

## NEWS RELEASE

21 April 2011

**Anglo American plc  
Interim Management Statement  
Production Report for the first quarter ended 31 March 2011**

### Overview

- Platinum refined production increased by 19% to 532,900 ounces, while equivalent refined production decreased by 5%
- Nickel<sup>(1)</sup> production increased by 27% to 6,100 tonnes
- Copper production decreased by 14% to 138,800 tonnes, mainly due to abnormally high rainfall and expected lower grades at Collahuasi, and scheduled maintenance and expected lower grades at Los Bronces
  - Full year production expected to be marginally higher than 2010, based on the commissioning of the Los Bronces expansion project in Q4
- Thermal coal production from South Africa and Colombia increased by 2% to 16.0 million tonnes
- Metallurgical coal production from the Australian operations decreased by 37% to 2.1 million tonnes, due to severe flooding in Queensland
- Iron ore production decreased by 19% to 9.9 million tonnes mainly due to mining constraints caused by wet pit conditions, resulting from excessive rainfall at all of Kumba's operations
- Diamond production increased by 5% to 7.4 million carats
- Barro Alto nickel project produced first metal on schedule in March 2011
  - 41,000 tpa average over first five years of full production
- Los Bronces expansion project on track to deliver first production in Q4 2011
  - Increased production to average 400 ktpa over first 10 years (490 ktpa over first three years)
- Minas-Rio iron ore project commenced civil works for the beneficiation plant
  - 26.5 Mtpa production, with first ore on ship expected in second half of 2013
- Sales of Lisheen and Black Mountain Mining zinc interests completed in February 2011
- Announcement to combine UK businesses of Tarmac and Lafarge to create a leading UK construction materials company

Interim Results for the half year to 30 June 2011 will be announced on 29 July 2011.

This report forms Anglo American plc's Interim Management Statement for the purpose of the UK Listing Authority's Disclosure and Transparency Rules.

<sup>(1)</sup> Nickel production from the Nickel business unit

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| <b>Platinum</b>           |        | Q1<br>2011 | Q1<br>2010 | Q1 2011<br>vs.<br>Q1 2010 | Q4<br>2010 | Q1 2011<br>vs.<br>Q4 2010 |
|---------------------------|--------|------------|------------|---------------------------|------------|---------------------------|
| <b>Refined</b>            |        |            |            |                           |            |                           |
| Platinum                  | 000 oz | 532,900    | 446,700    | 19%                       | 872,400    | (39)%                     |
| Palladium                 | 000 oz | 288,200    | 247,000    | 17%                       | 502,600    | (43)%                     |
| Rhodium                   | 000 oz | 85,700     | 61,600     | 39%                       | 111,400    | (23)%                     |
| Nickel                    | t      | 4,800      | 4,400      | 9%                        | 5,000      | (4)%                      |
| <b>Equivalent refined</b> |        |            |            |                           |            |                           |
| Platinum                  | 000 oz | 567,600    | 594,700    | (5)%                      | 640,100    | (11)%                     |

**Platinum** – Refined production increased by 19% to 532,900 ounces, despite lower input from mining operations. Equivalent refined platinum production from mining and purchasing activities was 5% lower at 567,600 ounces. The reduction was mainly due to lower production at Platinum’s own mines, particularly Bathopele, Tumela and Dishaba, resulting from a number of safety related stoppages, and lower production at JV mines. This was partly offset by production from Unki, which continues to ramp up, and Khuseleka 2 shaft, which was reopened during Q1 2011 following care and maintenance closure in 2009.

**Palladium, Rhodium & Nickel** – Refined production of palladium, rhodium and nickel increased by 17%, 39% and 9% respectively. The increases vary due to a different source mix from operations and different pipeline processing times for each metal.

| <b>Copper</b> |   | Q1<br>2011 | Q1<br>2010 | Q1 2011<br>vs.<br>Q1 2010 | Q4<br>2010 | Q1 2011<br>vs.<br>Q4 2010 |
|---------------|---|------------|------------|---------------------------|------------|---------------------------|
| Copper        | t | 138,800    | 160,800    | (14)%                     | 154,400    | (10)%                     |

**Copper** – Production decreased by 14% to 138,800 tonnes mainly due to abnormally high rainfall in the quarter and expected lower grades at Collahuasi. Production at Los Bronces was also impacted by anticipated lower ore grades and scheduled plant maintenance in March, although partly offset by improved mill throughput resulting from processing softer ore.

The Los Bronces expansion project remains on schedule for first production in Q4 2011. The expected capital expenditure for the project has been revised to \$2.8 billion, mainly due to the impact of the earthquake in 2010 and geotechnical difficulties encountered.

At Collahuasi, the phase 2 expansion project to increase concentrator throughput to 160,000 tonnes of ore per day, an annual average production increment of 20,000 tonnes per year of copper over the estimated life of mine, was approved in March 2011. The expansion is expected to be commissioned in the first half of 2013.

| <b>Nickel</b> |   | Q1<br>2011 | Q1<br>2010 | Q1 2011<br>vs.<br>Q1 2010 | Q4<br>2010 | Q1 2011<br>vs.<br>Q4 2010 |
|---------------|---|------------|------------|---------------------------|------------|---------------------------|
| Nickel        | t | 6,100      | 4,800      | 27%                       | 4,400      | 39%                       |

**Nickel** – Production increased by 27% to 6,100 tonnes, primarily due to an increase in production at Loma de Niquel which operated with only one furnace for part of Q1 2010 and was also constrained by power rationing imposed by the Venezuelan government in 2010.

First metal from the \$1.9 billion Barro Alto nickel project was produced on schedule in March 2011. The new nickel plant will reach full production capacity in the second half of 2012 and will average 41,000 tpa over its first five years of full production.

| <b>Iron Ore and Manganese</b>     |       | Q1<br>2011 | Q1<br>2010 | Q1 2011<br>vs.<br>Q1 2010 | Q4<br>2010 | Q1 2011<br>vs.<br>Q4 2010 |
|-----------------------------------|-------|------------|------------|---------------------------|------------|---------------------------|
| Iron ore                          | 000 t | 9,945      | 12,329     | (19)%                     | 11,808     | (16)%                     |
| Manganese ore                     | 000 t | 541        | 684        | (21)%                     | 732        | (26)%                     |
| Manganese alloys                  | 000 t | 69         | 68         | 1%                        | 77         | (10)%                     |
| <b>Attributable sales volumes</b> |       |            |            |                           |            |                           |
| RSA export iron ore               | 000 t | 8,557      | 9,315      | (8)%                      | 8,977      | (5)%                      |
| RSA domestic iron ore             | 000 t | 1,826      | 1,617      | 13%                       | 1,722      | 6%                        |
| South American export iron ore    | 000 t | 1,063      | 1,019      | 4%                        | 1,254      | (15)%                     |

**Iron ore** – Total production of 9.9 Mt was 19% lower than Q1 2010 and 16% lower than Q4 2010.

Sishen Mine's production was 8.5 Mt, a decrease of 22%, mainly due to excessive rainfall in the quarter, with twice the annual rainfall recorded during the first two months of 2011. Production decreased by 25% or 1.9 Mt from the Dense Medium Separation plant and 16% or 0.5 Mt from the Jig plant, as mining equipment was unable to safely access the mining areas and wet feedstock material caused blockages in the plant.

Production from Thabazimbi Mine decreased by 49% to 0.2 Mt, mainly due to the heavy rainfall which hampered access to the main pit and planned reductions as the mine nears the end of its life, while supply to ArcelorMittal SA was supplemented from finished product stockpiles.

Export sales volumes from Sishen Mine reached 8.6 Mt during the quarter, a decrease of 0.8 Mt. The export sales performance has been maintained by depleting higher brought forward stock levels. Volumes railed on the Sishen-Saldanha Iron Ore Export Channel, which included finished product stock at Sishen Mine, increased by 3% to 9.7 Mt.

Kumba's 2011 production is expected to be flat compared with 2010 levels, as previously indicated. Despite the decline in operational performance during the first quarter, focused plans are in place to recover the shortfall in production by the end of 2011.

The 9 Mtpa Kolomela iron ore project remains on budget and on schedule to achieve initial production at the end of the first half of 2012, ramping up to full capacity in 2013.

In Brazil, record daily pellet feed production of 9.1 kt was achieved at Amapá in the quarter, following a review and revision of production processes.

The Minas-Rio iron ore project commenced civil works for the beneficiation plant and mobilised the contractor for tailings dam construction in March 2011. Completion and commissioning of the mine and plant is expected to take between 27 and 30 months, with first ore on ship forecast in the second half of 2013.

**Manganese Ore** – Production decreased by 21% due to a voluntary shut down of the Wessels and Mamatwan mines in South Africa for four weeks following a fatality at Wessels mine in February, and concentrator down time at Gemco in Australia that lasted for four days.

**Manganese Alloys** – Production was in line with Q1 2010 but decreased by 10% compared to Q4 2010 due to lower steel demand and higher alloy stockpiles in China.

| <b>Metallurgical Coal</b>                       |        | Q1<br>2011 | Q1<br>2010 | Q1 2011<br>vs.<br>Q1 2010 | Q4<br>2010 | Q1 2011<br>vs.<br>Q4 2010 |
|-------------------------------------------------|--------|------------|------------|---------------------------|------------|---------------------------|
| <b>Production</b>                               |        |            |            |                           |            |                           |
| Export metallurgical                            | 000 t  | 2,056      | 3,282      | (37)%                     | 3,651      | (44)%                     |
| Thermal                                         | 000 t  | 3,002      | 3,350      | (10)%                     | 3,728      | (19)%                     |
| <b>Weighted average<br/>achieved FOB prices</b> |        |            |            |                           |            |                           |
| Export metallurgical                            | US\$/t | 210        | 131        | 60%                       | 201        | 4%                        |
| Export thermal                                  | US\$/t | 102        | 79         | 29%                       | 90         | 13%                       |
| Domestic thermal                                | US\$/t | 35         | 31         | 13%                       | 32         | 9%                        |
| <b>Attributable sales volumes</b>               |        |            |            |                           |            |                           |
| Export metallurgical                            | 000 t  | 2,056      | 3,257      | (37)%                     | 3,501      | (41)%                     |
| Export thermal                                  | 000 t  | 947        | 1,317      | (28)%                     | 1,602      | (41)%                     |
| Domestic thermal                                | 000 t  | 1,892      | 1,949      | (3)%                      | 2,250      | (16)%                     |

**Metallurgical Coal** – Production of metallurgical coal decreased by 37% to 2.1 Mt due to the record rainfall and subsequent flooding events experienced at the Queensland operations in late 2010 and during the first quarter.

Production of thermal coal from mines in Australia was also impacted by the adverse weather conditions and decreased by 10%.

All operations are producing again with a ramp-up to full production expected in the second quarter. A number of initiatives are in progress for the remainder of 2011 to mitigate the production shortfall from Q1.

| <b>Thermal Coal</b>                             |        | Q1<br>2011 | Q1<br>2010 | Q1 2011<br>vs.<br>Q1 2010 | Q4<br>2010 | Q1 2011<br>vs.<br>Q4 2010 |
|-------------------------------------------------|--------|------------|------------|---------------------------|------------|---------------------------|
| <b>Production</b>                               |        |            |            |                           |            |                           |
| Thermal                                         | 000 t  | 7,689      | 7,418      | 4%                        | 8,201      | (6)%                      |
| Eskom                                           | 000 t  | 8,275      | 8,212      | 1%                        | 9,485      | (13)%                     |
| Metallurgical                                   | 000 t  | 80         | 111        | (28)%                     | 103        | (22)%                     |
| <b>Weighted average<br/>achieved FOB prices</b> |        |            |            |                           |            |                           |
| RSA export thermal                              | US\$/t | 117        | 78         | 50%                       | 84         | 39%                       |
| RSA domestic thermal                            | US\$/t | 22         | 18         | 22%                       | 20         | 10%                       |
| Cerrejón export thermal                         | US\$/t | 98         | 69         | 42%                       | 79         | 24%                       |
| <b>Attributable sales volumes</b>               |        |            |            |                           |            |                           |
| RSA export thermal                              | 000 t  | 3,568      | 3,932      | (9)%                      | 4,358      | (18)%                     |
| RSA domestic thermal                            | 000 t  | 1,083      | 1,190      | (9)%                      | 1,316      | (18)%                     |
| Cerrejón export thermal                         | 000 t  | 2,147      | 2,425      | (11)%                     | 2,672      | (20)%                     |

**Thermal Coal** – Production of thermal coal, from the Group's South African and Colombian operations, increased mainly due to the continuing ramp up of the Zibulo and Mafube operations. Cerrejón delivered a strong production performance despite disruptions due to labour negotiations and planned maintenance.

Weighted average RSA export thermal prices achieved were markedly stronger reflecting favourable market conditions and Thermal Coal's move towards full price indexation.

Sales volumes were impacted by low stock levels at Richards Bay Coal Terminal as a consequence of Transnet Freight Rail's performance, with multiple derailments affecting stock build up.

| <b>Diamonds</b>                          | Q1<br>2011 | Q1<br>2010 | Q1 2011<br>vs.<br>Q1 2010 | Q4<br>2010 | Q1 2011<br>vs.<br>Q4 2010 |
|------------------------------------------|------------|------------|---------------------------|------------|---------------------------|
| Diamonds                      000 Carats | 7,396      | 7,012      | 5%                        | 8,532      | (13)%                     |

**Diamonds** – Production increased 5% to 7.4 million carats while, compared to Q4 2010, production was 13% lower due to production constraints, including seasonal rainfall which disrupted operations in southern Africa, and grade variability.

## Production summary

The figures below include the entire output of consolidated entities and the Group's attributable share of joint ventures, joint arrangements and associates where applicable, except for De Beers which is quoted on a 100% basis.

|                                                                              |            |            |            |            |            | % Change                  |                           |
|------------------------------------------------------------------------------|------------|------------|------------|------------|------------|---------------------------|---------------------------|
|                                                                              | Q1<br>2011 | Q4<br>2010 | Q3<br>2010 | Q2<br>2010 | Q1<br>2010 | Q1 2011<br>vs.<br>Q4 2010 | Q1 2011<br>vs.<br>Q1 2010 |
| <b>Platinum segment</b>                                                      |            |            |            |            |            |                           |                           |
| Platinum (troy ounces)                                                       | 532,900    | 872,400    | 697,000    | 553,800    | 446,700    | (39)%                     | 19%                       |
| Palladium (troy ounces)                                                      | 288,200    | 502,600    | 404,500    | 294,400    | 247,000    | (43)%                     | 17%                       |
| Rhodium (troy ounces)                                                        | 85,700     | 111,400    | 88,600     | 67,300     | 61,600     | (23)%                     | 39%                       |
| Nickel (tonnes)                                                              | 4,800      | 5,000      | 4,300      | 4,800      | 4,400      | (4)%                      | 9%                        |
| Equivalent refined<br>Platinum (troy ounces)                                 | 567,600    | 640,100    | 648,300    | 600,900    | 594,700    | (11)%                     | (5)%                      |
| <b>Diamonds segment (De Beers)<br/>(diamonds recovered – 000<br/>carats)</b> |            |            |            |            |            |                           |                           |
| Total diamonds production for De Beers                                       | 7,396      | 8,532      | 9,033      | 8,420      | 7,012      | (13)%                     | 5%                        |
| Anglo American's share of<br>diamonds production for De Beers                | 3,328      | 3,839      | 4,065      | 3,789      | 3,155      | (13)%                     | 5%                        |
| <b>Copper segment (tonnes)<sup>(1)</sup></b>                                 | 138,800    | 154,400    | 153,400    | 154,700    | 160,800    | (10)%                     | (14)%                     |
| <b>Nickel segment (tonnes)<sup>(2)</sup></b>                                 | 6,100      | 4,400      | 5,700      | 5,300      | 4,800      | 39%                       | 27%                       |
| <b>Iron Ore and Manganese<br/>segment (tonnes)</b>                           |            |            |            |            |            |                           |                           |
| Iron ore                                                                     | 9,944,800  | 11,807,700 | 11,819,200 | 11,458,700 | 12,328,700 | (16)%                     | (19)%                     |
| Manganese ore <sup>(3)</sup>                                                 | 540,600    | 731,600    | 848,800    | 688,400    | 684,000    | (26)%                     | (21)%                     |
| Manganese alloys <sup>(3)(4)</sup>                                           | 68,800     | 76,800     | 79,600     | 87,200     | 68,400     | (10)%                     | 1%                        |
| <b>Metallurgical Coal segment<br/>(tonnes)</b>                               |            |            |            |            |            |                           |                           |
| Metallurgical                                                                | 2,056,300  | 3,651,300  | 3,971,000  | 3,797,900  | 3,281,600  | (44)%                     | (37)%                     |
| Thermal                                                                      | 3,002,300  | 3,727,500  | 3,413,000  | 3,970,200  | 3,349,800  | (19)%                     | (10)%                     |
| <b>Thermal Coal segment<br/>(tonnes)<sup>(5)</sup></b>                       |            |            |            |            |            |                           |                           |
| Thermal                                                                      | 7,688,800  | 8,200,700  | 8,240,300  | 7,813,000  | 7,418,100  | (6)%                      | 4%                        |
| Eskom                                                                        | 8,275,000  | 9,484,800  | 10,431,300 | 8,275,300  | 8,212,000  | (13)%                     | 1%                        |
| Metallurgical                                                                | 79,500     | 103,000    | 111,700    | 110,400    | 111,400    | (22)%                     | (28)%                     |
| <b>Other Mining and Industrial<br/>segment (tonnes)<sup>(6)</sup></b>        |            |            |            |            |            |                           |                           |
| Metallurgical coal                                                           | 108,400    | 240,200    | 226,400    | 206,700    | 194,700    | (55)%                     | (44)%                     |
| Zinc <sup>(7)</sup>                                                          | 22,500     | 77,300     | 93,700     | 91,000     | 87,700     | (71)%                     | (74)%                     |
| Lead <sup>(7)</sup>                                                          | 8,300      | 18,200     | 22,200     | 15,400     | 15,400     | (54)%                     | (46)%                     |
| South Africa Steel Products                                                  | 173,200    | 151,000    | 180,000    | 197,000    | 182,000    | 15%                       | (5)%                      |
| <b>Coal production by commodity<br/>(tonnes)<sup>(5)</sup></b>               |            |            |            |            |            |                           |                           |
| Metallurgical                                                                | 2,244,200  | 3,994,500  | 4,309,100  | 4,115,000  | 3,587,700  | (44)%                     | (37)%                     |
| Thermal                                                                      | 10,691,100 | 11,928,200 | 11,653,300 | 11,783,200 | 10,767,900 | (10)%                     | (1)%                      |
| Eskom                                                                        | 8,275,000  | 9,484,800  | 10,431,300 | 8,275,300  | 8,212,000  | (13)%                     | 1%                        |

<sup>(1)</sup> Excludes Platinum copper production.

<sup>(2)</sup> Excludes Platinum nickel production.

<sup>(3)</sup> Saleable production.

<sup>(4)</sup> Production includes Medium Carbon Ferro Manganese.

<sup>(5)</sup> Includes 598 kt (Q4 2010: 726 kt) of capitalised production from Zibulo (previously Zondagsfontein). The 598 kt includes export thermal coal production of 427 kt (Q4 2010: 465 kt) and Eskom coal production of 171 kt (Q4 2010: 261 kt). Excludes thermal coal production within the Other Mining and Industrial segment.

<sup>(6)</sup> Excludes Tarmac, Copebrás and Catalão.

<sup>(7)</sup> Zinc and lead production related to the Group's portfolio of zinc assets, the sales of which completed in December 2010, in respect of Skorpio mine, and February 2011, in respect of Lisheen mine and Black Mountain Mining (Proprietary) Limited.

As production figures are sometimes more precise than the rounded numbers shown in this report, small differences may arise throughout the report between the summation of quarters and the year to date totals. The percentage change will reflect the percentage change in the rounded production figures shown in this report.

**Forward looking statements:**

This Interim Management Statement contains certain forward looking statements which involve risk and uncertainty because they relate to events and depend on circumstances that occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements.

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**Notes to editors:**

Anglo American plc is one of the world's largest mining companies, is headquartered in the UK and listed on the London and Johannesburg stock exchanges. Anglo American's portfolio of mining businesses spans precious metals and minerals – in which it is a global leader in both platinum and diamonds; base metals – copper and nickel; and bulk commodities – iron ore, metallurgical coal and thermal coal. Anglo American is committed to the highest standards of safety and responsibility across all its businesses and geographies and to making a sustainable difference in the development of the communities around its operations. The company's mining operations and extensive pipeline of growth projects are located in southern Africa, South America, Australia, North America and Asia.

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