

Merrill Lynch Global Metals & Mining Conference

Presented by Cynthia Carroll, Chief Executive
12 May 2009



Agenda



- 1 Our Strategic Focus
- 2 Market Environment
- 3 Taking Rapid and Decisive Action
- 4 Pursuing Strategic Growth Options
- 5 The Investment Case

Our Strategic Focus



Our Strategic Focus



Enhancing our position of owning and operating a world class asset portfolio in the most attractive mining markets

- Focusing our portfolio on attractive markets, where we have an advantaged position
 - Building profitable and material positions in copper, seaborne iron ore and export coal
 - Capitalising on our unique position in platinum and diamonds
- Securing long life and cost advantaged assets
- Developing strong growth opportunities and project pipeline
- Delivering operational excellence through asset optimisation and supply chain
- Operating as One Anglo, with strong performance culture and streamlined management model
- Embedding our commitment to safety, sustainability, environment and community
- Being a partner and employer of choice

Delivering our strategy



Portfolio Focus

Delivering on our focused programme of non-core asset disposals:

- AngloGold Ashanti (\$1.8 bn)
- China Shenhua Energy (\$704 m)
- Tarmac Iberia (\$186 m)

Targeting acquisitions that enhance our unique portfolio:

- Iron Ore: Minas-Rio
- Platinum: increased ownership to close to 80%
- Copper: Michiquillay and Pebble

Advantaged Assets

Majority of our assets are in Q1 and Q2 positions on the cost curve

Average project life of 40 years, more than double the industry average

We hold leading positions in platinum and diamonds

Our approved project pipeline totals \$16 billion, with substantial opportunities beyond

Delivering our strategy



Stakeholder Engagement

Strengthening relationships with host governments

Continuing to deliver on BEE in South Africa

Secured new order mining rights in South Africa

Gained recognition from communities and governments in 2008:

- Best corporate grantmaker in SA for 8th consecutive year.
- Helped to launch 228 small enterprises in SA employing over 13,000 people worldwide.
- Top national environmental prize in Brazil
- Chilean Bicentenary Seal for community engagement
- UK Wildlife Trust biodiversity award

Social Commitment

Improved safety record:

- Fatalities reduced by 33% in 2008 vs. 2007
- LTIFR improved by 17%

Embedding Zero Harm culture

- 1.3 million hours LTI free in Anglo Ferrous Brazil
- 40 million hours fatality free at Union mine
- At the Barro Alto Project, 8.2 million hours without LTIs
- More than 20 operations achieved zero LTIs in 2008

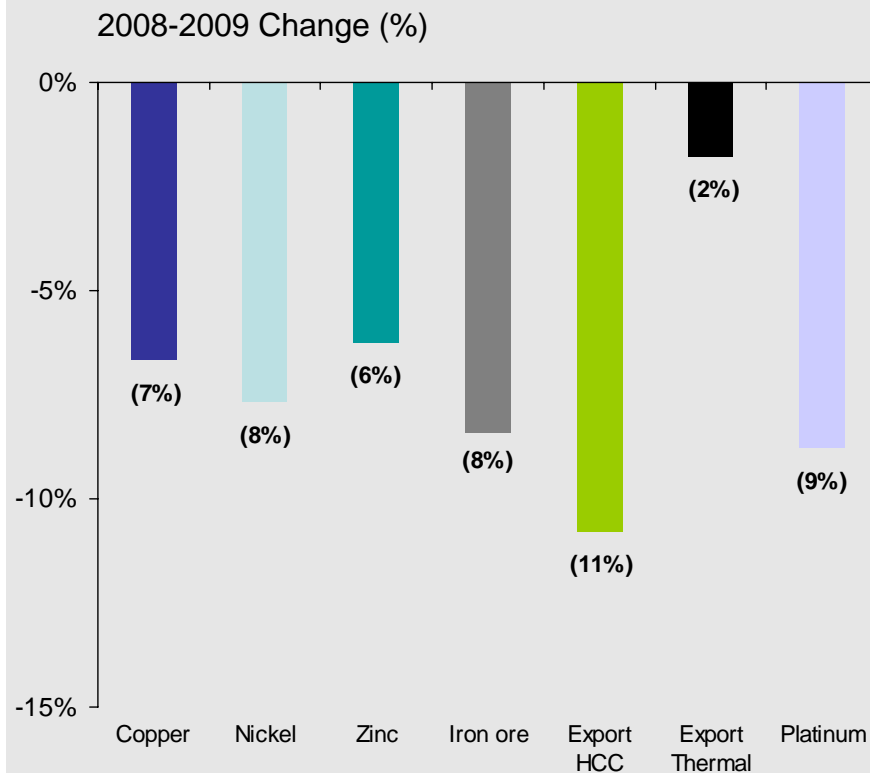
Pioneering HIV/AIDS programme

Market Environment

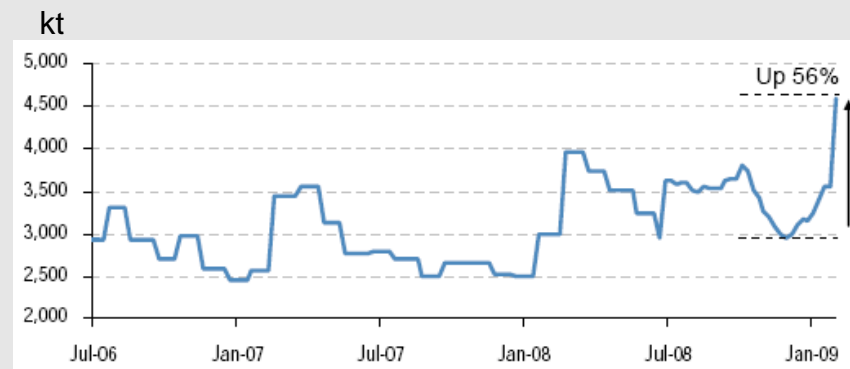


Demand is likely to remain weak in the near term and timing for recovery remains uncertain

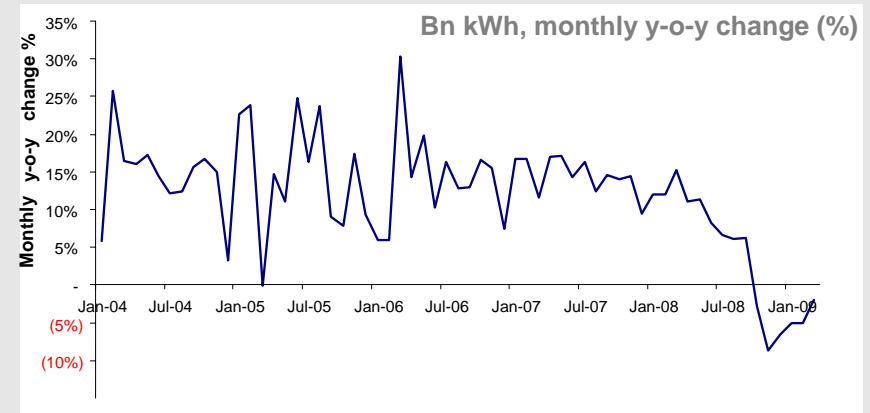
Demand for Key Commodities



Chinese Steel Inventories



Chinese Electricity Consumption



Key industry themes different from last year



May 2008

Maximising output

Increased infrastructure constraints

Increased competition for assets

Increased project development constraints

Reduced access to capital/liquidity

May 2009

▶ Managing costs and production

▶ Efficiency focus at existing infrastructure

▶ Limited competition for assets

▶ Reduction in project development

▶ Very limited access to capital/liquidity

Fundamentals of our industry remain solid

Anglo has taken necessary actions to be well positioned through the cycle



- Long life, cost advantaged assets largely in Q1 and Q2 of cost curve
- Strong, well funded organic growth pipeline
- Unique portfolio in precious, bulks and base
- Strengthened financial position
- Internal focus on improving performance, returns and operational excellence

Taking Rapid and Decisive Action



Early decisive steps taken



- **Conserving cash**

2009 capex plans reduced by >50% to \$4.5 bn including \$1.3 bn SIB Capex

- **Cutting production**

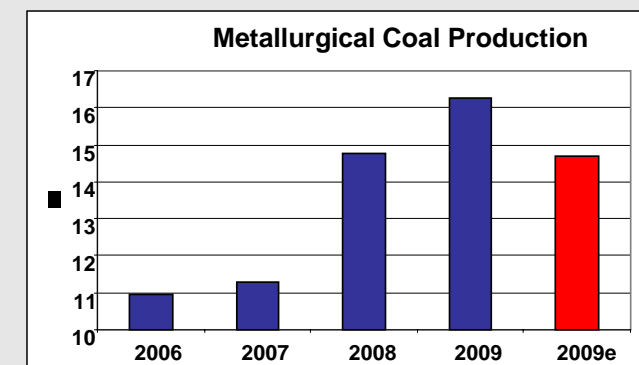
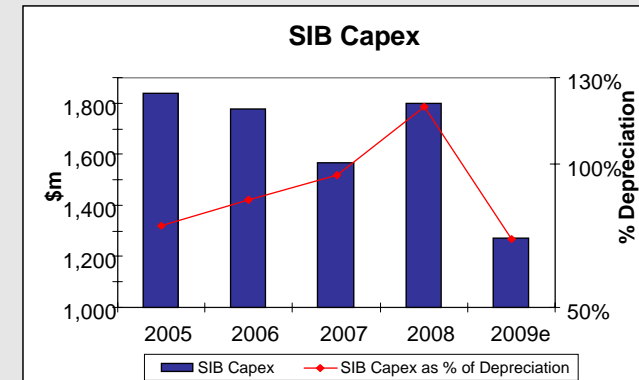
Reduced platinum output (target 2.4 m oz)

Halted metallurgical coal production growth

Cut diamond production by 40% (annualised)

- **Driving efficiency**

19,000 headcount reduction in 2009 across all businesses and geographies



Balance sheet strengthened



Robust position secured to carry through the downturn, without compromising future growth options

- Dividend suspended (\$1.6 billion p.a.)
- AGA divestment (\$1.8 billion)
- \$2 billion Bond issue – April 2009
- \$1.7 billion Convertible Bond issue – April 2009

Progressive improvement at Anglo Platinum



2008: Initial changes implemented

- Fundamental reshaping of the platinum business
- Major overhaul of the senior management team
- Significant operational and cultural transformation
- Production target of 2.4 million ounces delivered in 2008
- Step change in safety performance achieved
 - LTIFR improved by 14%
 - Number of fatalities reduced by 32%

2009: Next stage of restructuring

- Optimising structure of Rustenburg and Amandelbult mines into five mines and two mines respectively
- Reduction in workforce of 10,000 by year end
 - More than 40% complete by end of 1Q 09
- Output reduced at high cost mines
 - 50% output reduction at Mogalakwena
 - Bleskop on care and maintenance
- Decreasing operating costs in real terms
 - Q1 cash operating costs down by 7%
- Reduced capex by >50%
- Tonnes / employee improved by 26%

Diamonds: Significant action taken



- Took decisive action to eliminate high cost, small scale operations with limited life
- Cut production by over 40% for 2009
 - Debswana - 50-day production holiday and some plants closed
 - DBCM - production holidays and all operations running at reduced production levels
 - De Beers Canada - summer production holidays and reduced production
 - Namdeb - 12 week production holiday and some mining areas closed
- Major cost reduction programme under way
 - Capex reduction of 70% vs 2008
 - Operating cost reduction of 47% vs 2008
 - Global headcount reduction of 1,800
- Seeing an improving trend in diamond sight sales in 2009

Delivering \$2bn Asset Optimisation & Procurement initiatives



- \$1 bn operating profit growth from Asset Optimisation 2009 to 2011
- AO embedded throughout organisation
- AO representatives in all mines with specific targets for every mine and every business unit
- **Examples of value delivery**
 - \$25m annual benefit from reduced shutdown interval at Sishen
 - Increased Grinding Mill utilisation rate at Los Bronces from 91% to 96%, equating to \$20m profit enhancement for 2009

- Procurement initiatives on track to deliver benefits of \$1 bn by 2011
- Over \$200m delivered in 2008
- **Examples of value delivery**

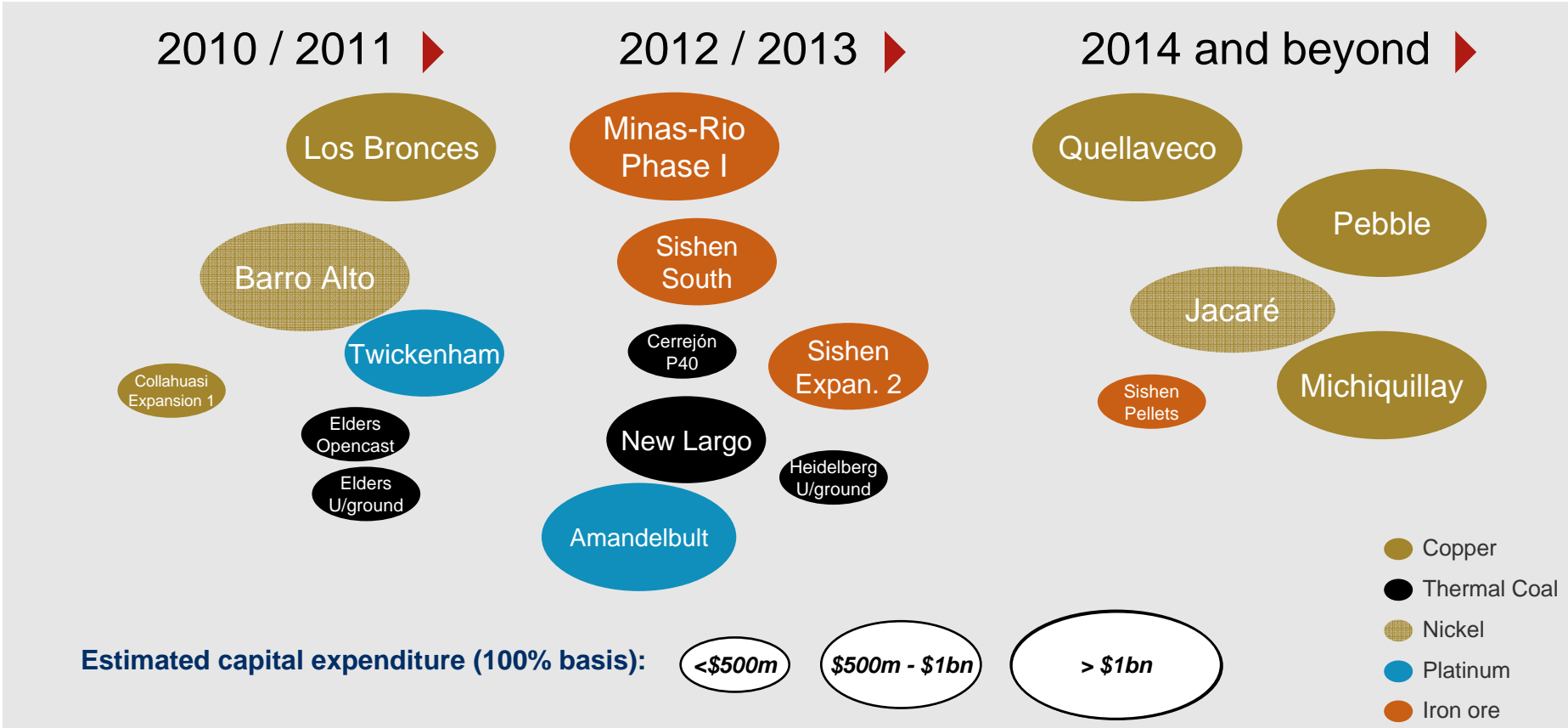
Conveyor equipment and services: supplier consolidation (over 100 to 6), will deliver a 13% price reduction

Temporary labour: supplier consolidation South Africa (41 to 3) and Australia (6 to 1), delivering over 10% reduction in labour cost

Pursuing Strategic Growth Options



Strong project pipeline preserved



One of the largest industry growth pipelines

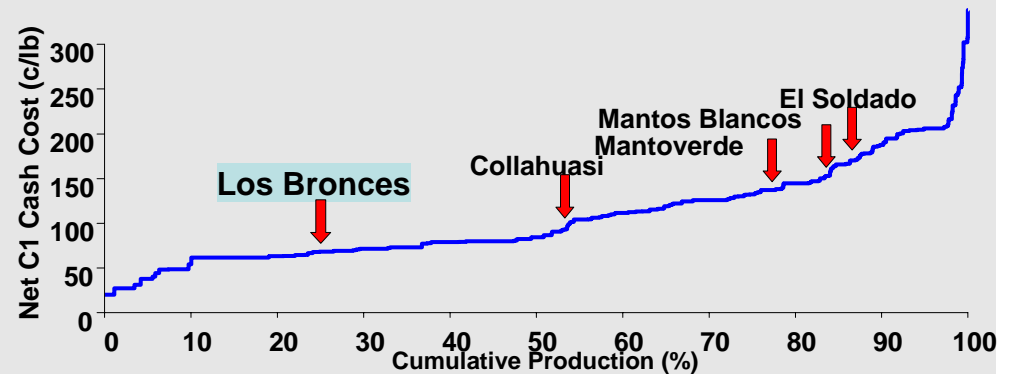
*Selected future approved and unapproved projects, dates show first production

Major projects well timed to enter production



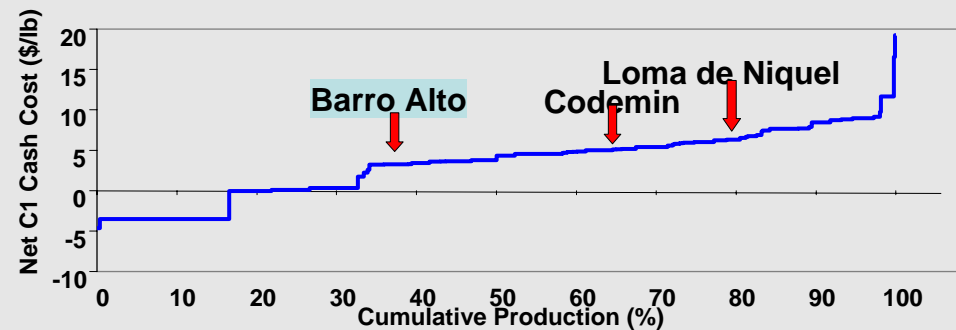
- **Los Bronces expansion**

World class Tier 1 copper project
World's 6th largest copper mine
173,000 tpa – first production in 2011
1st quartile cash costs of \$0.69/lb



- **Barro Alto project**

Large scale, low cost, long life nickel project
2nd quartile cash costs of \$3.20/lb
Production of 36,000 tpa – first production in 2011
At full production in 2012, it will more than double our current Ni production



Positioning for growth – Minas Rio



Transforming Anglo's position in iron ore

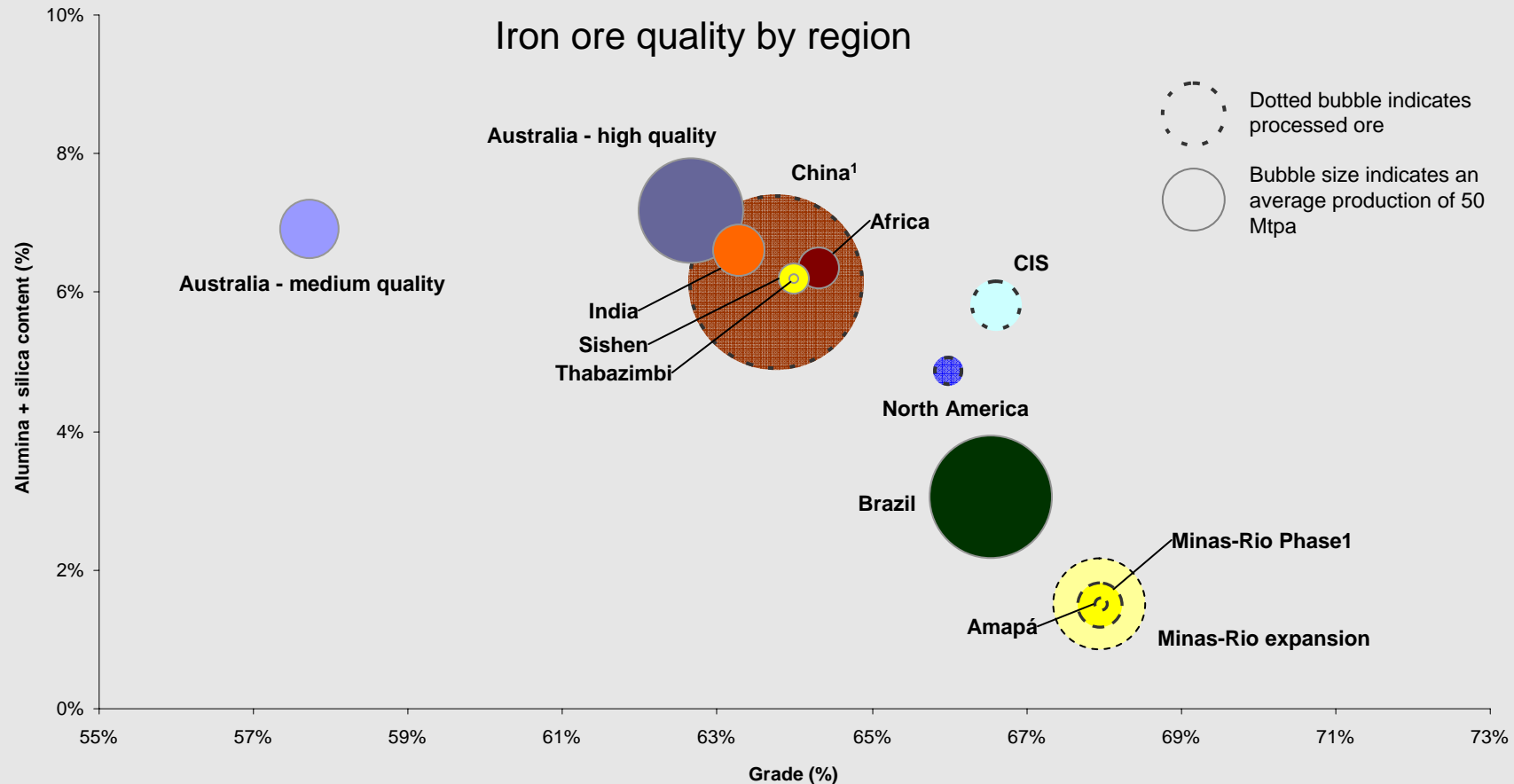
- World class deposit
- Major producer of high quality iron ore: 68% Fe content
- Resources of 3.9 bn tonnes
- Encouraging drilling results: potential to significantly increase resource
- Phase 1 production expected to commence in Q2 2012, with design capacity of 26.5 mtpa
- Potential to expand production to 80 mtpa
- Integrated logistics: 525 km pipeline to port of Açú



Positioning for growth – Minas Rio



Minas-Rio – a Tier 1 iron ore asset Iron ore quality by region



Notes: 1. Chinese production (rich ore equivalent) inferred from a small sample of mines.
Source: CRU

The Investment Case



Investment of choice



Focused on delivering substantial value throughout the cycle, leveraging our world class asset base and building our \$50bn growth pipeline

- A unique world-class portfolio of precious, bulks and base metals well positioned at lower end of cost curve in attractive markets
- Major restructuring initiatives at Anglo Platinum and De Beers
- \$2 billion Asset Optimisation and Procurement programmes
- Balance sheet: no further refinancing required over the medium term
- Three major projects under development – well timed to enter production from 2011

Question and Answer session

