

Unlocking Our Full Potential

Merrill Lynch Conference

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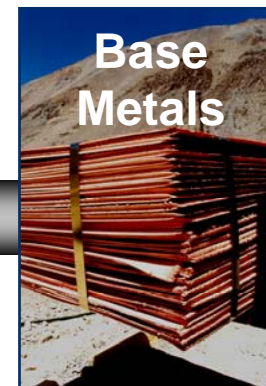
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- 1: Anglo Overview
- 2: Portfolio Restructuring Progress Update
- 3: Our Ambition & Emerging Priorities
- 4: Summary

A Focused Mining Group

- **One of the world's largest and most profitable mining companies**
 - Operating footprint spanning 65 countries
 - Balanced participation across precious, base and bulk commodities
 - Record revenue of \$38bn and earnings of \$5.5bn in 2006
- **Market capitalisation of ~\$80bn**

Our five core mining businesses



- On-track to exit holding over two years



- De-merger set for July 2007



- Final regulatory approvals obtained



- Aggressively pursuing short-term opportunities to improve performance
- Evaluating fit within portfolio



Our Starting Point Today



- Global footprint with world class asset base
- Excellent organic growth pipeline (\$7bn approved) and track record of project delivery
- High quality, skilled, and motivated workforce
- Outstanding global exploration capabilities
- Strong sustainable development record
- Excellent stakeholder & community relations
- Disciplined decision processes
- Strong balance sheet and cash flow to support new growth opportunities

To be the leading global mining company of choice

- Highest performing assets
- Maximise our share of profitable industry growth
- Set the standard for safety in the industry
- Preferred partner for governments and communities
- Supplier of choice to our customers
- Best developer of talent in the industry

Many Changes Already Underway

- Removal of Chairman roles for each business
- Simplified committee structure and removal of internal “board” structures to speed decision making
- Revised business review process with stronger, consistent focus on driving performance
- Responded to recent growth opportunities with successful outcomes (MMX, Michiquillay)
- Launched value-based strategy process to optimise business models and increase flow of growth options

1. Achieving cost and productivity improvements
2. Aggressively pursuing identified core growth opportunities
3. Leveraging our capabilities to accelerate profitable growth
4. Embedding a stronger performance culture & streamlined management model
5. Ensuring a sharper focus on safety



1. Cost and Productivity Improvements

Creating an integrated Anglo American – “One Anglo”

Procurement:

- Centralisation of key elements to capture scale benefits

Shared Services & Infrastructure:

- South African treasury functions
- Human Resources
- Internal Audit
- De-layering the Organisation

Common BU Standards & Processes:

- Finance
- HR
- IT
- Safety
- Tax
- Treasury

1. Cost and Productivity Improvements

Improving operations to drive performance

High quality, low cost assets, BUT scope to improve operational performance

- ➔ Improved knowledge sharing across BUs
- ➔ Continuous improvement mindset and common asset optimisation practices
- ➔ Focus on key value drivers in each operation

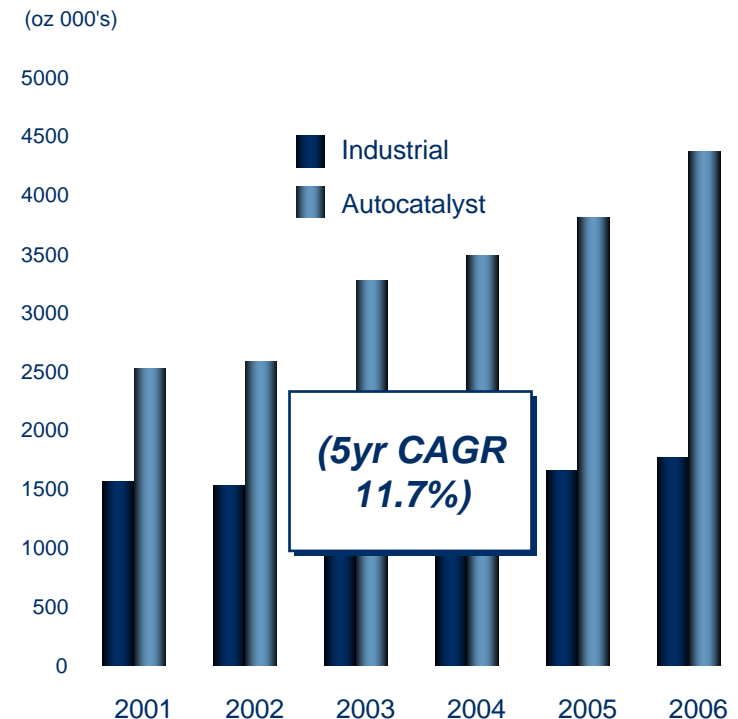
2. Core Growth (Platinum)

- **Global leadership position**
 - 40% share of global platinum supply
 - 30+ years of reserves plus extensive resources

- **Positive industry outlook**
 - Demand driven by diesel autocatalysis
 - Price support from jewellery
 - By-products support earnings

- **Extensive project development pipeline**

*Demand Driven by
Environmental Regulation*



2. Core Growth (Diamonds)

- De Beers is the largest diamond producer and marketer with 38% market share (45% Anglo ownership)
- Long term supply/demand characteristics very favourable
- Significant project pipeline
- Diamonds are a fundamental part of Anglo's future



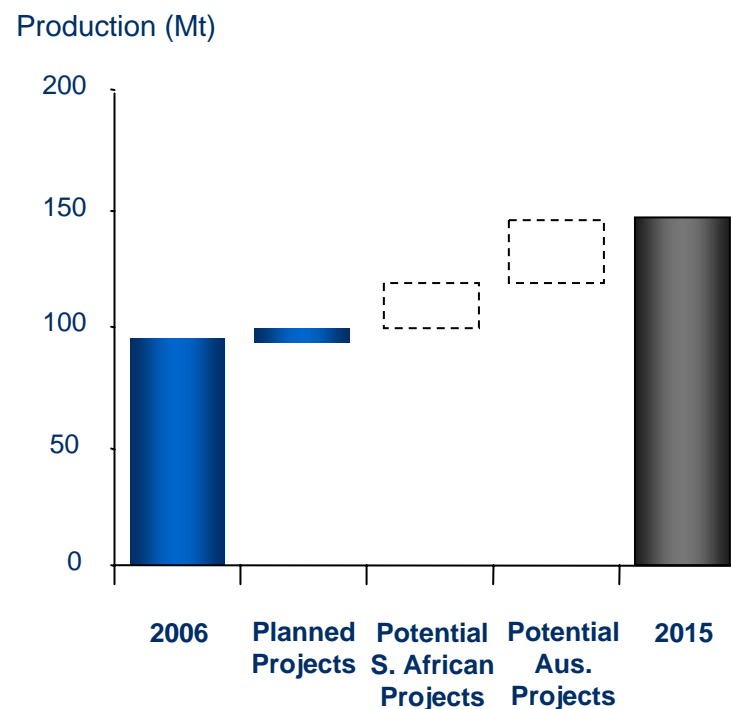
2. Core Growth (Coal)

- **A leading global coal producer**
 - #3 global seaborne thermal producer
 - Low cost operations in S. Africa, S. America, and Australia

- **Coal will play a critical role in meeting world energy demand**
 - 39% of electricity produced from coal
 - 4% forecast demand growth

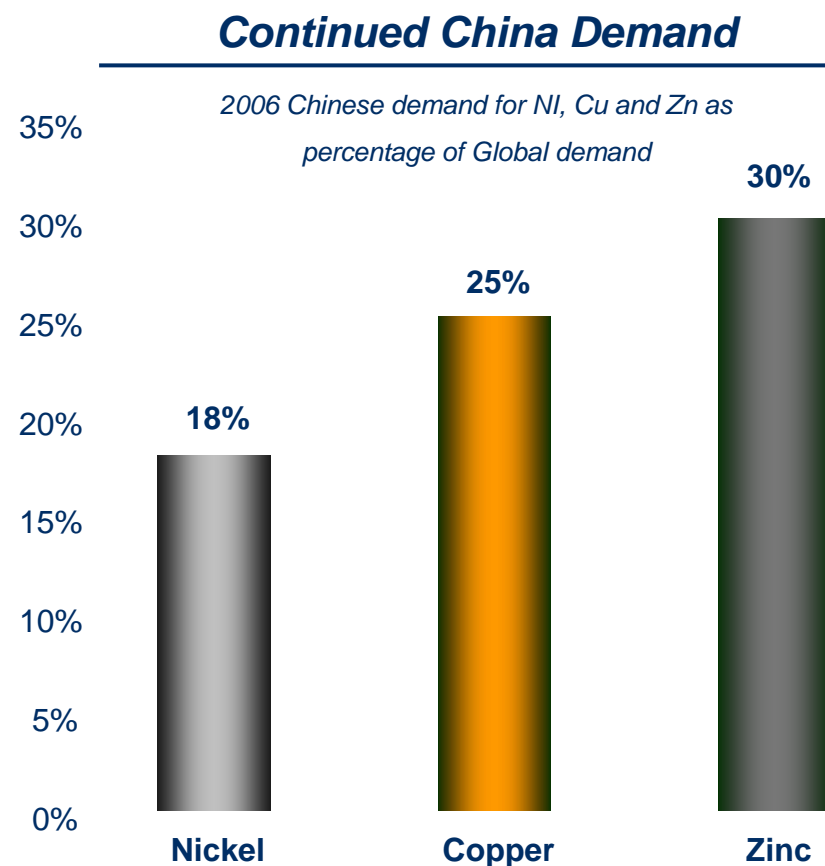
- **Excellent growth prospects in thermal & metallurgical coal**
 - 50Mt of additional production from planned and potential expansion projects
 - Balanced exposure across thermal and metallurgical coal markets

Meeting Growing Coal Demand



2. Core Growth (Base Metals)

- A major success story for Anglo – 2006 EBITDA of \$4.2bn
- World class, long life assets
 - Los Bronces, Collahuasi, Skorpion
 - 40 year reserve life
- Robust fundamentals combined with attractive growth options

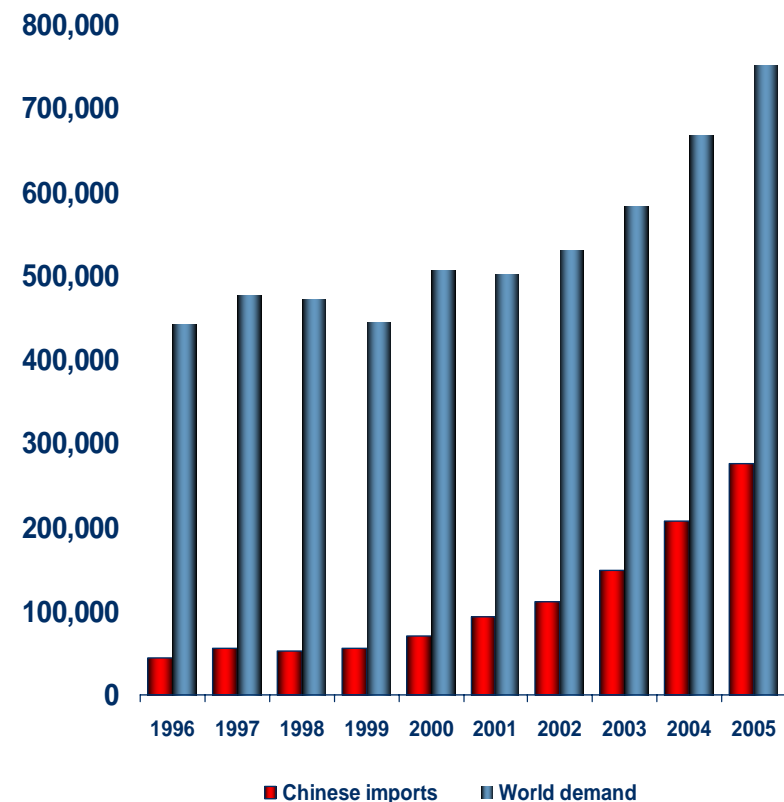


Source: WBMS

2. Core Growth (Iron Ore)

- **Successful recent entry into iron ore**
- **Good future fundamentals**
 - China demand for iron ore expected to remain robust
- **Extensive growth options with both Kumba and MMX**
 - Potential to double current production in five years
 - MMX: potential to increase production to over 100Mt
- **Anglo will become one of the lowest cost producers**

China Driving Iron Ore Demand

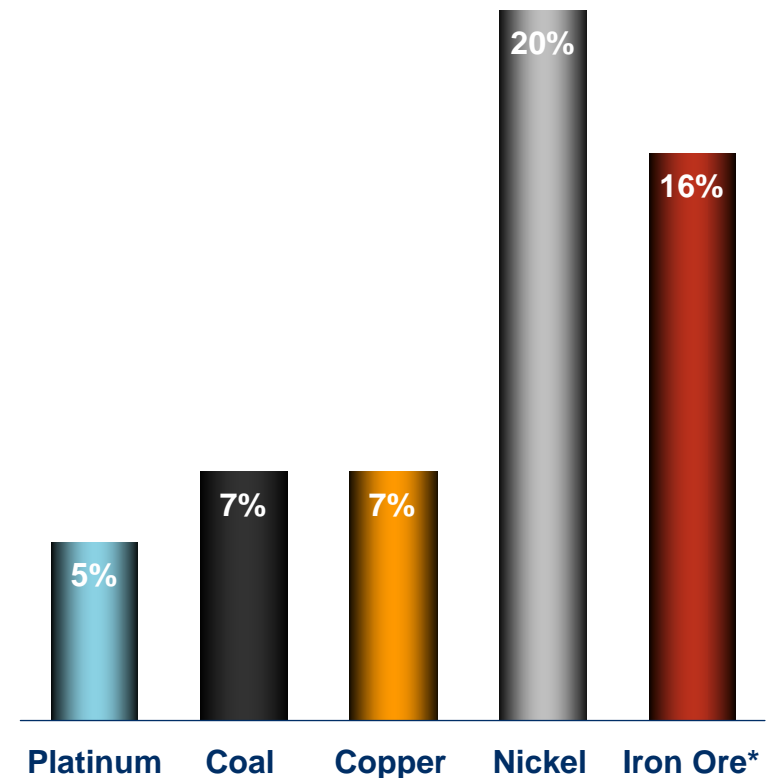


Source: IISI

2. Core Growth – Impact

- \$7bn of approved projects and another \$10-15bn under review
- Strong track record of delivering projects on time and at or below budget
- Increasing market shares in all of our core segments

*Potential production growth
(2006-2011 CAGR)*



*From existing assets

3. Accelerating Profitable Growth

- Assessing all prospects for value creation in a new world order
- Evaluating opportunities to accelerate profitable growth organically and through M&A in existing and new business areas
- MMX and Michiquillay acquisitions indicative of new, proactive approach
 - Alignment with Anglo's core mining focus
 - Low cost, long life and extensive reserve positions
 - Future growth options

4. Culture and Management Model

Creating a stronger performance oriented culture

- Create greater accountability with more quantifiable and stretching objectives
- Reduce the number of management layers and clarifying roles & responsibilities for performance delivery
- Upgrade management processes and decision standards with a focus on value maximisation
- Reduce bureaucracy to speed decision-making

4. Culture and Management Model

Simplified structure & lean processes



Value-driven management



Integrated – “One Anglo”



Dynamic/Proactive/Agile



“Making it happen” mindset



**A business
manager
focused on
value
maximisation,
not an asset
manager**

- Well benchmarked safety framework in place
- Clear vision of “zero harm” and simple principles being entrenched
- Excellent safety peer review process in place
- ISO 14001 and ISO 18001 in place at all major operations

But...

- Our fatality performance is unacceptable

Now:

- Build on the solid foundation of the framework
- Strong leadership to ensure:
 - Consistent adherence to standards
 - No repeats
- Formal programme launched to increase risk management capability

- Changing the way we operate
- Leveraging our unique asset base
- Delivering our tremendous growth potential
- Expanding beyond our existing footprint...
...in a strongly supportive commodity cycle