

# LOS BRONCES

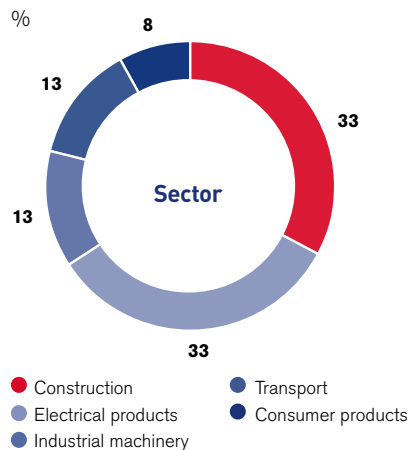
Our Los Bronces copper expansion in Chile is one of our major strategic growth projects. First production from the expansion project is scheduled for Q4 2011, raising our total attributable copper output to over 900,000 tonnes per annum by 2012.

## OUR BUSINESS

- Los Bronces is an openpit copper and molybdenum mine in the Metropolitan Region of Chile.
- In 2010, Los Bronces produced 221,400 tonnes of copper.
- The Los Bronces expansion project was approved in November 2007 and is on schedule for first production in Q4 2011.
- The expansion project is scheduled to see production increase to 490 ktpa over the first three years of full production and to average 400 ktpa over the first 10 years.
- At peak production levels, Los Bronces is expected to be the fifth largest producing copper mine in the world.
- The life of mine at Los Bronces is more than 30 years, with significant exploration upside, making it a truly world class operation.
- The expected capital expenditure for the project is \$2.8 billion.

## GLOBAL COPPER CONSUMPTION

estimated end use in 2010



Source: Brook Hunt – a Wood Mackenzie company

## OUR COMMODITY

- Copper is one of our core commodities. It is produced by our Copper business, based in Chile, with additional projects in Peru and Alaska.
- Copper is used in a number of sectors. In 2010, the estimate of end use was: construction (33%), electrical products (33%), industrial machinery (13%), transport (13%), and consumer products (8%).<sup>1</sup>
- Copper's principal use is in the wire and cable markets, accounting for 60% of total demand.
- Global refined copper consumption in 2010 was 19.3 million tonnes.
- The average market price on the LME for copper in the first half of 2011 was 426 c/lb.



## OUR COPPER OPERATIONS

- We have interests in six copper operations in Chile. The wholly owned operations comprise the Los Bronces, El Soldado, Mantos Blancos and Mantoverde, mines as well as the Chagres Smelter; and we have a 44% interest in Collahuasi mine.
- The mines also produce associated by-products, such as molybdenum and silver.
- We are the third largest copper producer in Chile, producing 623,000 tonnes in 2010.
- In the first half of 2011, our Copper business achieved operating profits of \$1,401 million.
- In the first half of 2011, our Copper business achieved total copper production of 289,100 tonnes.
- Chile is also home to two key growth projects: the Los Bronces expansion project and the expansion at Collahuasi (Phases 1 and 2).

- We also have controlling interests in two projects in Peru – Michiquillay and Quellaveco – and a 50% interest in the Pebble project in Alaska.
- Our total attributable copper production is expected to be more than 900 ktpa by 2012.

## CHILE

- Chile is the largest copper producing country in the world, producing 5.4 million tonnes in 2010.
- Anglo American has had a presence in the country since 1980.
- In 2010, Anglo American in Chile delivered \$1,940 million in revenue.
- In 2010, Anglo American paid \$1.1 billion in taxes to the government in Chile.

## OUR COMMUNITIES

- Launched in 2007, the Emerge community development programme in Chile assists medium-sized enterprises to grow their businesses by offering training, technical support, financial assistance and mentoring.
- Emerge has entered into an alliance with Fondo Esperanza, an institution that grants micro-credit and business education to small businesses.
- In 2010, Emerge achieved its goal of supporting more than 7,000 entrepreneurs.
- We committed \$10 million to the reconstruction of six schools after the devastating earthquake and tsunami, in Chile, in February 2010 - rebuilding them in less than four months



Los Bronces Processing Plant,  
Chile

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