensive (loss)/income, net of tax	(737)	223	246
Items that will not be reclassified to profit or loss:	64	59	66
– Remeasurement of retirement employee obligations			39
– Changes in fair value of equity investments at fair value through other comprehensive income	63	57	21
– Share of other comprehensive income of equity-accounted investments	1	2	6
Items that may subsequently be reclassified to profit or loss:	41	150	194
– Unrealised exchange differences on translation of foreign operations	(1)	41	67
– Share of other comprehensive income of equity-accounted investments	42	109	127
Items that have subsequently been reclassified to profit or loss:	(842)	14	(14)
– Recycling of exchange differences on translation of foreign operations	(10)	14	(14)
– Share of recycling of other comprehensive income of equity-accounted investments	(832)		
Total comprehensive income for the period	5 707	3 441	7 308
Profit/(loss) attributable to:			
Owners of the parent	6 499	3 182	7 030
– Continuing operations	4 407	3 151	6 961
– Discontinued operations	2 092	31	69
Non-controlling interests	(55)	36	32
– Continuing operations	(55)	36	32
Profit for the period	6 444	3 218	7 062
Total comprehensive income/(loss) attributable to:			
Owners of the parent	5 762	3 405	7 276
– Continuing operations	4 501	3 374	7 207
– Discontinued operations	1 261	31	69
Non-controlling interests	(55)	36	32
– Continuing operations	(55)	36	32
Total comprehensive income for the period	5 707	3 441	7 308
Attributable earnings per share (cents)			
Aggregate			
– Basic	2 589	1 268	2 801
– Diluted	1 969	988	2 156
Continuing operations			
– Basic	1 756	1 256	2 774
– Diluted	1 335	978	2 135
Discontinued operations			
– Basic	833	12	27
– Diluted	634	10	21

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

	At 30 June 2019 Reviewed Rm	(Re-presented)[1] At 30 June 2018 Reviewed Rm	(Re-presented)[1] At 31 December 2018 Audited Rm
ASSETS			
Non-current assets	56 629	49 691	52 226
Property, plant and equipment	31 260	25 613	28 825
Right-of-use assets (note 13)	491		
Investments in associates (note 14)	16 934	16 336	15 477
Investments in joint ventures (note 15)	1 551	1 482	1 569
Financial assets (note 22)	2 594	2 601	2 634
Lease receivables	64	60	66
Deferred tax	136	566	523
Other assets (note 16)	3 599	3 033	3 132
Current assets	9 018	7 333	7 641
Inventories	1 864	1 485	1 604
Financial assets (note 22)	346	82	134
Trade and other receivables	2 046	2 687	3 140
Lease receivables	5	14	5
Cash and cash equivalents	4 219	2 596	2 080
Other assets (note 16)	538	469	678
Non-current assets held-for-sale (note 17)	1 741	3 740	5 183
Total assets	67 388	60 764	65 050
EQUITY AND LIABILITIES			
Capital and other components of equity			
Share capital	1 021	1 021	1 021
Other components of equity	6 508	8 063	8 028
Retained earnings	38 011	30 294	32 797
Equity attributable to owners of the parent	45 540	39 378	41 846
Non-controlling interests	(642)	(702)	(701)
Total equity	44 898	38 676	41 145
Non-current liabilities	16 797	15 770	15 745
Interest-bearing borrowings (note 18)	4 424	4 479	3 843
Lease liabilities (note 19)	470	1	
Other payables	81	92	152
Provisions	4 592	3 817	3 952
Retirement employee obligations	200	235	193
Financial liabilities (note 22)	113	496	713
Deferred tax	6 894	6 641	6 874
Other liabilities (note 21)	23	9	18
Current liabilities	4 320	4 633	6 823
Interest-bearing borrowings (note 18)	50	571	571
Lease liabilities (note 19)	29	10	2
Trade and other payables	2 874	2 555	2 960
Provisions	43	114	70
Financial liabilities (note 22)	595	636	757
Overdraft (note 18)	4	49	1 531
Other liabilities (note 21)	725	698	932
Non-current liabilities held-for-sale (note 17)	1 373	1 685	1 337
Total liabilities	22 490	22 088	23 905
Total equity and liabilities	67 388	60 764	65 050

[1] *The non-current intangible assets and biological assets as well as the current tax receivables have been reclassified as part of other assets respectively. Similarly the current tax payables have been reclassified as part of other liabilities. These reclassifications have been made to remove immaterial items from the face of the statement of financial position so as to provide a better presentation of assets and liabilities for the users.*

CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY

		Other components of equity		
	Share capital Rm	Foreign currency translation Rm	Financial instruments revaluation Rm	Equity-settled Rm
At 31 December 2017 (Audited)	1 021	2 520	(41)	5 872
Adjustment on initial application of IFRS 15, net of tax				
Adjustment on initial application of IFRS 9, net of tax				
Adjusted balance at 1 January 2018	1 021	2 520	(41)	5 872
Profit for the period				
Other comprehensive income for the period		41		
Share of other comprehensive income of equity-accounted investments		88	21	
Share-based payments movement				(280)
Dividends paid				
Liquidation of subsidiary		14		
At 30 June 2018 (Reviewed)	1 021	2 663	(20)	5 592
Profit/(loss) for the period				
Other comprehensive income/(loss) for the period		26		
Share of other comprehensive income/(loss) of equity-accounted investments		30	(12)	
Adjustments to NCI				
Share-based payments movement				(58)
Dividends paid				
Disposal of subsidiaries				
Liquidation of subsidiary		(28)		
At 31 December 2018 (Audited)	1 021	2 691	(32)	5 534
Adjustment on initial application of IFRS 16, net of tax[1]				
Adjusted balance at 1 January 2019	1 021	2 691	(32)	5 534
Profit/(loss) for the period				
Other comprehensive (loss)/income for the period		(1)		
Share of other comprehensive income/(loss) of equity-accounted investments		60	(27)	5
Share-based payments movement[2]				(662)
Dividends paid				
Loss of control of subsidiary[3]				
Partial disposal of associate classified as a non-current asset held-for-sale[4]		(832)	1	(178)
Dilution of associates		(1)		
Liquidation of subsidiary[5]		(10)		
At 30 June 2019 (Reviewed)	1 021	1 907	(58)	4 699

[1] *Refer note 4 for details of the adjustment on initial application of IFRS 16 Leases (IFRS 16).*
[2] *The share-based payments movement includes an amount of R112 million paid to the BEE Parties as a dividend.*
[3] *Derecognition of NCI reserve upon the loss of control of Tumelo.*
[4] *Tronox Holdings plc repurchased 14 000 000 Tronox Holdings plc ordinary shares from Exxaro which resulted in a gain on translation differences being recycled to profit or loss, the release of a loss from the financial instruments revaluation reserve to profit or loss, a net reclassification within equity from retirement employee obligations reserve and equity-settled reserve to retained earnings (refer note 6).*
[5] *Recognised a gain on translation differences recycled to profit or loss on the deregistration of a foreign subsidiary (Exxaro Australia Iron Investments Proprietary Limited).*

Dividend distribution	cents
Dividend per share paid in respect of a special dividend declared during 2018	1 255
Final dividend per share paid in respect of the 2018 financial year	555
Dividend per share paid in respect of the 2018 interim period	530
Dividend per share payable in respect of the 2019 interim period	864
Dividend per share payable in respect of a special dividend declared during 2019	897

Retirement employee obligations Rm	Available-for-sale revaluation Rm	Financial asset FVOCI revaluation Rm	Other Rm	Retained earnings Rm	Attributable to owners of the parent Rm	Non-controlling interests Rm	Total equity Rm
(158)	(74)		1	30 962	40 103	(738)	39 365
				314	314		314
	74	(74)		(11)	(11)		(11)
(158)		(74)	1	31 265	40 406	(738)	39 668
				3 182	3 182	36	3 218
		57			98		98
2					111		111
					(280)		(280)
				(4 153)	(4 153)		(4 153)
					14		14
(156)		(17)	1	30 294	39 378	(702)	38 676
				3 848	3 848	(4)	3 844
39		(36)			29		29
4					22		22
				(15)	(15)	15	
					(58)		(58)
				(1 330)	(1 330)		(1 330)
						(10)	(10)
					(28)		(28)
(113)		(53)	1	32 797	41 846	(701)	41 145
				(13)	(13)		(13)
(113)		(53)	1	32 784	41 833	(701)	41 132
				6 499	6 499	(55)	6 444
		63			62		62
1			4		43		43
					(662)		(662)
				(1 393)	(1 393)		(1 393)
						114	114
57				121	(831)		(831)
					(1)		(1)
					(10)		(10)
(55)		10	5	38 011	45 540	(642)	44 898

Foreign currency translation

Arises from the translation of the financial statements of foreign operations within the group.

Financial instruments revaluation

Comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments where the hedged transaction has not yet occurred.

Equity-settled

Represents the fair value, net of tax, of services received from employees and settled by equity instruments granted as well as the fair value of the potential benefit to be obtained by the BEE Parties in relation to the Replacement BEE Transaction.

Retirement employee obligations

Comprises remeasurements, net of tax, on the retirement employee obligations.

Available-for-sale revaluation

Comprises the fair value adjustments, net of tax, on the available-for-sale financial assets (Pre IFRS 9).

Financial asset FVOCI revaluation

Comprises the fair value adjustments, net of tax, on the financial assets classified at FVOCI (Post IFRS 9).

CONDENSED GROUP STATEMENT OF CASH FLOWS

	6 months ended 30 June 2019 Reviewed Rm	(Re-presented) 6 months ended 30 June 2018 Reviewed Rm	12 months ended 31 December 2018 Audited Rm
Cash flows from operating activities	701	(1 225)	(54)
Cash generated by operations	3 228	3 941	7 024
Settlement of contingent consideration[1] (note 22.2)	(344)	(299)	(299)
Interest paid	(256)	(269)	(518)
Interest received	140	143	229
Tax paid	(674)	(588)	(1 007)
Dividends paid	(1 393)	(4 153)	(5 483)
Cash flows from investing activities	3 692	(810)	(3 195)
Property, plant and equipment acquired (note 12)	(2 698)	(2 037)	(5 790)
Increase in investment in intangible assets	(2)	(1)	(1)
Proceeds from disposal of property, plant and equipment	42	232	268
Decrease in other financial assets at amortised cost	43	41	82
Increase in enterprise and supplier development loans	(51)		(125)
Decrease in enterprise and supplier development loans	11		
Deferred consideration paid for acquisition of associates[2]	(152)		
Decrease in loan to joint venture	200	18	186
Increase in loan to joint venture		(150)	(250)
Increase in loan to associate	(22)		
Decrease in lease receivables	7	7	14
Proceeds from disposal of operation			17
Proceeds from disposal of subsidiaries			75
Proceeds from disposal of a financial asset			24
Acquisition of associates	(14)	(191)	(263)
Dividend income received from investments in associates and joint ventures	1 442	1 306	2 627
Proceeds from disposal of associates classified as non-current assets held-for-sale[3]	4 486		
Increase in environmental rehabilitation funds	(78)	(67)	(135)
Dividend income received from financial assets and non-current assets held-for-sale[4]	478	32	76
Cash flows from financing activities	(728)	(2 065)	(2 861)
Interest-bearing borrowings raised (note 20)	1 500		14
Interest-bearing borrowings repaid (note 20)	(1 435)	(1 496)	(2 161)
Lease liabilities paid	(20)		
Shares acquired in the market to settle share-based payments	(661)	(422)	(467)
Dividends paid to BEE Parties	(112)	(147)	(247)
Net increase/(decrease) in cash and cash equivalents	3 665	(4 100)	(6 110)
Cash and cash equivalents at beginning of the period	549	6 617	6 617
Translation difference on movement in cash and cash equivalents	1	40	42
Cash and cash equivalents at end of the period	4 215	2 557	549
Cash and cash equivalents	4 219	2 596	2 080
Cash and cash equivalents classified as non-current assets held-for-sale		10	
Overdraft	(4)	(49)	(1 531)

[1] *The settlement of contingent consideration has been reclassified for 30 June 2018 from investing activities to operating activities as this relates to post-acquisition changes in fair value of the contingent consideration that has been paid but is not recognised as an adjustment in the investment value previously acquired.*
[2] *Relates to deferred consideration paid to Insect Technology (R109 million) and LightApp (R43 million).*
[3] *Relates to the redemption of the membership interest in Tronox UK (R1 597 million) and partial disposal of shares in Tronox Holdings plc (R2 889 million).*
[4] *Mainly includes a cash dividend received from Tronox UK of R460 million.*

RECONCILIATION OF GROUP HEADLINE EARNINGS

	Gross Rm	Tax Rm	Net Rm
6 months ended 30 June 2019 (Reviewed)			
Profit attributable to owners of the parent			6 499
Adjusted for:	(2 244)	87	(2 157)
– IFRS 10 Loss on loss of control of subsidiary	67		67
– IFRS 16 Gain on termination of lease	(1)		(1)
– IAS 16 Net gains on disposal of property, plant and equipment	(14)	4	(10)
– IAS 16 Compensation from third parties for items of property, plant and equipment impaired, abandoned or lost	(1)		(1)
– IAS 21 Net gain on translation differences recycled to profit or loss on partial disposal of associate	(832)		(832)
– IAS 21 Net gains on translation differences recycled to profit or loss on dilution of associates	(1)		(1)
– IAS 21 Net gain on translation differences recycled to profit or loss on liquidation of foreign subsidiary	(10)		(10)
– IAS 28 Losses on dilution of investments in associates	43		43
– IAS 28 Net gains on disposal of associates[1]	(1 504)	86	(1 418)
– IAS 28 Share of equity-accounted investments' separate identifiable remeasurements	9	(3)	6
Headline earnings			4 342
Continuing operations			4 230
Discontinued operations			112
6 months ended 30 June 2018 (Reviewed)			
Profit attributable to owners of the parent			3 182
Adjusted for:	(118)	3	(115)
– IAS 16 Net gains on disposal of property, plant and equipment	(118)	(1)	(119)
– IAS 21 Net loss on translation differences recycled to profit or loss on liquidation of foreign subsidiary	14		14
– IAS 28 Share of equity-accounted investments' separate identifiable remeasurements	(14)	4	(10)
Headline earnings			3 067
Continuing operations			3 036
Discontinued operations			31
12 months ended 31 December 2018 (Audited)			
Profit attributable to owners of the parent			7 030
Adjusted for:	(348)	25	(323)
– IFRS 10 Gain on disposal of subsidiaries	(69)		(69)
– IAS 16 Gain on disposal of operation	(102)		(102)
– IAS 16 Net gains on disposal of property, plant and equipment	(122)	13	(109)
– IAS 16 Compensation from third parties for items of property, plant and equipment impaired, abandoned or lost	(57)	16	(41)
– IAS 21 Net gain on translation differences recycled to profit or loss on liquidation of foreign subsidiary	(14)		(14)
– IAS 28 Share of equity-accounted investments' separate identifiable remeasurements	16	(4)	12
Headline earnings			6 707
Continuing operations			6 638
Discontinued operations			69

[1] *Includes a gain of R1 234 million on the partial disposal of Tronox Holdings plc and a gain of R270 million on the redemption of the membership interest in Tronox UK.*

	6 months ended 30 June 2019 Reviewed cents	6 months ended 30 June 2018 Reviewed cents	12 months ended 31 December 2018 Audited cents
Headline earnings per share			
Aggregate			
– Basic	1 730	1 222	2 672
– Diluted	1 316	953	2 057
Continuing operations			
– Basic	1 685	1 210	2 645
– Diluted	1 282	943	2 036
Discontinued operations			
– Basic	45	12	27
– Diluted	34	10	21

Refer note 11 for details regarding the number of shares.

NOTES TO THE REVIEWED CONDENSED GROUP INTERIM FINANCIAL STATEMENTS

1. CORPORATE BACKGROUND

Exxaro, a public company incorporated in South Africa, is a diversified resources group with interests in the coal (controlled and non-controlled), TiO_2 (non-controlled), ferrous (controlled and non-controlled) and energy (non-controlled) markets. These reviewed condensed group interim financial statements as at and for the six-month period ended 30 June 2019 (interim financial statements) comprise the company and its subsidiaries (together referred to as the group) and the group's interest in associates and joint ventures.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The interim financial statements have been prepared in accordance with IFRS (as issued by the IASB), IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides (as issued by the Accounting Practices Committee), Financial Reporting Pronouncements (as issued by the Financial Reporting Standards Council), the requirements of the Companies Act of South Africa and the JSE Listings Requirements.

The interim financial statements have been prepared under the supervision of Mr PA Koppeschaar CA(SA), SAICA registration number: 00038621.

The interim financial statements should be read in conjunction with the group annual financial statements as at and for the year ended 31 December 2018, which have been prepared in accordance with IFRS. The interim financial statements have been prepared on the historical cost basis, except for financial instruments, share-based payments and biological assets, which are measured at fair value. This is the first set of interim financial statements where IFRS 16 *Leases* (IFRS 16) has been applied. Changes to significant accounting policies are described in note 4.

The interim financial statements of the Exxaro group were authorised for issue by the board of directors on 20 August 2019.

2.2 Judgements and estimates

Management made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements and the key source of estimation uncertainty were similar to those applied to the group annual financial statements as at and for the year ended 31 December 2018, except for new judgements and assumptions related to the adoption of IFRS 16 as described in note 4.3.

3. ACCOUNTING POLICIES

The accounting policies applied in the preparation of the interim financial statements are consistent with those of the group annual financial statements as at and for the year ended 31 December 2018, except for the estimation of income tax and the adoption of new or amended standards as set out below.

3.1 Income tax

Income tax expense is recognised based on management's estimate of the weighted average effective annual tax rate expected for the full financial year. As such, the effective tax rate used in the interim financial statements may differ from management's estimate of the effective tax rate for the group annual financial statements. The estimated weighted average effective annual tax rate used for the six-month period ended 30 June 2019 is 14.9%, compared to 20.1% for the six-month period ended 30 June 2018.

The main reconciling items between the standard tax rate of 28% and the effective tax rate result from:
– Share of income or loss of equity-accounted investments and dividend income (-10.9%)
– Capital gains (-6.8%)
Partly offset by:
– Prior year adjustments (+2.4%)

3. ACCOUNTING POLICIES continued

3.2 Carbon tax

The carbon tax bill has been implemented with an effective date of 1 June 2019. The registration forms and payment procedures have not been finalised nor issued yet. The first payment of the carbon tax levy is due 30 June 2020, relating to the period 1 June 2019 to 31 December 2019.

3.3 New or amended standards adopted by the group

A number of new or amended standards became effective for the current reporting period.

The group has adopted IFRS 16 for the first time for the six-month period commencing on 1 January 2019. The adoption of IFRS 16 has resulted in the group changing its accounting policies. The impact of the adoption and the new accounting policies are disclosed in note 4.

3.4 Impact of new, amended or revised standards issued but not yet effective

New accounting standards, amendments to accounting standards and interpretations issued which are relevant to the group, but not yet effective on 30 June 2019, have not been adopted. The group continuously evaluates the impact of these standards and amendments.

4. CHANGES IN ACCOUNTING POLICIES

This note explains the impact of the adoption of IFRS 16 on the interim financial statements and also discloses the new leases accounting policies that have been applied from 1 January 2019.

Overview of changes resulting from the adoption of IFRS 16

IFRS 16 replaces IAS 17 *Leases* (IAS 17), IFRIC 4 *Determining whether an Arrangement contains a Lease* (IFRIC 4), SIC 15 *Operating Leases-Incentives* and SIC 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The standard establishes a new definition and criteria to identify whether a contract is, or contains, a lease as well as principles for the recognition, measurement, presentation and disclosure of leases. For lessee accounting, a single accounting model is introduced that requires lessees to recognise assets and liabilities for all leases. The standard, however, allows an optional exemption to recognise leases with a lease term of less than 12 months (short-term leases) or leases of low value assets in profit or loss on a straight-line basis. For lessor accounting, IFRS 16's approach is substantially unchanged from IAS 17. Lessor's continue to classify leases as either operating leases or finance leases. Subleases are classified with reference to the underlying right-of-use asset of the head lease.

Refer note 4.1 for details of the group's transition to IFRS 16.
Refer note 4.2 for the new accounting policy applied from 1 January 2019.
Refer note 4.3 for the judgements and assumptions made by management in applying the related accounting policies.
Refer note 8, 13 and 19 for the related disclosures of leases.

Leasing activities (as a lessee)

The group leases various land, buildings and equipment as the need arises. Lease contracts are typically made for fixed periods between 18 months to 15 years but may have extension options. Lease contracts are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease contracts do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Extension and termination options are included in a number of leases across the group. These options are used to maximise operational flexibility in terms of managing lease contracts. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

4. CHANGES IN ACCOUNTING POLICIES continued

4.1 Transition

4.1.1 *Transition method, exemptions and practical expedients applied*

As lessor

The group had no adjustments to its lessor accounting.

As lessee

IFRS 16 has been adopted using the cumulative effect method. In terms of this method, comparative information has not been restated. Instead, the cumulative effect of initially applying IFRS 16 has been recognised as an adjustment to the opening balance of retained earnings on date of initial application (being 1 January 2019).

In applying IFRS 16 for the first time, the group has elected the following practical expedients:

(a) In applying the definition of a lease:
- The group has elected not to re-assess whether a contract is, or contains, a lease at the date of initial application. Instead, the group has applied this standard, at date of initial application, to all contracts previously identified as leases in terms of IAS 17 and IFRIC 4. Therefore the definition of a lease in terms of IFRS 16 will only be applied to contracts entered into or changed on or after 1 January 2019.

(b) In determining the transition adjustments of leases previously classified as operating leases:
- Leases of low value assets were excluded as the group has elected the exemption to not apply lease accounting to these leases from 1 January 2019
- Leases with a lease term of less than 12 months on initial application were excluded and accounted for as short-term leases from 1 January 2019 (recognised through profit or loss on a straight-line basis)
- Initial direct costs of leases were excluded from the measurement of the right-of-use assets recognised on 1 January 2019; and
- Hindsight was applied to determine the lease term for contracts containing options to extend or terminate the lease.

4.1.2 *Impact on retained earnings at 1 January 2019*

The impact on retained earnings at 1 January 2019 is summarised as follows:

	Note	Rm
Closing balance at 31 December 2018 (IAS 17)		32 797
Adjustments from the adoption of IFRS 16, net of tax		(13)
Adjustment from Exxaro's adoption of IFRS 16, net of tax		(2)
– Portion of gross carrying amount of right-of-use assets recognised relating to the present value of lease payments incurred before 1 January 2019[1]	4.1.4, 4.1.5	9
– Accumulated depreciation on right-of-use assets recognised from commencement date of leases to 1 January 2019	4.1.5	(11)
Share of equity-accounted investments' adjustment from the adoption of IFRS 16		(11)
Opening balance at 1 January 2019 (after IFRS 16 restatement)		32 784

[1] *Calculated as the difference between the gross carrying amount of the right-of-use assets recognised of R74 million (refer note 4.1.5) and the lease liabilities recognised of R65 million (refer note 4.1.4), that relate to leases previously classified as operating leases.*

4. CHANGES IN ACCOUNTING POLICIES continued

4.1 Transition continued

4.1.3 Impact on the statement of financial position at 1 January 2019

The table below shows the reclassifications and adjustments recognised on initial application of IFRS 16 for each individual line item as per the statement of financial position.

Statement of financial position (extract)	Note	At 31 December 2018 Previously presented Rm	IFRS 16 Rm	At 1 January 2019 Restated Rm
ASSETS				
Non-current assets		52 226	52	52 278
Property, plant and equipment	4.1.5	28 825	(14)	28 811
Right-of-use assets	4.1.5		77	77
Equity-accounted investments[1]		17 046	(11)	17 035
Financial assets		2 634		2 634
Lease receivables		66		66
Deferred tax		523		523
Other assets		3 132		3 132
Current assets		7 641		7 641
Inventories		1 604		1 604
Financial assets		134		134
Trade and other receivables		3 140		3 140
Lease receivables		5		5
Cash and cash equivalents		2 080		2 080
Other assets		678		678
Non-current assets held-for-sale		5 183		5 183
Total assets		65 050	52	65 102

[1] *Relates to the group's share of equity-accounted investments' adjustment from the adoption of IFRS 16.*

4. CHANGES IN ACCOUNTING POLICIES continued

4.1 Transition continued

4.1.3 Impact on the statement of financial position at 1 January 2019 continued

Statement of financial position (extract)	Note	At 31 December 2018 Previously presented Rm	IFRS 16 Rm	At 1 January 2019 Restated Rm
EQUITY AND LIABILITIES				
Capital and other components of equity				
Share capital		1 021		1 021
Other components of equity		8 028		8 028
Retained earnings		32 797	(13)	32 784
Equity attributable to owners of the parent		41 846	(13)	41 833
Non-controlling interests		(701)		(701)
Total equity		41 145	(13)	41 132
Non-current liabilities		15 745	38	15 783
Interest-bearing borrowings		3 843		3 843
Lease liabilities	4.1.4		38	38
Other payables		152		152
Provisions		3 952		3 952
Retirement employee obligations		193		193
Financial liabilities		713		713
Deferred tax		6 874		6 874
Other liabilities		18		18
Current liabilities		6 823	27	6 850
Interest-bearing borrowings		571		571
Lease liabilities	4.1.4	2	27	29
Trade and other payables		2 960		2 960
Provisions		70		70
Financial liabilities		757		757
Overdraft		1 531		1 531
Other liabilities		932		932
Non-current liabilities held-for-sale		1 337		1 337
Total liabilities		23 905	65	23 970
Total equity and liabilities		65 050	52	65 102

4. CHANGES IN ACCOUNTING POLICIES continued

4.1 Transition continued

4.1.4 Lease liabilities recognised on initial application

Lease liabilities were recognised for leases, previously classified as operating leases under IAS 17, that had commenced prior to 1 January 2019, excluding leases of low-value assets and short-term leases. These liabilities were measured as the present value of the remaining lease payments discounted using the incremental borrowing rate at 1 January 2019 which ranged between 7.85% and 10.42%.

The table below shows the reconciliation between operating lease commitments (disclosed under IAS 17) at 31 December 2018 and lease liabilities recognised on 1 January 2019:

	Rm
Operating lease commitments at 31 December 2018 (adjusted)[1]	1 004
Less: lease commitments relating to leases commencing on or after 1 January 2019	(864)
Less: lease commitments that relate to short-term leases	(13)
Less: lease commitments that relate to leases of low-value assets	(52)
Lease commitments (remaining lease payments) to which initial application of IFRS 16 has been applied	75
Less: discounting impact using the lessee's incremental borrowing rate at 1 January 2019	(10)
Lease liabilities recognised at 1 January 2019	65
– Non-current	38
– Current	27

[1] *Operating lease commitments at 31 December 2018, previously disclosed as R876 million, have been adjusted to an amount of R1 004 million, to include an additional R128 million worth of lease commitments (in terms of IAS 17 and IFRIC 4) that was erroneously excluded. This misstatement was considered not material.*

For leases previously classified as finance leases, the group recognised the carrying amount of the lease liability immediately before transition as the carrying amount of the lease liability at date of initial application. Therefore no adjustment was required for finance lease liabilities at 1 January 2019. The measurement principles of IFRS 16 have been applied since 1 January 2019.

4.1.5 Right-of-use-assets recognised on initial application

Right-of-use assets were recognised for leases, previously classified as operating leases under IAS 17, that had commenced prior to 1 January 2019, excluding leases of low-value assets and short-term leases. These assets were measured as if IFRS 16 had been applied since the commencement date of the leases, but discounted using the incremental borrowing rate at date of initial application. In other words, the gross carrying amount of the right-of-use assets were determined taking into account the present value of all remaining lease payments at the commencement date of the leases, but discounted at the incremental borrowing rate of 1 January 2019. The accumulated depreciation was measured from the commencement date of the leases until 1 January 2019.

The right-of-use assets recognised at 1 January 2019 were considered for impairment in terms of IAS 36 *Impairment of Assets*, however, as the recoverable amounts were in excess of the carrying amounts, no impairment adjustments were required.

For assets acquired in terms of finance leases, as previously classified under IAS 17, the group recognised the carrying amount of these assets immediately before transition as the carrying amount of the right-of-use assets at 1 January 2019. Therefore no adjustment was required except that the carrying amount of these assets has been reclassified from property, plant and equipment to right-of-use assets. The measurement principles of IFRS 16 have been applied since 1 January 2019.

4. CHANGES IN ACCOUNTING POLICIES continued

4.1 Transition continued

4.1.5 Right-of-use-assets recognised on initial application continued

The table below shows the right-of-use assets, by class of asset, at 1 January 2019, reconciled to the reclassifications and adjustments made on initial application of IFRS 16:

	Gross carrying amount Rm	Accumulated depreciation Rm	Net carrying amount Rm
Land and buildings	1		1
Residential land and buildings	3		3
Buildings and infrastructure	32	(4)	28
Machinery, plant and equipment	54	(9)	45
Total right-of-use assets	90	(13)	77
– Relating to leases previously classified as operating leases recognised retrospectively on 1 January 2019	74	(11)	63
– Relating to leases previously classified as finance leases reclassified from property, plant and equipment[1]	16	(2)	14

[1] *Included in machinery, plant and equipment.*

4.2 Accounting policies applied from 1 January 2019

The group has elected as an accounting policy choice not to apply IFRS 16 to leases of intangible assets.

At inception of a contract, the group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- The contract involves the use of an identified asset, this may be specified explicitly or implicitly, and must be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified
- The group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The group has the right to direct the use of the asset. The group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where all the decisions about how and for what purpose the asset is used are predetermined, the group has the right to direct the use of the asset if either:
  - The group has the right to operate the asset; or
  - The group designed the asset in a way that predetermines how and for what purpose it will be used.

The group has applied this definition to contracts entered into or changed on or after 1 January 2019.

At inception, or on reassessment, of a contract that contains a lease component, the group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative standalone prices.

As a lessee

(a) Recognition

Leases are recognised as a lease liability and corresponding right-of-use asset at the commencement date of the leases. Each lease payment is allocated between the settlement of the lease liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis, except, when there is a purchase option which is expected to be exercised, in which case it is depreciated over the asset's useful life.

Non-lease components, contained in a lease, are recognised as an expense in profit or loss when incurred.

4. CHANGES IN ACCOUNTING POLICIES continued

4.2 Accounting policies applied from 1 January 2019 continued

As a lessee continued

(b) Measurement

(i) Initial measurement

Right-of-use assets	Lease liabilities
Measured at cost which is: – The amount of the initial measurement of the lease liability plus – Any lease payments made at or before the commencement date – Less any lease incentives received plus – Any initial direct costs; and – Estimated restoration costs.	Measured at the present value of the following lease payments: – Fixed payments (including in-substance fixed payments), less any lease incentives receivable – Variable lease payments that are based on an index or a rate – Amounts expected to be payable by the group, as a lessee, under residual value guarantees – The exercise price of a purchase option if the group, as a lessee, is reasonably certain to exercise that option; and – Payments of penalties for terminating the lease, if the lease term reflects the group, as a lessee, exercising that option. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, an incremental borrowing rate is applied.

(ii) Subsequent measurement

Right-of-use assets	Lease liabilities
After commencement date of the lease, the group measures the right-of-use asset applying the cost model where a right-of-use asset falls within the scope of IAS 16 *Property, Plant and Equipment*. Measured at: – Cost less – Any accumulated depreciation and any accumulated impairment losses; and – Adjusted for any remeasurements or modifications of the lease liability. *Useful lives:* Land and buildings – 15 years Residential land and buildings – 10 years Buildings and infrastructure – three to 10 years Machinery, plant and equipment – two to five years	After commencement date of the lease, the group measures the lease liability by: – Increasing the carrying amount to reflect interest on the lease liability – Reducing the carrying amount to reflect the lease payments made, and – Remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised in-substance fixed lease payments. *Incremental borrowing rates:* Lease term greater than 12 months but less than 18 months – 7.85% Lease term greater than 18 months – 10.42%

4. CHANGES IN ACCOUNTING POLICIES continued

4.2 Accounting policies applied from 1 January 2019 continued

As a lessee continued

(c) Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis, over the lease term, as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Leases of low-value assets comprise IT equipment, furniture, fittings and appliances as well as tools and other small equipment used at the plants.

As a lessor

When the group acts as a lessor, it determines at lease inception whether a lease is a finance lease or an operating lease.

To classify a lease, the group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease. If not, then it is an operating lease. As part of this assessment, the group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the group applies the exemption described above, then it classifies the sublease as an operating lease.

If an arrangement contains lease and non-lease components, the group applies IFRS 15 to allocate the consideration in the contract.

The group recognises lease payments received under operating leases as income on a straight-line basis over the lease term in profit or loss.

4.3 Judgements and assumptions made by management in applying the related accounting policies

(a) Useful lives of right-of-use assets

In determining the useful lives of right-of-use assets, management considers all available information about the lease term as well as the asset's useful life itself. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

(b) Incremental borrowing rates

In determining the incremental borrowing rates, management considers the term of the lease, the nature of the asset being leased and the funding strategy and principles applied by the group's treasury department.

(c) Extensions and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

5. SEGMENTAL INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the reportable operating segments. The chief operating decision maker is the group executive committee. Segments reported are based on the group's different commodities and operations.

During the first half of 2019, the chief operating decision maker revised the segment in which the remaining NBC assets and liabilities are reported on. These assets and liabilities are reported as part of the coal other operation instead of the coal commercial Mpumalanga operation. The comparative segmental information has been represented to reflect this change.

During the second half of 2018, the chief operating decision maker revised the manner in which the coal operations were reported on. The coal operations were disaggregated based on the nature of the operations (commercial, tied and other) as well as geographical location, between the Waterberg and Mpumalanga regions.

The key changes to the coal reportable operating segment were:

- The commercial coal operations were split by region into Waterberg and Mpumalanga
- The tied coal operation includes the Matla mine
- The coal other operations have been added which include the remaining coal operations not reported on under the commercial or tied coal operations as well as Arnot and Tshikondeni (tied mines in closure).

The export revenue and related export cost items have been allocated between the coal operating segments based on the origin of the initial coal production. The comparative segmental information for 30 June 2018 has been represented to reflect these changes.

The reportable operating segments, as described below, offer different goods and services, and are managed separately based on commodity, location and support function grouping. The group executive committee reviews internal management reports on these operating segments at least quarterly.

Coal

The coal reportable operating segment is split between commercial (Waterberg and Mpumalanga), tied and other operations. Commercial Mpumalanga operations include a 50% (30 June 2018: 50%; 31 December 2018: 50%) investment in Mafube (a joint venture with Anglo). The 10.36% (30 June 2018: 10.82%; 31 December 2018: 10.82%) effective equity interest in RBCT is included in the other operations. Tumelo continues to be reported as part of the commercial Mpumalanga operations although it is no longer accounted for as a subsidiary, but an associate since 1 January 2019. The coal operations produce thermal coal, metallurgical coal and SSCC.

Ferrous

The ferrous segment mainly comprises the 20.62% (30 June 2018: 20.62%; 31 December 2018: 20.62%) equity interest in SIOC (located in the Northern Cape province) reported within the other ferrous operating segment as well as the FerroAlloys operation (referred to as Alloys). The Alloys operation manufactures ferrosilicon.

TiO_2

The TiO_2 segment comprises a 10.2% (30 June 2018: 23.36%; 31 December 2018: 23.35%) equity interest in Tronox Holdings plc, which was classified as a non-current asset held-for-sale on 30 September 2017 (refer note 17), and a 26% (30 June 2018: 26%; 31 December 2018: 26%) equity interest in Tronox SA (both South African-based operations). The member's interest in Tronox UK was redeemed on 15 February 2019.

Energy

The energy segment comprises a 50% (30 June 2018: 50%; 31 December 2018: 50%) equity interest in Cennergi (a South African joint venture with Tata Power), which operates two windfarms, and an equity interest of 28.73% (30 June 2018: nil; 31 December 2018: 28.98%) in LightApp, as well as an equity interest of 22% in GAM which was acquired in 2019 (Refer note 14).

Other

The other reportable segment comprises the 26% (30 June 2018: 26%; 31 December 2018: 26%) equity interest in Black Mountain (located in the Northern Cape province), an effective investment of 11.7% (30June 2018: 11.7%; 31 December 2018: 11.7%) in Chifeng (located in the PRC), an equity interest in Curapipe of 15% (30 June 2018: 10.53%; 31 December 2018: 13.7%), an equity interest in Insect Technology of 25.87% (30 June 2018: 26.48%; 31 December 2018: 26.37%), the Ferroland agricultural operation as well as the corporate office which renders services to operations and other customers.

5. SEGMENTAL INFORMATION continued

The following table presents a summary of the group's segmental information:

	Coal			
	Commercial			
	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm
6 months ended 30 June 2019 (Reviewed)				
External revenue (note 7)	6 726	3 293	1 769	139
Segmental net operating profit/(loss)	2 910	(491)	67	(572)
– *Continuing operations*	2 910	(491)	67	(572)
– *Discontinued operations*				
External finance income (note 9)	32	10		35
External finance costs (note 9)	(26)	(80)	(1)	(20)
Income tax (expense)/benefit	(873)	86	(29)	202
– *Continuing operations*	(873)	86	(29)	202
– *Discontinued operations*				
Depreciation and amortisation (note 8)	(676)	(176)	(11)	(1)
Loss on loss of control of subsidiary		(67)		
Cash generated by/(utilised in) operations	2 961	(258)	159	425
Share of income/(loss) of equity-accounted investments (note 10)		105		4
Capital spend (note 12)	(1 230)	(1 311)		
At 30 June 2019 (Reviewed)				
Segmental assets and liabilities				
Deferred tax[1]		(5)	(78)	177
Investments in associates (note 14)				2 070
Investments in joint ventures (note 15)		1 330		
Loans to associates		132		
Loans to joint ventures		67		
External assets	27 285	9 036	1 141	3 625
Assets	27 285	10 560	1 063	5 872
Non-current assets held-for-sale (note 17)				
Total assets per statement of financial position	27 285	10 560	1 063	5 872
External liabilities	1 958	2 484	929	2 759
Deferred tax[1]	6 204	689		36
Current tax payables[1]	(15)	71	3	34
Liabilities	8 147	3 244	932	2 829
Non-current liabilities held-for-sale (note 17)		1 373		
Total liabilities per statement of financial position	8 147	4 617	932	2 829

[1] *Offset per legal entity and tax authority.*

5. SEGMENTAL INFORMATION continued

	Ferrous				Other		
	Alloys Rm	Other ferrous Rm	TiO_2 Rm	Energy Rm	Base metals Rm	Other Rm	Total Rm
6 months ended 30 June 2019 (Reviewed)							
External revenue (note 7)	27					7	11 961
Segmental net operating profit/(loss)	3		2 421			190	4 528
– *Continuing operations*	3		270			190	2 377
– *Discontinued operations*			2 151				2 151
External finance income (note 9)						87	164
External finance costs (note 9)						(28)	(155)
Income tax (expense)/benefit			(87)			(344)	(1 045)
– *Continuing operations*						(344)	(958)
– *Discontinued operations*			(87)				(87)
Depreciation and amortisation (note 8)	(3)					(46)	(913)
Loss on loss of control of subsidiary							(67)
Cash generated by/(utilised in) operations	43					(102)	3 228
Share of income/(loss) of equity-accounted investments (note 10)		2 717	112	(27)	56	(43)	2 924
Capital spend (note 12)						(157)	(2 698)
At 30 June 2019 (Reviewed)							
Segmental assets and liabilities							
Deferred tax[1]	8	1				33	136
Investments in associates (note 14)		10 833	2 297	182	876	676	16 934
Investments in joint ventures (note 15)				221			1 551
Loans to associates							132
Loans to joint ventures							67
External assets	239	25	94			5 382	46 827
Assets	247	10 859	2 391	403	876	6 091	65 647
Non-current assets held-for-sale (note 17)			1 741				1 741
Total assets per statement of financial position	247	10 859	4 132	403	876	6 091	67 388
External liabilities	28	5				5 900	14 063
Deferred tax[1]						(35)	6 894
Current tax payables[1]						67	160
Liabilities	28	5				5 932	21 117
Non-current liabilities held-for-sale (note 17)							1 373
Total liabilities per statement of financial position	28	5				5 932	22 490

5. SEGMENTAL INFORMATION continued

	Coal			
	Commercial			
	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm
6 months ended 30 June 2018 (Reviewed) (Re-presented)				
External revenue (note 7)	6 548	3 865	1 639	188
Segmental net operating profit/(loss)	3 063	637	186	(499)
– *Continuing operations*	3 063	637	186	(499)
External finance income (note 9)	24	18		2
External finance costs (note 9)	(23)	(85)		(17)
Income tax (expense)/benefit	(857)	(71)	(49)	238
Depreciation and amortisation (note 8)	(565)	(139)	(6)	
Cash generated by/(utilised in) operations	3 609	814	127	(584)
Share of (loss)/income of equity-accounted investments (note 10)		(30)		(18)
Capital spend (note 12)	(1 429)	(553)		
At 30 June 2018 (Reviewed) (Re-presented)				
Segmental assets and liabilities				
Deferred tax[1]		78	(43)	131
Investments in associates (note 14)				2 176
Investments in joint ventures (note 15)		1 066		
Loans to joint ventures		151		
External assets	24 226	6 070	993	4 050
Assets	24 226	7 365	950	6 357
Non-current assets held-for-sale (note 17)		344		
Total assets per statement of financial position	24 226	7 709	950	6 357
External liabilities	1 997	1 975	677	2 670
Deferred tax[1]	5 791	860		26
Current tax payables[1]	63	(7)		9
Liabilities	7 851	2 828	677	2 705
Non-current liabilities held-for-sale (note 17)		1 685		
Total liabilities per statement of financial position	7 851	4 513	677	2 705

[1] *Offset per legal entity and tax authority.*

5. SEGMENTAL INFORMATION continued

	Ferrous				Other		
	Alloys Rm	Other ferrous Rm	TiO_2 Rm	Energy Rm	Base metals Rm	Other Rm	Total Rm
6 months ended 30 June 2018 (Reviewed) (Re-presented)							
External revenue (note 7)	12					8	12 260
Segmental net operating profit/(loss)	8	(1)				(268)	3 126
– *Continuing operations*	8	(1)				(268)	3 126
External finance income (note 9)						124	168
External finance costs (note 9)						(220)	(345)
Income tax (expense)/benefit	(2)					(68)	(809)
Depreciation and amortisation (note 8)						(34)	(744)
Cash generated by/(utilised in) operations	122	(1)				(146)	3 941
Share of (loss)/income of equity-accounted investments (note 10)		793	224	20	57		1 046
Capital spend (note 12)						(55)	(2 037)
At 30 June 2018 (Reviewed) (Re-presented)							
Segmental assets and liabilities							
Deferred tax[1]	12					388	566
Investments in associates (note 14)		8 952	3 701		806	701	16 336
Investments in joint ventures (note 15)				416			1 482
Loans to joint ventures				108			259
External assets	188	25				2 829	38 381
Assets	200	8 977	3 701	524	806	3 918	57 024
Non-current assets held-for-sale (note 17)			3 396				3 740
Total assets per statement of financial position	200	8 977	7 097	524	806	3 918	60 764
External liabilities	27	5				6 343	13 694
Deferred tax[1]		1				(37)	6 641
Current tax payables[1]						3	68
Liabilities	27	6				6 309	20 403
Non-current liabilities held-for-sale (note 17)							1 685
Total liabilities per statement of financial position	27	6				6 309	22 088

5. SEGMENTAL INFORMATION continued

	Coal			
	Commercial			
	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm
12 months ended 31 December 2018 (Audited)(Re-presented)				
External revenue (note 7)	13 289	7 984	3 665	364
Segmental net operating profit/(loss)	5 738	1 429	250	(966)
– *Continuing operations*	5 738	1 429	250	(966)
External finance income (note 9)	48	33		19
External finance costs (note 9)	(47)	(164)		(47)
Income tax (expense)/benefit	(1 572)	(302)	(48)	378
Depreciation and amortisation (note 8)	(1 204)	(299)	(13)	
Gain on disposal of subsidiaries		69		
Gain on disposal of operation		102		
Cash generated by/(utilised in) operations	6 955	1 490	99	(1 366)
Share of income/(loss) of equity-accounted investments (note 10)		114		(36)
Capital spend (note 12)	(3 890)	(1 832)		
At 31 December 2018 (Audited) (Re-presented)				
Segmental assets and liabilities				
Deferred tax[1]		35	(53)	135
Investments in associates (note 14)				2 157
Investments in joint ventures (note 15)		1 237		
Loans to joint ventures		259		
External assets	26 514	7 709	1 062	4 542
Assets	26 514	9 240	1 009	6 834
Non-current assets held-for-sale (note 17)				
Total assets per statement of financial position	26 514	9 240	1 009	6 834
External liabilities	2 463	2 525	757	2 454
Deferred tax[1]	6 009	866		39
Current tax payables[1]	104	6	(32)	98
Liabilities	8 576	3 397	725	2 591
Non-current liabilities held-for-sale (note 17)		1 337		
Total liabilities per statement of financial position	8 576	4 734	725	2 591

[1] *Offset per legal entity and tax authority.*

5. SEGMENTAL INFORMATION continued

	Ferrous				Other		
	Alloys Rm	Other ferrous Rm	TiO_2 Rm	Energy Rm	Base metals Rm	Other Rm	Total Rm
12 months ended 31 December 2018 (Audited)(Re-presented)							
External revenue (note 7)	169					20	25 491
Segmental net operating profit/(loss)	17	(3)				(762)	5 703
– *Continuing operations*	17	(3)				(762)	5 703
External finance income (note 9)						183	283
External finance costs (note 9)						(347)	(605)
Income tax (expense)/benefit	(4)					(105)	(1 653)
Depreciation and amortisation (note 8)						(66)	(1 582)
Gain on disposal of subsidiaries							69
Gain on disposal of operation							102
Cash generated by/(utilised in) operations	60	(2)				(212)	7 024
Share of income/(loss) of equity-accounted investments (note 10)		2 592	492	61	70	(34)	3 259
Capital spend (note 12)						(68)	(5 790)
At 31 December 2018 (Audited) (Re-presented)							
Segmental assets and liabilities							
Deferred tax[1]	8	1				397	523
Investments in associates (note 14)		9 511	2 185	141	818	665	15 477
Investments in joint ventures (note 15)				332			1 569
Loans to joint ventures							259
External assets	265	25				1 922	42 039
Assets	273	9 537	2 185	473	818	2 984	59 867
Non-current assets held-for-sale (note 17)			5 183				5 183
Total assets per statement of financial position	273	9 537	7 368	473	818	2 984	65 050
External liabilities	23	5				7 258	15 485
Deferred tax[1]						(40)	6 874
Current tax payables[1]						33	209
Liabilities	23	5				7 251	22 568
Non-current liabilities held-for-sale (note 17)							1 337
Total liabilities per statement of financial position	23	5				7 251	23 905

6. DISCONTINUED OPERATION

On 30 September 2017, Exxaro classified the Tronox Limited investment as a non-current asset held-for-sale (refer note 17). During March 2019, Tronox Limited redomiciled from Australia to the UK by "top-hatting" Tronox Limited with a new holding company incorporated under the laws of England and Wales called Tronox Holdings plc. Each Tronox Limited shareholder received one share in the newly incorporated company in exchange for each share held in the Australian-incorporated Tronox Limited, which shares are listed on the New York Stock Exchange. On 9 May 2019, Tronox Holdings plc repurchased 14 000 000 shares from Exxaro. The remaining investment in Tronox Holdings plc is still classified as a non-current asset held-for-sale.

It was concluded that the related performance and cash flow information be presented as a discontinued operation as the Tronox Holdings plc investment represents a major geographical area of operation as well as the majority of the TiO_2 reportable operating segment.

Financial information relating to the discontinued operation is set out below:

	6 months ended 30 June 2019 Reviewed Rm	6 months ended 30 June 2018 Reviewed Rm	12 months ended 31 December 2018 Audited Rm
Financial performance			
Losses on financial instruments revaluations recycled to profit or loss	(1)		
Net gains on translation differences recycled to profit or loss on partial disposal of investment in foreign associate	832		
Indemnification asset movement[1]	86		
Operating profit	917		
Gain on partial disposal of associate[2]	1 234		
Net operating profit	2 151		
Dividend income received from non-current assets held-for-sale	28	31	69
Profit before tax	2 179	31	69
Income tax expense	(87)		
Profit for the period from discontinued operations	2 092	31	69
Other comprehensive income, net of tax			
Items that have subsequently been reclassified to profit or loss:	(831)		
– Share of recycling of other comprehensive income of equity-accounted investments	(831)		
Total comprehensive income for the period	1 261	31	69
Cash flow information			
Cash flow attributable to investing activities			
– Dividend income received from non-current assets held-for-sale	18	31	69
– Proceeds from partial disposal of associate classified as non-current assets held-for-sale	2 889		
Cash flow attributable to discontinued operations	2 907	31	69

[1] *The indemnification asset movement arose on the repurchase of the Tronox Holdings plc ordinary shares as Tronox Holdings plc has indemnified Exxaro from any tax obligation which may arise on the disposal of any of the Tronox Holdings plc ordinary shares held by Exxaro since the redomicile.*
[2] *Comprises proceeds of R2 889 million and carrying value of R1 655 million.*

7. REVENUE

Revenue is derived from contracts with customers. Revenue has been disaggregated based on timing of revenue recognition, major type of goods and services, major geographic area and major customer industries.

	Coal				Ferrous	Other	
	Commercial						
6 months ended 30 June 2019 (Reviewed)	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm	Alloys Rm	Other Rm	Total Rm
Segmental revenue reconciliation							
Segmental revenue based on origin of coal production	6 726	3 293	1 769	139	27	7	11 961
Export sales allocated to selling entity	(811)	(2 471)		3 282			
Total revenue from contracts with customers	5 915	822	1 769	3 421	27	7	11 961
By timing and major type of goods and services							
Sale of goods at a point in time	5 915	822	1 531	3 254	23	6	11 551
Coal	5 915	822	1 531	3 254			11 522
Ferrosilicon					23		23
Biological goods						6	6
Rendering of services over time			238	167	4	1	410
Stock yard management services			62				62
Project engineering services			176				176
Other mine management services				138			138
Transportation services[1]				29	1		30
Other services					3	1	4
Total revenue from contracts with customers	5 915	822	1 769	3 421	27	7	11 961
By major geographic area of customer[2]							
Domestic	5 915	822	1 769	139	27	7	8 679
Export				3 282			3 282
Europe				1 848			1 848
Asia				1 371			1 371
Other				63			63
Total revenue from contracts with customers	5 915	822	1 769	3 421	27	7	11 961
By major customer industries							
Public utilities	4 832	420	1 769	186			7 207
Merchants	96	181		2 814			3 091
Steel	632	46		16			694
Mining	26	88		195	15		324
Manufacturing	139				9		148
Cement	81						81
Other	109	87		210	3	7	416
Total revenue from contracts with customers	5 915	822	1 769	3 421	27	7	11 961

[1] *Relates mainly to the rendering of export freight services over time, on certain transactions in terms of incoterm CFR.*
[2] *Determined based on the customer supplied by Exxaro.*

7. REVENUE continued

	Coal				Ferrous	Other	
	Commercial						
6 months ended 30 June 2018 (Reviewed) (Re-presented)[1,2]	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm	Alloys Rm	Other Rm	Total Rm
Segmental revenue reconciliation							
Segmental revenue based on origin of coal production	6 548	3 865	1 639	188	12	8	12 260
Export sales allocated to selling entity	(914)	(2 912)		3 826			
Total revenue from contracts with customers	(5 634)	953	1 639	4 014	12	8	12 260
By timing and major type of goods and services							
Sale of goods at a point in time	5 634	953	1 477	3 827	12	7	11 910
Coal[2]	5 634	953	1 477	3 827			11 891
Ferrosilicon					12		12
Biological goods						7	7
Rendering of services over time			162	187		1	350
Stock yard management services			101				101
Project engineering services[2]			61				61
Other mine management services				187			187
Other services						1	1
Total revenue from contracts with customers	5 634	953	1 639	4 014	12	8	12 260
By major geographic area of customer[3]							
Domestic	5 634	953	1 639	188	12	8	8 434
Export				3 826			3 826
Europe				2 384			2 384
Asia				1 043			1 043
Other				399			399
Total revenue from contracts with customers	5 634	953	1 639	4 014	12	8	12 260
By major customer industries							
Public utilities	4 518	210	1 639	401			6 768
Merchants	57	388		2 444			2 889
Steel	727	73		23			823
Mining	36	48		516	12		612
Manufacturing	163	53		94			310
Cement	71	100					171
Other	62	81		536		8	687
Total revenue from contracts with customers	5 634	953	1 639	4 014	12	8	12 260

[1] *Represented in alignment with the change in segmental reporting.*
[2] *Represented for the separation of project engineering services from coal revenue. Project engineering services are recognised as the services are rendered over time.*
[3] *Determined based on the customer supplied by Exxaro.*

7. REVENUE continued

12 months ended 31 December 2018 (Audited) (Re-presented)[1]	Coal Commercial Waterberg Rm	Coal Commercial Mpumalanga Rm	Coal Tied Rm	Coal Other Rm	Ferrous Alloys Rm	Other Other Rm	Total Rm
Segmental revenue reconciliation							
Segmental revenue based on origin of coal production	13 289	7 984	3 665	364	169	20	25 491
Export sales allocated to selling entity	(1 796)	(6 254)		8 050			
Total revenue from contracts with customers	11 493	1 730	3 665	8 414	169	20	25 491
By timing and major type of goods and services							
Sale of goods at a point in time	11 493	1 730	3 145	8 050	163	16	24 597
Coal[1]	11 493	1 730	3 145	8 050			24 418
Ferrosilicon					163		163
Biological goods						16	16
Rendering of services over time			520	364	6	4	894
Stock yard management services			224				224
Project engineering services[1]			296				296
Other mine management services				364			364
Other services					6	4	10
Total revenue from contracts with customers	11 493	1 730	3 665	8 414	169	20	25 491
By major geographic area of customer[2]							
Domestic	11 493	1 730	3 665	364	169	15	17 436
Export				8 050		5	8 055
Europe				4 920		2	4 922
Asia				2 455		3	2 458
Other				675			675
Total revenue from contracts with customers	11 493	1 730	3 665	8 414	169	20	25 491
By major customer industries							
Public utilities	9 101	301	3 665	701			13 768
Merchants	141	835		6 458			7 434
Steel	1 557	165		36			1 758
Mining	88	43		747	144		1 022
Manufacturing	291	33		101	22		447
Cement	156	202					358
Other	159	151		371	3	20	704
Total revenue from contracts with customers	11 493	1 730	3 665	8 414	169	20	25 491

[1] *Represented for the separation of project engineering services from coal revenue. Project engineering services are recognised as the services are rendered over time.*
[2] *Determined based on the customer supplied by Exxaro.*

8. SIGNIFICANT ITEMS INCLUDED IN OPERATING EXPENSES

	6 months ended 30 June 2019 Reviewed Rm	6 months ended 30 June 2018 Reviewed Rm	12 months ended 31 December 2018 Audited Rm
Raw materials and consumables	(1 893)	(1 340)	(3 175)
Staff costs	(2 266)	(2 308)	(4 622)
Royalties	(274)	(172)	(427)
Contract mining	(1 090)	(841)	(1 818)
Repairs and maintenance	(1 072)	(942)	(2 213)
Railage and transport	(1 037)	(794)	(1 787)
Movement in provisions	(481)	143	175
Depreciation and amortisation	(913)	(744)	(1 582)
– Depreciation of property, plant and equipment	(886)	(742)	(1 579)
– Depreciation of right-of-use assets	(25)		
– Amortisation of intangible assets	(2)	(2)	(3)
Fair value adjustments on contingent consideration[1]	232	(188)	(357)
Legal and professional fees	(402)	(273)	(776)
Net gains on disposal of property, plant and equipment	14	118	122
Loss on loss of control of subsidiary[2]	(67)		
Loss on dilution of investments in associates	(43)		
Gain on disposal of associate[3]	270		
Expected credit losses[4]	(104)	(9)	(64)
Expenses relating to short-term leases	(80)		
Expenses relating to leases of low value assets	(5)		
Gain on termination of lease	1		
Operating lease income	14	20	37
Operating lease rental expense		(117)	(232)

[1] *Relates to the ECC acquisition.*
[2] *On 1 January 2019 Exxaro lost control over the management function of Tumelo. This resulted in Tumelo being accounted for as an associate at an initial carrying value of nil.*
[3] *Relates to the redemption of membership interest in Tronox UK.*
[4] *Mainly relates to ECLs recognised for non-performing other receivables and the loan to Tumelo.*

9. NET FINANCING INCOME/(COSTS)

	6 months ended 30 June 2019 Reviewed Rm	6 months ended 30 June 2018 Reviewed Rm	12 months ended 31 December 2018 Audited Rm
Finance income	164	168	283
Interest income	132	161	256
Finance lease interest income	5	5	10
Commitment fee income	3	1	1
Interest income from loan to joint venture	24	1	16
Finance costs	(155)	(345)	(605)
Interest expense	(233)	(272)	(514)
Unwinding of discount rate on rehabilitation costs	(206)	(198)	(408)
Recovery of unwinding of discount rate on rehabilitation costs	80	72	158
Interest expense on lease liabilities	(10)		(1)
Amortisation of transaction costs	(7)	(4)	(27)
Borrowing costs capitalised[1]	221	57	187
Total net financing income/(costs)	9	(177)	(322)
[1] *Borrowing costs capitalisation rate:*	*10.21%*	*10.08%*	*10.13%*

10. SHARE OF INCOME/(LOSS) OF EQUITY-ACCOUNTED INVESTMENTS

	6 months ended 30 June 2019 Reviewed Rm	6 months ended 30 June 2018 Reviewed Rm	12 months ended 31 December 2018 Audited Rm
Unlisted investments			
Associates	2 831	1 056	3 079
SIOC	2 717	793	2 592
Tronox SA	112	166	382
Tronox UK[1]		58	110
RBCT	4	(18)	(36)
Black Mountain	56	57	70
Insect Technology	(43)		(31)
LightApp	(15)		(5)
Curapipe			(3)
Joint ventures	93	(10)	180
Mafube	105	(30)	114
Cennergi	(12)	20	66
Share of income of equity-accounted investments	2 924	1 046	3 259

[1] *Application of the equity method ceased on 30 November 2018 when the investment was classified as a non-current asset held-for-sale.*

11. DIVIDEND DISTRIBUTION

Total dividends paid in 2018 amounted to R5 483 million. This amount was made up of:

- A special dividend of 1 255 cents per share (R3 149 million to external shareholders) paid in March 2018, following the partial disposal of the shareholding in Tronox Limited
- A final dividend relating to the 2017 financial year of 400 cents per share (R1 004 million to external shareholders) paid in April 2018
- An interim dividend of 530 cents per share (R1 330 million to external shareholders) paid in September 2018.

An interim cash dividend, number 33, for 2019 of 864 cents per share, was approved by the board of directors on 20 August 2019. The dividend is payable on 14 October 2019 to shareholders who will be on the register on 11 October 2019. This interim dividend, amounting to approximately R2 168 million to external shareholders, has not been recognised as a liability in these interim financial statements. It will be recognised in shareholders' equity in the year ending 31 December 2019.

The interim dividend declared will be subject to a dividend withholding tax of 20% for all shareholders who are not exempt from or do not qualify for a reduced rate of dividend withholding tax. The net local dividend payable to shareholders, subject to dividend withholding tax at a rate of 20% amounts to 691.2 cents per share.

The number of ordinary shares in issue at the date of this declaration is 358 706 754. Exxaro company's tax reference number is 9218/098/14/4.

Following the partial disposal of Exxaro's shareholding in Tronox Holdings Plc, and the redemption of the membership interest in Tranox UK, a special dividend of 897 cents per share, was approved by the board of directors on 20 August 2019. The dividend is payable on 14 October 2019 to shareholders who will be on the register on 11 October 2019. This special dividend, amounting to approximately R225 million to external shareholders, has not been recognised as a liability in these interim financial statements. It will be recognised in shareholders' equity in the year ending 31 December 2019.

The special dividend declared will be subject to a dividend withholding tax of 20% for all shareholders who are not exempt from or do not qualify for a reduced rate of dividend withholding tax. The net local dividend payable to shareholders, subject to dividend withholding tax at a rate of 20% amounts to 717.6 cents per share.

The number of ordinary shares in issue at the date of this declaration is 358 706 754. Exxaro company's tax reference number is 9218/098/14/4.

	At 30 June 2019 Reviewed	At 30 June 2018 Reviewed	At 31 December 2018 Audited
Issued share capital (number of shares)	358 706 754	358 706 754	358 706 754
Ordinary shares (million)			
– Weighted average number of shares	251	251	251
– Diluted weighted average number of shares	330	322	326

12. CAPITAL SPEND AND CAPITAL COMMITMENTS

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Capital spend			
To maintain operations	1 115	1 177	2 847
To expand operations	1 583	860	2 943
Total capital spend	2 698	2 037	5 790
Capital commitments			
Contracted	2 328	5 211	4 508
Contracted for the group (owner-controlled)	2 089	3 760	3 533
Share of capital commitments of equity-accounted investments	239	1 451	975
Authorised, but not contracted	1 662	3 387	2 914

13. RIGHT-OF-USE ASSETS

At 30 June 2019	Land and buildings Rm	Residential land and buildings Rm	Buildings and infrastructure Rm	Machinery, plant and equipment Rm	Total Rm
Gross carrying amount					
Transfer from property, plant and equipment[1]				16	16
Recognised on initial application of IFRS 16	1	3	32	38	74
Balance at 1 January 2019	1	3	32	54	90
Additions			457		457
Remeasurement adjustments[2]			4		4
Lease cancellations				(11)	(11)
Transfer to property, plant and equipment[3]				(16)	(16)
At end of the period	1	3	493	27	524
Accumulated depreciation					
Transfer from property, plant and equipment[1]				(2)	(2)
Recognised on initial application of IFRS 16			(4)	(7)	(11)
Balance at 1 January 2019			(4)	(9)	(13)
Charges for the period		(1)	(16)	(8)	(25)
Lease cancellations				4	4
Transfer to property, plant and equipment[2]				1	1
At end of the period		(1)	(20)	(12)	(33)
Net carrying amount at end of the period	1	2	473	15	491

[1] *Assets acquired in terms of finance leases transferred from property, plant and equipment on adoption of IFRS 16.*
[2] *Relates to remeasurements arising from changes in CPI.*
[3] *Transfer to property, plant and equipment as there was a transfer in legal ownership of the underlying asset.*

14. INVESTMENTS IN ASSOCIATES

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Unlisted investments			
SIOC	10 833	8 952	9 511
Tronox SA	2 297	1 966	2 185
Tronox UK[1]		1 735	
RBCT	2 070	2 176	2 157
Black Mountain	876	806	818
Curapipe	44	27	22
Insect Technology	632	674	643
LightApp	124		141
GAM[2]	58		
Total carrying value of investments in associates	16 934	16 336	15 477

[1] *The investment in Tronox UK was classified as a non-current asset held-for-sale on 30 November 2018 and was redeemed on 15 February 2019.*
[2] *A 22% equity interest in GAM was acquired in exchange for settlement of the Lebonix debt.*

		At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
15.	**INVESTMENTS IN JOINT VENTURES**			
	Unlisted investments			
	Mafube	1 330	1 066	1 237
	Cennergi	221	416	332
	Total carrying value of investments in joint ventures	1 551	1 482	1 569
16.	**OTHER ASSETS**			
	Non-current			
	Reimbursements[1]	2 059	1 669	1 723
	Indemnification asset – Total S.A.[2]	1 373	1 302	1 337
	Indemnification asset – Tronox Holdings plc[3]	86		
	Biological assets	29	34	30
	Intangible assets	15	15	15
	Other non-current assets	37	13	27
	Total non-current other assets	3 599	3 033	3 132
	Current			
	VAT	366	337	480
	Royalties	46	39	46
	Prepayments	39	33	110
	Current tax receivables	26	29	23
	Other current assets	61	31	19
	Total current other assets	538	469	678
	Total other assets	4 137	3 502	3 810

[1] *Amounts recoverable from Eskom in respect of the rehabilitation, environmental expenditure and retirement employee obligations of the Matla and Arnot mines at the end of life of these mines.*
[2] *Upon the acquisition of ECC in 2015, Total S.A. indemnified Exxaro from any obligations relating to the EMJV.*
[3] *Indemnification asset which arose on the repurchase of the Tronox Holdings plc ordinary shares as Tronox Holdings plc has indemnified Exxaro from any tax obligation which may arise on the disposal of any of the Tronox Holdings plc ordinary shares held by Exxaro subsequent to the redomicile.*

17. NON-CURRENT ASSETS AND LIABILITIES HELD-FOR-SALE

Tronox Holdings plc

In September 2017, the directors of Exxaro formally decided to dispose of the investment in Tronox Limited. As part of this decision, Tronox Limited was required to publish an automatic shelf registration statement of securities of well-known seasoned issuers which allowed for the conversion of Exxaro's Class B Tronox Limited ordinary shares to Class A Tronox Limited ordinary shares. From this point, it was concluded that the Tronox Limited investment should be classified as a non-current asset held-for-sale as all the requirements in terms of IFRS 5 *Non-current assets held-for-sale and Discontinued Operations* (IFRS 5) were met. As of 30 September 2017, the Tronox Limited investment, totalling 42.66% of Tronox Limited's total outstanding voting shares, was classified as a non-current asset held-for-sale and the application of the equity method ceased.

Subsequently, Exxaro sold 22 425 000 Class A Tronox Limited ordinary shares during October 2017. During May 2019, Tronox Holdings plc repurchased 14 000 000 Tronox Holdings plc ordinary shares from Exxaro after Tronox Limited had redomiciled to the UK. On 30 June 2019, management concluded that the remaining investment in Tronox Holdings plc continues to meet the criteria to be classified as a non-current asset held-for-sale in terms of IFRS 5. Exxaro continues to assess market conditions for further possible sell downs of the remaining 14 729 280 Tronox Holdings plc ordinary shares.

The Tronox Holdings plc investment is presented within the total assets of the TiO_2 reportable operating segment and is presented as a discontinued operation (refer note 6).

17. NON-CURRENT ASSETS AND LIABILITIES HELD-FOR-SALE continued

EMJV

As part of the ECC acquisition in 2015, Exxaro acquired non-current liabilities held-for-sale relating to the EMJV. The sale of the EMJV business is conditional on section 43 consent required in terms of the MPRDA for transfer of the environmental liabilities and rehabilitation obligations of the EMJV to Scinta Energy Proprietary Limited. These liabilities remain classified as non-current liabilities held-for-sale for the Exxaro group on 30 June 2019, as the required approvals are still pending. The EMJV does not meet the criteria to be classified as a discontinued operation since it does not represent a separate major line of business, nor does it represent a major geographical area of operation.

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Assets			
Property, plant and equipment		153	
Investments in associates	1 741	3 396	5 183
Deferred tax		11	
Inventories		105	
Trade receivables		30	
Current tax receivable		28	
Cash and cash equivalents		10	
Other current assets		7	
Non-current assets held-for-sale	1 741	3 740	5 183
Liabilities			
Non-current provisions	(1 356)	(1 558)	(1 320)
Retirement employee obligations	(17)	(22)	(17)
Trade and other payables		(69)	
Shareholder loans		(18)	
Other current liabilities		(18)	
Non-current liabilities held-for-sale	(1 373)	(1 685)	(1 337)
Net non-current assets held-for-sale	368	2 055	3 846

18. INTEREST-BEARING BORROWINGS

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Non-current[1]	4 424	4 479	3 843
Loan facility	3 237	3 478	3 233
Bonds issue[2]	1 000		
Preference share liability[3]	187	1 001	610
Current[4]	50	571	571
Loan facility	47	51	47
Bonds	4	525	525
Preference share liability	(1)	(5)	(1)
Total interest-bearing borrowings	4 474	5 050	4 414
Summary of interest-bearing borrowings by period of redemption:			
– Less than six months	55	58	576
– Six to 12 months	(5)	513	(5)
– Between one and two years	(9)	(13)	(10)
– Between two and three years	3 246	(13)	3 242
– Between three and four years	544	3 305	611
– Between four and five years	643	1 139	
– Over five years		61	
Total interest-bearing borrowing	4 474	5 050	4 414
[1] Includes transaction costs of:	*14*	*38*	*20*
[2] New bonds issued during May 2019.			
[3] Capital redemption on preference share liability of:	*415*	*1 489*	*1 889*
[4] The current portion represents:	*50*	*571*	*571*
– Capital repayments		*520*	*520*
– Interest capitalised	*61*	*65*	*61*
– Reduced by the amortisation of transaction costs	*(11)*	*(14)*	*(10)*
Overdraft			
Bank overdraft	4	49	1 531

The bank overdraft is repayable on demand and interest payable is based on current South African money market rates.

There were no defaults or breaches in terms of interest-bearing borrowings during the reporting periods.

18. INTEREST-BEARING BORROWINGS continued

Below is a summary of the salient terms and conditions of the facilities:

		Loan facility			
		Bullet term loan	Amortised loan	Revolving facility	Preference share liability
Aggregate nominal amount (Rm)	30 June 2019	3 250	1 750	2 750	2 491
	30 June 2018	3 250	2 000	2 750	2 491
	31 December 2018	3 250	1 750	2 750	2 491
Issue date or draw date		29 July 2016	29 July 2016	29 July 2016	11 December 2017
Maturity date		29 July 2021	29 July 2023	29 July 2021	9 December 2022
Capital payments		The total outstanding amount is payable on final maturity date	Four consecutive semi-annual instalments commencing on the date occurring 18 months prior to the final maturity date	The total outstanding amount is payable on final maturity date	The total outstanding amount is payable on final maturity date
Duration (months)		60	84	60	60
Secured or unsecured		Unsecured	Unsecured	Unsecured	Secured
Undrawn portion (Rm)	30 June 2019	nil	1 750	2 750	nil
	30 June 2018	nil	1 750	2 750	nil
	31 December 2018	nil	1 750	2 750	nil
Interest					
Interest-payment basis		Floating rate	Floating rate	Floating rate	Floating rate
Interest-payment period		Three months	Three months	Monthly	Dependent on Eyesizwe receiving a dividend from Exxaro
Interest rate		JIBAR plus a margin of 325 basis points (3.25%)	JIBAR plus a margin of 360 basis points (3.60%)	JIBAR plus a margin of 325 basis points (3.25%)	80% of Prime Rate
Effective interest rates for transaction costs	30 June 2019	0.17%	N/A	N/A	0.20%
	30 June 2018	0.17%	1.17%	N/A	0.20%
	31 December 2018	0.17%	1.17%	N/A	0.20%
Rate of interest per period	30 June 2019	10.40%	nil	10.16%	8.20%
	30 June 2018	10.27%	10.62%	nil	8.00%
	31 December 2018	10.26%	10.60%	nil	8.20%

18. INTEREST-BEARING BORROWINGS continued

		DMTN Programme (bond issue)	
		R357 million senior unsecured floating rate note	**R643 million senior unsecured floating rate note**
Aggregate nominal amount (Rm)	30 June 2019	357	643
Issue date or draw date		13 June 2019	13 June 2019
Maturity date		13 June 2022	13 June 2024
Capital payments		No fixed or determinable payments, the total outstanding amount is payable on final maturity date	No fixed or determinable payments, the total outstanding amount is payable on final maturity date
Duration (months)		36	60
Secured or unsecured		Unsecured	Unsecured
Interest			
Interest-payment basis		Floating rate	Floating rate
Interest-payment period		Three months	Three months
Interest rate		JIBAR plus a margin of 165 basis points (1.65%)	JIBAR plus a margin of 189 basis points (1.89%)
Rate of interest per period	30 June 2019	8.71%	8.95%

19. LEASE LIABILITIES

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Non-current	470	1	
Current	29	10	2
Total lease liabilities	499	11	2
Summary of lease liabilities by period of redemption:			
– Less than six months	14	10	2
– Six to 12 months	15		
– Between one and two years	27	1	
– Between two and three years	32		
– Between three and four years	29		
– Between four and five years	38		
– Over five years	344		
Total lease liabilities	499	11	2
Analysis of movement in lease liabilities:			
At beginning of the period – IAS 17	2		
Recognised on initial application of IFRS 16	65		
Adjusted balance at 1 January 2019	67		
New leases	456		
Lease cancellations	(8)		
Lease remeasurement adjustments	4		
Capital repayments	(20)		
– Lease payments	(30)		
– Interest charges	10		
At end of the period	499		

The lease liabilities relate to the right-of-use assets disclosed under note 13. Interest is based on incremental borrowing rates ranging between 7.85% and 10.42%.

20. NET DEBT

	At 30 June 2019 Reviewed Rm	(Re-presented) At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Net debt is presented by the following items on the statement of financial position:			
Non-current interest-bearing debt	(4 894)	(4 480)	(3 843)
Interest-bearing borrowings	(4 424)	(4 479)	(3 843)
Lease liabilities	(470)	(1)	
Current interest-bearing debt	(79)	(581)	(573)
Interest-bearing borrowings	(50)	(571)	(571)
Lease liabilities	(29)	(10)	(2)
Net cash and cash equivalents	4 215	2 557	549
Cash and cash equivalents	4 219	2 596	2 080
Cash and cash equivalents classified as non-current assets held-for-sale		10	
Overdraft	(4)	(49)	(1 531)
Total net debt	(758)	(2 504)	(3 867)

Analysis of movement in net (debt)/cash:

		Liabilities arising from financing activities		
	Cash and cash equivalents/ (overdraft) Rm	Non-current interest-bearing debt Rm	Current interest-bearing debt Rm	Total Rm
Net cash at 31 December 2017 (Re-presented)	6 617	(6 480)	(68)	69
Cash flows	(4 100)	1 489	7	(2 604)
Operating activities	(1 225)			(1 225)
Investing activities	(810)			(810)
Financing activities	(2 065)	1 489	7	(569)
– Interest-bearing borrowings repaid	(1 496)	1 489	7	
– Shares acquired in the market to settle share-based payments	(422)			(422)
– Dividends paid to BEE Parties	(147)			(147)
Non-cash movements	40	511	(520)	31
Amortisation of transaction costs			(7)	(7)
Preference dividend accrued		(4)		(4)
Interest accrued			2	2
Transfers between non-current and current liabilities		515	(515)	
Translation difference on movement in cash and cash equivalents	40			40
Net debt at 30 June 2018 (Re-presented)	2 557	(4 480)	581	2 504

20. NET DEBT continued

Analysis of movement in net (debt)/cash continued:

		Liabilities arising from financing activities		
	Cash and cash equivalents/ (overdraft) Rm	Non-current interest-bearing debt Rm	Current interest-bearing debt Rm	Total Rm
Net debt at 30 June 2018 (Re-presented)	2 557	(4 480)	(581)	(2 504)
Cash flows	(2 010)	650	1	(1 359)
Operating activities	1 171			1 171
Investing activities	(2 385)			(2 385)
Financing activities	(796)	650	1	(145)
– Interest-bearing borrowings raised	14		(14)	
– Interest-bearing borrowings repaid	(665)	650	15	
– Shares acquired in the market to settle share-based payments	(45)			(45)
– Dividends paid to BEE Parties	(100)			(100)
Non-cash movements	2	(13)	7	(4)
Amortisation of transaction costs			(20)	(20)
Preference dividend accrued		3		3
Interest accrued			3	3
Lease liabilities cancelled		5	3	8
Transfers between non-current and current liabilities		(21)	21	
Translation difference on movement in cash and cash equivalents	2			2
Net debt at 31 December 2018	549	(3 843)	(573)	(3 867)

20. NET DEBT continued

Analysis of movement in net (debt)/cash continued:

	Cash and cash equivalents/ (overdraft) Rm	Liabilities arising from financing activities: Non-current interest-bearing debt Rm	Liabilities arising from financing activities: Current interest-bearing debt Rm	Total Rm
Net debt at 31 December 2018	549	(3 843)	(573)	(3 867)
Cash flows	3 665	(585)	540	3 620
Operating activities	701			701
Investing activities	3 692			3 692
Financing activities	(728)	(585)	540	(773)
– Interest-bearing borrowings raised	1 500	(1 000)	(500)	
– Interest-bearing borrowings repaid	(1 435)	415	1 020	
– Lease liabilities paid	(20)		20	
– Shares acquired in the market to settle share-based payments	(661)			(661)
– Dividends paid to BEE Parties	(112)			(112)
Non-cash movements	1	(466)	(46)	(511)
Amortisation of transaction costs			(7)	(7)
Preference dividend accrued		11		11
Interest accrued			1	1
Lease remeasurements		(4)		(4)
New leases		(521)		(521)
Lease liability cancelled			8	8
Transfers between non-current and current liabilities		48	(48)	
Translation difference on movement in cash and cash equivalents	1			1
Net debt at 30 June 2019	4 215	(4 894)	(79)	(758)

21. OTHER LIABILITIES

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Non-current			
Income received in advance	23	9	18
Total non-current other liabilities	23	9	18
Current			
Leave pay	190	168	171
VAT	10	118	86
Royalties	2	29	50
Bonuses	182	201	305
Current tax payables	160	68	209
Other current liabilities	181	114	111
Total current other liabilities	725	698	932
Total other liabilities	748	707	950

22. FINANCIAL INSTRUMENTS

The group holds the following financial instruments:

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Non-current			
Financial assets			
Financial assets at fair value through other comprehensive income	248	221	185
Equity: unlisted – Chifeng	248	221	185
Financial assets at fair value through profit or loss	1 929	1 426	1 432
Equity: listed – KIO[1]		26	
Debt: unlisted – environmental rehabilitation funds	1 929	1 400	1 432
Financial assets at amortised cost	417	954	1 017
Loans to associates and joint ventures		258	250
Joint ventures		258	250
– Cennergi[2]		108	
– Mafube[3]		150	250
ESD loans[4]	112		80
Other financial assets at amortised cost	305	696	687
– Environmental rehabilitation funds		320	351
– Deferred pricing receivable[5]	309	363	336
– Deferred consideration receivable[6]		15	
– Impairment allowances	(4)	(2)	
Financial liabilities			
Financial liabilities at amortised cost	(4 618)	(4 730)	(4 220)
Interest-bearing borrowings	(4 424)	(4 479)	(3 843)
Other payables	(81)	(92)	(152)
Deferred consideration payable[7]	(113)	(159)	(225)
Financial liabilities at fair value through profit or loss		(337)	(488)
Contingent consideration		(337)	(488)

22. FINANCIAL INSTRUMENTS continued

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Current			
Financial assets			
Financial assets at amortised cost	6 588	5 365	5 354
Loans to associates and joint ventures	199	1	9
Associates	132		
– Tumelo[8]	164		
– Impairment allowances	(32)		
Joint ventures	67	1	9
– Mafube[3]	67	1	9
ESD loans[4]	52		45
– Gross	53		45
– Impairment allowances	(1)		
Other financial assets at amortised cost	72	81	80
– Deferred pricing receivable[5]	54	51	52
– Deferred consideration receivable[6]	17	29	29
– Commitment fee receivable		1	
– Employee receivables	5	6	4
– Impairment allowances	(4)	(6)	(5)
Trade and other receivables	2 046	2 687	3 140
Trade receivables	1 832	2 405	2 971
– Gross	1 921	2 481	3 052
– Impairment allowances	(89)	(76)	(81)
Other receivables	214	282	169
– Gross	328	282	223
– Impairment allowances	(114)		(54)
Cash and cash equivalents	4 219	2 596	2 080
Financial assets at fair value through profit or loss	23		
Derivative financial assets	18		
Debt: unlisted – ESD funds	5		

22. FINANCIAL INSTRUMENTS continued

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Financial liabilities			
Financial liabilities at amortised cost	(3 275)	(3 460)	(5 457)
Interest-bearing borrowings	(50)	(571)	(571)
Deferred consideration payable[7]	(347)	(285)	(395)
Trade and other payables	(2 874)	(2 555)	(2 960)
– Trade payables	(1 590)	(1 226)	(1 456)
– Other payables	(1 284)	(1 329)	(1 504)
Overdraft	(4)	(49)	(1 531)
Financial liabilities at fair value through profit or loss	(248)	(351)	(362)
Derivative financial liabilities		(41)	(1)
Contingent consideration	(248)	(310)	(361)

[1] *During 2018, the KIO shares were sold.*
[2] *Loan granted to Cennergi in 2016 and settled in 2018. The loan was interest free, unsecured and repayable on termination date in 2026, unless otherwise agreed by the parties.*
[3] *Loan granted to Mafube in 2018. The loan bears interest at JIBAR plus a margin of 4%, is unsecured and repayable within five years (ending 2023), unless otherwise agreed by the parties.*
[4] *Interest-free loans advanced to successful applicants in terms of the Exxaro ESD programme.*
[5] *Relates to a deferred pricing adjustment which arose during 2017. The amount receivable will be settled over seven years (ending 2024) and bears interest at Prime Rate less 2%.*
[6] *Relates to deferred consideration receivable which arose on the disposal of a mining right.*
[7] *Deferred consideration payable in relation to the acquisition of the investment in Insect Technology and LightApp.*
[8] *Loan granted to Tumelo. The loan is interest free, unsecured and repayable on demand, unless otherwise agreed by the parties.*

The group has granted the following loan commitments:

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Total loan commitment	1 209	1 186	1 221
Mafube[1]	500	500	500
Insect Technology[2]	709	686	721
Undrawn loan commitment	1 159	1 036	971
Mafube	450	350	250
Insect Technology	709	686	721

[1] *Revolving credit facility available for five years, ending 2023.*
[2] *A US$50 million term loan facility available from 2020 to 2025.*

22. FINANCIAL INSTRUMENTS continued

22.1 Fair value hierarchy

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to the valuation techniques used. The different levels are defined as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date.

Level 2 – inputs other than quoted prices included in Level 1 that are either directly or indirectly observable.

Level 3 – inputs that are not based on observable market data (unobservable inputs).

At 30 June 2019 (Reviewed)	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through other comprehensive income	248			248
Equity – unlisted: Chifeng	248			248
Financial assets at fair value through profit or loss	1 934		1 934	
Non-current debt – unlisted: environmental rehabilitation funds	1 929		1 929	
Current debt – unlisted: ESD funds	5		5	
Derivative financial assets	18		18	
Financial liabilities at fair value through profit or loss	(248)			(248)
Current contingent consideration	(248)			(248)
Net financial assets held at fair value	1 952		1 952	

At 30 June 2018 (Reviewed)	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through other comprehensive income	221			221
Equity – unlisted: Chifeng	221			221
Financial assets at fair value through profit or loss	1 426	26	1 400	
Equity – listed: KIO	26	26		
Non-current debt – unlisted: environmental rehabilitation funds	1 400		1 400	
Financial liabilities at fair value through profit or loss	(647)			(647)
Non-current contingent consideration	(337)			(337)
Current contingent consideration	(310)			(310)
Derivative financial liabilities	(41)		(41)	
Net financial assets/(liabilities) held at fair value	959	26	1 359	(426)

22. FINANCIAL INSTRUMENTS continued

22.1 Fair value hierarchy continued

At 31 December 2018 (Audited)	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through other comprehensive income	185			185
Equity – unlisted: Chifeng	185			185
Financial assets at fair value through profit or loss	1 432		1 432	
Non-current debt – unlisted: environmental rehabilitation funds	1 432		1 432	
Financial liabilities at fair value through profit or loss	(849)			(849)
Non-current contingent consideration	(488)			(488)
Current contingent consideration	(361)			(361)
Derivative financial liabilities	(1)		(1)	
Net financial assets/(liabilities) held at fair value	767		1 431	(664)

Reconciliation of financial assets and financial liabilities within Level 3 of the hierarchy:

	Contingent consideration Rm	Chifeng Rm	Total Rm
At 31 December 2017 (Audited)	(723)	152	(571)
Movement during the period			
Gains recognised in other comprehensive income (pre-tax effect)[1]		69	69
Losses recognised in profit or loss	(188)		(188)
Settlements	299		299
Exchange losses recognised in profit or loss	(35)		(35)
At 30 June 2018 (Reviewed)	(647)	221	(426)
Movement during the period			
Losses recognised in other comprehensive income (pre-tax effect)[1]		(36)	(36)
Losses recognised in profit or loss	(169)		(169)
Exchange losses recognised in profit or loss	(33)		(33)
At 31 December 2018 (Audited)	(849)	185	(664)
Movement during the period			
Gains recognised in other comprehensive income (pre-tax effect)[1]		63	63
Gains recognised in profit or loss	232		232
Settlements	344		344
Exchange gains recognised in profit or loss	25		25
At 30 June 2019 (Reviewed)	(248)	248	

[1] *Tax on Chifeng amounts to nil (30 June 2018: R12 million; 31 December 2018: R12 million).*

Transfers

The group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the transfer has occurred. There were no transfers between Level 1 and Level 2 nor between Level 2 and Level 3 of the fair value hierarchy during the periods ended 30 June 2019, 30 June 2018 and 31 December 2018.

22. FINANCIAL INSTRUMENTS continued

22.1 Fair value hierarchy continued

Valuation process applied

The fair value computations of the investments are performed by the group's corporate finance department, reporting to the finance director, on a six-monthly basis. The valuation reports are discussed with the chief operating decision maker and the audit committee in accordance with the group's reporting governance.

Current derivative financial instruments

Level 2 fair values for simple over-the-counter derivative financial instruments are based on market quotes. These quotes are assessed for reasonability by discounting estimated future cash flows using the market rate for similar instruments at measurement date.

Environmental rehabilitation funds and ESD funds

Level 2 fair values for debt instruments held in the environmental rehabilitation funds and ESD funds are based on quotes provided by the financial institutions at which the funds are invested at measurement date. These financial institutions invest in instruments which are listed.

22.2 Valuation techniques used in the determination of fair values within Level 3 of the hierarchy, as well as significant inputs used in the valuation models

Contingent consideration

The potential undiscounted amount of the remaining future payments that the group could be required to make under the ECC acquisition is between nil and US$35 million. The amount of future payments is dependent on the API4 coal price.

At 30 June 2019, there was a decrease of US$16.4 million (R232 million) (30 June 2018: an increase of US$13.7 million (R188 million); 31 December 2018: an increase of US$25.4 million (R357 million)) recognised in profit or loss for the contingent consideration arrangement.

	API4 coal price range (US$/tonne)		Future payment
Reference year	Minimum	Maximum	US$ million
2015	60	80	10
2016	60	80	25
2017	60	80	25
2018	60	90	25
2019	60	90	35

The amount to be paid in each of the five years is determined as follows:
- If the average API4 price in the reference year is below the minimum API4 price of the agreed range, then no payment will be made
- If the average API4 price falls within the range, then the amount to be paid is determined based on a formula contained in the agreement
- If the average API4 price is above the maximum API4 price of the range, then Exxaro is liable for the full amount due for that reference year.

An additional payment to Total S.A. amounting to R344 million was required for the 2018 reference year, R299 million was required for the 2017 reference year and R74 million was required for the 2016 reference year as the API4 price was within the agreed range. No additional payment to Total S.A. was required for the 2015 reference year as the API4 price was below the range.

The contingent consideration is classified within Level 3 of the fair value hierarchy as there is no quoted market price or observable price available for this financial instrument. This financial instrument is valued as the present value of the estimated future cash flows, using a discounted cash flow model.

22. FINANCIAL INSTRUMENTS continued

22.2 Valuation techniques used in the determination of fair values within Level 3 of the hierarchy, as well as significant inputs used in the valuation models continued

The significant observable and unobservable inputs used in the fair value measurement of this financial instrument are rand/US$ exchange rate, API4 export price and the discount rate.

	Inputs	Sensitivity of inputs and fair value measurement[1]	Sensitivity analysis of a 10% increase in the inputs is demonstrated below[2] Rm
At 30 June 2019 (Reviewed)			
Observable inputs			
Rand/US$ exchange rate	R14.17	Strengthening of the rand to the US$	25
API4 export price (per tonne)	US$75.50	Increase in API4 export price per tonne	121
Unobservable inputs			
Discount rate	3.44%	Decrease in the discount rate	(8)
At 30 June 2018 (Reviewed)			
Observable inputs			
Rand/US$ exchange rate	R13.72	Strengthening of the rand to the US$	65
API4 export price (per tonne)	US$82.50 to US$88.06	Increase in API4 export price per tonne	134
Unobservable inputs			
Discount rate	3.44%	Decrease in the discount rate	(31)
At 31 December 2018 (Audited)			
Observable inputs			
Rand/US$ exchange rate	R14.43	Strengthening of the rand to the US$	85
API4 export price (per tonne)[3]	US$90.00 to US$98.10	Increase in API4 export price per tonne	
Unobservable inputs			
Discount rate	3.44%	Decrease in the discount rate	(16)

[1] *Change in observable or unobservable input which will result in an increase in the fair value measurement.*

[2] *A 10% decrease in the respective inputs would have an equal but opposite effect on the above, except for the API4 export price which resulted in a decrease of R221 million for 30 June 2018 and R167 million for 31 December 2018, on the basis that all other variables remain constant.*

[3] *A 10% increase in the API4 export price would not have an impact on the fair value of the contingent consideration as the API4 export price is in excess of the maximum API4 coal price range.*

Inter-relationships

Any inter-relationships between unobservable inputs are not considered to have a significant impact within the range of reasonably possible alternative assumptions for all reporting periods.

23. CONTINGENT LIABILITIES

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Pending litigation and other claims[1]	1 024	1 030	1 155
Operational guarantees[2]	3 424	3 168	3 062
– Financial guarantees ceded to the DMR	2 968	2 918	2 971
– Other financial guarantees	456	250	91
Total contingent liabilities	4 448	4 198	4 217

[1] *Consists of legal cases as well as tax disputes with Exxaro as defendant.*
[2] *Includes guarantees to banks and other institutions in the normal course of business from which it is anticipated that no material liabilities will arise.*

SARS

On 18 January 2016, Exxaro received a letter of audit findings from SARS following an international income tax audit for the years of assessment 2009 to 2013. According to the letter, SARS proposed that certain international Exxaro companies would be subject to South African income tax under section 9D of the Income Tax Act. Assessments to the amount of R442 million (R199 million tax payable, R91 million interest and R152 million penalties) were issued on 30 March 2016 and Exxaro formally objected against these assessments. These assessments were subsequently reduced by SARS to R246 million (including interest and penalties). A resolution hearing with SARS was held on 18 July 2017 but the parties could not settle the matter. Notice was given to refer the matter to the Tax Court and a court date of 4 March 2019 was allocated to Exxaro. The court hearing could however not proceed which resulted in settlement discussions being held between both parties. A settlement basis of 50:50 with no penalties or interest was agreed upon by both parties. SARS is in the process of obtaining approval from the National Appeal Committee to enter into a settlement agreement with Exxaro. Exxaro is currently awaiting this decision.

The total cost to Exxaro has been agreed to be as follows:
- 2009 to 2013 years of assessment: R43 million
- 50% reduction in assessed losses: R17 million.

Exxaro has however already paid R67 million due to the pay now, argue later principle.

Share of equity-accounted investments' contingent liabilities

	At 30 June 2019 Reviewed Rm	At 30 June 2018 Reviewed Rm	At 31 December 2018 Audited Rm
Share of contingent liabilities of equity-accounted investments[1]	957	909	726

[1] *Mainly operational guarantees issued by financial institutions relating to environmental rehabilitation and closure costs.*

24. RELATED PARTY TRANSACTIONS

The group entered into various sale and purchase transactions with associates and joint ventures during the ordinary course of business. These transactions were subject to terms that are no less, nor more favourable than those arranged with independent third parties.

25. GOING CONCERN

Based on the latest results for the six-month period ended 30 June 2019, the latest board approved budget for 2019, as well as the available banking facilities and cash generating capability, Exxaro satisfies the criteria of a going concern.

26. EVENTS AFTER THE REPORTING PERIOD

Details of the final dividend are provided in note 11.

Subsequent to 30 June 2019, the Competition Commission approval for the transfer of the Arnot operation to the Arnot OpCo Proprietary Limited consortium has been granted.

The directors are not aware of any other significant matter or circumstance arising after the reporting period up to the date of this report, not otherwise dealt with in this report.

27. EXTERNAL AUDITOR'S REVIEW CONCLUSION

These reviewed condensed group interim financial statements for the six-month period ended 30 June 2019, as set out on pages 12 to 58, have been reviewed by the company's external auditors, PricewaterhouseCoopers Inc., who expressed an unmodified review conclusion. A copy of the auditor's review report on the condensed group interim financial statements is available for inspection at Exxaro's registered office, together with the financial statements identified in the external auditor's report.

28. KEY MEASURES[1]

	At 30 June 2019	At 30 June 2018	At 31 December 2018
Closing share price (rand per share)	171.99	125.70	137.87
Market capitalisation (Rbn)	61.69	45.09	49.45
Average rand/US$ exchange rate (for the period ended)	14.19	12.30	13.24
Closing rand/US$ spot exchange rate	14.17	13.72	14.43

[1] *Non-IFRS numbers.*

CORPORATE INFORMATION

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**Executive*
***Non-executive*
****Independent non-executive*

PREPARED UNDER THE SUPERVISION OF:

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EXXARO RESOURCES LIMITED

(Incorporated in the Republic of South Africa)
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.

ANNEXURE: ACRONYMS

Anglo	Anglo South Africa Capital Proprietary Limited
Anglo Coal	Anglo Coal (Grosvenor) Proprietary Limited
API4	All publications index 4 (FOB Richards Bay 6000/kcal/kg)
B-BBEE	Broad-based black economic empowerment
BEE	Black economic empowerment
BEE Parties	External shareholders of Eyesizwe
Black Mountain	Black Mountain Proprietary Limited
Cennergi	Cennergi Proprietary Limited
CFR	Cost and freight
Chifeng	Chifeng Kumba Hongye Corporation Limited
Companies Act	Companies Act No 71 of 2008, as amended
CPI	Consumer price index
cps	Cents per share
Curapipe	Curapipe Systems Limited
DCME	Dorstfontein East
DMR	Department of Mineral Resources
DMTN	Domestic Medium-Term Note
EBITDA	Net operating profit before interest, tax, depreciation, amortisation, impairment charges and net loss or gain on disposal of assets and investments (including translation differences recycled to profit or loss)
ECC	Exxaro Coal Central Proprietary Limited
ECL(s)	Expected credit loss(es)
EMJV	Ermelo joint venture
ESD	Enterprise and supplier development
Exxaro	Exxaro Resources Limited
Eyesizwe	Eyesizwe (RF) Proprietary Limited, a special purpose private company which has a 30% shareholding in Exxaro
Ferroland	Ferroland Grondtrust Proprietary Limited
FOB	Free on board
FSB	Financial Stability Board

FVOCI	Fair value through other comprehensive income
FZON	Forzando North
GAM	Global Asset Management Limited
HDSA	The meaning given to it, or any equivalent or replacement term, in the broad-based socio-economic empowerment charter for the South African Mining Industry, developed under section 100 of the MPRDA, as amended or replaced from time to time
HEPS	Headline earnings per share
HPIs	High Potential Incidents
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IFRIC	IFRS Interpretations Committee
IFRS	International Financial Reporting Standard(s)
IFRS 9	IFRS 9 *Financial Instruments*
IFRS 15	IFRS 15 *Revenue from Contracts with Customers*
IFRS 16	IFRS 16 *Leases*
Insect Technology	Insect Technology Group Holdings UK Limited (previously named AgriProtein Holdings UK Limited)
IPP	Independent Power Producer
JIBAR	Johannesburg Interbank Agreed Rate
JSE	JSE Limited
KIO	Kumba Iron Ore Limited
kt	Kilo tonnes
Lebonix	Lebonix Proprietary Limited
LightApp	LightApp Technologies Limited
Listings Requirements	JSE Listings Requirements
LOM	Life of mine
LTIFR	Lost-time injury frequency rate
Mafube	Mafube Coal Proprietary Limited
Manyeka	Manyeka Coal Mines Proprietary Limited

MPRDA	Mineral and Petroleum Resources Development Act 28 of 2002
Mt	Million tonnes
NBC	North Block Complex
NCI	Non-controlling interests
PRC	People's Republic of China
Prime Rate	South African prime bank rate
PwC	PricewaterhouseCoopers Incorporated
RB1	Richards Bay export product 1
RBCT	Richards Bay Coal Terminal Proprietary Limited
Rbn	Rand billion
Replacement BEE Transaction	BEE transaction implemented in 2017 which resulted in Exxaro being held 30% by HDSAs
Rm	Rand million
SAICA	South African Institute of Chartered Accountants
SARS	South African Revenue Service
SIC	Standard Interpretations Committee
SIOC	Sishen Iron Ore Company Proprietary Limited
SSCC	Semi-soft coking coal
Tata Power	Tata Power Company Limited
TiO_2	Titanium dioxide
Tronox	Exxaro's investment in Tronox entities
Tronox SA	Tronox KZN Sands Proprietary Limited and Tronox Mineral Sands Proprietary Limited
Tronox UK	Tronox Sands Limited Liability Partnership in the United Kingdom
Tumelo	Tumelo Coal Mines Proprietary Limited
UK	United Kingdom
US$	United States dollar
VAT	Value Added Tax
WANOS	Weighted average number of shares

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