



AngloAmerican

KUMBA IRON ORE LTD

KUMBA IRON ORE LIMITED

Incorporated in the Republic of South Africa
(Registration number 2005/015852/06)
Share code: KIO
ISIN: ZAE000085346
("Kumba" or "the Company")

Circular to shareholders

relating to:

- the approval of the Company's Memorandum of Incorporation,

including:

- a notice of general meeting; and
- a form of proxy (*blue*) (for use by certificated and dematerialised shareholders with own-name registration only).

4 December 2012

Legal advisors



Merchant bank and sponsor



CORPORATE INFORMATION AND ADVISORS

Company secretary

VF Malie
BA (Law), LLB
Centurion Gate, Building 2B
124 Akkerboom Street
Centurion, 0157
(PO Box 9679, Centurion, 0046)

Transfer secretaries

Computershare Investor Services (Pty) Limited
(Registration number: 2004/003647/07)
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

Legal advisors

Edward Nathan Sonnenbergs Inc
150 West Street
Sandton, 2196
(PO Box 783347, Sandton, 2146)

Independent auditors

Deloitte & Touche
(Practice number: 902276)
Registered Auditors
Deloitte Place, The Woodlands
20 Woodlands Drive
Woodmead, 2196
South Africa
(Private Bag X6, Gallo Manor, 2052)

Registered office and business address

Centurion Gate, Building 2B
124 Akkerboom Street
Centurion, 0157
(PO Box 9679, Centurion, 0046)

United States ADR Depository

BNY Mellon
Depository Receipts Division
101 Barclay Street, 22 Floor
New York, New York 10286
Tel: +1 (0) 212 815 2293
Fax: +1 (0) 212 571 3050/1/2
www.adrbny.com

Merchant Bank and sponsor

Rand Merchant Bank
(A division of FirstRand Bank Limited)
(Registration number: 1929/001225/06)
1 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2196
(PO Box 786273, Sandton, 2146)

This circular is available in English only. Copies may be obtained from the Company's website at www.angloamericankumba.com or from the registered office of the Company and the transfer secretaries at the addresses set out above.

TABLE OF CONTENTS

	<i>Page</i>
Corporate information and advisors	Inside front cover
Action required by shareholders	2
Important dates and times	3
Definitions	4
Circular to shareholders	
1. Introduction	6
2. Memorandum of Incorporation	6
3. General meeting	6
4. Opinion of the board	7
5. Directors' responsibility statement	7
6. Consents	7
7. Documents available for inspection	7
Annexure 1: Summary of the Memorandum of Incorporation	8
Notice of general meeting	Attached
Form of proxy (<i>blue</i>) (for use at the general meeting)	Attached

ACTION REQUIRED BY SHAREHOLDERS

This circular is important and requires your immediate attention

If you are in any doubt as to what action to take, please consult your broker, CSDP, banker, attorney, accountant, or other professional advisor immediately. If you have disposed of all your shares in Kumba, please forward this circular to the person to whom you disposed of such shares or to the broker, CSDP, banker or other agent through whom you disposed of such shares.

Kumba shareholders are invited to attend the general meeting at which the special and ordinary resolutions set forth in the notice of general meeting attached to this circular will be proposed. The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this section.

Please take note of the following provisions regarding the action required by shareholders:

A general meeting of shareholders will be held on Friday, 18 January 2013 at 10:00 am at 124 Akkerboom Street, Centurion, 0157.

1. IF YOU HAVE DEMATERIALISED YOUR SHARES WITHOUT OWN-NAME REGISTRATION:

Voting at the general meeting

Your CSDP/broker should contact you to ascertain how you wish to cast your vote at the general meeting and thereafter to cast your vote in accordance with your instructions.

If you have not been contacted, it is advisable for you to contact your CSDP/broker and furnish it with your voting instructions.

If your CSDP/broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the agreement concluded between you and your CSDP/broker.

You must **not** complete the attached form of proxy (*blue*).

Attendance and representation at the general meeting

In accordance with the agreement between you and your CSDP/broker, you must advise your CSDP/broker if you wish to attend the general meeting in person and your CSDP/broker will issue the necessary letter of representation for you to attend the general meeting.

If you have not dematerialised your shares or have dematerialised your shares with "own-name" registration:

2. VOTING, ATTENDANCE AND REPRESENTATION AT THE GENERAL MEETING

You may attend and vote at the general meeting in person.

Alternatively, you may appoint a proxy to represent you at the general meeting by completing the attached form of proxy (*blue*) in accordance with the instructions therein, which form must be lodged with or posted to the transfer secretaries to be received by no later than 10:00 am on Wednesday, 16 January 2013. Any form of proxy not returned to the transfer secretaries by this time may be handed to the chairman of the general meeting any time before the appointed proxy exercises any of the shareholder's rights at the general meeting.

IMPORTANT DATES AND TIMES

2012

Record date to determine which shareholders are entitled to receive the circular containing the notice of general meeting	Friday, 23 November
---	---------------------

2013

Last day to trade in order to be eligible to attend and vote at the general meeting	Friday, 4 January
---	-------------------

Record date to determine which shareholders are entitled to attend and vote at the general meeting	Friday, 11 January
--	--------------------

Last day to lodge forms of proxy with the transfer secretaries by 10:00 am on	Wednesday, 16 January
---	-----------------------

General meeting of shareholders to be held at 124 Akkerboom Street, Centurion, 0157	Friday, 18 January
---	--------------------

Results of general meeting announcement released on SENS on	Friday, 18 January
---	--------------------

Note

1. The dates and times provided for in this circular are subject to amendment. Any material amendment will be published on SENS.

DEFINITIONS

In this circular, unless otherwise stated or the context so requires, the words in the first column shall have the meanings stated opposite to them in the second column, words in the singular shall include the plural and *vice versa*, words denoting one gender include the other and expressions denoting natural persons include juristic persons and associations of persons:

“Act” or “Companies Act”	the Companies Act, 2008 (Act 71 of 2008), as amended;
“board” or “the directors”	the board of directors of Kumba at the date of this circular and set out on page 6 hereto;
“certificated shareholders”	shareholders who have not dematerialised their shares through Strate;
“circular” or “document”	this circular to shareholders dated Tuesday, 4 December 2012, incorporating a notice of general meeting, and a form of proxy (<i>blue</i>);
“Commission”	the Companies and Intellectual Property Commission established in terms of section 185 of the Act;
“current MOI”	the current Memorandum of Incorporation of Kumba which is intended to be substituted with the MOI;
“CSDP”	a central securities depository participant, appointed for the purpose of and regarding dematerialisation in terms of the Securities Services Act;
“dematerialised shareholders”	shareholders who hold dematerialised shares;
“dematerialised shares”	shares that have been through the process of dematerialisation;
“dematerialised” or “dematerialisation”	the process by which certificated securities are converted to or held in an electronic form as uncertificated securities and recorded in the sub-register of security holders maintained by a CDSP;
“general meeting”	the general meeting of the Company to be held at 10:00 am on Friday, 18 January 2013 at 124 Akkerboom Street, Centurion;
“JSE”	JSE Limited (registration number 2005/022939/06), a company duly registered and incorporated with limited liability under the company laws of the Republic of South Africa and licensed as an exchange under the Securities Services Act;
“Kumba” or “the Company”	Kumba Iron Ore Limited (registration number 2005/015852/06), a public company incorporated in South Africa and listed on the JSE;
“Listings Requirements”	the Listings Requirements of the JSE;
“memorandum” or “MOI”	the proposed new Memorandum of Incorporation of Kumba;
“own-name registration”	the registration of dematerialised shares in the name of the beneficial owner thereof (as opposed to in the name of a nominee for the beneficial owner) in a sub-register;
“Rand” or “R” or “cents”	South African Rand and cents, the official currency of South Africa;
“Securities Services Act”	the Securities Services Act, 2004 (Act 36 of 2004);
“SENS”	the Stock Exchange News Service of the JSE;
“shareholders” or “Kumba shareholders”	holders of Kumba shares;

“shares” or “Kumba shares”	ordinary shares of R0,01 (one cent) each in the issued share capital of Kumba;
“South Africa”	the Republic of South Africa;
“special resolution”	the special resolution to be proposed at the general meeting;
“Strate”	Strate Limited (registration number 1998/022242/06), a registered central securities depository in terms of the Custody and Administration of Securities Act (Act 85 of 1992), as amended; and
“transfer secretaries”	Computershare Investor Services (Proprietary) Limited (registration number 2000/006082/06), a company incorporated in South Africa.

KUMBA IRON ORE LIMITED

Incorporated in the Republic of South Africa

(Registration number 2005/015852/06)

Share code: KIO

ISIN: ZAE000085346

("Kumba" or "the Company")

Directors

F Titi (*Independent non-executive chairman*)
NB Mbazima (*Chief Executive Officer*) (*Zambian*)
FT Kotzee (*Chief Financial Officer*)
ZBM Bassa (*Independent non-executive director*)
GS Gouws (*Non-executive director*)
KT Kweyama (*Non-executive director*)
DD Mokgatle (*Independent non-executive director*)
AJ Morgan (*Independent non-executive director*)
LM Nyhonyha (*Independent non-executive director*)
BP Sonjica (*Independent non-executive director*)
DM Weston (*Non-executive director*) (*British*)

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION

The purpose of this circular is to provide shareholders with information relating to the Company's proposed new Memorandum of Incorporation ("MOI") and, further, to convene a general meeting to consider and, if deemed fit, pass the special resolution required to approve the MOI.

2. MEMORANDUM OF INCORPORATION

The Companies Act came into effect on 1 May 2011 ("the general effective date"). From the general effective date, the Company's Memorandum of Association and Articles of Association became known as its MOI. In terms of item 4(2)(a) of Schedule 5 to the Companies Act, at any time within the two year period immediately following the general effective date, a pre-existing company (such as Kumba) may file, without charge, an amendment to its MOI to harmonise it with the Companies Act.

In addition, Schedule 10 of the Listings Requirements prescribes that a listed company is to harmonise its MOI with the Listings Requirements within the same period contemplated in the Companies Act. The MOI has therefore been prepared in order to achieve the aforementioned harmonisation.

Annexure 1 to this circular contains a summary of the Company's MOI. **Annexure 1** is not intended to be an exhaustive summary of the MOI and should be read in conjunction with the MOI, which will be available for inspection on Kumba's website and at the registered office of Kumba during business hours from the date of issue of this circular until the date of the general meeting.

3. GENERAL MEETING

A general meeting of shareholders will be held at 10:00 am on Friday, 18 January 2013 at 124 Akkerboom Street, Centurion, 0157. Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the special and ordinary resolutions to approve and implement the MOI. The notice convening the general meeting is attached to this circular.

- 3.1 A form of proxy (*blue*), for use by those certificated and dematerialised shareholders with own-name registration who are unable to attend the general meeting, but wish to be represented thereat, is attached to and forms part of this circular. Duly completed forms of proxy must be received by the transfer secretaries (see contact details below) by no later than 10:00 am on Wednesday, 16 January 2013.
- 3.2 Dematerialised shareholders without own-name registration, must timeously advise their CSDP or broker if they wish to attend and vote at the general meeting in order for the CSDP or broker to provide them with the necessary letter of representation to do so. Such shareholders must also timeously provide their CSDP or broker with their voting instruction in order for the CSDP or broker to vote in accordance with their instruction at the general meeting.

4. OPINION OF THE BOARD

The board is of the opinion that, for the reasons stipulated in paragraph 2 of this circular, the approval and adoption of the MOI is in the best interests of the Company.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are given on page 6 of this circular, collectively and individually accept full responsibility for the accuracy of the information given in this circular and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this circular contains all information required by law and by the Listings Requirements.

6. CONSENTS

The merchant bank and sponsor, legal advisors and the transfer secretaries have consented, in writing, to act in the capacity stated and to their name being used in this circular and have not withdrawn their consent prior to the publication of this circular.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection on the Company's website (www.angloamericankumba.com) or at the Company's registered office at the address below, during normal business hours, from the date of issue of this circular until the date of the general meeting:

- the Company's MOI;
- the Company's current MOI;
- the letters of consent received from the merchant bank and sponsor, legal advisors and the transfer secretaries; and
- a signed copy of this circular.

For and on behalf of the board


Company secretary

VF Malie

Centurion
4 December 2012

SUMMARY OF THE MOI

Introduction

What is set out below is a summary of the MOI that is proposed to be adopted by the Company at the general meeting. The MOI (i) incorporates changes necessitated by the coming into force of the Companies Act and the Companies Regulations, 2011 promulgated in terms of the Companies Act (the "Regulations"); (ii) complies with the Listings Requirements; and (iii) embodies principles of good corporate governance. Shareholders are advised that the attached summary is not intended to be an exhaustive summary of the MOI and should be read in conjunction with the MOI.

PART ONE: NATURE OF THE COMPANY

Powers and capacity of the Company

The Company has the powers and capacity of an individual. In terms of section 19(1)(b)(i) of the Companies Act these powers are limited to the extent that a juristic person is capable of exercising any such power, or having such capacity.

There is no provision of the MOI that constitutes a restrictive condition in respect of the Company, as contemplated in section 15(2)(b) of the Companies Act. The Company is, therefore, not a "ring-fenced" company and a third-party dealing with the Company in good faith is entitled to presume that the Company has complied with all of the formal and procedural requirements of the Companies Act and the MOI.

Rules

The board does not have the power or authority to make, amend or repeal any rules relating to the governance of the Company, as contemplated in section 15(3) of the Companies Act.

PART TWO: CAPITALISATION AND SECURITIES OF THE COMPANY

Share capital and variation of preferences, rights, limitations and other terms

The Company is authorised to issue no more than 500 000 000 (five hundred million) ordinary shares with a par value of R0,01 (one cent) each.

The board does not have the authority to amend the authorisation (including increasing and decreasing the number) and classification of shares (including determining the rights and preferences) as contemplated in sections 36(2)(b) or 36(3) of the Companies Act.

Any (i) increase in the number of the Company's authorised securities of a class; (ii) consolidation of the Company's securities; (iii) conversion of one class of shares into one or more other classes; (iv) sub-division on the Company's securities; (v) creation of any class of shares; (vi) variation of any preferences, rights, limitations and other terms attaching to any class of shares; or (vii) change in the name of the Company, requires the approval of a special resolution of the shareholders, by way of an amendment to the MOI, effected in accordance with section 16(1)(c) of the Companies Act.

No rights, privileges or conditions attaching to, or interests of, any class of securities other than the ordinary shares, may (unless otherwise provided by the terms of issue of such class of securities) be varied in any manner that:

- (i) is adverse to the holders of such class of securities; and/or
- (ii) adversely affects the interests of any other class of securities,

unless:

- (i) the holders of 75% (seventy five percent) of the issued securities of such adversely affected class of shares consent to such variation in writing; or
- (ii) a special resolution approving such variation is passed by the holders of such adversely affected class of shares at a separate meeting of such holders with the support of at least 75% (seventy five percent) of the voting rights exercised on such special resolution.

Authority to issue securities and options to subscribe for securities

The board does not have the power to issue shares or other securities of the Company unless such issue of shares or other securities:

- (i) is a capitalisation issue; or
- (ii) is approved by the shareholders of the Company and the JSE (where necessary).

The board is authorised to (i) approve the issuing of any authorised shares as capitalisation shares; or (ii) resolve to permit shareholders to elect to receive a cash payment *in lieu* of capitalisation shares, provided it has considered and applied the solvency and liquidity test.

The board requires shareholder approval:

- (i) by way of special resolution, to issue, pursuant to sections 41(1) and (3) of the Companies Act, shares or securities convertible into shares, the grant of options or the grant of other rights exercisable for the securities (in terms of section 42 of the Companies Act); and
- (ii) by way of ordinary resolution, to issue, otherwise than pursuant to sections 41(1) and (3) of the Companies Act, any other securities, including options in respect thereof.

Any issue of shares or other securities must be executed in accordance with the Listings Requirements. Shares must, therefore, be fully paid up. The approvals contemplated above may be in the form of a general or specific authority.

Debt instruments

If the Company issues secured or unsecured debt instruments, as contemplated in section 43(2) of the Companies Act, such debt instruments may not grant the holder thereof any special privileges regarding (i) attending and voting at general meetings; (ii) the appointment of directors; and/or (iii) the allotment of securities, redemption by the Company, or substitution of the debt instrument for shares of the Company, as contemplated in section 43(3) of the Companies Act.

Subscription for shares

The MOI incorporates provisions relating to the right of pre-emption of shareholders on the issue of shares, unless such shares are to be issued (i) pursuant to the approval of shareholders by way of special resolution (in accordance with sections 41(1) and (3)) or ordinary resolution (in respect of any other securities) (as set out above); (ii) as a capitalisation issue (iii) for the purposes of the acquisition of assets (including another company); (v) for the purposes of an approved share incentive scheme; (v) for the purposes of an amalgamation or merger; (vi) pursuant to the approval by the shareholders and, where necessary, the JSE; and/or (vii) in terms of option or conversion rights.

Corporate actions in accordance with the Listings Requirements

The following corporate actions shall be undertaken in accordance with the Listings Requirements:

- (i) issues of securities (including options) for cash;
- (ii) repurchases of securities; and
- (iii) alterations of authorised securities and rights attaching to classes of securities.

Transfer of securities

There is no restriction on the transfer of securities.

PART THREE: SHAREHOLDERS

Shareholders' right of information

The MOI includes provisions reflecting section 26 of the Companies Act, relating to access to certain information and other records by persons holding a beneficial interest in any securities issued by the Company.

Shareholders' meetings

An AGM must be convened once in each calendar year (provided that no more than 15 (fifteen) months, or other extended time allowed by the Companies Tribunal on good cause shown, lapses between each AGM). The AGM must provide for the following business to be transacted thereat: (i) the directors' report;

(ii) presentation of audited financial statements for the immediately preceding financial year; (iii) an audit committee report; (iv) election of directors; (v) appointment of an auditor and an audit committee for the ensuing financial year; and (vi) any matters raised by shareholders.

The Company must hold a shareholders' meeting (i) at any time that the board is required by the Companies Act, the Listings Requirements or the MOI to refer a matter to shareholders for decision; and (ii) whenever required in terms of section 70(3) of the Companies Act to fill a vacancy on the board.

The Company is obliged to hold a shareholders' meeting in order to consider one or more resolutions. All shareholders' meetings convened in terms of the Listings Requirements must be held in person and may not be held by means of a written resolution as is contemplated in section 60 of the Companies Act.

The Company must deliver a notice of each shareholders' meeting, at least 15 (fifteen) business days before the meeting is to begin, in the prescribed manner and form to (i) all of the shareholders of the Company entitled to vote or otherwise entitled to receive notice; and (ii) the JSE.

An announcement in this regard is also required to be made on SENS.

The MOI does not limit or restrict the authority of the Company to conduct a shareholders' meeting entirely by electronic communication, as more fully contemplated in section 63(2) of the Companies Act.

Voting and quorum

Voting at a shareholders' meeting may either be by a show of hands (one vote per person) or by polling (where votes are determined in accordance with voting rights of the shares held by that person).

A resolution put to a vote shall be decided on a show of hands unless before or on the declaration of the results, a poll is demanded by (i) the chairperson; (ii) not less than 5 (five) persons having the right to vote on the matter; or (iii) a person/s entitled to exercise not less than 1/10th (one tenth) of the total voting rights entitled to vote on that matter.

A quorum at any shareholders' meeting shall be at least 25% (twenty five percent) of all of the voting rights, entitled to be exercised in respect of at least one matter and, in addition, the shareholders' meeting may not begin, and a matter to be decided may not begin to be considered, unless 3 (three) shareholders present in person or represented by proxy are present.

After a quorum has been established, the quorum must be maintained for the shareholders' meeting and the consideration of any matter at such shareholders' meeting.

Chairperson

The chairperson of the board, as determined in terms of the MOI, shall preside as the chairperson at every shareholders' meeting. The chairperson shall not have a second or casting vote.

Shareholders' resolutions

For an ordinary resolution to be approved by shareholders, it must be supported by more than 50% (fifty percent) of the voting rights entitled to be exercised on the resolution. For a special resolution to be approved by shareholders it must be supported by at least 75% (seventy five percent) of the voting rights entitled to be exercised on the resolution.

PART FOUR: DIRECTORS

Authority of the board, general powers and duties

The management of the Company is vested in the directors who may exercise all such powers, and do all such acts and things, as may be exercised or done by the Company and the powers of management of the Company granted to the directors in terms of section 66(1) of the Companies Act are not limited in any manner.

The directors may from time to time appoint managing or other executive directors as they think fit and for a period as they think fit, provided that the number of directors appointed as managing or executive directors shall at all times be less than ½ (half) of the number of directors in office.

Composition of the board and election of directors

Unless otherwise determined by a shareholders' meeting, the board shall comprise of not less than 4 (four) and not more than 12 (twelve) directors. No director may be appointed for life or for an indefinite period.

The shareholders are entitled to nominate any director for appointment.

All directors and alternate directors will be elected by a majority of the voting rights exercised by the shareholders. In accordance with paragraph 10.16(g) of Schedule 10 of the Listings Requirements, the MOI provides that non-executive directors are required to retire from office by rotation at each AGM. Managing directors and other non-executive directors who are so appointed for a fixed period of time and whose contracts provide that they are not subject to retirement by rotation for the fixed periods of their contracts are not required to be taken into account for determining the number of directors to retire by rotation at each AGM.

An individual may be appointed as an alternate director to more than one director. The board may appoint an individual who satisfies the requirements for election as a director to fill any vacancy and serve as a director on a temporary basis.

Directors' meetings

The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Any director authorised by the board may call a meeting of the board and must do so if requested to do so by at least two directors.

Notice of a meeting of directors must be given to all of the directors.

If the Company failed to give the required notice of a directors meeting or there was a defect in the giving of the notice, the meeting may only proceed if all of the directors (i) acknowledge actual receipt of the notice; (ii) are present at the board meeting; or (iii) waive notice of the meeting.

The board will be entitled to elect a chairperson and one or more deputy chairpersons of their meetings. Directors' meetings may be conducted by electronic communication.

A majority of directors must be present at the meeting before a vote may be called at that directors' meeting.

Each director has one vote on a matter before the board. The majority of the votes cast on a resolution is sufficient to approve that resolution and, in the case of an equality of votes, the chairman does not have a casting vote and the matter being voted on fails. A decision that could be voted on at a meeting may instead be adopted by a written resolution of the majority of the directors, provided that each person has received notice of the matter to be decided.

The Company must keep minutes of the meetings of the board and include in the minutes (i) any declaration given by notice or made by a director of any personal financial interest; and (ii) every resolution adopted by the board.

Directors' compensation

The directors shall be entitled to such remuneration for their services as directors as determined by a special resolution approved within the previous two years.

Committees of the board

The board may appoint any number of committees of directors and may delegate to any committee any of the authority of the board. The board must, however, appoint a social and ethics committee.

Personal financial interests of directors

The regulation of directors' personal financial interests under the MOI reflects section 75 of the Companies Act.

Indemnity

The regulation of the indemnification of directors under the MOI reflects section 78 of the Companies Act.

PART FIVE: GENERAL PROVISIONS

Extended accountability requirements

The directors must appoint a company secretary from time to time.

At each AGM the Company must appoint an auditor and elect an audit committee comprising of at least 3 (three) members.

Repurchases

The Company is authorised to repurchase securities as provided for in the JSE Listings Requirements.

Distributions

Subject to the Companies Act (particularly section 46), the Listings Requirements and the MOI, the board may make distributions from time to time.

The Company must hold all monies due to shareholders in trust indefinitely, but subject to the laws of prescription.

Financial assistance for directors and prescribed officers and related and inter-related parties

The board's powers to provide direct or indirect financial assistance as contemplated in section 45(2) of the Companies Act are not limited in any manner.

If the board adopts a resolution to provide direct or indirect financial assistance as contemplated in section 45(2) of the Companies Act, the Company is obliged to provide notice in writing of that resolution to all shareholders (unless every shareholder is also a director), and to any trade union representing its employees, within the prescribed time periods.

Accounting records and financial statements

The Company is obliged to prepare annual financial statements and have such annual financial statements audited in accordance with the International Financial Reporting Standards.

The Company is obliged to notify shareholders and holders of any beneficial interest of the publication of any annual financial statements of the Company, setting out the steps required to obtain a copy of those financial statements. If a shareholder or the holder of a beneficial interest demands a copy of the annual financial statements, the Company must make these available free of charge.

Odd-lot offers

The MOI includes provisions in accordance with the Listings Requirements relating to the right of the Company to implement odd-lot offers.

Notices

The MOI includes provisions relating to the giving of notices, circulars and other documents for meetings in accordance with the Companies Act.

Any notice, document, record or statement or notice of availability of such notice, document, record or statement sent by the Company is deemed to have been delivered on the date and time determined in accordance with the Companies Act (in particular, Table CR3 of the Regulations).

The Company is not bound to use any method of giving notice, documents, records or statements or notice of availability of such notice, documents, records or statements, contemplated in the Regulations in respect of which provision is made for deemed delivery but, if the Company does use that method, the notice, document, record or statement or notice of availability of such notice, document, record or statement is deemed to be delivered on the day determined in accordance with the Regulations.

Amendment of the MOI

The MOI may be amended by (i) the sanction of a special resolution, effected in accordance with section 16(1)(c) of the Companies Act; (ii) in compliance with a court order; and (iii) in order to correct errors substantiated as such from objective evidence or which are self evident errors (including, spelling, punctuation, reference, grammar or similar defects) in the MOI, by the board (subject always to the Listings Requirements).

If the proposed amendment to the MOI relates to the variation of any preferences, rights or limitations and/or other terms attaching to any class of securities other than the ordinary shares, such amendment must also be approved by a special resolution or the written consent of the holders of the relevant class of securities at a separate meeting, as described above.

KUMBA IRON ORE LIMITED

Incorporated in the Republic of South Africa
(Registration number 2005/015852/06)

Share code: KIO

ISIN: ZAE000085346

("Kumba" or "the Company")

NOTICE TO SHAREHOLDERS

Notice is hereby given that a general meeting of shareholders of Kumba will be held at 10:00 am on Friday, 18 January 2013 at 124 Akkerboom Street, Centurion, 0157 for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions set out in this notice.

The following dates, in terms of the Listings Requirements of the JSE Limited ("Listings Requirements") and section 59 of the Companies Act, 2008 (Act 71 of 2008) ("Companies Act"), have been set by the board of directors of the Company for the purpose of determining which shareholders of the Company are entitled to:

- receive notice of the general meeting – record date Friday, 23 November 2012; and
- participate in and vote at the general meeting – last day to trade Friday, 4 January 2013 and record date Friday, 11 January 2013.

1. SPECIAL RESOLUTION NUMBER 1: APPROVAL OF THE MEMORANDUM OF INCORPORATION

"RESOLVED THAT, the existing Memorandum of Incorporation (formerly the Company's memorandum and articles of association) be and is hereby abrogated in its entirety and replaced with a new Memorandum of Incorporation, a copy of which has been tabled at meeting at which this special resolution will be considered and has been initialled by the chairman of the meeting for purposes of identification, with effect from the date of filing thereof at the Companies and Intellectual Property Commission."

In terms of the Companies Act, the passing of special resolution number 1 requires the approval of a 75% majority of the voting rights exercised by shareholders present or represented by proxy at this general meeting.

Reason for and effect of special resolution number 1

The reason for special resolution number 1 is to approve the Company's Memorandum of Incorporation in order to ensure the Company's compliance with the Companies Act, the Listings Requirements and principles of good corporate governance.

The coming into effect of the Companies Act has materially altered the requirements for the Memorandum of Incorporation of a company. In response thereto, the JSE has also revised its requirements for the Memorandum of Incorporation of a listed company and requires companies to alter their memoranda of incorporation so as to comply with the new requirements. In order to ensure compliance with the Companies Act and the Listings Requirements, as well as in order to optimise its governance processes in a changed regulatory environment, the Company has undertaken a process of review of its existing Memorandum of Incorporation (formerly its memorandum and articles of association) and has prepared a new Memorandum of Incorporation in substitution thereof.

A summary of the Company's new Memorandum of Incorporation is set out in **Annexure 1** to the circular of which this Notice of General Meeting forms part.

2. ORDINARY RESOLUTION NUMBER 1: AUTHORITY OF DIRECTORS AND COMPANY SECRETARY TO IMPLEMENT THE APPROVAL OF MEMORANDUM OF INCORPORATION

"RESOLVED, as an ordinary resolution that, subject to the passing of the special resolution proposed at the meeting at which this ordinary resolution will be considered, any director of the Company or the company secretary be and are hereby authorised and empowered to do all such things, sign all such documents and procure the doing of all such things and the signature of all such documents, as may be necessary or incidental to give effect to the matters contemplated in such special resolution."

VOTING AND PROXIES

Shareholders are reminded that:

- a shareholder entitled to attend and vote at the general meeting is entitled to appoint a proxy (or more than one proxy) to attend, participate in and vote at the general meeting in place of the shareholder and shareholders are referred to the proxy form attached to this notice in this regard;
- a proxy need not also be a shareholder of the Company; and
- in terms of section 63(1) of the Companies Act, any person attending or participating in a general meeting of shareholders must present reasonably satisfactory identification and the person presiding at the general meeting must be reasonably satisfied that the right of the person to participate in and vote (whether as shareholder or as proxy for a shareholder) has been reasonably verified.

On a show of hands, every shareholder present in person or by proxy, and if a shareholder is a body corporate, its representative, shall have one vote and on a poll every shareholder present in person or by proxy and, if the person is a body corporate, its representative, shall have one vote for every share held or represented by him/her.

Registered certificated shareholders and dematerialised shareholders with own-name registration and who are unable to attend the general meeting and who wish to be represented at the meeting, must complete and return the attached form of proxy in accordance with the instructions contained therein, so as to be received by the transfer secretaries, Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 10:00 am on Wednesday, 16 January 2013. Before a proxy exercises any rights of a shareholder at the general meeting, such form of proxy must be so delivered.

Holders of Kumba ordinary shares (whether certificated or dematerialised) through a nominee should timeously make the necessary arrangements with that nominee or, if applicable, CSDP or broker to enable them to attend and vote at the general meeting or to enable their votes in respect of their Kumba ordinary shares to be cast at the general meeting by that nominee or a proxy or a representative.

Equity securities held by a share trust or scheme or in treasury will not have their votes at general meetings taken into account for the purposes of resolutions proposed in terms of the Listings Requirements.

By order of the board



Company secretary
VF Malie

Centurion
4 December 2012

KUMBA IRON ORE LIMITED

Incorporated in the Republic of South Africa
 (Registration number 2005/015852/06)
 Share code: KIO
 ISIN: ZAE000085346
 ("Kumba" or "the Company")

FORM OF PROXY (for use by certificated and own-name dematerialised shareholders only)

For use by certificated shareholders and dematerialised shareholders with own-name registration only, at the general meeting of shareholders of the Company to be held at 10:00 am on Friday, 18 January 2013 at 124 Akkerboom Street, Centurion, 0157.

Dematerialised shareholders without own-name registration, must inform their CSDP or broker of their intention to attend the general meeting and request their CSDP or broker to issue them with the necessary letter of representation to attend the general meeting in person and vote or provide their CSDP or broker with their voting instructions should they not wish to attend the general meeting in person. These shareholders must not use this form of proxy.

I/We

(Name in block letters)

of

(address)

being the holders of ordinary shares in the capital of the Company do hereby appoint (see note):

1. _____ or failing him/her.

2. _____ or failing him/her.

3. the chairman of the general meeting,

as my/our proxy to act for me/us at the general meeting for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof; and to abstain from voting for and/or against the resolutions in respect of the ordinary shares registered in my/our name in accordance with the following instructions:

	For	Against	Abstain
Special Resolution Number 1: Approval of the new Memorandum of Incorporation			
Ordinary Resolution Number 1: Authority to directors and company secretary to implement approval of the new Memorandum of Incorporation			

Signed at _____ on _____ 2012/2013

Signature _____

Assisted by (where applicable) _____

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, speak and vote in place of that shareholder at the meeting.

In compliance with the provisions of section 58(8)(b)(i) of the Companies Act, a summary of the rights of a shareholder to be represented by proxy, as set out in section 58 of the Companies Act, is set out below:

Notes

1. The form of proxy must only be used by certificated shareholders or dematerialised shareholders with own-name registration.
2. Shareholders are reminded that the onus is on them to communicate with their CSDP.
3. A shareholder entitled to attend and vote at the general meeting may appoint any individual (or two or more individuals) as a proxy or proxies to attend, participate in and vote at the general meeting in the place of the shareholder. A proxy need not be a shareholder of the Company. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of the general meeting". The person whose name stands first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow.
4. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each share held. A shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the shareholder in the appropriate box(es). Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the general meeting as he/she deems fit in respect of all the shareholder's votes.
5. A vote given in terms of an instrument of proxy shall be valid in relation to the general meeting notwithstanding the death of the person granting it, or the revocation of the proxy, or the transfer of the ordinary shares in respect of which the vote is given, unless an intimation in writing of such death, revocation or transfer is received by the transfer secretaries not less than 24 hours before the commencement of the general meeting.
6. If a shareholder does not indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the general meeting be proposed, the proxy shall be entitled to vote as he/she thinks fit.
7. The chairman of the general meeting may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.
8. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
9. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company or unless this requirement is waived by the chairman of the general meeting.
10. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing her/his capacity are produced or have been registered by the Company.
11. Where there are joint holders of ordinary shares:
 - (i) any one holder may sign the form of proxy; and
 - (ii) the vote(s) of the senior shareholders (for that purpose seniority will be determined by the order in which the names of shareholders appear on the Company's register of shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
12. Forms of proxy should be lodged with or mailed to Computershare Investor Services (Pty) Limited:

Hand deliveries to:	Postal deliveries to:
Computershare Investor Services (Pty) Limited 70 Marshall Street Johannesburg, 2001	Computershare Investor Services (Pty) Limited PO Box 61051 Marshalltown, 2107

to be received by no later than 10:00 am on Wednesday, 16 January 2013 (or 48 hours before any adjournment of the general meeting which date, if necessary, will be notified in the press).
13. Any alteration or correction made to this form of proxy, other than the deletion of alternatives, must be initialled by the signatory/ies.