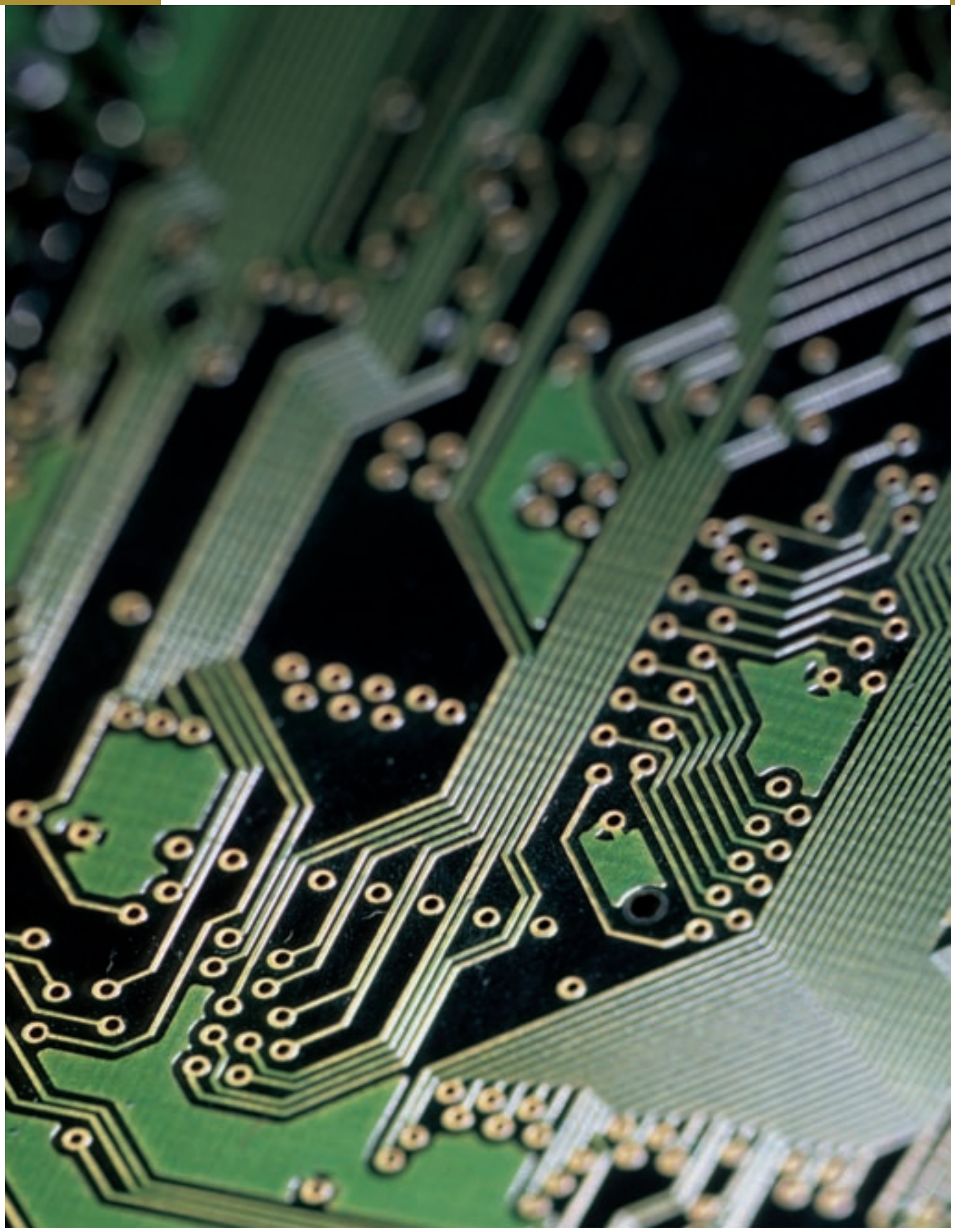
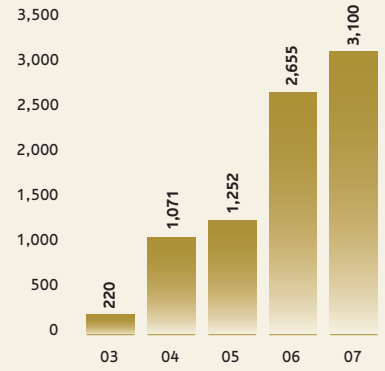


Base metals such as copper and zinc are widely used in communications and information technology

Financial highlights

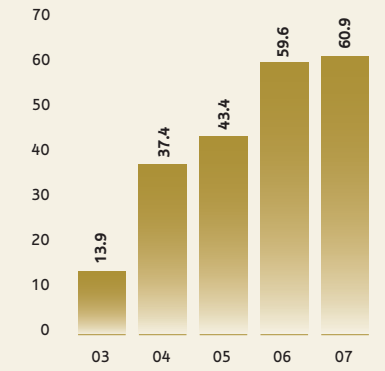
FIVE YEAR UNDERLYING EARNINGS

$m



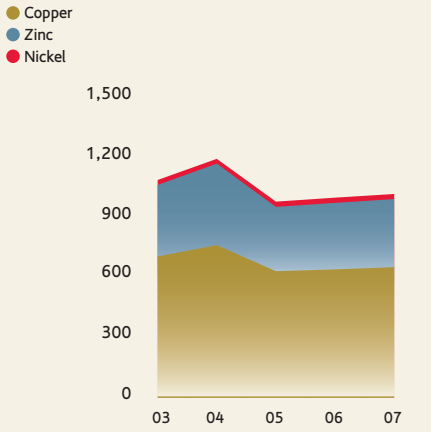
OPERATING MARGIN

%



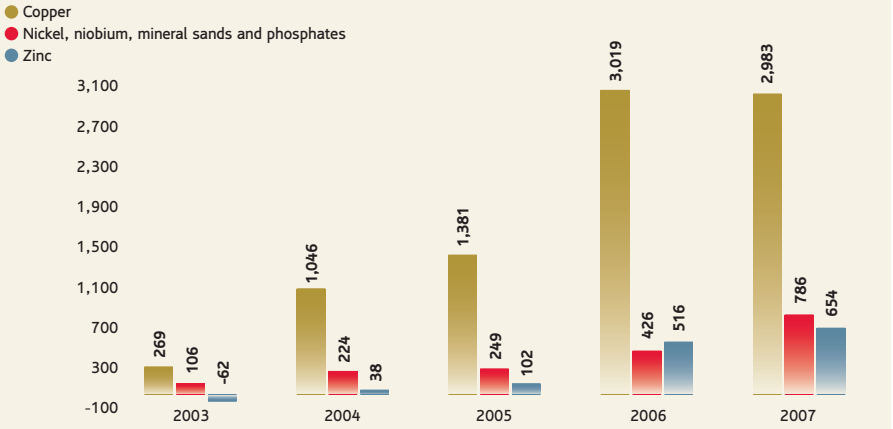
BASE METALS PRODUCTION

Tonnes (thousand)



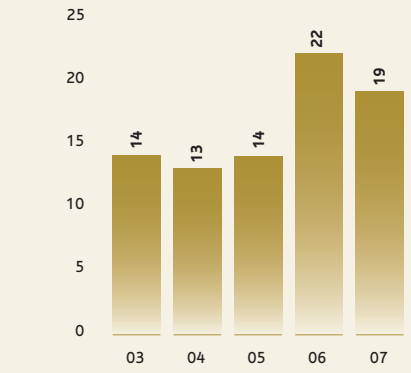
OPERATING PROFIT BY COMMODITY

$m



SHARE OF GROUP NET OPERATING ASSETS[1]

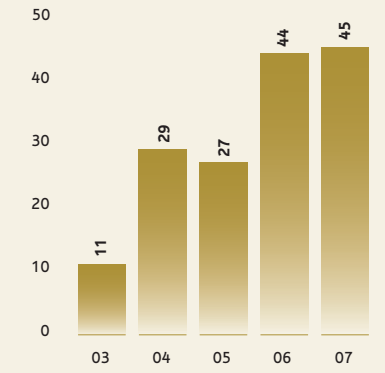
%



[1] On a continuing basis for 2006 and 2007.

SHARE OF GROUP OPERATING PROFIT[1]

%



[1] On a continuing basis for 2006 and 2007. 2003 has been restated to reflect the adoption of UTIF abstract 38 *Accounting for ESOP trusts*.

In 2007, Copebrás was reclassified from Industrial Minerals to Base Metals, to align with internal management reporting. As such, all the data presented above has been reclassified for the Copebrás results.

Financial data

US$m	2007[1]	2006	2005	2004	2003	2002
Turnover[2]						
Subsidiaries	5,746	5,092	3,224	2,883	1,932	1,029
Joint Ventures	1,383	1,442	712	611	323	413
Associates	–	–	–	88	60	58
Total turnover	**7,129**	**6,534**	**3,936**	**3,582**	**2,315**	**1,500**
Of which:						
Copper:	**4,507**	**4,537**	**2,597**	**2,154**	**1,247**	
Collauhasi	1,383	1,442	712	611	323	
Anglo American Sur (formerly Minera Sur Andes)	2,273	2,219	1,306	991	587	
Anglo American Norte (formerly Mantos Blancos)	851	876	579	464	277	
Other	–	–	–	88	60	
Nickel, Niobium, Mineral Sands and Phosphates	**1,583**	**1,081**	**898**	**790**	**561**	
Catalão	106	66	49	44	39	
Codemin	325	219	136	89	56	
Loma de Níquel	553	334	249	247	136	
Namakwa Sands and other	184	180	175	148	141	
Copebrás	415	282	289	262	189	
Zinc	**1,039**	**916**	**441**	**638**	**506**	
Black Mountain	165	148	80	49	62	
Lisheen	364	396	147	111	150	
Skorpion	510	372	214	73	–	
Other[3]	**–**	**–**	**–**	**405**	**295**	
EBITDA	**4,683**	**4,255**	**2,038**	**1,707**	**616**	**361**
Of which:						
Copper:	**3,192**	**3,238**	**1,590**	**1,252**	**447**	
Collauhasi	1,062	1,037	468	412	162	
Anglo American Sur (formerly Minera Sur Andes)	1,630	1,640	824	608	216	
Anglo American Norte (formerly Mantos Blancos)	507	563	299	225	65	
Other	(7)	(2)	(1)	7	4	
Nickel, Niobium, Mineral Sands and Phosphates	**842**	**492**	**344**	**354**	**198**	
Catalão	57	26	20	29	23	
Codemin	242	144	75	48	26	
Loma de Níquel	390	229	153	158	73	
Namakwa Sands and other	44	52	48	38	29	
Copebrás	109	41	48	81	47	
Zinc	**729**	**588**	**157**	**131**	**(1)**	
Black Mountain	93	42	12	2	(5)	
Lisheen	242	280	62	29	13	
Skorpion	394	266	83	22	–	
Other [3]	**(80)**	**(63)**	**(53)**	**48**	**(37)**	
Depreciation and amortisation	**345**	**358**	**331**	**366**	**295**	**204**
Operating profit before special items and remeasurements	**4,338**	**3,897**	**1,707**	**1,341**	**321**	**157**
Operating special items and remeasurements	**–**	**8**	**(11)**	**(237)**	**(208)**	**(51)**
Operating profit after special items and remeasurements	**4,338**	**3,905**	**1,696**	**1,104**	**113**	**106**
Net interest, tax and minority interests	**(1,238)**	**(1,242)**	**(455)**	**(276)**	**(101)**	**(71)**
Underlying earnings	**3,100**	**2,655**	**1,252**	**1,065**	**220**	**86**
Of which:						
Copper:	**2,060**	**1,908**	**983**	**855**	**216**	**80**
Collauhasi	701	586	257	280	78	
Anglo American Sur (formerly Minera Sur Andes)	1,026	996	529	413	111	
Anglo American Norte (formerly Mantos Blancos)	340	328	195	163	28	
Other	(7)	(2)	2	(1)	(1)	
Nickel, Niobium, Mineral Sands and Phosphates	**555**	**278**	**214**	**206**	**90**	**71**
Catalão	60	15	17	29	18	
Codemin	178	96	68	27	16	
Loma de Níquel	243	134	92	108	41	
Namakwa Sands and other	31	25	25	13	1	
Copebrás	43	8	12	29	14	
Zinc	**558**	**525**	**100**	**37**	**(65)**	**(66)**
Black Mountain	65	38	10	3	(6)	
Lisheen	174	287	54	15	4	
Skorpion	319	200	36	(12)	–	
Other[3]	**(73)**	**(56)**	**(45)**	**(2)**	**(84)**	**1**
Net segment assets	**4,989**	**4,599**	**4,928**	**5,087**	**4,178**	**3,681**
Capital expenditure	**582**	**315**	**304**	**393**	**370**	**447**

(1) Copebrás has been reclassified from Industrial Minerals to Base Metals to align with internal management reporting. As such the comparative data has been reclassified accordingly.

(2) 2002 and 2003 turnover is shown before deduction of TC/RC's. All other years are shown after deduction of TC/RC's.

(3) Results for Hudson Bay for 2003 and 2004 are included within 'Other'.

Business overview

Operating profit

2006
$3,897m

2007
$4,338m

EBITDA

2006
$4,255m

2007
$4,683m

- **Increased production volumes for copper in 2007**
- **Further upside potential in copper through Quellaveco and Michiquillay in Peru and Pebble in Alaska**
- **Barro Alto to boost attributable nickel output by an average of 36,000 tpa from 2011**

Anglo Base Metals has interests in 14 operations in six countries, producing copper, nickel, zinc, niobium, phosphate fertilisers, titanium dioxide and zircon, together with associated by-products including lead, molybdenum and silver.

In Chile, its six copper operations comprise the wholly owned Los Bronces, El Soldado, Mantos Blancos and Mantoverde mines, the Chagres smelter and a 44% interest in the Collahuasi mine. The mines also produce associated by-products such as molybdenum and silver.

Other South American operations are the Loma de Níquel nickel mine in Venezuela, and the Codemin nickel and Catalão niobium mines in Brazil. Anglo Base Metals also has a controlling interest in Copebrás, a leading Brazilian producer of phosphate fertilisers and phosphoric acid. Phosphate fertilisers are used to supplement natural soil nutrients to achieve high agricultural yields.

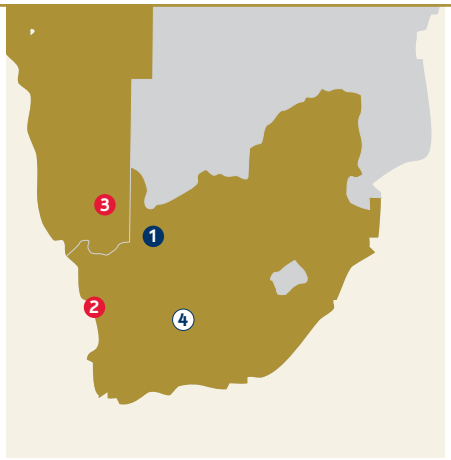
In southern Africa, Black Mountain and Skorpion mines produce zinc and associated by-products such as lead, copper and silver. Anglo Base Metals' sole European operation is the Lisheen zinc and lead mine in Ireland.

In January 2007, black economic empowerment company Exxaro Resources agreed to acquire Anglo Base Metals' Namakwa mineral sands operation in South Africa, which produces titanium dioxide, zircon and rutile, together with associated by-products, along with 26% each of Black Mountain and Gamsberg, a large, moderate-grade zinc undeveloped deposit located in the Northern Cape province of South Africa. Black Mountain and Gamsberg will remain subsidiaries of, and continue to be managed and operated by, Anglo Base Metals.

Right: Mantoverde – copper anodes

Key
- Underground
- Open Cut
- Other

The 100% owned Skorpion zinc mine in Namibia commenced commercial production in May 2004, and produces some 150,000 tonnes of zinc per year at full production. Black Mountain is a wholly owned zinc, lead, copper and silver concentrate operation located in South Africa. Namakwa Sands is a wholly owned mineral sands operation producing titanium dioxide slag, zircon, rutile and pig iron in South Africa. Anglo American has agreed, subject to the satisfaction of certain conditions precedent, that it will sell 100% of Namakwa and 26% of each of Black Mountain and Gamsberg to Exxaro, the black empowerment company.



Southern Africa
- 1 100% **Black Mountain** (South Africa)
- 2 100% **Namakwa Sands** (South Africa)
- 3 100% **Skorpion** (Namibia)
- 4 100% **Gamsberg** (South South Africa)

In Chile, Anglo American holds a 44% joint venture interest in the Collahuasi copper mine and has a 100% interest in Los Bronces, El Soldado, Mantos Blancos and Mantoverde copper mines and the Chagres smelter. In Brazil, Anglo American owns the ferronickel producer, Codemin, the ferroniobium producer, Catalão, and also has a controlling interest in Copebrás, a leading Brazilian producer of phosphate fertilizers and phosphoric acid. In Venezuela, Anglo American holds a 91.4% interest in the Loma de Níquel ferronickel operation.

In addition, Anglo American has an 81.9% interest in the Quellaveco copper project in Peru and 100% of the Barro Alto nickel project in Brazil.

South America
- ① 100% **Barro Alto Project** (Brazil)
- 2 100% **Catalão** (Brazil)
- 3 100% **Codemin** (Brazil)
- 4 44% **Collahuasi** (Chile)
- 5 100% **Los Bronces** (Chile)
- 5 100% **El Soldado** (Chile)
- ⑤ 100% **Chagres** (Chile)
- 6 100% **Mantos Blancos** (Chile)
- 7 100% **Mantoverde** (Chile)
- ⑧ 81.9% **Quellaveco Project** (Peru)
- 9 91.4% **Loma de Níquel** (Venezuela)
- ⑩ 73% **Copebrás Cubatão** (Brazil)
- ⑪ 73% **Copebrás Catalão** (Brazil)
- ⑫ 100% **Michiquillay** (Peru)

The wholly owned Lisheen zinc/lead mine in central Ireland, produced over 160,000 tonnes of zinc in concentrate in 2007.

Ireland
- 1 100% **Lisheen**

Industry overview

The majority of copper produced is used by the wire and cable markets and takes advantage of the metal's electrical conductivity, corrosion resistance and thermal conductivity. Applications that make use of copper's electrical conductivity, such as wires (including building wire), cables and electrical connectors, account for around 60% of total demand, while about 20% comes principally from the construction industry, which uses copper to produce plumbing pipe and roof sheeting, owing to the metal's corrosion resistant qualities. Copper's thermal conductivity also makes it suitable for use in heat transfer applications such as air conditioning and refrigeration, which make up some 10% of total demand. Other applications include structural and aesthetic uses. Around 65% of all refined nickel goes into stainless steel. Other uses include high corrosion-resistant alloys for use in chemical plants, superalloys that can withstand extreme temperatures and are predominantly used in aviation, high-tech electronic uses, as a hardening agent in special steels and as a substrate for chromium plating.

Zinc is used predominantly in galvanising and alloys. Steel coated with zinc (galvanised steel) exhibits high levels of corrosion resistance. This application is responsible for around 50% of total demand. Zinc based alloys in die casting, ranging from automotive components to toys and models, account for around 10-12% of demand, with copper-based zinc alloys (brass) accounting for 15-17%. Zinc semis are used as roofing products and in dry cell batteries (8-10%). Chemical and other applications make up the remainder of refined demand (approximately 13-15%), where zinc is used in a diverse range of products and applications, including tyres, paints, pharmaceuticals and chemical processing.

With the exception of nickel, base metals industry ownership is presently relatively fragmented. The global market shares of the four largest copper, nickel and zinc metal producers are approximately 25%, 52% and 23% respectively (but subject to ongoing consolidation in the base metals industry). Producers are price takers and there are relatively few opportunities for product differentiation.

The industry is capital intensive and is likely to become more so as high grade surface deposits are exhausted and deeper and/or lower grade deposits, requiring greater economies of scale in order to be commercially viable, are developed. Real prices of copper, nickel and zinc have declined over the long term, although there have been material and sustained deviations from this trend, most notably over the past five years. The decline in real prices reflects the long term reduction in costs as a result of improvements in technology and lower input costs. Average margins have, therefore, tended to be maintained.

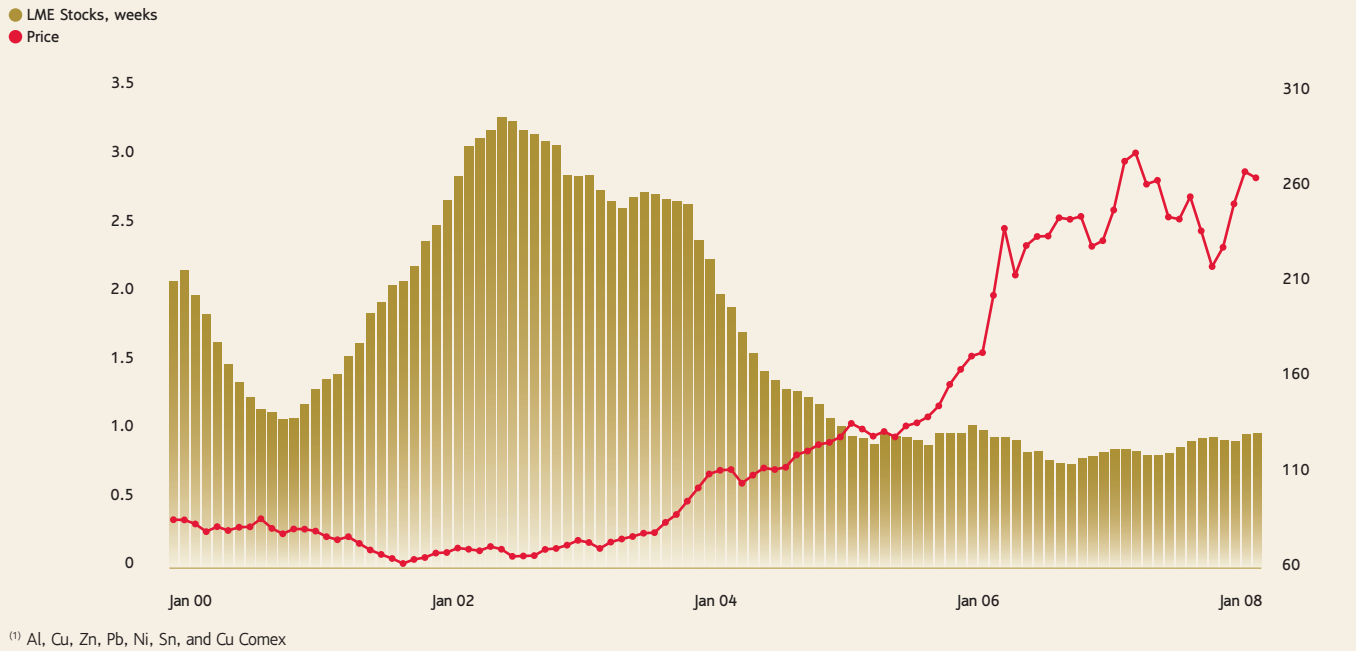
For the past five years, the ongoing industrialisation and urbanisation of China has driven demand for a range of commodities. This, together with interest from speculative and investor funds, has resulted in a base metal price up-cycle which has been unprecedented both in its extent and its longevity. China now comprises an estimated 27%, 24% and 31% of global demand for copper, nickel and zinc respectively, the markets for which have all benefited materially.

Markets

Average prices (c/lb)	2007	2006
Copper	323	305
Nickel	1,686	1,095
Zinc	147	148
Lead	118	58

During 2007, the copper market was broadly in balance, with prices recovering strongly in the first half as the Chinese restocked, but then moved lower in the fourth quarter. Nickel had a buoyant first six months, with very tight terminal market stocks, but weakened materially in the second half as ongoing stainless steel production cutbacks, greater scrap availability, substitution and increases in nickel pig-iron production all contributed to a material build up of stock across the year. Zinc prices weakened, particularly in the second half, owing to market concerns about the impact of increasing 2008 supply on terminal market stocks.

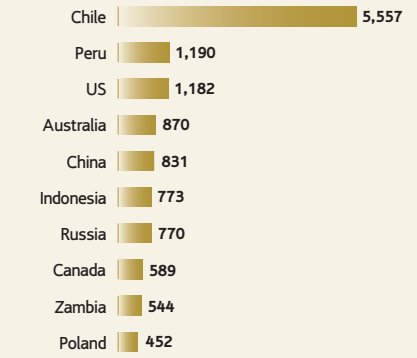
TOTAL LME STOCKS[1] AND BASE METALS PRICE INDEX (SHOWN TO APRIL 2008)



[1] Al, Cu, Zn, Pb, Ni, Sn, and Cu Comex

Market information

LEADING COPPER MINING COUNTRIES BY 2007 MINE PRODUCTION
Tonnes (thousand)



2007 world total: 15,520 kt

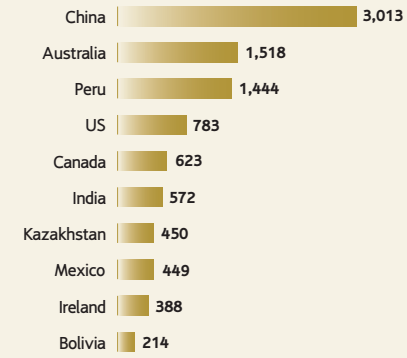
Source: World Bureau of Metal Statistics

LEADING NICKEL MINING COUNTRIES BY 2007 MINE PRODUCTION
Tonnes (thousand)

2007 world total: 1,559 kt

Source: World Bureau of Metal Statistics

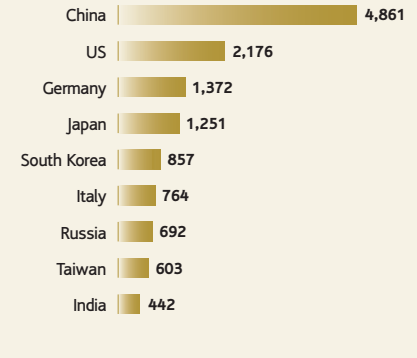
LEADING ZINC MINING COUNTRIES BY 2007 MINE PRODUCTION
Tonnes (thousand)



2007 world total: 11,108 kt

Source: World Bureau of Metal Statistics

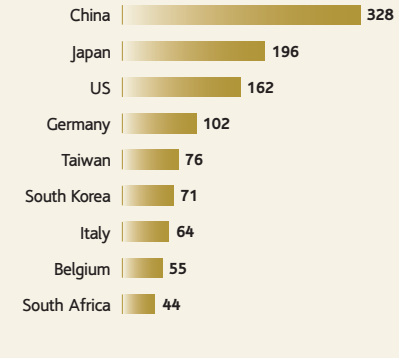
LEADING COPPER CONSUMERS (WORLD REFINED CONSUMPTION)
Tonnes (thousand)



2007 world total: 18,042 kt

Source: World Bureau of Metal Statistics

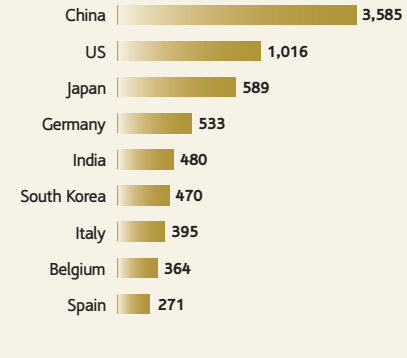
LEADING NICKEL CONSUMERS (WORLD REFINED CONSUMPTION)
Tonnes (thousand)



2007 world total: 1,406 kt

Source: World Bureau of Metal Statistics

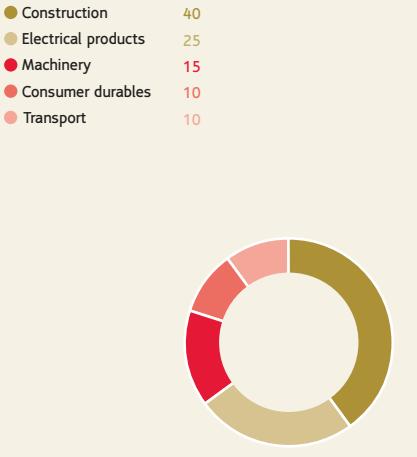
LEADING ZINC CONSUMERS (WORLD SLAB CONSUMPTION)
Tonnes (thousand)



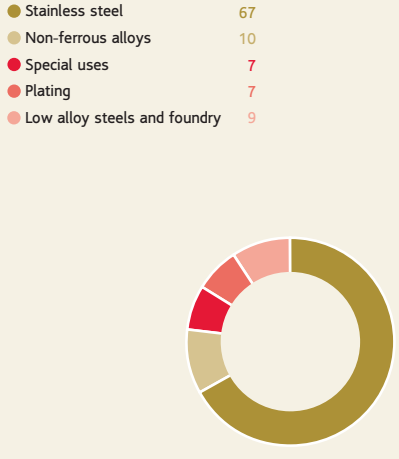
2007 world total: 11,241 kt

Source: World Bureau of Metal Statistics

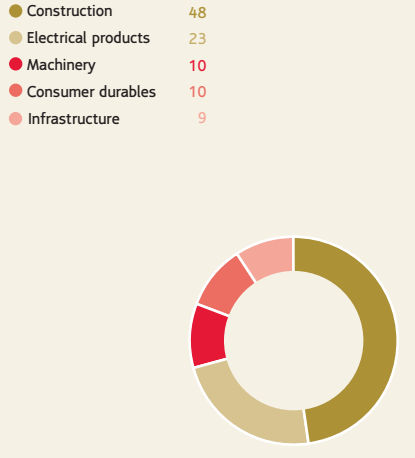
ESTIMATED END USAGE – COPPER
%



ESTIMATED END USAGE – NICKEL
%



ESTIMATED END USAGE – ZINC
%



Strategy and growth

Anglo Base Metals' strategy is to find or acquire, develop and operate long life, low cost mines in a socially and environmentally responsible manner, with a strong focus on efficient resource allocation, continuous improvement and capital and operating excellence.

The business is constantly developing and evaluating growth options from a combination of sources, including greenfield and brownfield projects, acquisitions, exploration and technology development.

In addition to the growth potential arising from approved expansions at Los Bronces, Collahuasi and Barro Alto, and studies into further growth potential in particular at Collahuasi and Quellaveco, Anglo American, through its Base Metals division, has invested in a number of major new copper projects.

In April 2007, Anglo American tendered $403 million and won the Michiquillay privatisation auction in Peru. The consideration for this world class resource, with a production potential of up to 300,000 tpa, will be payable over five years. However, there is a right to exit the project, at any time after the first year, by paying 30% of the difference between monies expended and the $403 million. During the first year there is a minimum work commitment of $1 million with no exit payment. The Peru based team has been mobilised and the primary focus of efforts in the first 12 months will be the development of a productive relationship with the local communities.

In July 2007, Anglo American became a 50% partner with the Northern Dynasty Partnership (a wholly owned affiliate of Northern Dynasty Minerals Limited) in the Pebble Limited Partnership for a staged cash investment of $1.425 billion. The partnership owns the Pebble Project, the key assets of which are the open pit style Pebble West copper-gold-molybdenum deposit and the adjacent, deeper and higher grade Pebble East deposit. The objective is to complete a pre-feasibility study in 2008, a feasibility study around 2011 and to have a world class mine in operation by 2015. A key priority is to build supportive relationships with local communities, consistent with Anglo American's policy of developing and operating projects to the highest social and environmental standards and to promote development that is truly sustainable.

Projects

Anglo Base Metals has a strong project pipeline which provides significant scope for organic growth. The pipeline includes the Barro Alto nickel project, which is on track for first production in 2010 and is due to increase existing nickel production by an average 36,000 tpa from 2011. To date, in excess of $900 million of the $1.5 billion capital expenditure required has been committed to this project and the strength of the Brazilian currency is putting ongoing material upward pressure on the domestic component of capital expenditure.

The $1.7 billion Los Bronces expansion project, which aims to increase sulphide mill throughput from 61,000 tonnes per day (tpd) to 148,000 tpd and increase copper production by an average of 170,000 tpa to an initial production level exceeding 400,000 tpa, has been approved. Construction is under way, with first production scheduled for 2011.

A debottlenecking project at Collahuasi, which will increase sulphide mill throughput from 130,000 tpd to 140,000 tpd, has been approved at a total cost of $64 million, with ramp up due to commence in the second half of 2008. The first phase of a potential two phase expansion at Collahuasi, which will increase throughput to 170,000 tpd, plus the addition of a separate 30,000 tpd sulphide leach circuit (equivalent to around 650,000 tpa of copper on a 100% basis), will be evaluated during 2008. Recent exploration success at Rosario Oeste suggests that there is potential to further increase production to around 1 million tpa by 2014.

The revised feasibility study on the Quellaveco project in Peru, which contemplates an operation producing approximately 200,000 tpa of copper in concentrate at a capital cost of approximately $1.7 billion, will be completed in 2008.

In addition, this organic growth will be boosted by the two major acquisitions made in 2007 – Pebble and Michiquillay.

Chagres, Mantoverde, Mantos Blancos, El Soldado, Catalão, Gamsberg, Copebrás, Boyongan and Kalayaan have early stage studies under way examining options for projects that will either increase production and/or extend mine lives.

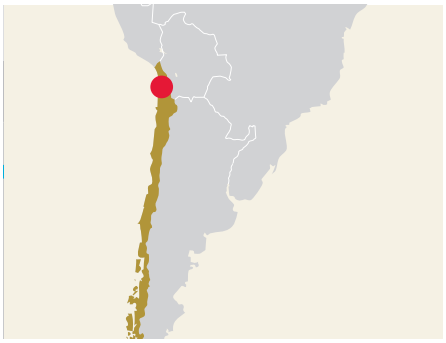
Right: A view of the open pit operations at Los Bronces

Project pipeline

Collahuasi debottleneck

Overall capex: **$64m**

Country	**Chile**
Ownership	**44%**
Incremental production (100% basis)	**30,000 tonnes per annum of copper**
Full project capex (100% basis)	**$64m**
Full production	**2009**

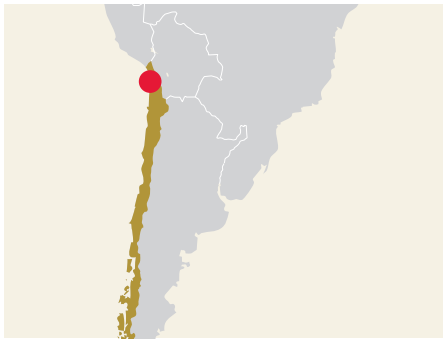


Collahuasi expansion (unapproved)

Overall capex (Phase 1 only): **$750m**

	Phase 1	Phase 2
Country	**Chile**	**Chile**
Ownership	**44%**	**44%**
Total production of mine when project ramps up to full production (100% basis)	**650,000 tonnes per annum of copper**	**1,000,000 tonnes per annum of copper**
Full project capex (100% basis)	**$750m**	**TBD**
Full production	**2010**	**2014**

Evaluation of the first phase of a potential two phase expansion project will be evaluated during 2008.

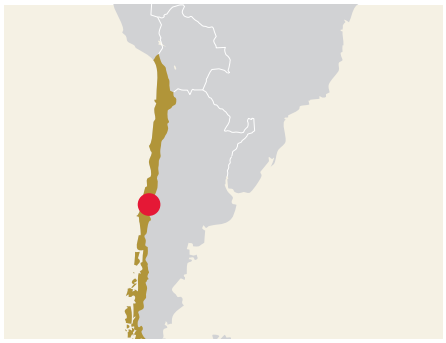


Los Bronces expansion

Overall capex: **$1,700m**

Country	**Chile**
Ownership	**100%**
Incremental production	**170,000 tonnes per annum of copper**
Full project capex	**$1,700m**
Full production	**2011**

Production represents average over the first ten years of the project.



Strategy and growth continued

Michiquillay (unapproved)

Overall capex: **$2,000m-$2,500m**

Country	**Peru**
Ownership	**100%**
Total production of mine when project ramps up to full production	**up to 300,000 tonnes of copper per annum**
Full project capex	**$2,000-$2,500m**
Full production	**2016**

Michiquillay will also produce 7 ktpa molybdenum, 230 kozpa gold and 2.3 Mozpa silver by-products.

Quellaveco

Overall capex: **$1,700m**

Country	**Peru**
Ownership	**81.9%**
Total production of mine when project ramps up to full production (100% basis)	**200,000 tonnes per annum of copper**
Full project capex (100% basis)	**$1,700m**
Full production	**2013**

Quellaveco has the potential to produce an average of 200,000 tonnes per annum of copper and 3-4 kpta of molybdenum and 1.6 Mozpa of silver over a mine life in excess of 25 years. A development decision on the Quellaveco project is expected in 2008.

Barro Alto

Overall capex: **$1,500m**

Country	**Brazil**
Ownership	**100%**
Incremental production	**36,000 tonnes per annum of nickel**
Full project capex	**$1,500m**
Full production	**2011**

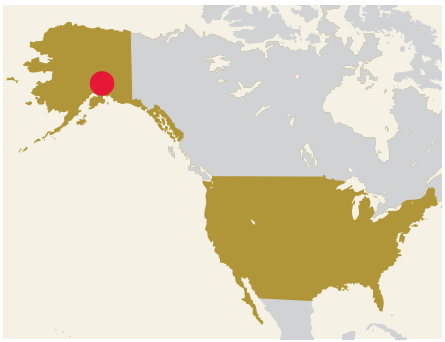
First production is scheduled for 2010, with full production of 36,000 tonnes per annum of nickel to be reached in 2011.

Pebble (unapproved)

Overall capex: **TBD**

Country	**US**
Ownership	**50%**
Total production of mine when project ramps up to full production (100% basis)	**350,000 tonnes per annum of copper, 12 ktpa molybdenum and 600 kozpa gold**
Full project capex	**TBD**
Full production	**TBD**

A pre-feasibility study is expected to be completed in 2008 and feasibility study around 2011.



Production data

Production (tonnes)	2007	2006	2005	2004	2003	2002
Copper						
Collahuasi (attributable basis)	198,900	193,600	187,900	211,700	173,700	190,800
Anglo American Sur (formerly Minera Sur Andes)						
– Los Bronces mine	231,200	226,000	227,300	231,600	207,800	29,000
– El Soldado mine	72,800	68,700	66,500	68,800	70,500	10,000
– Chagres Smelter						
Copper blister/anodes	164,100	173,400	138,100	165,000	160,100	21,900
Acid	493,400	499,200	371,900	440,500	436,700	66,400
Total production for Anglo American Sur group	304,000	294,700	293,800	300,400	278,300	39,000
Anglo American Norte (formerly Mantos Blancos)						
– Mantos Blancos mine	88,900	91,700	87,700	94,900	86,900	96,200
– Mantoverde mine	61,000	60,300	62,000	60,100	60,200	57,300
Total production for Anglo American Norte group	149,900	152,000	149,700	155,000	147,100	153,500
Black Mountain – copper in concentrate	2,200	3,400	3,200	5,200	4,700	5,400
Hudson Bay	–	–	–	74,300	83,100	83,400
Other	–	–	–	19,400	21,900	25,600
Total Anglo Base Metals Copper production	**655,000**	**634,800**	**634,600**	**766,000**	**708,800**	**497,700**
Nickel						
Codemin	9,900	9,800	9,600	6,500	6,400	6,000
Loma de Níquel	15,700	16,600	16,900	17,400	17,200	15,500
Other				100	1,300	4,100
Total Anglo Base Metals Nickel production	**25,600**	**26,400**	**26,500**	**24,000**	**24,900**	**25,600**
Niobium						
Catalão	4,700	4,700	4,000	3,500	3,300	3,300
Mineral Sands						
Namakwa Sands						
Slag tapped	151,300	133,900	164,400	169,300	165,800	162,700
Iron tapped	101,800	88,900	105,400	105,900	105,900	103,000
Zircon	114,800	128,400	128,600	119,100	93,300	112,400
Rutile	24,500	28,200	29,100	23,700	20,400	26,000
Ilmenite	300,300	272,200	316,100	320,600	314,600	315,900
Phosphates						
Copebrás						
Sodium tripolyphosphate	56,700	71,100	106,000	115,700	88,800	88,200
Phosphates	1,037,800	901,500	1,036,200	1,169,300	1,040,300	734,600
Zinc and Lead						
Black Mountain						
Zinc in concentrate	28,300	34,100	32,100	28,200	25,900	27,600
Lead in concentrate	41,900	48,300	42,200	37,500	39,600	45,300
Hudson Bay						
Zinc	–	–	–	107,000	117,900	108,100
Gold (ozs)	–	–	–	73,400	57,500	59,300
Silver (ozs)	–	–	–	1,020,900	1,032,800	1,234,200
Lisheen (100% basis)						
Zinc in concentrate	164,700	170,700	159,300	156,300	169,300	151,500
Lead in concentrate	20,200	23,100	20,800	17,200	20,800	22,000
Skorpion						
Zinc	150,100	129,900	132,800	119,200	47,400	–
Total Zinc[1]	**343,100**	**334,700**	**324,200**	**410,700**	**360,500**	**211,500**
Total Lead	**62,100**	**71,400**	**63,000**	**54,700**	**60,400**	**56,300**

[1] Attributable.

Reserves and resources data

The Ore Reserve and Mineral Resource estimates were compiled in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves (The JORC Code, 2004) as a minimum standard. Rounding of figures may cause computational discrepancies. The Mineral Resources are additional to the Ore Reserves. The figures reported represent 100% of the Ore Reserves and Mineral Resources, the percentage attributable to Anglo American plc is stated separately.

Copper Division Ore Reserves	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade %Cu 2007	Grade %Cu 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Los Bronces (OP)	100							
Sulphide (TCu)[1]		Proved	697.7	581.3	0.76	0.92	5,303	5,348
Flotation		Probable	782.7	190.3	0.58	0.74	4,540	1,408
		Total	**1,480.4**	**771.6**	**0.66**	**0.88**	**9,842**	**6,756**
Sulphide (TCu)		Proved	344.8	583.6	0.33	0.42	1,138	2,393
Dump Leach		Probable	672.6	553.8	0.25	0.34	1,682	1,883
		Total	**1,017.4**	**1,137.4**	**0.28**	**0.38**	**2,819**	**4,276**
El Soldado (OP and UG)	100							
Sulphide (TCu)		Proved	68.7	76.1	1.04	1.05	715	796
Flotation		Probable	50.7	49.9	0.82	0.83	418	415
		Total	**119.4**	**126.0**	**0.95**	**0.96**	**1,133**	**1,211**
Oxide (TCu)[2]		Proved	1.5	–	0.87	–	13	–
Heap Leach		Probable	3.0	–	0.74	–	22	–
		Total	**4.6**	**–**	**0.78**	**–**	**36**	**–**
Mantos Blancos (OP)	100							
Sulphide (ICu)		Proved	9.4	8.0	0.93	1.13	87	90
Flotation		Probable	19.3	24.8	1.05	0.88	203	217
		Total	**28.7**	**32.8**	**1.01**	**0.94**	**291**	**307**
Oxide (ASCu)[3]		Proved	1.5	1.1	0.72	0.85	11	10
Vat and Heap Leach		Probable	44.0	28.7	0.44	0.56	195	160
		Total	**45.5**	**29.8**	**0.45**	**0.57**	**205**	**170**
Oxide (ASCu)		Proved	0.5	0.5	0.24	0.26	1	1
Dump Leach		Probable	9.4	8.2	0.27	0.29	26	24
		Total	**10.0**	**8.7**	**0.27**	**0.29**	**27**	**25**
Mantoverde (OP)	100							
Oxide (ASCu)		Proved	53.5	56.5	0.62	0.64	332	360
Heap Leach		Probable	11.2	10.7	0.57	0.59	64	63
		Total	**64.7**	**67.2**	**0.61**	**0.63**	**395**	**423**
Oxide (ASCu)		Proved	28.1	32.3	0.36	0.37	101	120
Dump Leach		Probable	11.5	11.6	0.40	0.39	46	45
		Total	**39.7**	**43.9**	**0.37**	**0.38**	**147**	**165**
Collahuasi (OP)[4]	44							
Oxide, Mixed and Secondary Sulphides (TCu)[5]		Proved	43.9	14.3	0.80	0.99	352	142
Heap Leach		Probable	31.2	16.9	0.88	0.97	275	164
		Total	**75.2**	**31.2**	**0.83**	**0.98**	**626**	**306**
Sulphide (TCu)[6]		Proved	279.0	193.5	0.99	1.09	2,762	2,108
Flotation – direct feed		Probable	1,180.0	1,145.8	0.96	0.97	11,328	11,164
		Total	**1,459.1**	**1,339.3**	**0.97**	**0.99**	**14,091**	**13,272**
Low Grade Sulphide (TCu)[6]		Proved	–	–	–	–	–	–
Flotation – stockpile		Probable	670.1	380.5	0.51	0.53	3,418	2,003
		Total	**670.1**	**380.5**	**0.51**	**0.53**	**3,418**	**2,003**

Mining method: OP = Open Pit, UG = Underground.
TCu = total copper, ICu = insoluble copper (total copper less acid soluble copper), ASCu = acid soluble copper.

(1) **Los Bronces – Sulphide, Flotation:** Updated cut-off grade and final pit design considered in the Los Bronces Development Project and new economic assumptions.

(2) **El Soldado – Oxide, Heap Leach:** As a result of exploration new Oxide Ore Reserves have been included in this statement.

(3) **Mantos Blancos – Oxide, Vat and Heap Leach:** Gains in Ore Reserves related mainly to old workings recognised during 2007 and new economic parameters which define a lower cut-off grade.

(4) **Collahuasi:** Unlike Xstrata (Collahuasi joint venture partner), Anglo American reports Mineral Resources in excess of those that have been converted to Ore Reserves and only those Inferred Resources that are in the Life of Mine plan.

(5) **Collahuasi – Oxide, Mixed and Secondary Sulphides:** Heap Leach ore includes secondary sulphide ore from Ujina Mine.

(6) **Collahuasi – Sulphide, Flotation:** Gains in Ore Reserves related mainly to new economic parameters, which define a lower cut-off grade, and new Mineral Resources added in Rosario Oeste due to a brownfields exploration programme.

The Ore Reserves and Mineral Resources of the following operations were reviewed during 2007 by independent consultants:
Los Bronces, Mantos Blancos, El Soldado, Mantoverde.

Copper Division Mineral Resources	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade %Cu 2007	Grade %Cu 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Los Bronces (OP)	100							
Sulphide (TCu)[1] Flotation		Measured	111.7	118.1	0.47	0.50	529	584
		Indicated	1,532.4	958.9	0.45	0.46	6,896	4,411
		Measured and Indicated	**1,644.1**	**1,077.0**	**0.45**	**0.46**	**7,425**	**4,995**
		Inferred in Mine Plan	43.1	17.9	0.67	0.67	289	120
Sulphide (TCu) Dump Leach		Measured	–	–	–	–	–	–
		Indicated	–	–	–	–	–	–
		Measured and Indicated	–	–	–	–	–	–
		Inferred in Mine Plan	312.4	66.3	0.19	0.33	594	218
El Soldado (OP and UG)	100							
Sulphide (TCu) Flotation		Measured	61.2	42.9	0.81	0.67	496	287
		Indicated	47.9	48.8	0.73	0.74	349	363
		Measured and Indicated	**109.1**	**91.7**	**0.77**	**0.71**	**845**	**650**
		Inferred in Mine Plan	10.8	14.2	0.74	0.71	80	101
Oxide (TCu) Heap Leach		Measured	0.1	–	0.87	–	1	–
		Indicated	0.2	–	0.84	–	2	–
		Measured and Indicated	**0.3**	**–**	**0.85**	**–**	**3**	**–**
		Inferred in Mine Plan	0.9	–	0.88	–	8	–
Mantos Blancos (OP)	100							
Sulphide (ICu) Flotation		Measured	17.7	12.6	0.75	0.83	133	105
		Indicated	112.8	71.7	0.70	0.83	791	595
		Measured and Indicated	**130.5**	**84.3**	**0.71**	**0.83**	**924**	**700**
		Inferred in Mine Plan	4.2	2.8	0.82	1.02	34	29
Oxide (ASCu) Vat and Heap Leach		Measured	1.0	1.0	0.59	0.66	6	6
		Indicated	9.7	12.6	0.55	0.57	53	72
		Measured and Indicated	**10.7**	**13.6**	**0.55**	**0.58**	**59**	**78**
		Inferred in Mine Plan	2.2	1.7	0.57	0.67	13	11
Oxide (ASCu) Dump Leach		Measured	–	–	–	–	–	–
		Indicated	–	–	–	–	–	–
		Measured and Indicated	**–**	**–**	**–**	**–**	**–**	**–**
		Inferred in Mine Plan	1.1	0.8	0.24	0.27	3	2
Mantoverde (OP)	100							
Oxide (ASCu) Heap Leach		Measured	57.1	50.6	0.38	0.39	217	197
		Indicated	59.6	56.8	0.36	0.37	215	210
		Measured and Indicated	**116.7**	**107.4**	**0.37**	**0.38**	**432**	**407**
		Inferred in Mine Plan	0.3	0.3	0.62	0.60	2	2
Oxide (ASCu) Dump Leach		Measured	–	1.2	–	0.32	–	4
		Indicated	4.3	1.7	0.33	0.31	14	5
		Measured and Indicated	**4.3**	**2.9**	**0.33**	**0.31**	**14**	**9**
		Inferred in Mine Plan	0.6	0.4	0.37	0.34	2	2
Collahuasi (OP)[4]	44							
Oxide, Mixed and Secondary Sulphides (TCu)[5] Heap Leach		Measured	–	0.1	–	0.97	–	1
		Indicated	6.0	1.8	0.79	1.09	48	20
		Measured and Indicated	**6.0**	**1.9**	**0.79**	**1.09**	**48**	**21**
		Inferred in Mine Plan	1.3	0.5	1.18	0.74	16	4
Sulphide (TCu)[6] Flotation – direct feed		Measured	3.5	12.3	1.28	0.86	45	105
		Indicated	570.3	189.1	1.10	0.89	6,274	1,680
		Measured and Indicated	**573.8**	**201.4**	**1.10**	**0.89**	**6,318**	**1,785**
		Inferred in Mine Plan	374.0	202.2	0.95	0.93	3,553	1,878
Low Grade Sulphide (TCu)[6] Flotation – stockpile		Measured	2.9	35.0	0.50	0.45	14	157
		Indicated	154.6	238.3	0.50	0.46	773	1,108
		Measured and Indicated	**157.5**	**273.3**	**0.50**	**0.46**	**787**	**1,265**
		Inferred in Mine Plan	201.0	106.9	0.50	0.48	1,005	510

Mining method: OP = Open Pit, UG = Underground.
TCu = total copper, ICu = insoluble copper (total copper less acid soluble copper), ASCu = acid soluble copper.

Reserves and resources data continued

Zinc Division Ore Reserves	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Black Mountain (UG)[1]	100							
Deeps[2]								
Zinc					%Zn	%Zn		
		Proved	1.3	0.2	2.50	2.34	32	6
		Probable	7.4	11.5	3.75	3.88	279	446
		Total	**8.7**	**11.7**	**3.56**	**3.84**	**311**	**452**
Copper					%Cu	%Cu		
		Proved			0.21	0.25	3	1
		Probable			0.81	0.76	61	88
		Total			**0.72**	**0.75**	**63**	**89**
Lead					%Pb	%Pb		
		Proved			4.48	3.27	59	8
		Probable			4.05	3.92	301	451
		Total			**4.12**	**3.91**	**360**	**459**
Lisheen (UG)[3]	100							
Zinc					%Zn	%Zn		
		Proved	6.9	7.5	11.25	11.61	782	869
		Probable	2.7	3.8	13.68	12.69	373	487
		Total	**9.7**	**11.3**	**11.94**	**11.97**	**1,155**	**1,356**
Lead					%Pb	%Pb		
		Proved			1.98	2.07	138	155
		Probable			1.61	1.43	44	55
		Total			**1.88**	**1.85**	**182**	**210**
Skorpion (OP)	100							
Zinc					%Zn	%Zn		
		Proved	6.4	7.7	12.74	12.72	821	982
		Probable	5.1	5.2	9.72	9.68	491	506
		Total	**11.5**	**13.0**	**11.41**	**11.49**	**1,312**	**1,488**

Mining method: OP = Open Pit, UG = Underground.
For the polymetallic deposits, the tonnage figures apply to each metal.

(1) **Black Mountain:** On 18 January 2007, Exxaro exercised its option to acquire a 26% interest in Black Mountain. The sale is contingent on the conversion of old order to new order mining rights. It is expected that this will take place in 2008.

(2) **Black Mountain – Deeps:** A new 3D model has been built and the classification criteria changed along with new economic factors being applied. Ore Reserves include 8,745kt of silver ore at 55g/t as a by-product.

(3) **Lisheen:** Decrease due to losses on the margins of the orebodies in Main East, Main West and oolite zones following mining and new underground drilling information.

The Ore Reserves of the following operations were reviewed during 2007 by independent consultants: Lisheen.

Zinc Division Mineral Resources	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Black Mountain (UG)	100							
Deeps[4]								
Zinc					%Zn	%Zn		
		Measured	0.5	1.8	2.23	2.00	11	35
		Indicated	4.5	6.1	3.53	3.59	160	218
		Measured and Indicated	**5.0**	**7.8**	**3.40**	**3.23**	**171**	**253**
		Inferred in Mine Plan	3.1	–	3.96	–	124	–
Copper					%Cu	%Cu		
		Measured			0.65	0.43	3	8
		Indicated			0.61	0.74	28	45
		Measured and Indicated			**0.61**	**0.67**	**31**	**52**
		Inferred in Mine Plan			1.23	–	38	–
Lead					%Pb	%Pb		
		Measured			1.97	2.22	10	39
		Indicated			4.40	3.74	200	227
		Measured and Indicated			**4.16**	3.40	**210**	266
		Inferred in Mine Plan			1.28	–	40	–
Swartberg[5]								
Zinc					%Zn	%Zn		
		Measured	–	–	–	–	–	–
		Indicated	17.3	17.3	0.63	0.63	109	109
		Measured and Indicated	**17.3**	**17.3**	**0.63**	**0.63**	**109**	**109**
		Inferred in Mine Plan	–	–	–	–	–	–
Copper					%Cu	%Cu		
		Measured			–	–	–	–
		Indicated			0.70	0.70	121	121
		Measured and Indicated			**0.70**	**0.70**	**121**	**121**
		Inferred in Mine Plan			–	–	–	–
Lead					%Pb	%Pb		
		Measured			–	–	–	–
		Indicated			2.87	2.87	497	497
		Measured and Indicated			**2.87**	**2.87**	**497**	**497**
		Inferred in Mine Plan			–	–	–	–
Lisheen (UG)	100							
Zinc					%Zn	%Zn		
		Measured	1.0	1.0	12.67	12.84	123	132
		Indicated	0.5	0.6	12.95	12.68	61	74
		Measured and Indicated	**1.4**	**1.6**	**12.76**	**12.78**	**184**	**206**
		Inferred in Mine Plan	0.4	0.5	18.24	17.16	68	81
Lead					%Pb	%Pb		
		Measured			2.30	2.38	22	24
		Indicated			1.86	1.55	9	9
		Measured and Indicated			**2.16**	**2.08**	**31**	**34**
		Inferred in Mine Plan			3.05	2.84	11	13
Skorpion (OP)	100							
Zinc					%Zn	%Zn		
		Measured	0.0	0.0	6.99	6.99	2	2
		Indicated	0.2	0.2	6.94	6.94	15	15
		Measured and Indicated	**0.2**	**0.2**	**6.95**	**6.95**	**17**	**17**
		Inferred in Mine Plan	0.8	0.8	9.16	9.18	71	72

Mining method: OP = Open Pit, UG = Underground.
For the polymetallic deposits, the tonnage figures apply to each metal.

[4] **Black Mountain – Deeps:** Broken Hill and the Deeps Mineral Resources are combined for reporting purposes. An updated 3D model based on additional information obtained from underground in-fill drilling was completed during 2007. The improved understanding of the orebody led to the introduction of a scorecard classification methodology and Mineral Resources based on surface drilling only are classified as Inferred Resources. Mineral Resources contain 8,175kt of silver ore at 40g/t as a by-product.

[5] **Black Mountain – Swartberg:** The Swartberg mine was placed on care and maintenance from January 2007. The Ore Reserves were removed from the mine plan and converted to Mineral Resources. Mineral Resources contain 17,323kt of silver ore at 35g/t as a by-product.

The Mineral Resources of the following operations were reviewed during 2007 by independent consultants: Lisheen.

Reserves and resources data continued

Nickel Division Ore Reserves	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Barro Alto (OP)[1]	100							
Laterite					%Ni	%Ni		
		Proved	12.3	13.2	1.61	1.64	199	216
		Probable	27.1	27.2	1.81	1.81	491	492
		Total	**39.5**	**40.4**	**1.75**	**1.75**	**690**	**708**
Codemin (OP)	100							
Laterite					%Ni	%Ni		
		Proved	3.2	3.2	1.33	1.33	42	42
		Probable	0.5	0.5	1.33	1.33	7	7
		Total	**3.7**	**3.7**	**1.33**	**1.33**	**49**	**49**
Loma de Níquel (OP)	91.4							
Laterite					%Ni	%Ni		
		Proved	11.9	11.9	1.49	1.51	178	180
		Probable	22.1	22.6	1.47	1.46	324	329
		Total	**34.0**	**34.5**	**1.48**	**1.48**	**502**	**509**

Nickel Division Mineral Resources	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Barro Alto (OP)	100							
Laterite					%Ni	%Ni		
		Measured	–	–	–	–	–	–
		Indicated	16.9	16.9	1.36	1.36	230	230
		Measured and Indicated	**16.9**	**16.9**	**1.36**	**1.36**	**230**	**230**
		Inferred in Mine Plan	37.5	37.5	1.56	1.56	585	585
Codemin (OP)	100							
Laterite					%Ni	%Ni		
		Measured	3.3	3.3	1.29	1.29	43	43
		Indicated	3.5	3.5	1.25	1.25	44	44
		Measured and Indicated	**6.9**	**6.9**	**1.27**	**1.27**	**87**	**87**
		Inferred in Mine Plan	–	–	–	–	–	–
Loma de Níquel (OP)[2]	91.4							
Laterite					%Ni	%Ni		
		Measured	1.2	1.0	1.40	1.41	16	15
		Indicated	4.8	4.6	1.45	1.44	70	67
		Measured and Indicated	**6.0**	**5.7**	**1.44**	**1.44**	**86**	**81**
		Inferred in Mine Plan	1.7	1.6	1.39	1.38	23	22

Mining method: OP = Open Pit.

(1) **Barro Alto:** The mineral resource model was updated and the mining design optimised to incorporate the new resources into the Ore Reserves. Ore from Barro Alto is currently being processed at the Codemin plant.

(2) **Loma de Níquel:** Increases are due to changes to the geological model incorporating new drilling information.

The Ore Reserves and Mineral Resources of the following operations were reviewed during 2007 by independent consultants: Loma de Níquel.

Niobium Ore Reserves	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Catalão (OP)[1]	100							
Carbonatite					$\%Nb_2O_5$	$\%Nb_2O_5$		
		Proved	11.9	7.0	1.24	1.15	147	80
		Probable	4.2	6.8	1.15	1.44	48	98
		Total	**16.0**	**13.8**	**1.21**	**1.29**	**195**	**178**

Niobium Mineral Resources	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Catalão (OP)	100							
Carbonatite					$\%Nb_2O_5$	$\%Nb_2O_5$		
		Measured	0.2	–	1.05	–	2	–
		Indicated	0.3	–	0.91	–	3	–
		Measured and Indicated	**0.5**	**–**	**0.96**	**–**	**4**	**–**
		Inferred in Mine Plan	0.6	–	0.90	–	5	–

Phosphate products Ore Reserves	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006
Copebrás (OP)[2]	73					
					$\%P_2O_5$	$\%P_2O_5$
		Proved	79.6	84.3	13.3	13.3
		Probable	152.1	152.3	13.4	13.4
		Total	**231.7**	**236.6**	**13.3**	**13.3**

Phosphate products Mineral Resources	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006
Copebrás (OP)	73					
					$\%P_2O_5$	$\%P_2O_5$
		Measured	0.5	0.5	12.4	12.4
		Indicated	20.3	20.3	11.4	11.4
		Measured and Indicated	**20.8**	**20.9**	**11.4**	**11.4**
		Inferred in Mine Plan	15.8	15.8	12.9	12.9

Mining method: OP = Open Pit.

(1) **Catalão:** Increases due to new information from an exploration programme completed during 2007 and improved outlook for ferro-niobium prices which resulted in a lowering of the cut-off grade.

(2) **Copebrás:** Change due to production during 2007.

Reserves and resources data continued

Heavy Minerals Ore Reserves	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal million tonnes 2007	Contained metal million tonnes 2006
Namakwa Sands (OP)[1]	100							
Ilmenite					%Ilm	%Ilm		
		Proved	76.5	79.9	4.9	5.0	3.7	4.0
		Probable	250.4	268.9	3.7	3.7	9.2	9.9
		Total	**326.8**	**348.8**	**4.0**	**4.0**	**12.9**	**13.9**
Zircon					%Zir	%Zir		
		Proved			1.2	1.2	0.9	1.0
		Probable			0.9	0.9	2.4	2.5
		Total			**1.0**	**1.0**	**3.3**	**3.5**
Rutile					%Rut	%Rut		
		Proved			0.2	0.2	0.2	0.2
		Probable			0.2	0.2	0.5	0.5
		Total			**0.2**	**0.2**	**0.7**	**0.7**

Heavy Minerals Mineral Resources	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal million tonnes 2007	Contained metal million tonnes 2006
Namakwa Sands (OP)[1]	100							
Ilmenite					%Ilm	%Ilm		
		Measured	117.9	116.5	3.5	3.5	4.1	4.1
		Indicated	148.4	143.6	3.4	3.4	5.0	4.9
		Measured and Indicated	**266.3**	**260.1**	**3.4**	**3.5**	**9.1**	**9.0**
		Inferred in mine plan	184.1	175.7	3.1	2.7	5.6	4.7
Zircon					%Zir	%Zir		
		Measured			0.7	0.7	0.8	0.8
		Indicated			0.7	0.7	1.0	1.0
		Measured and Indicated			**0.7**	**0.7**	**1.8**	**1.8**
		Inferred in mine plan			0.7	0.6	1.3	1.1
Rutile					%Rut	%Rut		
		Measured			0.2	0.2	0.2	0.2
		Indicated			0.2	0.2	0.2	0.2
		Measured and Indicated			**0.2**	**0.2**	**0.4**	**0.4**
		Inferred in mine plan			0.2	0.1	0.3	0.2

Mining method: OP = Open Pit.
For the multi-product deposits, the tonnage figures apply to each product.

[1] **Namakwa Sands:** On 18 January 2007, Exxaro exercised its option to acquire a 100% interest of Namakwa Sands. The sale is contingent on the conversion of old order to new order mining rights. It is expected that this will take place in 2008. Change due to production and resource model update during 2007.

Projects Ore Reserves	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Quellaveco (OP)[1]	80							
Copper					%Cu	%Cu		
Sulphide		Proved	250.1	250.1	0.76	0.76	1,901	1,901
Flotation		Probable	688.3	688.3	0.59	0.59	4,061	4,061
		Total	**938.4**	**938.4**	**0.64**	**0.64**	**5,962**	**5,962**
Gamsberg (OP)[2]	100							
Zinc					%Zn	%Zn		
		Proved	34.3	34.4	7.55	7.55	2,585	2,597
		Probable	110.3	110.3	5.55	5.55	6,124	6,124
		Total	**144.5**	**144.7**	**6.03**	**6.03**	**8,709**	**8,721**

Projects Mineral Resources	Attributable %	Classification	Tonnes million 2007	Tonnes million 2006	Grade 2007	Grade 2006	Contained metal thousand tonnes 2007	Contained metal thousand tonnes 2006
Quellaveco (OP)	80							
Copper					%Cu	%Cu		
Sulphide		Measured	1.5	1.5	0.53	0.53	8	8
Flotation		Indicated	176.7	176.7	0.46	0.46	813	813
		Measured and Indicated	**178.2**	**178.2**	**0.46**	**0.46**	**821**	**821**
		Inferred in Mine Plan	41.1	–	0.54	–	222	–
Pebble East (UG)[3][4]	50							
Copper					%Cu	%Cu		
		Measured	–	–	–	–	–	–
		Indicated	–	–	–	–	–	–
		Measured and Indicated	**–**	**–**	**–**	**–**	–	**–**
		Inferred[5]	2,420.0	–	0.71	–	**17,182**	–
Pebble West (OP)[3][6]	50							
Copper					%Cu	%Cu		
		Measured[7]	655.0	–	0.34	–	2,227	–
		Indicated[8]	1,760.0	–	0.30	–	5,280	–
		Measured and Indicated	**2,415.0**	**–**	**0.31**	**–**	**7,507**	**–**
		Inferred[9]	760.0	–	0.27	–	2,052	–

Mining method: OP = Open Pit, UG = Underground.

(1) **Quellaveco:** Based on a feasibility study completed in 2000.

(2) **Gamsberg:** Based on a feasibility study completed in 2000 and reviewed in 2006 to account for prevailing economic and financial assumptions. The Mine Plan includes an additional 54,200kt at 4.10% Zn of Inferred Mineral Resources.

(3) **Pebble:** Copper Equivalent (CuEq) calculations use metal prices of $1.00/lb for copper, $400/oz for gold and $6.00/lb for molybdenum. The CuEq used for the tabulated resources does not include estimates of metallurgical recoveries. Should provisional metallurgical recoveries be included in the CuEq calculation, an indication of the impact on the resource estimates is shown in the footnotes. It must be emphasised that metallurgical test work is ongoing at both Pebble East and Pebble West and that reliable estimates of recoveries will only be established during the current pre-feasibility study which is due for completion at end 2008. By definition mineral resources do not have demonstrated economic viability. Due to the uncertainty in the estimates of Inferred Resources, it should not be assumed that all of the Inferred Resources will necessarily upgrade to Indicated or Measured Resources.

(4) **Pebble East:** The resources are based on drilling to November 2007 and a block model created in December 2007. A cut-off grade of 0.8% CuEq was used and is considered reasonable for a large-scale underground operation. The resources occur in a reasonably coherent volume but a more detailed underground design was not undertaken to constrain the resources or to test for reasonable prospects for eventual economic extraction. At a cut-off of 1% CuEq the estimates of resources are 1,500Mt at 0.82% Cu, 0.49g/t Au and 0.035% Mo (1.32% CuEq). If the estimates of recovery are used in the CuEq calculation, the estimate of Inferred Resources above a cut-off of 0.8% CuEq drops to 2,100Mt at 0.75% Cu, 0.43g/t Au and 0.035% Mo.

(5) **Pebble East co-product estimated grades (Inferred):** Gold 0.42g/t, Molybdenum 0.034%.

(6) **Pebble West:** The resource block model used as the basis for reporting is unchanged from that used by Northern Dynasty Mines to previously publish resources. The resources in the table are based on a cut-off grade of 0.4% CuEq. Reasonable prospects for eventual economic extraction for the Pebble West Measured and Indicated Resources is satisfied in that more than 96% of the resources fall within a pit generated using Measured, Indicated and Inferred Resources. At a cut-off of 0.5% CuEq the estimates of Measured plus Indicated Resources are 1,630Mt at 0.35% Cu, 0.39g/t Au and 0.018% Mo (0.69% CuEq). If the estimates of recovery are used in the CuEq calculation, the estimates of Measured plus Indicated Resources above a cut-off of 0.4% CuEq drops to 1,920Mt at 0.34% Cu, 0.37g/t Au and 0.017% Mo.

(7) **Pebble West co-product estimated grades (Measured):** Gold 0.37g/t, Molybdenum 0.017%.

(8) **Pebble West co-product estimated grades (Indicated):** Gold 0.34g/t, Molybdenum 0.016%.

(9) **Pebble West co-product estimated grades (Inferred):** Gold 0.34g/t, Molybdenum 0.017%.