Assore Limited (Assore) is a mining holding company engaged principally in ventures involving base minerals and metals.

The group’s principal investment is a 50% interest in Assmang Limited (Assmang) which it controls jointly with African Rainbow Minerals Limited (ARM).

The group, through its various joint venture entities and subsidiary companies, is involved in the mining of manganese, iron and chrome ores together with other industrial minerals and the production of manganese and chrome alloys. The group is also responsible for marketing all products produced, the bulk of which is exported and the remainder either used in the group’s beneficiation processes or sold locally.

The company was incorporated in 1950 and its shares are listed on the JSE Limited under “Assore” in the general mining sector.

As required by the Charter to the Mineral and Petroleum Resources Development Act, 15.02% of the company’s shares are held by black empowerment entities: Shanduka Resources (Proprietary) Limited (11.76%) and the Bokamoso Trust (3.26%) a broad-based black empowerment community trust.
Higher US dollar prices and increased sales volumes for products

Headline earnings increased by 127.2% to R736.0 million

Dividends for the year increased from 230 cents to 350 cents per share

Capacity of new Khumani Iron Ore Mine increased during the year from 8.4 to 10.0 million tons and construction on schedule

Global export destinations of group products
Strong relationships have been established with customers in Europe, North America, South America, India and the Far East and products with a market value of approximately R6.3 billion (R2006: R4.5 billion) were marketed and distributed in these regions during the year.
GROUP STRUCTURE OF OPERATING COMPANIES

Assore Limited
Mining – Holding
(Listed on the JSE)

Assmang Limited
Mining of manganese, iron and chrome ores
Producer of manganese and chrome alloys

Ore & Metal Company Limited
Marketing and shipping of group products

African Mining & Trust Company Limited
Exploration and technical advisers

Wondersone Limited
Mining of Wonderstone and manufacture of ceramic products

Xertech (Proprietary) Limited
Manufacture of synthetic diamonds

Zeerust Chrome Mines Limited
Mining of chrome

Cato Ridge Alloys (Proprietary) Limited
Producer of refined ferromanganese

Minerals U.S. LLC
Marketing of minerals and alloys in USA

*Rustenburg Minerals Development Company (Proprietary) Limited
Mining of chrome

Ore & Metal Company Limited
Marketing and shipping of group products

50%

100%

51%

56%

* Black economic empowered entity
△ On care and maintenance

52.28%

11.76%

3.26%

32.70%

50%

100%
The activities of the group were conducted through its jointly controlled entities and subsidiary companies which are illustrated in the group structure chart set out on page 3.

Location of operations in South Africa

- Mine
- Processing plant
- City/Town
- Cr Chrome – see page 16
- Fe Iron ore – see page 17
- Mn Manganese – see page 16
- FeCr Ferrochrome – see page 16
- FeMn Ferromanganese – see page 16
- W/S Wonderstone – see page 18

The profit/(loss) contributions for the various classes of business of the group were as follows:

<table>
<thead>
<tr>
<th>Class of Business</th>
<th>2007 R’000</th>
<th>2006 R’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining and beneficiation</td>
<td>655 098</td>
<td>310 868</td>
</tr>
<tr>
<td>Marketing and shipping</td>
<td>120 553</td>
<td>92 706</td>
</tr>
<tr>
<td>Profit on disposal of available-for-sale investments (net of capital gains tax)</td>
<td>36 786</td>
<td>129 086</td>
</tr>
<tr>
<td>Discount on BEE transaction</td>
<td>–</td>
<td>(35 752)</td>
</tr>
<tr>
<td>Other operations</td>
<td>(9 082)</td>
<td>(17 086)</td>
</tr>
<tr>
<td>Profit per income statement</td>
<td>803 355</td>
<td>479 822</td>
</tr>
<tr>
<td>OPERATING RESOURCES</td>
<td>COMMODITY</td>
<td>OPERATION</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------</td>
<td>-----------</td>
</tr>
<tr>
<td>JOINT VENTURE ENTITY (ASSMANG)</td>
<td>Manganese</td>
<td>Nchwaning Mine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gloria Mine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cato Ridge Works</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cato Ridge Alloys</td>
</tr>
<tr>
<td>Chrome Division</td>
<td>Chrome</td>
<td>Dwarsrivier Mine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Machadodorp Works</td>
</tr>
<tr>
<td>Iron Ore Division</td>
<td>Iron ore</td>
<td>Beeshoek Mine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Khumani Mine (Bruce-King/Mokaning Project)</td>
</tr>
<tr>
<td>SUBSIDIARY COMPANIES</td>
<td>Rustenburg Minerals Development Company</td>
<td>Rustenburg Mine</td>
</tr>
<tr>
<td></td>
<td>Wonderstone</td>
<td>Wonderstone Mine</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wonderstone</td>
</tr>
<tr>
<td></td>
<td>Zeerust Chrome Mines</td>
<td>Zeerust Chrome Mine</td>
</tr>
<tr>
<td></td>
<td>Xertech</td>
<td>Xertech</td>
</tr>
<tr>
<td></td>
<td>Ore &amp; Metal Company</td>
<td>Ore and metal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Marketing and shipping of products</td>
</tr>
<tr>
<td></td>
<td>Minerais U.S. LLC</td>
<td>Minerais</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Marketing of minerals and alloys in USA</td>
</tr>
<tr>
<td>African Mining &amp; Trust Company</td>
<td>African Mining</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Left to right: Desmond Sacco, R J Carpenter, C J Cory, P C Crous,
P N Boynton, B M Hawksworth, M C Ramaphosa, Dr J C van der Horst
EXECUTIVE DIRECTORS

DESMOND SACCO
Chairman
BSc (Hons) (Geology) (Wits) (Unisa)
Des qualified as a geologist and joined the Assore group in 1968. He was appointed to the Assore board in 1974 and, on retirement of his father in 1992, he was appointed Chairman and Managing Director. In that year, he was also appointed Deputy Chairman of Assmang Limited and in 1999, he became Chairman of Assmang. He is a fellow of the Institute of Directors (IOD) and of the Geological Society of South Africa (GSSA).

R J CARPENTER
Deputy Chairman
BA, ACS
Bob joined the Ore & Metal Company Limited in 1964 and was appointed Managing Director in 1991. Ore & Metal is a wholly owned subsidiary of the Assore group and acts as marketing and shipping agent for products produced by all the Assore and Assmang group companies. He was appointed to the Assore board in 1987, to the Assmang Board in 1989 and was made Deputy Chairman of Assore in 1993.

C J CORY
Chief Executive Officer
BA, CA(SA), MBA (Wits)
Chris completed articles with Alex. Aiken & Carter (now KPMG) and qualified as a Chartered Accountant in 1982. In 1989 he joined the Assore group as Group Accountant. In 1992 he was appointed Group Financial Director and made Chief Executive Officer in June 2004 when the roles of Chairman and Managing Director were split. He was appointed to the Assmang Board as a non-executive director in 1993 and currently chairs the Assmang Audit Committee. He is a member of the South African Institute of Chartered Accountants (SAICA).

P C CROUS
Group Technical Director
BSc (Eng), BComm, MBA
Phil trained as a mining engineer obtaining a BSc (Eng) at Pretoria University in 1975. Thereafter he joined Icor, and in 1977 he took up a position with Assmang where he advanced to Mine Manager. In 1982 he joined Sasol as General Mine Manager and was subsequently promoted to Operations Manager at Secunda Collieries, responsible for four mechanised mines. In 1988 he joined manufacturing company Sandock-Austral as Managing Director. In 1991 he was invited to join Assore in his current position as Group Technical Director and was appointed to the Assmang Board in 1992. He is a member of the South African Institute of Mining and Metallurgy (SAIMM) and the Institute of Directors (IOD).

NON-EXECUTIVE DIRECTORS

P N BOYNTON
Non-executive director
BSc (Hons), BComm, CA(SA), ACMA, MBA
Paul joined Old Mutual’s investment team in 1995, having previously worked as an investment banker in Johannesburg for seven years and before that for Deloitte for three years. He is currently head of Alternative Asset Management at Old Mutual and an executive director of Old Mutual Asset Managers. He joined the Assore board as a non-executive director in July 2004 and serves on the group’s Audit Committee.

B M HAWKSWORTH
Independent non-executive director
CA(SA)
Brian qualified as a Chartered Accountant in Durban and relocated to Johannesburg in 1973 as a partner of Ernst & Young. Since withdrawing as a partner of Ernst & Young he holds several non-executive directorships including the Financial Services Board (the FSB). He was appointed to the Assore board as an independent non-executive director in 1996 and currently chairs the Assore Audit and Remuneration Committees. He is a member of the South African Institute of Chartered Accountants (SAICA) and was a past member of its Council and Executive Committee and is also a fellow of the Institute of Directors which he chaired in the early 1990s.

M C RAMAPHOSA
Non-executive director
BPhoe
Cyril is executive chairman and a significant shareholder of Shanduka Group (Proprietary) Limited. He is joint non-executive chairman of Mendi plc and Mondi Limited. He is also non-executive chairman of the MTN Group Limited, the Bidvest Group and SASRIA Limited and a non-executive director of SAB Miller plc, Macsteel b.v., Alexander Forbes Limited and Standard Bank Group Limited.

DR J C VAN DER HORS
Independent non-executive director
BA, LLB
Johannes studied at the Universities of Stellenbosch and Hamburg (Germany) and the Harvard Business School. He held various positions in Old Mutual from 1971 to 2002 where he was General Manager (Investments) from 1985 to 1997. In September 1997, he was appointed to head up Old Mutual’s demutualisation project which culminated in the listing of Old Mutual on the London Stock Exchange and the JSE Limited in July 1999. He served on the Assore board between 1989 and 1997, and again since January 2003 when he was appointed as an independent non-executive director and serves on the group’s Audit and Remuneration Committees. He is also on the boards of Reunert Limited and Wooltru Limited.
Without doubt, the most significant project in the group is the development of the new Khumani Iron Ore Mine near Kathu in the Northern Cape.

Construction of the 10,0 million ton per annum Khumani Iron Ore Mine at a cost of R4,0 billion is on schedule to produce first tonnage for export in the second quarter of 2008 as planned and total capital committed to date amounted to R2,4 billion.

The project will be funded from operating cash flows and debt facilities at the Assmang level.