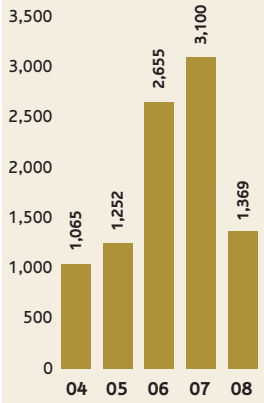
Base Metals

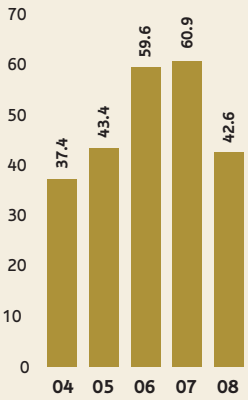
Copper is used extensively in pipes in refrigeration and air conditioning equipment because of its ease of fabrication, soldering amenability and thermal conductivity

Financial highlights

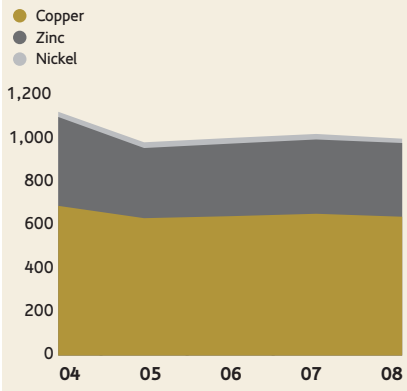
Five year underlying earnings
$m



Operating margin
%



Anglo Base Metals production*
Tonnes (thousand)



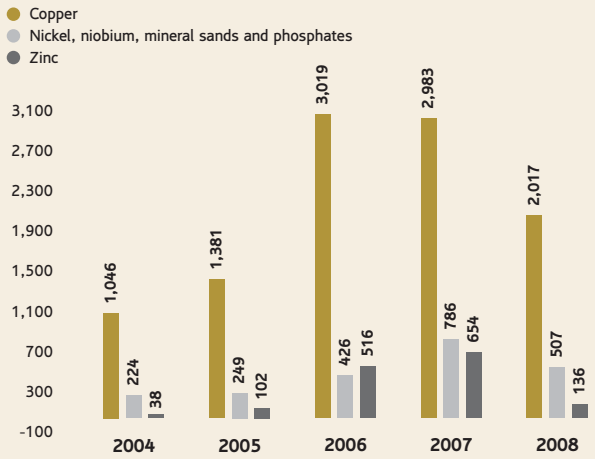
*Excludes copper and zinc production from Hudson Bay.

Cynthia and Peruvian president Alan Garcia

Michiquillay

Anglo Base Metals operating profit by commodity*

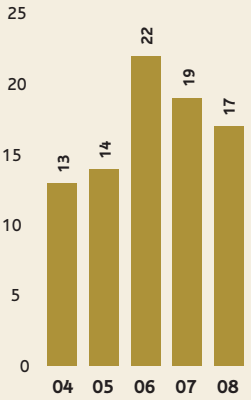
$ (million)



*Excludes operating profit from Hudson Bay and corporate/other costs. Copebrás is included from 2006.

Share of Group net operating assets[1]

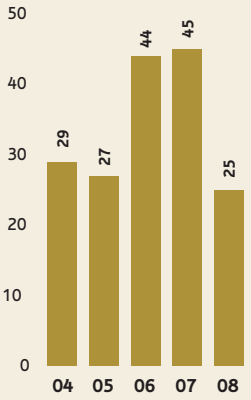
%



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

Share of Group operating profit[1]

%



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

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	2008	2007[1]	2006	2005	2004
Turnover					
Subsidiaries	4,744	5,746	5,092	3,224	2,883
Joint ventures	1,134	1,383	1,442	712	611
Associates	–	–	–	–	88
Total turnover	**5,878**	**7,129**	**6,534**	**3,936**	**3,582**
Of which:					
Copper:	**3,907**	**4,507**	**4,537**	**2,597**	**2,154**
Collahuasi	1,134	1,383	1,442	712	611
Anglo American Sur (formerly Minera Sur Andes)	1,965	2,273	2,219	1,306	991
Anglo American Norte (formerly Mantos Blancos)	808	851	876	579	464
Other	–	–	–	–	88
Nickel, Niobium, Mineral Sands and Phosphates	**1,381**	**1,583**	**1,081**	**898**	**790**
Catalão	141	106	66	49	44
Codemin	198	325	219	136	89
Loma de Níquel	210	553	334	249	247
Namakwa Sands and other	177	184	180	175	148
Copebrás	655	415	282	289	262
Zinc	**590**	**1,039**	**916**	**441**	**638**
Black Mountain	115	165	148	80	49
Lisheen	196	364	396	147	111
Skorpion	279	510	372	214	73
Other[2]	**–**	**–**	**–**	**–**	**405**
EBITDA	**2,845**	**4,683**	**4,255**	**2,038**	**1,707**
Of which:					
Copper:	**2,226**	**3,192**	**3,238**	**1,590**	**1,252**
Collahuasi	682	1,062	1,037	468	412
Anglo American Sur (formerly Minera Sur Andes)	1,265	1,630	1,640	824	608
Anglo American Norte (formerly Mantos Blancos)	288	507	563	299	225
Other	(9)	(7)	(2)	(1)	7
Nickel, Niobium, Mineral Sands and Phosphates	**563**	**842**	**492**	**344**	**354**
Catalão	80	57	26	20	29
Codemin	132	242	144	75	48
Loma de Níquel	48	390	229	153	158
Namakwa Sands and other	59	44	52	48	38
Copebrás	244	109	41	48	81
Zinc	**209**	**729**	**588**	**157**	**131**
Black Mountain	37	93	42	12	2
Lisheen	40	242	280	62	29
Skorpion	132	394	266	83	22
Other[2]	**(153)**	**(80)**	**(63)**	**(53)**	**48**
Depreciation and amortisation	**340**	**345**	**358**	**331**	**366**
Operating profit before special items and remeasurements	**2,505**	**4,338**	**3,897**	**1,707**	**1,341**
Of which:					
Copper:	**2017**	**2,983**	**3,019**	**1,381**	**1,048**
Collahuasi	613	998	962	397	346
Anglo American Sur (formerly Minera Sur Andes)[3]	1,157	1,518	1,533	724	512
Anglo American Norte (formerly Mantos Blancos)[3]	255	474	526	261	195
Other	(8)	(7)	(2)	(1)	(5)
Nickel, Niobium, Mineral Sands and Phosphates	**507**	**786**	**405**	**249**	**224**
Catalão	78	55	25	18	26
Codemin	123	234	136	69	44
Loma de Níquel	30	370	209	132	137
Namakwa Sands and other	59	44	35	30	16
Copebrás	217	83	–	–	–
Zinc	**136**	**654**	**516**	**102**	**38**
Black Mountain	26	83	31	10	(3)
Lisheen	22	227	265	50	17
Skorpion	88	344	220	42	(13)
Other[2]	**(155)**	**(85)**	**(64)**	**(54)**	**(34)**
Operating special items and remeasurements	**(352)**	**–**	**8**	**(11)**	**(237)**
Operating profit after special items and remeasurements	**2,153**	**4,338**	**3,905**	**1,696**	**1,104**

US$m	2008	2007[1]	2006	2005	2004
Net interest, tax and minority interests	**(1,136)**	**(1,238)**	**(1,242)**	**(455)**	**(276)**
Underlying earnings	**1,369**	**3,100**	**2,655**	**1,252**	**1,065**
Of which:					
Copper:	**1,171**	**2,060**	**1,908**	**983**	**855**
Collahuasi	367	701	586	257	280
Anglo American Sur (formerly Minera Sur Andes)	699	1,026	996	529	413
Anglo American Norte (formerly Mantos Blancos)	113	340	328	195	163
Other	(8)	(7)	(2)	2	(1)
Nickel, Niobium, Mineral Sands and Phosphates	**218**	**555**	**278**	**214**	**206**
Catalão	70	60	15	17	29
Codemin	94	178	96	68	27
Loma de Níquel	(97)	243	134	92	108
Namakwa Sands and other	46	31	25	25	13
Copebrás	105	43	8	12	29
Zinc	**128**	**558**	**525**	**100**	**37**
Black Mountain	28	65	38	10	3
Lisheen	15	174	287	54	15
Skorpion	85	319	200	36	(12)
Other[2]	**(148)**	**(73)**	**(56)**	**(45)**	**(2)**
Net segment assets	**5,474**	**4,989**	**4,599**	**4,928**	**5,087**
Capital expenditure	**1,874**	**582**	**315**	**304**	**393**

[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] Results for Hudson Bay for 2004 are included within 'Other'.
[3] Revenue in 2006 and 2005 includes intercompany sales from Anglo American Norte to Anglo American Sur. The external revenue in 2006 was $2,372 million (2005: $1,386 million) for Anglo American Sur and $723 million (2005: $499 million) for Anglo American Norte.

Business overview

Operating profit

2008

$2,505 m

2007: $4,338 m

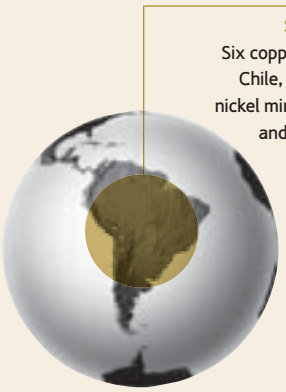
EBITDA

2008

$2,845 m

2007: $4,683 m

- Record copper production at Los Bronces and Mantoverde
- Los Bronces expansion and Barro Alto projects significantly progressed
- Agreement reached with local community at Michiquillay in Peru



South America
Six copper operations in Chile, Loma de Níquel nickel mine in Venezuela, and nickel, niobium and phosphate fertiliser operations in Brazil

Europe and southern Africa
Zinc operations in southern Africa (Black Mountain and Skorpion) and Ireland (Lisheen)

Anglo Base Metals has interests in 13 operations in six countries, producing copper, nickel, zinc, niobium and phosphate fertilisers, 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.

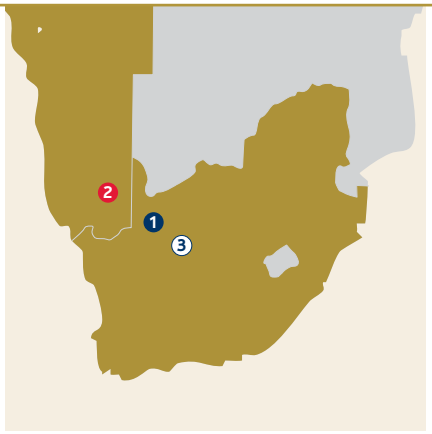
Other South American operations are the Loma de Níquel nickel mine in Venezuela, as well as Codemin (nickel) and the Catalão niobium mine in Brazil. Anglo Base Metals also has a controlling interest in Copebrás, a leading Brazilian producer of phosphate fertilisers and phosphoric acid. Phosphate fertilisers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

In southern Africa, the Skorpion mine produces zinc and the Black Mountain mine produces 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.

The transaction whereby black economic empowerment company Exxaro Resources acquired Anglo Base Metals' Namakwa Sands mineral sands operation in South Africa, together with 26% of each of Black Mountain and the Gamsberg zinc project, was completed in the second half of 2008. Black Mountain and Gamsberg will continue to be managed and operated by Anglo Base Metals.

Haul trucks at Mantos Blancos copper mine

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. Anglo American holds 74% of Black Mountain, a zinc, lead, copper and silver concentrate operation located in South Africa. Anglo American has sold 100% of Namakwa and 26% of each of Black Mountain and Gamsberg to Exxaro, the black empowerment company, in 2008.



Southern Africa

- 1 74% **Black Mountain** (South Africa)
- 2 100% **Skorpion** (Namibia)
- 3 74% **Gamsberg** (South Africa)

Key

- Underground
- Open Cut
- Other

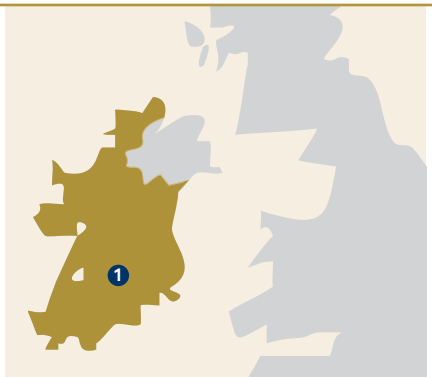
In Chile, Anglo American holds a 44% joint venture interest in the Collahuasi copper mine and has a 100% interest in Los Bronces, El Soldado, Mantos Blancos and Mantoverde copper mines and the Chagres smelter. In Brazil, Anglo American owns the ferronickel producer, Codemin, the ferroniobium producer, 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 167,200 tonnes of zinc in concentrate in 2008.



Ireland

- 1 100% **Lisheen**

Industry overview

The majority of copper produced globally 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 wiring used in buildings), cables and electrical connectors, account for around 60% of total demand, while about 20% of demand 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 60% of all refined nickel is used in stainless steel. Other uses include high corrosion resistant and temperature resistant alloys for use in chemical plants, aviation etc, high technology electronic uses 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 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. Currently, the approximate global market shares of the four largest copper, nickel and zinc mine producers are: 35%, 46% and 25%, respectively. 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 are developed, requiring greater economies of scale in order to be commercially viable. Real prices of copper, nickel and zinc are cyclical but have tended to decline over the long term. The decline in real prices reflects the long term trend in cost reduction as a result of advances in technology and lower input costs. Average margins have, therefore, tended to be maintained.

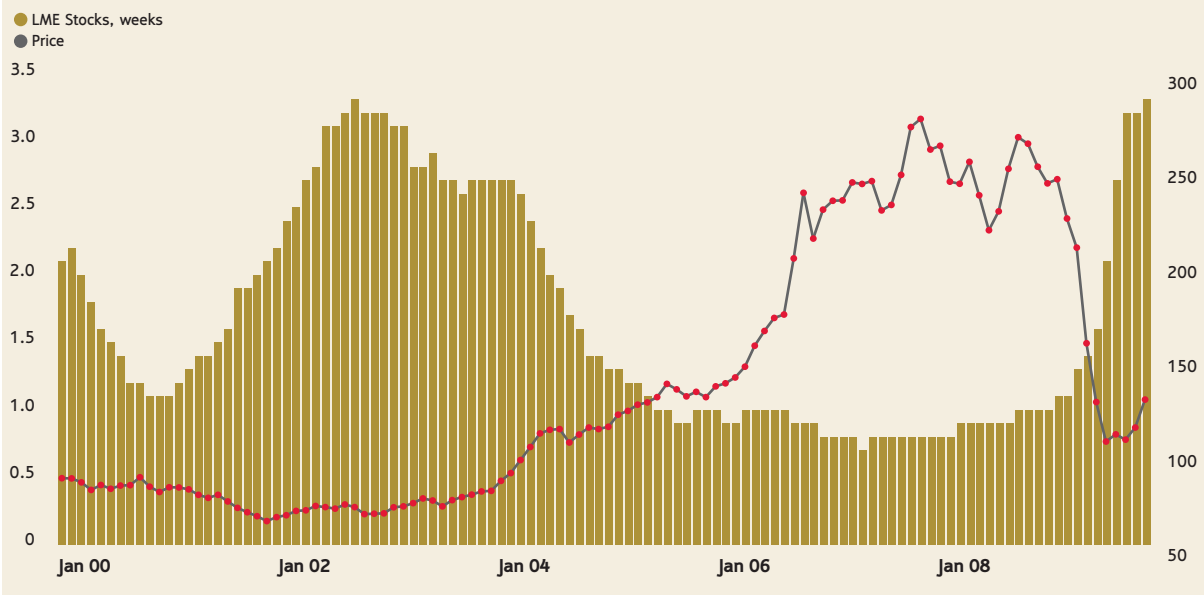
For much of this decade, the ongoing industrialisation and urbanisation of China have driven demand for a range of commodities. This contributed substantially to a base metal price up-cycle that was unprecedented both in its extent and its longevity, with the country now accounting for an estimated 28%, 22% and 33% of global first-use demand for refined copper, nickel and zinc, respectively. The global credit crisis and significant slowing of economic growth in the second half of 2008, however, caused a very sudden and extensive fall in base metals demand and prices. This has already resulted in mine and smelter closures (particularly zinc and nickel) and the delaying of new projects and additions to existing capacity.

Markets

Average market prices (c/lb)	2008	2007
Copper	315	323
Nickel	953	1,686
Zinc	85	147
Lead	95	118

During the first half of 2008, the copper market continued to be tight, with prices rising to an all time (nominal) record of 407 c/lb in July. However, concerns about future global economic growth in the latter half of the year led to a sharp drop in prices, with copper ending the year at 132 c/lb. Weakness in the nickel market continued into 2008, with rising inventories (London Metal Exchange – LME – stocks closing the year at a 13-year high) and declining economic sentiment leading to a material drop in prices. Zinc prices continued to weaken markedly for similar reasons.

Total LME stocks[1] and base metals price index
(shown to April 2009)



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

Market information

Leading copper mining countries by 2008 mine production
Kt Cu Contained

2008 world total: 15,664 kt

Source: World Bureau of Metal Statistics

Leading nickel mining countries by 2008 mine production
Kt Ni Contained

2008 world total: 1,543 kt

Source: World Bureau of Metal Statistics

Leading zinc mining countries by 2008 mine production
Kt Zn Contained

2008 world total: 11,510 kt

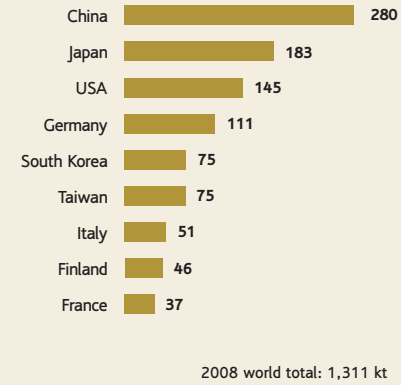
Source: World Bureau of Metal Statistics

Leading copper consumers (world refined consumption)
Kt Cu

2008 world total: 17,965 kt

Source: Brook Hunt Estimates

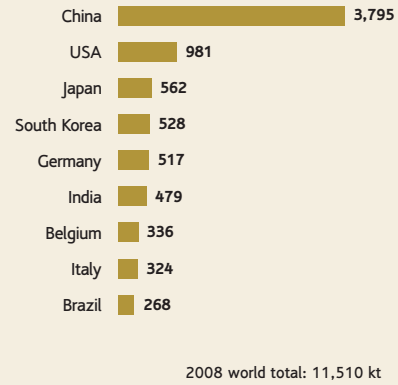
Leading nickel consumers (world refined consumption)
Kt Ni



2008 world total: 1,311 kt

Source: Brook Hunt Estimates

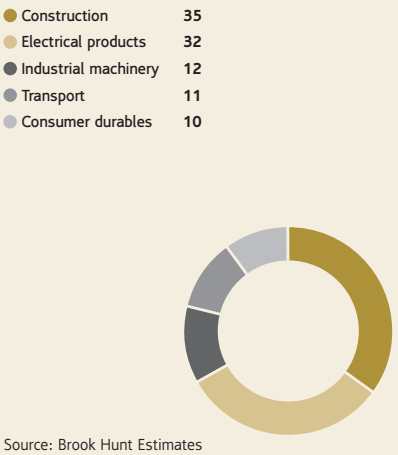
Leading zinc consumers (world refined consumption)
Kt Zn



2008 world total: 11,510 kt

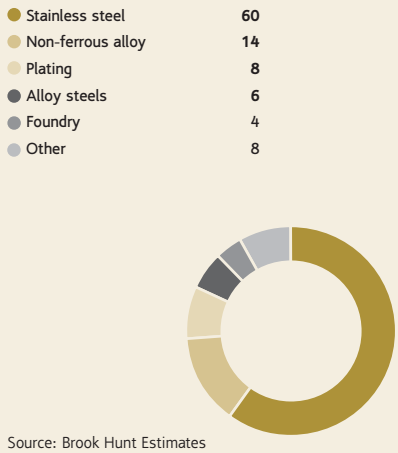
Source: Brook Hunt Estimates

Estimated end usage – copper 2008
%



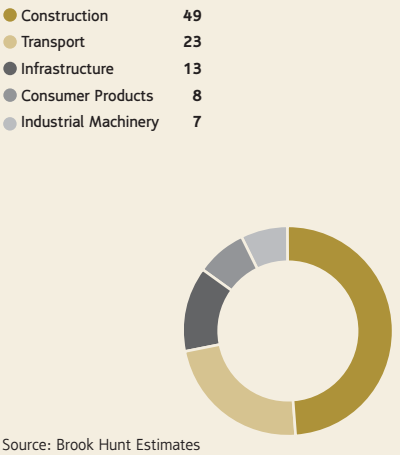
Source: Brook Hunt Estimates

Estimated end usage – nickel 2008
%



Source: Brook Hunt Estimates

Estimated end usage – zinc 2008
%



Source: Brook Hunt Estimates

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, technology development and asset optimisation programmes.

Significant future growth will come from approved expansions at Los Bronces in Chile and Barro Alto in Brazil (although the rate of development of these projects has been slowed in light of prevailing economic conditions), and studies are under way into further growth potential at Collahuasi in Chile. In addition, work continues on evaluating the potential and development options for Quellaveco in Peru and two major new resources acquired in 2007: Michiquillay in Peru and Pebble in Alaska.

Projects

Base Metals has a strong project pipeline which provides significant scope for organic growth in the medium and long term. Anglo American's review of its capital expenditure programme in late 2008 resulted in the decision to slow the rate of development of the two major projects under construction, Barro Alto and the Los Bronces expansion project.

The Barro Alto nickel project in Brazil has been delayed by a year and first production is now planned for early 2011. Owing to pressure on project costs and exchange rate fluctuations, total capital expenditure for the project is now estimated at between $1.6 billion and $1.8 billion, of which $1.2 billion has been spent and committed.

Construction progress on the $2.2 billion to $2.5 billion Los Bronces expansion project in Chile was in line with plan. Targeted commissioning has, however, now been pushed out by eight months to late 2011. Cost pressures remain and will be managed closely under the revised project schedule and in the context of the changing global economic environment.

At Collahuasi, further progress was made on the 140,000 tonne per day throughput debottlenecking project, which has now been commissioned.

The revised feasibility study for the Quellaveco project in Peru reached an advanced stage of completion during the year. Resource development, community projects, a technical review and project optimisation work are continuing. Also in Peru, the Michiquillay project, acquired through a privatisation auction in 2007, received the social licences from both the Michiquillay and La Encañada communities, and will now proceed into the exploration phase.

Base Metals – General view of construction work at Barro Alto's ferro-nickel resource in Brazil

Project pipeline

Los Bronces expansion

Overall capex: $2,200-2,500m

Country	**Chile**
Ownership	**100%**
Incremental production	**173,000 tonnes per annum of copper**
Full project capex	**$2,200-2,500m**
Full production	**Q4 2012**

The Los Bronces Development project was approved in November 2007 and is forecast to come into production in Q4 2011. The brownfield expansion will increase throughput from 61 ktpd to 148 ktpd, increasing average copper production in the first 10 years by around 173 ktpa, plus molybdenum and silver by-products, consolidating the operation's low cost curve position. The project scope includes a new grinding plant connected to the main site by a 4.4km conveyor belt, together with a 52km ore slurry pipeline to the existing Cu-Mo flotation plant at Las Tortolas. The life of mine at Los Bronces is greater than 30 years, with significant exploration upside, making Los Bronces a truly world class operation.

Barro Alto

Overall capex: $1,600-1,800m

Country	**Brazil**
Ownership	**100%**
Incremental production	**36,000 tonnes per annum of nickel**
Full project capex	**$1,600-1,800m**
Full production	**Q3 2012**

The Barro Alto project is located in the state of Goias, Brazil, approximately 170km from Anglo's existing Codemin nickel operation. The project was approved in December 2006 and is forecast to come into production in Q1 2011. Average production over the 26 year life of mine will be 36 ktpa of nickel and capital costs are forecast at $1.6-$1.8bn. Once at full production, the operation is expected to be in the lower half of the cash cost curve, and will more than double AngloBase's nickel production. Conventional smelter-refinery technology will be used to process the saprolite ore to produce ferro-nickel, which is a technology already used by Anglo at its existing nickel operations.

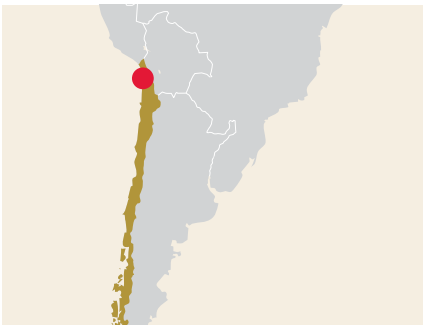
Collahuasi expansion (unapproved)

Overall capex (Phase 1 only): $450m

Phase 1

Country	**Chile**
Ownership	**44%**
Total production of mine when project ramps up to full production (100% basis)	**485,000 tonnes per annum of copper**
Full project capex (100% basis)	**$450m**
Full production	**2011**

The Collahuasi mine in Northern Chile is located at 4,400 masl. There are a number of potential phased expansions at the operation, with Phase I increasing throughput from 140 ktpa to 170 ktpa. The expected capital cost is $450m. Total production at Collahuasi would increase to around 485 ktpa copper plus molybdenum and silver by-products. The feasibility study is currently under review and a decision to proceed will be taken in H2 2009. The operation is in the bottom half of the industry cost curve and has a life of mine of over 30 years.



Strategy and growth continued

Michiquillay (unapproved)

Overall capex: TBD

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	**TBD**
Full production	**TBD**

Michiquillay was acquired in 2007 in a government privatisation. The contract agreed with the government allowed for a 12 month negotiation period with the local communities and in June of last year agreement was reached with the two communities of La Encañada and Michiquillay to advance the project. Environmental and early stage exploration work is currently underway and it is thought the project has the potential to produce up to 300 ktpa of copper plus significant molybdenum, gold and silver by-products.

Quellaveco (unapproved)

Overall capex: $2,500-3,000m

Country	**Peru**
Ownership	**81.9%**
Total production of mine when project ramps up to full production (100% basis)	**225,000 tonnes per annum of copper**
Full project capex (100% basis)	**$2,500-3,000m**
Full production	**2016**

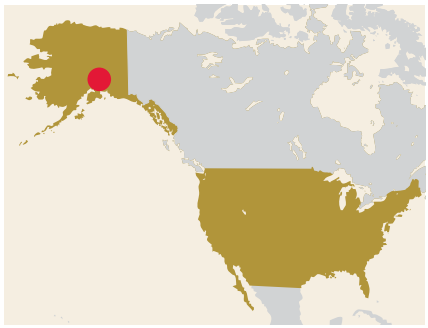
The greenfield Quellaveco project is located in Southern Peru at 3,500 masl. The project is currently at the feasibility stage, with potential start up in 2014. Production is forecast at 225 ktpa of copper, with molybdenum and silver by-products. Once at full capacity, the operation is expected to be in the lower half of the cost curve. The capital cost of the project is forecast at $2.5-$3.0bn.

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**

Pebble is a 50/50 joint venture located in Alaska, USA. The project has the potential to be very large scale, producing around 350 ktpa copper plus significant gold and molybdenum by-products. The operation is expected to be in the bottom half of the cost curve once at full production. Work is at the pre-feasibility stage and environmental issues remain a key concern.



Production data

Production (tonnes)	2008	2007	2006	2005	2004
Copper					
Collahuasi (attributable basis)	204,300	198,900	193,600	187,900	211,700
Anglo American Sur (formerly Minera Sur Andes)					
– Los Bronces mine	235,800	231,200	226,000	227,300	231,600
– El Soldado mine	49,800	72,800	68,700	66,500	68,800
– Chagres Smelter					
Copper blister/anodes	146,100	164,100	173,400	138,100	165,000
Acid	486,600	493,400	499,200	371,900	440,500
Total production for Anglo American Sur group	285,600	304,000	294,700	293,800	300,400
Anglo American Norte (formerly Mantos Blancos)					
– Mantos Blancos mine	86,400	88,900	91,700	87,700	94,900
– Mantoverde mine	62,500	61,000	60,300	62,000	60,100
Total production for Anglo American Norte group	148,900	149,900	152,000	149,700	155,000
Black Mountain – copper in concentrate	2,500	2,200	3,400	3,200	5,200
Hudson Bay	–	–	–	–	74,300
Other	–	–	–	–	19,400
Total Anglo Base Metals Copper production	**641,300**	**655,000**	**634,800**	**634,600**	**766,000**
Nickel					
Codemin	9,100	9,900	9,800	9,600	6,500
Loma de Níquel	10,900	15,700	16,600	16,900	17,400
Other	–	–	–	–	100
Total Anglo Base Metals Nickel production	**20,000**	**25,600**	**26,400**	**26,500**	**24,000**
Niobium					
Catalão	4,600	4,700	4,700	4,000	3,500
Mineral Sands					
Namakwa Sands					
Slag tapped	118,500	151,300	133,900	164,400	169,300
Iron tapped	78,800	101,800	88,900	105,400	105,900
Zircon	97,400	114,800	128,400	128,600	119,100
Rutile	19,100	24,500	28,200	29,100	23,700
Ilmenite	240,900	300,300	272,200	316,100	320,600
Phosphates					
Copebrás					
Sodium tripolyphosphate	10,200	56,700	71,100	106,000	115,700
Phosphates	982,100	1,037,800	901,500	1,036,200	1,169,300
Zinc and Lead					
Black Mountain					
Zinc in concentrate	27,900	28,300	34,100	32,100	28,200
Lead in concentrate	47,000	41,900	48,300	42,200	37,500
Hudson Bay					
Zinc	–	–	–	–	107,000
Gold (ozs)	–	–	–	–	73,400
Silver (ozs)	–	–	–	–	1,020,900
Lisheen (100% basis)					
Zinc in concentrate	167,200	164,700	170,700	159,300	156,300
Lead in concentrate	15,900	20,200	23,100	20,800	17,200
Skorpion					
Zinc	145,400	150,100	129,900	132,800	119,200
Total Zinc[1]	**340,500**	**343,100**	**334,700**	**324,200**	**410,700**
Total Lead	**62,900**	**62,100**	**71,400**	**63,000**	**54,700**

[1] Attributable.

Reserves and resources data

Anglo Base Metals

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. 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. Rounding of figures may cause computational discrepancies.

Copper Division Ore Reserves	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007	Contained metal thousand tonnes 2008	Contained metal thousand tonnes 2007
Los Bronces (OP)	100				%Cu	%Cu		
Sulphide (TCu)[1]		Proved	715.4	697.7	0.73	0.76	5,222	5,303
Flotation		Probable	890.7	782.7	0.55	0.58	4,899	4,540
		Total	**1,606.1**	**1,480.4**	**0.63**	**0.66**	**10,121**	**9,842**
Sulphide (TCu)[2]		Proved	303.9	344.8	0.33	0.33	1,003	1,138
Dump Leach		Probable	492.6	672.6	0.22	0.25	1,084	1,682
		Total	**796.5**	**1,017.4**	**0.26**	**0.28**	**2,087**	**2,819**
El Soldado (OP and UG)	100				%Cu	%Cu		
Sulphide (TCu)		Proved	71.2	68.7	1.00	1.04	712	715
Flotation		Probable	44.2	50.7	0.89	0.82	393	418
		Total	**115.4**	**119.4**	**0.96**	**0.95**	**1,105**	**1,133**
Oxide (TCu)		Proved	3.2	1.5	0.89	0.87	28	13
Heap Leach		Probable	2.8	3.0	0.57	0.74	16	22
		Total	**6.0**	**4.6**	**0.74**	**0.78**	**44**	**36**
Mantos Blancos (OP)[3]	100				%Cu	%Cu		
Sulphide (ICu)		Proved	12.9	9.4	0.93	0.93	120	87
Flotation		Probable	18.5	19.3	0.94	1.05	173	203
		Total	**31.3**	**28.7**	**0.94**	**1.01**	**293**	**291**
Oxide (ASCu)		Proved	1.4	1.5	0.70	0.72	10	11
Vat and Heap Leach		Probable	37.6	44.0	0.45	0.44	169	195
		Total	**39.0**	**45.5**	**0.46**	**0.45**	**179**	**205**
Oxide (ASCu)		Proved	0.6	0.5	0.24	0.24	1	1
Dump Leach		Probable	11.6	9.4	0.26	0.27	30	26
		Total	**12.1**	**10.0**	**0.26**	**0.27**	**31**	**27**
Mantoverde (OP)[4]	100				%Cu	%Cu		
Oxide (ASCu)		Proved	45.6	53.5	0.60	0.62	273	332
Heap Leach		Probable	8.0	11.2	0.54	0.57	43	64
		Total	**53.6**	**64.7**	**0.59**	**0.61**	**317**	**395**
Oxide (ASCu)		Proved	20.9	28.1	0.36	0.36	75	101
Dump Leach		Probable	10.1	11.5	0.39	0.40	39	46
		Total	**31.1**	**39.7**	**0.37**	**0.37**	**115**	**147**
Collahuasi (OP)	44.0				%Cu	%Cu		
Oxide, Mixed and Secondary Sulphides (TCu)[5]		Proved	0.2	43.9	1.60	0.80	4	352
Heap Leach		Probable	20.3	31.2	0.77	0.88	156	275
		Total	**20.5**	**75.2**	**0.78**	**0.83**	**160**	**626**
Sulphide (TCu)[6]		Proved	315.4	279.0	0.99	0.99	3,123	2,762
Flotation – direct feed		Probable	1,224.1	1,180.0	0.95	0.96	11,629	11,328
		Total	**1,539.5**	**1,459.1**	**0.96**	**0.97**	**14,752**	**14,091**
Low Grade Sulphide (TCu)		Proved	–	–	–	–	–	–
Flotation – stockpile		Probable	675.1	670.1	0.51	0.51	3,443	3,418
		Total	**675.1**	**670.1**	**0.51**	**0.51**	**3,443**	**3,418**

Mining method: OP = Open Pit, UG = Underground.
TCu = total copper, ICu = insoluble copper (total copper less acid soluble copper), ASCu = acid soluble copper.
The metal price used for Ore Reserve definition is US$1.15/lb, except for Los Bronces where a copper price of US$1.25/lb has been applied.

[1] **Los Bronces – Sulphide (Flotation):** A change in the cut-off grade saw some former dump leach ore become available to the flotation circuit (87 Mt @ 0.42% TCu).

[2] **Los Bronces – Sulphide (Dump Leach):** Anhydrite-bearing low grade sulphide material has been excluded (108 Mt @ 0.24% TCu).

[3] **Mantos Blancos:** Changes in Ore Reserves are attributable to changes in economic parameters, production, inclusion of new information and subsequent refinement of the Mineral Resource models.

[4] **Mantoverde:** Changes in Ore Reserves are attributable to production and a constraint to the Kuroki pit by the rights of the neighbouring Enami Mine.

[5] **Collahuasi – Oxide, Mixed and Secondary Sulphides:** Significant reduction in Ore Reserves is due to a transfer of Ujina secondary sulphides to the flotation process (42 Mt).

[6] **Collahuasi – Sulphide (Flotation):** A portion of the Probable Reserves from Ujina have been re-allocated to Inferred Resources following third party audits. In contrast, infill drilling and model refinement at Rosario has resulted in an increase in Ore Reserves.

The Ore Reserves and Mineral Resources of the following operations were reviewed during 2008 by independent consultants: Los Bronces, El Soldado, Mantoverde and Mantos Blancos.

Copper Division
Mineral Resources

	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007	Contained metal thousand tonnes 2008	Contained metal thousand tonnes 2007
Los Bronces (OP)[1]	100				%Cu	%Cu		
Sulphide (TCu) Flotation		Measured	110.8	111.7	0.42	0.47	466	529
		Indicated	1,287.3	1,532.4	0.42	0.45	5,407	6,896
		Measured and Indicated	**1,398.2**	**1,644.1**	**0.42**	**0.45**	**5,872**	**7,425**
		Inferred in Mine Plan	50.7	43.1	0.46	0.67	233	289
Sulphide (TCu) Dump Leach		Measured	–	–	–	–	–	–
		Indicated	–	–	–	–	–	–
		Measured and Indicated	–	–	–	–	–	–
		Inferred in Mine Plan	190.6	312.4	0.18	0.19	343	594
El Soldado (OP and UG)[1]	100				%Cu	%Cu		
Sulphide (TCu) Flotation		Measured	45.2	61.2	0.80	0.81	360	496
		Indicated	20.2	47.9	0.81	0.73	163	349
		Measured and Indicated	**65.4**	**109.1**	**0.80**	**0.77**	**523**	**845**
		Inferred in Mine Plan	12.9	10.8	0.77	0.74	99	80
Oxide (TCu) Heap Leach		Measured	0.1	0.1	0.67	0.87	1	1
		Indicated	0.1	0.2	0.81	0.84	1	2
		Measured and Indicated	**0.3**	**0.3**	**0.75**	**0.85**	**2**	**3**
		Inferred in Mine Plan	0.8	0.9	0.80	0.88	6	8
Mantos Blancos (OP)[1]	100				%Cu	%Cu		
Sulphide (ICu) Flotation		Measured	14.5	17.7	0.72	0.75	104	133
		Indicated	112.7	112.8	0.66	0.70	743	791
		Measured and Indicated	**127.2**	**130.5**	**0.67**	**0.71**	**848**	**924**
		Inferred in Mine Plan	0.4	4.2	0.77	0.82	3	34
Oxide (ASCu) Vat and Heap Leach		Measured	0.3	1.0	0.56	0.59	2	6
		Indicated	9.5	9.7	0.57	0.55	54	53
		Measured and Indicated	**9.8**	**10.7**	**0.57**	**0.55**	**56**	**59**
		Inferred in Mine Plan	0.4	2.2	0.56	0.57	2	13
Oxide (ASCu) Dump Leach		Measured	–	–	–	–	–	–
		Indicated	–	–	–	–	–	–
		Measured and Indicated	–	–	–	–	–	–
		Inferred in Mine Plan	0.3	1.1	0.24	0.24	1	3
Mantoverde (OP)[1]	100				%Cu	%Cu		
Oxide (ASCu) Heap Leach		Measured	51.8	57.1	0.39	0.38	200	217
		Indicated	40.6	59.6	0.39	0.36	157	215
		Measured and Indicated	**92.4**	**116.7**	**0.39**	**0.37**	**357**	**432**
		Inferred in Mine Plan	0.2	0.3	0.61	0.62	1	2
Oxide (ASCu) Dump Leach		Measured	–	–	–	–	–	–
		Indicated	3.5	4.3	0.32	0.33	11	14
		Measured and Indicated	**3.5**	**4.3**	**0.32**	**0.33**	**11**	**14**
		Inferred in Mine Plan	0.3	0.6	0.39	0.37	1	2
Sulphide Project (TCu)[2] Flotation		Measured	1.2	–	0.78	–	9	–
		Indicated	57.1	–	0.72	–	411	–
		Measured and Indicated	**58.2**	**–**	**0.72**	**–**	**420**	**–**
		Inferred in Mine Plan	–	–	–	–	–	–
Collahuasi (OP)[1]	44.0				%Cu	%Cu		
Oxide, Mixed and Secondary Sulphides (TCu) Heap Leach		Measured	–	–	–	–	–	–
		Indicated	2.0	6.0	1.18	0.79	24	48
		Measured and Indicated	**2.0**	**6.0**	**1.18**	**0.79**	**24**	**48**
		Inferred in Mine Plan	0.6	1.3	1.09	1.18	7	16
Sulphide (TCu) Flotation – direct feed		Measured	1.4	3.5	0.78	1.28	11	45
		Indicated	289.3	570.3	0.85	1.10	2,459	6,274
		Measured and Indicated	**290.7**	**573.8**	**0.85**	**1.10**	**2,470**	**6,318**
		Inferred in Mine Plan	258.9	374.0	0.93	0.95	2,407	3,553
Low Grade Sulphide (TCu) Flotation – stockpile		Measured	1.2	2.9	0.47	0.50	5	14
		Indicated	109.3	154.6	0.50	0.50	547	773
		Measured and Indicated	**110.5**	**157.5**	**0.50**	**0.50**	**552**	**787**
		Inferred in Mine Plan	90.0	201.0	0.50	0.50	450	1,005

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

[1] **Copper Resources:** In 2007 Measured and Indicated Resources were declared as estimated. In 2008 a test of reasonable eventual economic extraction was applied through consideration of an optimised pit shell based on the Anglo Base Metals long-term copper price. Materials outside the optimised shell are now excluded from the Mineral Resource statement. The decrease in Measured and Indicated Mineral Resources evident at most of operations is a result of this. Inferred Mineral Resources with reasonable prospects of eventual economic extraction not considered in the Mine Plan in 2008 are as follows: (Tt = Thousand tonnes)

	Tonnes	Grade (% Cu)	Contained metal	Economic criteria
Los Bronces – Sulphide (Flotation):	2,472 Mt	0.39% (TCu)	9,639Tt	Pit Shell @ US$1.8/lb
El Soldado – Sulphide (Flotation):	70.3 Mt	0.56% (TCu)	394Tt	Pit Shell @ US$1.8/lb
El Soldado – Oxide (Heap Leach):	0.7 Mt	0.84% (TCu)	6 Tt	Pit Shell @ US$1.8/lb
Mantos Blancos – Sulphide (Flotation):	14.8 Mt	0.59% (ICu)	87Tt	Pit Shell @ US$1.8/lb
Mantos Blancos – Oxide (Vat and Heap Leach):	1.6 Mt	0.59% (ASCu)	10Tt	Pit Shell @ US$1.8/lb
Mantoverde – Oxide (Heap Leach):	5 Mt	0.53% (ASCu)	26Tt	Pit Shell @ US$1.7/lb (Difference due to relative timing of resource finalisation)
Mantoverde – Sulphide Project:	111.6 Mt	0.66% (TCu)	736Tt	Pit Shell @ US$1.7/lb (Difference due to relative timing of resource finalisation)
Collahausi – Oxide, Mixed and Secondary Sulphides (Heap Leach):	2.3 Mt	0.76% (TCu)	17Tt	Pit Shell @ US$1.8/lb
Collahausi – Sulphide (Flotation):	1,372 Mt	0.90% (TCu)	12,350Tt	Pit Shell @ US$1.8/lb
Collahausi – Low Grade Sulphide (stockpile):	627.7 Mt	0.50% (TCu)	3,138Tt	Pit Shell @ US$1.8/lb

[2] **Mantoverde – Sulphide Project:** The project is in a Pre-Feasibility Study stage with completion planned for mid-2009.

Reserves and resources data continued

Zinc Division Ore Reserves	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007	Contained metal thousand tonnes 2008	Contained metal thousand tonnes 2007
Black Mountain (UG)[1]	74.0							
Deeps[2]								
Zinc					%Zn	%Zn		
		Proved	2.9	1.3	3.71	2.50	109	32
		Probable	5.9	7.4	2.89	3.75	170	279
		Total	**8.8**	**8.7**	**3.16**	**3.56**	**280**	**311**
Copper					%Cu	%Cu		
		Proved			0.45	0.21	13	3
		Probable			0.37	0.81	22	61
		Total			**0.40**	**0.72**	**35**	**63**
Lead					%Pb	%Pb		
		Proved			3.16	4.48	93	59
		Probable			2.86	4.05	168	301
		Total			**2.96**	**4.12**	**261**	**360**
Lisheen (UG)[3]	100							
Zinc					%Zn	%Zn		
		Proved	6.6	6.9	11.72	11.25	779	782
		Probable	1.6	2.7	12.01	13.68	192	373
		Total	**8.2**	**9.7**	**11.78**	**11.94**	**970**	**1,155**
Lead					%Pb	%Pb		
		Proved			1.91	1.98	127	138
		Probable			1.81	1.61	29	44
		Total			**1.89**	**1.88**	**156**	**182**
Skorpion (OP)[4]	100							
Zinc					%Zn	%Zn		
		Proved	4.8	6.4	12.94	12.74	624	821
		Probable	4.1	5.1	10.06	9.72	417	491
		Total	**9.0**	**11.5**	**11.61**	**11.41**	**1,041**	**1,312**

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 was contingent on the conversion of Old Order to New Order Mining Rights which was granted in November 2008.

(2) **Black Mountain – Deeps:** Production has been partially offset by updated geological, resource and reserve modelling based on additional information.

(3) **Lisheen:** Changes are attributable to production.

(4) **Skorpion:** Changes in Ore Reserves are attributable to production and changes to the operating cost (economic assumptions).

The Ore Reserves and Mineral Resources of the following operations were reviewed during 2008 by independent consultants: Black Mountain and Skorpion.

Zinc Division Mineral Resources	Attributable %	Classification	Tonnes million 2008	 2007	Grade 2008	 2007	Contained metal thousand tonnes 2008	 2007
Black Mountain (UG)	74.0							
Deeps[1]								
Zinc					%Zn	%Zn		
		Measured	1.6	0.5	3.74	2.23	61	11
		Indicated	2.6	4.5	3.66	3.53	96	160
		Measured and Indicated	**4.3**	**5.0**	**3.69**	**3.40**	**158**	**171**
		Inferred in Mine Plan	2.4	3.1	4.39	3.96	104	124
Copper					%Cu	%Cu		
		Measured			0.63	0.65	10	3
		Indicated			0.57	0.61	15	28
		Measured and Indicated			**0.59**	**0.61**	**25**	**31**
		Inferred in Mine Plan			1.09	1.23	26	38
Lead					%Pb	%Pb		
		Measured			3.41	1.97	56	10
		Indicated			4.29	4.40	113	200
		Measured and Indicated			**3.95**	**4.16**	**169**	**210**
		Inferred in Mine Plan			1.39	1.28	33	40
Swartberg[2]								
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)[3]	100							
Zinc					%Zn	%Zn		
		Measured	0.9	1.0	12.91	12.67	114	123
		Indicated	0.4	0.5	11.39	12.95	44	61
		Measured and Indicated	**1.3**	**1.4**	**12.45**	**12.76**	**158**	**184**
		Inferred in Mine Plan	0.2	0.4	17.84	18.24	37	68
Lead					%Pb	%Pb		
		Measured			2.23	2.30	20	22
		Indicated			1.74	1.86	7	9
		Measured and Indicated			**2.08**	**2.16**	**26**	**31**
		Inferred in Mine Plan			2.49	3.05	5	11
Skorpion (OP)[4]	100							
Zinc					%Zn	%Zn		
		Measured	0.2	0.0	7.29	6.99	13	2
		Indicated	1.0	0.2	7.87	6.94	79	15
		Measured and Indicated	**1.2**	**0.2**	**7.78**	**6.95**	**92**	**17**
		Inferred in Mine Plan	0.1	0.8	9.61	9.16	12	71

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

(1) **Black Mountain – Deeps:** Broken Hill and the Deeps Mineral Resources are combined for reporting purposes. There are no Inferred Mineral Resources external to those considered in the Mine Plan. At Black Mountain the definition of Mineral Resources is based on economic and financial parameters determined from the 2000 Feasibility Study. Mineral Resources are estimated to contain 6,646kt of material grading 40g/t silver as a by-product.

(2) **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 are estimated to contain 17,323kt of material grading 35g/t silver as a by-product.

(3) **Lisheen:** Mineral Resources are quoted above a 6% ZnEq cut-off. Inferred Mineral Resources with reasonable prospects of eventual economic extraction consist of 0.2 Mt with a Zn grade of 12.04% containing 28kt zinc metal and a Pb grade of 2.63% containing 6kt lead metal.

(4) **Skorpion:** The current Mineral Resources are constrained by geological contacts. A major Mineral Resource update is planned for 2009 on completion of the current drill program. This will include a review of the parameters that control the eventual economic extraction outlook. At present, the Inferred Mineral Resources external to the current Mine Plan consist of 1.0 Mt with an average Zn grade 8.87% containing 92kt zinc metal.

Reserves and resources data continued

Nickel Division Ore Reserves	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007	Contained metal thousand tonnes 2008	Contained metal thousand tonnes 2007
Barro Alto (OP)[1]	100							
Laterite					%Ni	%Ni		
		Proved	9.5	12.3	1.66	1.61	158	199
		Probable	31.2	27.1	1.72	1.81	535	491
		Total	**40.7**	**39.5**	**1.70**	**1.75**	**693**	**690**
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	12.1	11.9	1.48	1.49	179	178
		Probable	21.0	22.1	1.46	1.47	306	324
		Total	**33.1**	**34.0**	**1.47**	**1.48**	**485**	**502**

Nickel Division Mineral Resources	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007	Contained metal thousand tonnes 2008	Contained metal thousand tonnes 2007
Barro Alto (OP)[1]	100							
Laterite					%Ni	%Ni		
		Measured	4.3	–	1.32	–	57	–
		Indicated	16.8	16.9	1.27	1.36	213	230
		Measured and Indicated	**21.1**	**16.9**	**1.28**	**1.36**	**270**	**230**
		Inferred in Mine Plan	38.7	37.5	1.55	1.56	599	585
Codemin (OP)[2]	100							
Laterite					%Ni	%Ni		
		Measured	3.4	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)[3]	91.4							
Laterite					%Ni	%Ni		
		Measured	0.9	1.2	1.38	1.40	13	16
		Indicated	4.8	4.8	1.45	1.45	69	70
		Measured and Indicated	**5.7**	**6.0**	**1.44**	**1.44**	**82**	**86**
		Inferred in Mine Plan	1.7	1.7	1.39	1.39	23	23

Mining method: OP = Open Pit.

(1) **Barro Alto:** Mineral Resources are quoted above a 0.9% Ni cut-off. An additional 0.42 Mt of stockpiled ferruginous material with an estimated grade of 1.50% Ni containing 6,000 tonnes of nickel is available. Ore from Barro Alto is currently being processed at the Codemin plant. Inferred Mineral Resources external to the LOM comprise 21.8 Mt with an average grade of 1.27% Ni, containing 275,000 tonnes of nickel.

(2) **Codemin:** Mineral Resources are quoted above a 0.9% Ni cut-off.

(3) **Loma de Níquel:** Mineral Resources are quoted above a 0.8% Ni cut-off (less than 35% Fe). Inferred Mineral Resources external to the LOM comprise 4.5 Mt with an average grade of 1.50% Ni, containing 68,000 tonnes of nickel. Includes Ore Reserves and Mineral Resources in concessions cancelled by MIBAM, which Anglo American plc anticipates will be restored. Refer to note 37 (iii) to the financial statements for further information regarding these nickel exploration and exploitation concessions.

The Ore Reserves and Mineral Resources of Barro Alto, Codemin and Loma de Níquel will be reviewed during 2009 by independent consultants.

Niobium Ore Reserves	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007	Contained product thousand tonnes 2008	Contained product thousand tonnes 2007
Catalão (OP)	100							
Carbonatite					$\%Nb_2O_5$	$\%Nb_2O_5$		
		Proved	10.6	11.9	1.21	1.24	128	147
		Probable	4.0	4.2	1.14	1.15	46	48
		Total	**14.6**	**16.0**	**1.19**	**1.21**	**174**	**195**

Niobium Mineral Resources	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007	Contained product thousand tonnes 2008	Contained product thousand tonnes 2007
Catalão (OP)[1]	100							
Carbonatite					$\%Nb_2O_5$	$\%Nb_2O_5$		
		Measured	16.6	0.2	1.26	1.05	210	2
		Indicated	9.0	0.3	1.18	0.91	106	3
		Measured and Indicated	**25.6**	**0.5**	**1.23**	**0.96**	**316**	**4**
		Inferred in Mine Plan	0.6	0.6	0.88	0.90	5	5

Phosphate products Ore Reserves	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007
Copebrás (OP)	73.0					
Carbonatite					$\%P_2O_5$	$\%P_2O_5$
		Proved	78.7	79.6	13.4	13.3
		Probable	160.4	152.1	13.3	13.4
		Total	**239.1**	**231.7**	**13.3**	**13.3**

Phosphate products Mineral Resources	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007
Copebrás (OP)[2]	73.0					
Carbonatite					$\%P_2O_5$	$\%P_2O_5$
		Measured	3.2	0.5	9.4	12.4
		Indicated	84.4	20.3	10.4	11.4
		Measured and Indicated	**87.6**	**20.8**	**10.4**	**11.4**
		Inferred in Mine Plan	16.9	15.8	12.9	12.9

Mining method: OP = Open Pit.

[1] **Catalão:** Mineral Resources are quoted above a 0.7% Nb_2O_5 cut-off (decreased from previous 1% Nb_2O_5 cut-off). Inferred Mineral Resources external to the LOM comprise 4.3 Mt with an average grade of 1.14% Nb_2O_5, containing 49,000 tonnes of product.

[2] **Copebrás:** Mineral Resources are quoted above a 7% P_2O_5 cut-off. Inferred Mineral Resources external to the LOM comprise 48.1 Mt with an average grade of 9.64% P_2O_5.

Reserves and resources data continued

Projects Ore Reserves	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007	Contained metal thousand tonnes 2008	Contained metal thousand tonnes 2007
Quellaveco (OP)[1]	80.0							
Copper					%Cu	%Cu		
Sulphide		Proved	253.3	250.1	0.76	0.76	1,925	1,901
Flotation		Probable	636.8	688.3	0.61	0.59	3,885	4,061
		Total	**890.1**	938.4	**0.65**	0.64	**5,810**	5,962
Gamsberg (OP)[2]	74.0							
Zinc					%Zn	%Zn		
		Proved	34.2	34.3	7.55	7.55	2,580	2,585
		Probable	110.3	110.3	5.55	5.55	6,124	6,124
		Total	**144.4**	144.5	**6.03**	6.03	**8,704**	8,709

Projects Mineral Resources	Attributable %	Classification	Tonnes million 2008	Tonnes million 2007	Grade 2008	Grade 2007	Contained metal thousand tonnes 2008	Contained metal thousand tonnes 2007
Quellaveco (OP)[1]	80.0							
Copper					%Cu	%Cu		
Sulphide		Measured	1.9	1.5	0.39	0.53	8	8
Flotation		Indicated	193.9	176.7	0.43	0.46	834	813
		Measured and Indicated	**195.9**	**178.2**	**0.43**	**0.46**	**842**	**821**
		Inferred in Mine Plan	21.8	41.1	0.60	0.54	131	222
Pebble (OP/UG)[3][7][8][9]	50.0							
Copper					%Cu	%Cu		
		Measured[4]	500.0	655.0	0.34	0.34	1,700	2,227
		Indicated[5]	4,120.0	1,760.0	0.48	0.30	19,776	5,280
		Measured and Indicated	**4,620.0**	**2,415.0**	**0.46**	**0.31**	**21,476**	**7,507**
		Inferred[6]	2,270.0	3,180.0	0.37	0.60	8,399	19,234

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

[1] **Quellaveco:** Based on a feasibility study completed in 2000. Mineral Resources are quoted using a US$1.80/lb resource pit constraint. Inferred Mineral Resources with reasonable prospects of eventual economic extraction not considered in the Mine Plan in 2008 are as follows: (Tt = Thousand tonnes)

Tonnes	Grade (% Cu)	Contained metal	Economic criteria
392.7 Mt	0.48% (Tcu)	1,885Tt	Pit Shell @US$1.8/lb

[2] **Gamsberg:** Based on a feasibility study completed in 2000 and reviewed in 2006 to account for prevailing economic and financial assumptions. Ore Reserves have reduced due to mining of approximately 0.06 Mt of material with an average grade of 7.28% Zn via the exploration adit which was processed at the Black Mountain concentrator. An optimised pit shell includes Inferred Resources of 54.2 Mt with an average grade of 4.10% Zn. Gamsberg is owned by Black Mountain Mining (Pty) Ltd – 74% owned by Anglo Operations Limited and 26% by Exxaro group of companies.

[3] **Pebble:** Copper Equivalent (CuEq) calculations use metal prices of US$1.80/lb copper, US$800/oz gold and US$10.00/lb for molybdenum. The CuEq calculation takes into consideration the relative difference in recovery between the copper, gold and molybdenum. The estimates of metallurgical recoveries used in the calculation were 91% for copper, 75% for gold and 90% for molybdenum in the western side of the deposits (formerly Pebble West) and 93% for copper, 80% for gold and 94% for molybdenum in the eastern side of the deposit (formerly Pebble East). The estimates of metallurgical recovery are preliminary results from the ongoing Prefeasibility study. For 2007, the calculation of CuEq did not take the relative difference in recoveries into account. By definition, Mineral Resources do not have demonstrated economic viability and neither should it be assumed that all or part of the Inferred Resources will necessarily convert to Indicated or Measured Resources. A test for "reasonable prospects for eventual economic extraction" has been carried out and the mineral resources fall within a volume defined by metal price estimates of US$2.50/lb for copper, US$900/oz for gold and US$25/lb for molybdenum. The resources are based on drilling to June 2008 and a block model created in July 2008. The resources in the table are based on a cut-off grade of 0.4%CuEq. At a cut-off of 0.6%CuEq the estimates of Measured plus Indicated Resources are 3090 million tonnes at 0.56%Cu, 0.42g/t Au and 0.030%Mo (0.96%CuEq).

[4] **Pebble co-product estimated grades 2008 (Measured):** Gold 0.36g/t, Molybdenum 0.018%. CuEq average grade 0.63%.

[5] **Pebble co-product estimated grades 2008 (Indicated):** Gold 0.37g/t, Molybdenum 0.027%. CuEq average grade 0.83%.

[6] **Pebble co-product estimated grades 2008 (Inferred):** Gold 0.35g/t, Molybdenum 0.026%. CuEq average grade 0.71%.

[7] **Pebble:** Previously the deposit was divided into Pebble West and Pebble East. In 2007 Measured and Indicated Resources were all reported from Pebble West at a cut-off of 0.4%CuEq while for the Inferred Resources, Pebble West (760 Mt at 0.27%Cu containing 2,052kt of copper) were reported at a cut-off of 0.4%CuEq and Pebble East (2,420 Mt at 0.71%Cu containing 17,182kt of copper) were reported at a cut-off of 0.8%CuEq.

[8] **Pebble:** Significant changes between 2007 and 2008 resources, include a major upgrade of Inferred Resources in the former Pebble East to Indicated, the change in the cut-off grade of resources reported from the former Pebble East from 0.8%CuEq to 0.4%CuEq, the application of the test for reasonable prospects for eventual economic extraction and the inclusion of relative recoveries in the calculation of the CuEq. Less significant changes were due to classification methodology.

[9] **Pebble:** The property comprises a continuous block of 1,335 located Alaska State mineral claims which total 98,000 acres (39,659 hectares) and which are currently valid. The claims must be renewed annually before 1 December through the payment of rental fees (approx. US$200,000) and registration of work conducted or payment of cash in lieu (approx. US$250,000). There are no known factors affecting the claims.

The Mineral Resources of the following projects were reviewed during 2008 by independent consultants: Pebble.