

Directors' responsibility for financial reporting

for the year ended 31 December 2009

The directors are responsible for:

- The preparation and fair presentation of the annual financial statements of the Kumba group (the group) as well as Kumba Iron Ore Limited (the company), in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa and the Listings Requirements of the JSE Limited, which include amounts based on judgements and estimates made by management.

The annual financial statements comprise the balance sheets at 31 December 2009; the income statements, the statements of other comprehensive income, the statements of changes in equity and the cash flow statements for the year then ended; the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes; and the directors' report;

- Maintaining adequate accounting records and an effective system of risk management;
- Developing, implementing and maintaining a sound system of internal control relevant to the preparation and fair presentation of these financial statements that provide reasonable but not absolute assurance against material misstatement or loss, whether owing to fraud or error;
- Selecting and applying appropriate accounting policies;
- Making accounting estimates that are reasonable in the circumstances;
- Safeguarding shareholders' investments and the group's assets; and
- Preparing the supplementary schedules included in these financial statements.

The directors, primarily through the audit committee, meet periodically with the external and internal auditors as well as the executive management to evaluate matters concerning the above responsibilities.

The group's internal auditors independently evaluate the internal controls and coordinate their audit coverage with the external auditors.

The independent external auditors are responsible for reporting on whether the group annual financial statements and the company annual financial statements are fairly presented in accordance with the applicable financial reporting framework. Their report to the shareholders of the group and the company is set out on page 28 of this report.

The external and internal auditors have unrestricted access to all records, property and personnel as well as to the audit committee.

The directors are not aware of any material breakdown in the functioning of these controls and systems during the year under review. The directors are of the opinion, based on the information and explanations given by management and the internal auditors, that the internal accounting controls are adequate, so that the financial records may be relied on for preparing the annual financial statements and maintaining accountability for assets and liabilities.

In the light of the current financial position and existing borrowing facilities as well as the group's financial budgets with their underlying business plans for the period to 31 December 2010, the directors consider it appropriate that the annual financial statements be prepared on the going-concern basis.

Approval of the group annual financial statements and the company annual financial statements

The group annual financial statements on pages 29 to 97 and the annual financial statements of Kumba Iron Ore Limited on pages 98 to 106, as identified in the first paragraph, were approved by the Kumba board of directors on 17 February 2010 and are subject to the approval by the shareholders at the annual general meeting on 31 March 2010. The group and company annual financial statements are signed on the directors' behalf by:



PL Zim
Chairman



CI Griffith
Chief executive officer



VP Uren
Chief financial officer

17 February 2010