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Independent auditor's review report on condensed group interim financial statements

To the shareholders of African Rainbow Minerals Limited

We have reviewed the condensed group interim financial statements ('interim financial statements') of African Rainbow Minerals Limited, contained in the accompanying "Interim results for the six months ended 31 December 2020" on pages 22 to 53, which comprise the condensed group statement of financial position as at 31 December 2020 and the condensed group statements of profit or loss, comprehensive income, changes in equity and cash flows for the six months then ended, and selected explanatory notes.

Directors' Responsibility for the Interim Financial Statements

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed group interim financial statements of African Rainbow Minerals Limited for the six months ended 31 December 2020 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Emphasis of Matter – Correction of Prior Period error

We draw attention to Note 5 of the condensed group interim financial statements, which details the correction of a prior period error based upon the investigation into the ARM Coal long term receivable from Glencore Operations South Africa (Pty) Ltd. Our conclusion is not modified in respect of this matter.

Other matter – Prior periods unaudited / unreviewed

The interim financial statements of African Rainbow Minerals Limited for the six months ended 31 December 2019 were neither audited nor reviewed. The condensed group statement of profit or loss, condensed group statement of comprehensive income, condensed group statement of changes in equity, condensed group statement of cash flows for the six months ended 31 December 2019 and the condensed group statement of financial position as at 31 December 2019 are therefore marked as unaudited. The corresponding figures for 30 June 2020 were previously audited by us and we issued a modified audit opinion on 8 October 2020 but some of these amounts have been restated as noted above.

Ernst & Young Inc.
Director – Philippus Dawid Grobbelaar
Registered Auditor
Chartered Accountant (SA)

3 March 2021

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