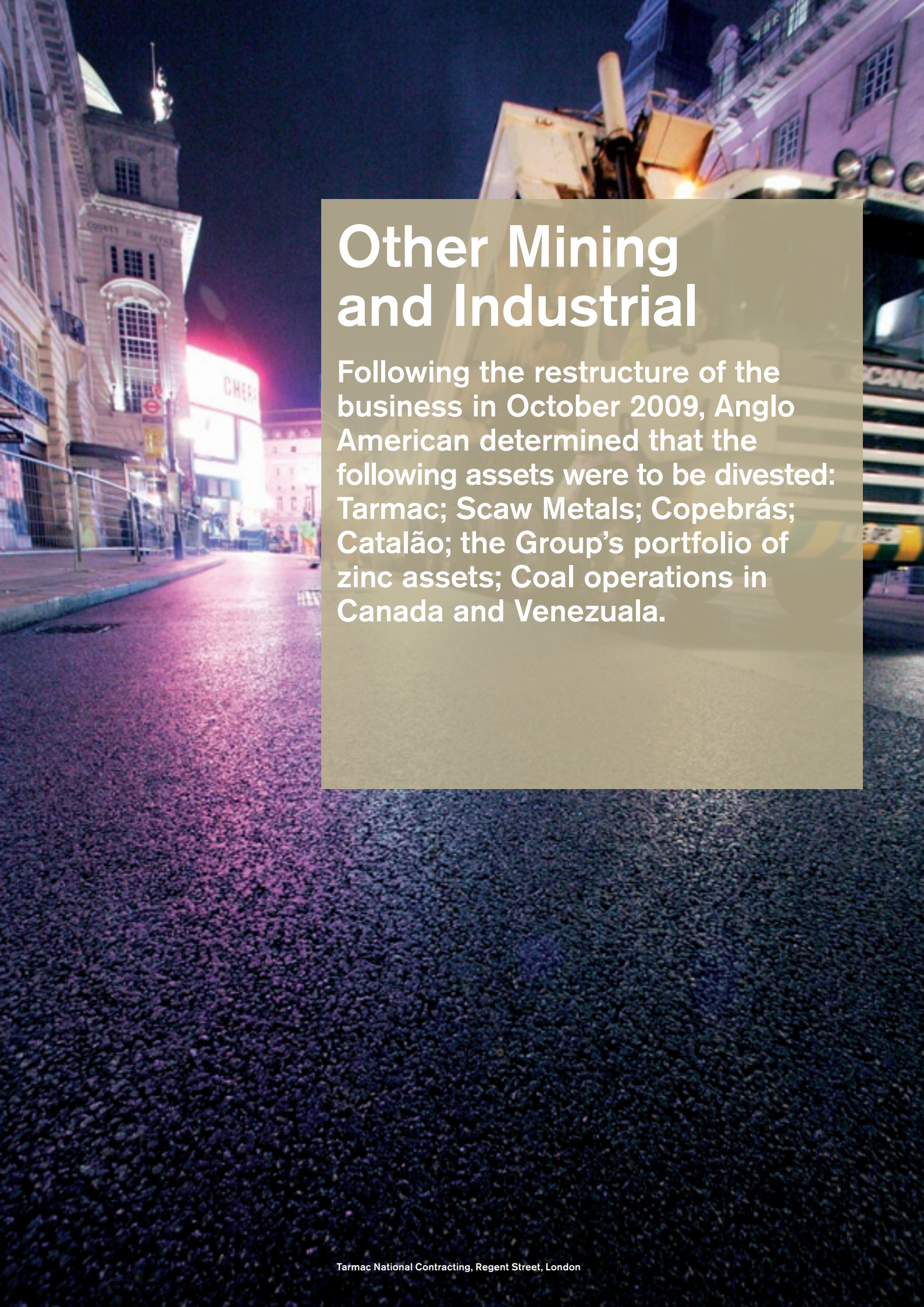

Other Mining and Industrial

Following the restructure of the business in October 2009, Anglo American determined that the following assets were to be divested: Tarmac; Scaw Metals; Copebrás; Catalão; the Group's portfolio of zinc assets; Coal operations in Canada and Venezuala.

Tarmac National Contracting, Regent Street, London

Business overview

150.4
kt of zinc from Skorpion – a record production year

350
kt Group total zinc production in 2009

1.4
Mt – output of steel products at Scaw Metals in 2009

Financial highlights: Other Mining and Industrial

$ million (unless otherwise stated)	2009	2008
Operating profit	**506**	1,082
Tarmac	**101**	229
Zinc	**175**	136
Scaw Metals	**131**	274
Copebrás	**(40)**	217
Catalão	**106**	78
Coal – Americas	**(8)**	29
Other	**41**	119
EBITDA	**878**	1,513
Net operating assets	**5,029**	5,231
Capital expenditure	**268**	603
Share of Group operating profit	**10%**	11%
Share of Group net operating assets	**13%**	16%

With the restructure of our business in October 2009, Anglo American created a more streamlined management structure with further focus on its core mining portfolio.

These changes saw the creation of our seven core business units and the decision to divest non-core assets. At the time of the restructure the Group determined that the following assets were to be divested:

- Tarmac
- Scaw Metals
- Copebrás
- Catalão
- The Group's portfolio of zinc assets
- Coal operations in Canada and Venezuela

These assets accounted for approximately 13% of 2009 Group earnings before interest, tax, depreciation and amortisation.

The divestment of these assets will be undertaken in a manner and to a timetable that maximises value for our shareholders. They are a continuation of divestment initiatives undertaken over the past three years, which include the demerger of the Mondi Group and the sale of the Group's shareholdings in AngloGold Ashanti, Highveld Steel and Vanadium, Namakwa Sands and, most recently, Tongaat Hulett and Hulamin.

In May 2010 Anglo American announced that it had agreed to sell its portfolio of zinc assets to Vedanta Resources plc for a total consideration of $1,338 million on an attributable, debt and cash free basis.

The portfolio of zinc assets comprises the Skorpion mine in Namibia, the Lisheen mine in Ireland and a 74% interest in Black Mountain Mining in South Africa, which holds 100% of the Black Mountain mine and the Gamsberg project. Of the total consideration, $698 million relates to the Skorpion mine, $308 million relates to the Lisheen mine and $332 million relates to Anglo American's 74% interest in Black Mountain Mining.

The transaction is subject to customary regulatory approvals as well as competition clearance in the relevant jurisdictions. In addition, Exxaro Resources Limited, Anglo American's black economic empowerment partner in Black Mountain Mining, holds a 26% interest in the company and has a pre-emptive right to match Vedanta's offer in respect of this asset. Completion of the transaction is expected to be in stages, with separate completion dates for Skorpion, Lisheen and Black Mountain Mining.

Tarmac

Tarmac is an international heavy building materials producer. In the UK it is a market leader in aggregates, asphalt, mortar and ready-mixed concrete, with significant operations in concrete products, lime and cement.

It has operations in continental Europe and the Middle East producing crushed rock, sand and gravel, asphalt, ready-mixed concrete and concrete products.

United Kingdom.

Tarmac's UK organisation consists of two business units. Its Aggregate Products business is made up of aggregates, asphalt, contracting, recycling and ready-mixed concrete. It is based in seven geographical areas. Building Products is made up of those businesses that have essentially national markets, including cement, lime, mortar and concrete products.

Rest of the world

Tarmac's international businesses operate in six countries in continental Europe and the Middle East. It is a leading producer of hard rock, sand and gravel and concrete products in its Central European countries of operation. In 2010, the company sold its French, Belgian, German, Polish and Czech Republic operations and the operations in Spain were sold in 2008.

Scaw Metals

Scaw Metals is an international group manufacturing a diverse range of steel products. Its principal operations are located in South Africa, South America, Canada and Australia. Smaller operations are in Namibia, Zimbabwe and Zambia.

The main product lines manufactured by the group are rolled steel and alloy iron castings, cast alloy iron and forged steel grinding media, chain, steel wire rope, strand and wire products. These are supplied to the global construction, railway, power generation, mining, cement, marine, engineering and agricultural markets.

Scaw Metals' operations are housed in two companies, Scaw South Africa (Pty) Limited and Scaw International Sarl. Anglo American is the majority shareholder of Scaw South Africa, while Scaw International is a wholly-owned subsidiary of the Group.

Copebrás

Anglo American has a 73% interest in Copebrás, a leading producer of phosphate fertilisers and phosphoric acid in Brazil.

It operates a phosphate mine and processing plant at Ouvidor in the state of Goiás and a processing plant in Cubatão near the port of Santos in the state of Sao Paulo.

Copebrás is one of only three major phosphate producers in Brazil. At its processing plants, Copebrás produces the intermediate fertiliser, DCP, and phosphoric acid, which is used mainly in the production of fertilisers and is sold independently to third parties.

Phosphate fertilisers are used to supplement natural soil nutrients in order to achieve high agricultural yields.

Niobium

Anglo American's wholly-owned niobium mine, Mineração Catalão de Goiás, in Brazil is one of the three principle producers of niobium in the world.

Mineração Catalão de Goiás produces and exports ferroniobium. The ore is mined from the Boa Vista open pit and processed at Ouvidor in the state of Goiás, 800 kilometres north-west of the Santos seaport.

Catalão is one of the three principal niobium producers in the world, with all of its production being exported to specialty steel industries in Europe, North America, Asia, Australia, Africa and Middle East.

Niobium is used as a micro-alloying element with steel to create an alloy that is stronger, more durable and also provides greater ease in forming and welding. Blends of steel and niobium have been used in the construction of pipes for water and sewage systems, components in various types of automobiles and in the creation of welding rods. The element is also used in a number of stainless steel products, especially items for the home.

Coal

Anglo American has interests in two coal assets in Venezuela and Canada.

Venezuela

Anglo American has a 25% interest in Carbones del Guasare (CDG) which owns and operates the Paso Diablo mine in northern Venezuela. CDG produces around six million tonnes per annum of thermal and metallurgical coal for pulverised coal injection (PCI).

Canada

Anglo American has a 74% interest in Peace River Coal, which has one operating metallurgical coal mine and significant coal resources in western Canada. Trend mine in north-east British Columbia exports metallurgical coal via Prince Rupert's Ridley coal terminal to customers in the Pacific and Atlantic regions. In April 2010, Anglo American announced it had entered into agreements with its minority limited partners, NEMI Northern Energy and Mining Inc. and Hillsborough Resources Limited, which will facilitate the sale of up to 100% of PRC.

Financial data

US$m	2009	2008
Turnover		
Tarmac[1]	2,870	4,399
Skorpion	236	279
Lisheen	208	196
Black Mountain	148	115
Scaw Metals	1,384	1,927
Copebras	320	655
Catalao	184	141
Coal Americas	165	245
Tongaat Hulett/Hulamin[2]	393	817
Namakwa Sands	–	177
Projects and corporate	–	–
Total turnover	**5,908**	**8,951**
EBITDA		
Tarmac[1]	313	488
Skorpion	100	132
Lisheen	74	40
Black Mountain	59	37
Scaw Metals	172	309
Copebras	9	244
Catalao	111	80
Coal Americas	6	42
Tongaat Hulett/Hulamin[2]	73	115
Namakwa Sands	–	59
Projects and corporate	(21)	(33)
Total EBITDA	**878**	**1,513**
Depreciation and amortisation	**372**	**431**
Operating profit before special items and remeasurements	**506**	**1,082**
Operating special items and remeasurements	(145)	(239)
Operating profit after special items and remeasurements	**361**	**843**
Net tax and minority interests	**(103)**	**(348)**
Underlying earnings		
Of which:		
Tarmac[1]	81	173
Skorpion	40	85
Lisheen	67	15
Black Mountain	60	28
Scaw Metals	70	165
Copebras	7	105
Catalao	77	70
Coal Americas	(12)	25
Tongaat Hulett/Hulamin[2]	31	53
Namakwa Sands	–	46
Projects and corporate	(18)	(31)
Total Underlying earnings	**403**	**734**
Net operating assets	**5,029**	**5,231**
Capital expenditure	**268**	**603**

[1] Tarmac is made up of the former Industrial Minerals segment and Yang Quarry, which was previously in the Coal segment

[2] The Group's investments in Tongaat Hulett/Hulamin were disposed of in August 2009 and July 2009 respectively

Production statistics

			2009	2008
Other Mining and Industrial segment[1]				
Tarmac				
Aggregates		tonnes	70,437,100	93,095,000
Lime products		tonnes	1,214,400	1,353,000
Concrete		m^3	3,521,200	6,312,000
Zinc and Lead				
Skorpion				
Ore mined		tonnes	1,495,900	1,390,400
Ore processed		tonnes	1,426,800	1,333,300
Ore grade processed	Zinc	% Zn	11.5	11.7
Production	Zinc	tonnes	150,400	145,400
Lisheen				
Ore mined		tonnes	1,534,500	1,561,900
Ore processed		tonnes	1,526,200	1,516,900
Ore grade processed	Zinc	% Zn	12.4	12.1
	Lead	% Pb	1.8	1.6
Production	Zinc in concentrate	tonnes	171,800	167,200
	Lead in concentrate	tonnes	19,200	15,900
Black Mountain				
Ore mined		tonnes	1,249,700	1,199,800
Ore processed		tonnes	1,293,200	1,204,800
Ore grade processed	Zinc	% Zn	2.8	3.0
	Lead	% Pb	4.0	4.2
	Copper	% Cu	0.3	0.4
Production	Zinc in concentrate	tonnes	28,200	27,900
	Lead in concentrate	tonnes	49,100	47,000
	Copper in concentrate	tonnes	2,200	2,500
Total attributable zinc production		tonnes	**350,400**	340,500
Total attributable lead production		tonnes	**68,300**	62,900
Scaw Metals				
South Africa Steel Products		tonnes	693,000	771,000
International Steel Products		tonnes	718,000	879,000
Niobium				
Catalão				
Ore mined		tonnes	906,700	768,100
Ore processed		tonnes	873,500	818,100
Ore grade processed		Kg Nb/tonne	9.3	11.1
Production		tonnes	5,100	4,600
Phosphates				
Copebrás				
Sodium tripolyphosphate		tonnes	–	10,200
Phosphates		tonnes	829,000	982,100
Mineral Sands				
Namakwa Sands[2]				
Ore mined		tonnes	–	13,418,600
Production	Ilmenite	tonnes	–	240,900
	Rutile	tonnes	–	19,100
	Zircon	tonnes	–	97,400
Smelter production	Slag tapped	tonnes	–	118,500
	Iron tapped	tonnes	–	78,800

Production statistics
continued

	2009	2008
Other Mining and Industrial segment		
South America		
Thermal	750,700	1,074,200
Canada		
Metallurgical	645,300	632,300
Thermal	73,000	140,100
	718,300	772,400
Total Other Mining and Industrial segment coal production	**1,469,000**	1,846,600

(1) Production for Coal Americas is included in Coal production section.

(2) Production information included until date of disposal on 1 October 2008.

Ore Reserve and Mineral Resource estimates as at 31 December 2009

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 REPORTED AS ADDITIONAL TO 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.

Niobium

Niobium				Tonnes		Grade		Contained product	
Ore Reserves	Attributable %	LOM	Classification	2009	2008	2009	2008	2009	2008
Catalão (OP)	100	18		Mt	Mt	$\%Nb_2O_5$	$\%Nb_2O_5$	kt	kt
Carbonatite (Oxide)			Proved	9.1	10.6	1.19	1.21	108	128
			Probable	3.1	4.0	1.10	1.14	34	46
			Total	**12.2**	**14.6**	**1.17**	**1.19**	**142**	**174**

Niobium			Tonnes		Grade		Contained product	
Mineral Resources	Attributable %	Classification	2009	2008	2009	2008	2009	2008
Catalão (OP)[1]	100		Mt	Mt	$\%Nb_2O_5$	$\%Nb_2O_5$	kt	kt
Carbonatite		Measured	19.1	16.6	1.33	1.26	254	210
		Indicated	20.4	9.0	1.25	1.18	254	106
		Measured and Indicated	**39.5**	**25.6**	**1.29**	**1.23**	**507**	**316**
		Inferred (in LOM)	0.5	0.6	0.88	0.88	5	5
		Inferred (ex. LOM)	11.4	4.3	1.20	1.14	137	49
		Total Inferred	**11.9**	**5.0**	**1.18**	**1.10**	**141**	**55**

Phosphate products

Phosphate products				Tonnes		Grade	
Ore Reserves	Attributable %	LOM	Classification	2009	2008	2009	2008
Copebrás (OP)	73.0	46		Mt	Mt	$\%P_2O_5$	$\%P_2O_5$
Carbonatite			Proved	72.2	78.7	13.4	13.4
			Probable	180.5	160.4	13.0	13.3
			Total	**252.8**	**239.1**	**13.1**	**13.3**

Phosphate products			Tonnes		Grade	
Mineral Resources	Attributable %	Classification	2009	2008	2009	2008
Copebrás (OP)[2]	73.0		Mt	Mt	$\%P_2O_5$	$\%P_2O_5$
Carbonatite		Measured	5.3	3.2	11.1	9.4
		Indicated	94.5	84.4	10.6	10.4
		Measured and Indicated	**99.8**	**87.6**	**10.6**	**10.4**
		Inferred (in LOM)	16.2	16.9	12.8	12.9
		Inferred (ex. LOM)	53.0	48.1	9.8	9.6
		Total Inferred	**69.1**	**65.0**	**10.5**	**10.5**

Mining method: OP = Open Pit. LOM = Life of Mine in years based on scheduled Ore Reserves.
Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

(1) **Catalão:** Mineral Resources include 3.8 Mt oxide material and 47.6 Mt fresh rock and are reported above cut-offs of 0.50% Nb_2O_5 and 0.70% Nb_2O_5, respectively. Some 8 Mt of the Mineral Resources reported above are located on an adjacent mining concession that belongs to Fosfértil. An agreement for Mineração Catalão to mine this material is in place subject to royalty payments.

(2) **Copebrás:** Mineral Resources are quoted above a 7% P_2O_5 cut-off and with a $CaO\text{-}P_2O_5$ ratio between 1.0 and 1.4.

Ore Reserve and Mineral Resource estimates as at 31 December 2009
continued

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 REPORTED AS ADDITIONAL TO 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.

Zinc				Tonnes		Grade		Contained metal	
Ore Reserves	Attributable %	LOM	Classification	2009	2008	2009	2008	2009	2008
Black Mountain (UG)	74.0	7		Mt	Mt	%Zn	%Zn	kt	kt
Deeps[1]			Proved	4.9	2.9	3.52	3.71	171	109
Zinc			Probable	2.8	5.9	2.03	2.89	57	170
			Total	**7.7**	**8.8**	**2.97**	**3.16**	**229**	**280**
Copper						%Cu	%Cu		
			Proved			0.38	0.45	18	13
			Probable			0.41	0.37	12	22
			Total			**0.39**	**0.40**	**30**	**35**
Lead						%Pb	%Pb		
			Proved			3.64	3.16	177	93
			Probable			2.64	2.86	75	168
			Total			**3.27**	**2.96**	**251**	**261**
Lisheen (UG)[2]	100	4				%Zn	%Zn		
Zinc			Proved	5.9	6.6	12.02	11.72	703	779
			Probable	1.1	1.6	9.34	12.01	103	192
			Total	**7.0**	**8.2**	**11.59**	**11.78**	**806**	**970**
Lead						%Pb	%Pb		
			Proved			1.86	1.91	109	127
			Probable			1.87	1.81	21	29
			Total			**1.86**	**1.89**	**129**	**156**
Skorpion (OP)[3]	100	6				%Zn	%Zn		
Zinc			Proved	3.8	4.8	12.75	12.94	486	624
			Probable	4.2	4.1	10.06	10.06	424	417
			Total	**8.0**	**9.0**	**11.33**	**11.61**	**911**	**1,041**

Zinc			Tonnes		Grade		Contained metal	
Mineral Resources	Attributable %	Classification	2009	2008	2009	2008	2009	2008
Black Mountain (UG)	74.0		Mt	Mt	%Zn	%Zn	kt	kt
Deeps[1]		Measured	7.2	1.6	2.74	3.74	197	61
Zinc		Indicated	5.8	2.6	2.11	3.66	123	96
		Measured and Indicated	**13.1**	**4.3**	**2.46**	**3.69**	**320**	**158**
		Inferred (in LOM)	7.3	2.4	2.95	4.39	214	104
		Inferred (ex. LOM)	–	–	–	–	–	–
		Total Inferred	**7.3**	**2.4**	**2.95**	**4.39**	**214**	**104**
Copper					%Cu	%Cu		
		Measured			0.37	0.63	27	10
		Indicated			0.45	0.57	26	15
		Measured and Indicated			**0.41**	**0.59**	**53**	**25**
		Inferred (in LOM)			0.73	1.09	53	26
		Inferred (ex. LOM)			–	–	–	–
		Total Inferred			**0.73**	**1.09**	**53**	**26**
Lead					%Pb	%Pb		
		Measured			3.16	3.41	228	56
		Indicated			3.02	4.29	177	113
		Measured and Indicated			**3.10**	**3.95**	**404**	**169**
		Inferred (in LOM)			2.26	1.39	164	33
		Inferred (ex. LOM)			–	–	–	–
		Total Inferred			**2.26**	**1.39**	**164**	**33**

Zinc

Mineral Resources continued

	Attributable %	Classification	Tonnes 2009	Tonnes 2008	Grade 2009	Grade 2008	Contained metal 2009	Contained metal 2008
Swartberg[4]					%Zn	%Zn		
Zinc		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	24.5	24.5	0.68	0.68	167	167
Copper					%Cu	%Cu		
		Measured			–	–	–	–
		Indicated			0.70	0.70	121	121
		Measured and Indicated			**0.70**	**0.70**	**121**	**121**
		Inferred			0.61	0.61	150	150
Lead					%Pb	%Pb		
		Measured			–	–	–	–
		Indicated			2.87	2.87	497	497
		Measured and Indicated			**2.87**	**2.87**	**497**	**497**
		Inferred			2.79	2.79	684	684
Lisheen (UG)[2]	100		Mt	Mt	%Zn	%Zn	kt	kt
Zinc		Measured	0.8	0.9	12.84	12.91	101	114
		Indicated	0.4	0.4	11.50	11.39	41	44
		Measured and Indicated	**1.1**	**1.3**	**12.42**	**12.45**	**142**	**158**
		Inferred (in LOM)	0.3	0.2	19.23	17.84	52	37
		Inferred (ex. LOM)	0.3	0.2	11.66	12.04	34	28
		Total Inferred	**0.6**	**0.4**	**15.31**	**14.77**	**86**	**65**
Lead					%Pb			
		Measured			2.05	2.23	16	20
		Indicated			2.06	1.74	7	7
		Measured and Indicated			**2.06**	**2.08**	**23**	**26**
		Inferred (in LOM)			3.21	2.49	9	5
		Inferred (ex. LOM)			2.55	2.63	7	6
		Total Inferred			**2.87**	**2.56**	**16**	**11**
Skorpion (OP)[3]	100				%Zn	%Zn		
Zinc		Measured	0.0	0.2	6.90	7.29	0	13
		Indicated	0.0	1.0	7.49	7.87	1	79
		Measured and Indicated	**0.0**	**1.2**	**7.33**	**7.78**	**2**	**92**
		Inferred (in LOM)	0.2	0.1	9.61	9.61	24	12
		Inferred (ex. LOM)	0.0	1.0	9.67	8.87	0	92
		Total Inferred	**0.3**	**1.2**	**9.61**	**8.95**	**24**	**104**

Ore Reserve and Mineral Resource estimates as at 31 December 2009
continued

Zinc Projects				Tonnes		Grade		Contained metal	
Ore Reserves	Attributable %	LOM	Classification	2009	2008	2009	2008	2009	2008
Gamsberg – North (OP)[5][6]	74.0	–		Mt	Mt	%Zn	%Zn	kt	kt
Zinc			Proved	–	34.2	–	7.55	–	2,580
			Probable	–	110.3	–	5.55	–	6,124
			Total	**–**	**144.4**	**–**	**6.03**	**–**	**8,704**

Zinc Projects			Tonnes		Grade		Contained metal	
Mineral Resources	Attributable %	Classification	2009	2008	2009	2008	2009	2008
Gamsberg – North (OP)[5][7]	74.0		Mt	Mt	%Zn	%Zn	kt	kt
Zinc		Measured	43.3	–	7.09	–	3,072	–
		Indicated	57.5	–	6.47	–	3,723	–
		Measured and Indicated	**100.8**	–	**6.74**	–	**6,796**	–
		Inferred	53.3	54.2	5.39	4.10	2,873	2,222
Gamsberg – East (UG)[8]	74.0				%Zn	%Zn		
Zinc		Measured	–	–	–	–	–	–
		Indicated	–	–	–	–	–	–
		Measured and Indicated	**–**	–	**–**	–	**–**	–
		Inferred	32.3	–	9.83	–	3,172	–

Mining method: OP = Open Pit, UG = Underground. LOM = Life of Mine in years based on scheduled Ore Reserves.
For the polymetallic deposits, the tonnage figures apply to each metal.
Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

(1) **Black Mountain – Deeps:** Broken Hill and the Deeps Ore Reserves and Mineral Resources are combined for reporting purposes as both deposits are geologically connected and make use of the same mining infrastructure. The decrease in Ore Reserves due to production has been partially offset through changed economic assumptions and updated resources modelling based on new information. The definition of Mineral Resources for Broken Hill and the Deeps is based on the same 2009 economic and financial parameters as used for the definition of Ore Reserves. Measured and Indicated Resources are estimated to contain 13.1Mt of material grading 41.3 g/t silver as a by-product. Inferred Resources are estimated to contain 7.3Mt of material grading 25.9 g/t silver as a by-product.

(2) **Lisheen:** Changes are largely attributable to production as well as changes in the resource model (re-classification of Indicated Resources to Inferred Resources which are now not available for conversion to Ore Reserves) and sterilisation of ore due to back-filling on a retreat mining sequence. Mineral Resources are constrained by geological parameters (total sulphide content and ore thickness) and are quoted above a 6% ZnEq cut-off.

(3) **Skorpion:** Production has been partially off-set by additional Ore Reserves derived through improved metal price assumptions and further geological information. An update of the geotechnical model for pit slope design is in progress. Mineral Resources are constrained by geological contacts and are defined using economic values and a cut-off grade (4% Zn). A major Mineral Resource model update, based on recent drilling information, is in progress.

(4) **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. Indicated Resources are estimated to contain 17.3Mt of material grading 35.0 g/t silver as a by-product. Inferred Resources are estimated to contain 24.5Mt of material grading 41.0 g/t silver as a by-product.

(5) **Gamsberg – North:** The Gamsberg deposit has been renamed Gamsberg North to distinguish it from the recently discovered Gamsberg East deposit.

(6) **Gamsberg – North:** The Ore Reserves published in 2008 were based on the 2000 Feasibility Study. In the period between 2000 and 2007 substantial change took place in the techno-economic environment of the Gamsberg project. Market, cost and exchange rate outlooks were considerably different while substantial changes had been made to the understanding of the resource and the mineral exploration potential of the greater Gamsberg environ. Advances in the understanding of the chemistry of manganese removal and improved leaching technology led to more technically robust and efficient metallurgical process design options, which needed investigation. Changes to the regulatory (mineral rights) and socio-economic environment (power, social costs, etc.) in South Africa needed to be incorporated into the project studies. A pre-feasibility study, which was initiated in late 2008, is not yet complete and therefore no Ore Reserves are reportable in 2009.

(7) **Gamsberg – North:** Mineral Resource estimates have been updated following infill drilling campaigns carried out during 2008 and 2009 to both validate historic data as well as increase confidence in the Mineral Resources. Mineral Resources are constrained within mineralized horizons and within a pit shell and are reported above a cut-off grade of 3% Zn. During 2009, some 11kt of material with an average grade of 8% Zn were mined via the exploration adit and processed at the Black Mountain concentrator.

(8) **Gamsberg – East:** Gamsberg East is located 4 km south east of Gamsberg North. Mineral Resources are constrained by geology and are quoted above a 7% Zn cut-off and are supported by a positive concept study for an underground mine undertaken in 2009. This study has recommended that Gamsberg East is incorporated in the Gamsberg North pre-feasibility study. As that study has not yet been completed, no Ore Reserves are currently reportable.

Audits related to the generation of the Ore Reserve and Mineral Resource statements were carried out by independent consultants during 2009 at the following operations: Black Mountain, Skorpion

The Coal Reserve and Coal 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. Where relevant, the estimates were also prepared in compliance with regional codes and requirements (e.g. The SAMREC Code, 2007). 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. During 2009, Anglo Coal was restructured into three discrete business units: Anglo American Metallurgical Coal representing the dominantly export metallurgical coal business located in Australia; Anglo American Thermal Coal representing the dominantly export and domestic thermal coal business, located in South Africa and Colombia; and the Remaining Coal mines and projects located in Canada and Venezuela. THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO THE COAL RESERVES.

Remaining Coal Reserves[1]				ROM Tonnes[3]		Yield[4]		Saleable Tonnes[3]		Saleable Quality[5]	
Canada	Attributable %[2]	LOM	Classification	2009	2008	2009	2008	2009	2008	2009	2008
Trend (OC)	74.8	14		Mt	Mt	%	%	Mt	Mt	kcal/kg	kcal/kg
Export Thermal			Proved	20.6	10.4	1.9	2.0	0.4	0.2	5,300	5,660
			Probable	2.5	4.2	1.9	2.8	0.1	0.1	5,300	5,660
			Total	**23.0**	**14.6**	**1.9**	**2.2**	**0.5**	**0.3**	**5,300**	**5,660**
										CSN	CSN
Coking			Proved			61.6	68.0	13.3	7.4	7.0	7.0
			Probable			59.7	67.3	1.6	3.0	7.0	7.0
			Total			**61.4**	**67.8**	**14.9**	**10.4**	**7.0**	**7.0**

Remaining Coal Reserves[1]				ROM Tonnes[3]		Yield[4]		Saleable Tonnes[3]		Saleable Quality[5]	
Venezuela	Attributable %[2]	LOM	Classification	2009	2008	2009	2008	2009	2008	2009	2008
Guasare (OC)	24.9	21		Mt	Mt	%	%	Mt	Mt	kcal/kg	kcal/kg
Export Thermal			Proved	127.7	136.6	100	100	127.7	141.1	7,180	7,320
			Probable	16.2	–	100	–	16.2	–	7,240	–
			Total	**143.9**	**136.6**	**100**	**100**	**143.9**	**141.1**	**7,190**	**7,320**

Remaining Coal Reserves[1]			ROM Tonnes[3]		Yield[4]		Saleable Tonnes[3]		Saleable Quality[5]	
Canada and Venezuela	Attributable %[2]	Classification	2009	2008	2009	2008	2009	2008	2009	2008
Export Thermal	25.0		Mt	Mt	%	%	Mt	Mt	kcal/kg	kcal/kg
		Proved	148.2	147.0	99.7	99.8	128.1	141.3	7,170	7,320
		Probable	18.7	4.2	99.7	2.8	16.3	0.1	7,240	5,660
		Total	**166.9**	**151.2**	**99.7**	**99.8**	**144.4**	**141.4**	**7,180**	**7,320**
Coking	74.8								CSN	CSN
		Proved			61.6	52.4	13.3	7.4	7.0	7.0
		Probable			59.7	46.7	1.6	3.0	7.0	7.0
		Total			**61.4**	**49.2**	**14.9**	**10.4**	**7.0**	**7.0**

Remaining Coal Resources – Mine Leases[6]			Tonnes		Coal Quality	
Canada	Attributable %[2]	Classification	2009	2008	2009	2008
Trend (OC)	74.8		MTIS[6]	MTIS[6]	kcal/kg[7]	kcal/kg[7]
		Measured	19.9	–	6,500	–
		Indicated	5.4	–	6,500	–
		Measured and Indicated	**25.3**	–	**6,500**	–
		Inferred (in LOM)[8]	1.4	2.4	6,500	7,500

Remaining Coal Resources – Mine Leases[6]			Tonnes		Coal Quality	
Venezuela	Attributable %[2]	Classification	2009	2008	2009	2008
Guasare (OC)	24.9		MTIS[6]	MTIS[6]	kcal/kg[7]	kcal/kg[7]
		Measured	–	26.9	–	7,910
		Indicated	–	79.5	–	7,860
		Measured and Indicated	–	**106.5**	–	**7,870**
		Inferred (in LOM)[8]	–	–	–	–

Remaining Coal Resources – Mine Leases[6]			Tonnes		Coal Quality	
Canada and Venezuela	Attributable %[2]	Classification	2009	2008	2009	2008
Total	74.8		MTIS[6]	MTIS[6]	kcal/kg[7]	kcal/kg[7]
		Measured	19.9	26.9	6,500	7,910
		Indicated	5.4	79.5	6,500	7,860
		Measured and Indicated	**25.3**	**106.5**	**6,500**	**7,870**
		Inferred (in LOM)[8]	1.4	2.4	6,500	7,500

Mining method: OC = Open Cast. LOM = Life of Mine in years based on scheduled Ore Reserves.
For the multi-product operations, the ROM tonnage figures apply to each product.
The Saleable tonnage cannot be calculated directly from the ROM reserve tonnage using the air dried yields as presented since the difference in moisture content is not taken into account.
Attributable percentages for country totals are weighted by Saleable tonnes and should not be directly applied to the ROM tonnage.

Export Thermal refers to low- to high-volatile thermal coal primarily for export in the use of power generation; quality measured by calorific value (CV).
Coking refers to a high-, medium- or low-volatile semi-soft, soft or hard coking coal primarily for blending and use in steel industry; quality measured as crucible swell number (CSN).

Ore Reserve and Mineral Resource estimates as at 31 December 2009
continued

Remaining Coal Resources – Projects[6]			Tonnes		Coal Quality	
Canada	Attributable %[2]	Classification	2009	2008	2009	2008
Belcourt Saxon	37.4		MTIS[6]	MTIS[6]	kcal/kg[7]	kcal/kg[7]
		Measured	166.7	–	7,000	–
		Indicated	4.2	–	7,000	–
		Measured and Indicated	**170.9**	–	**7,000**	–
Roman Mountain	74.8					
		Measured	21.1	18.2	6,970	6,810
		Indicated	7.5	6.3	6,970	6,810
		Measured and Indicated	**28.6**	**24.5**	**6,970**	**6,810**
Canada – Projects	42.8				kcal/kg[7]	kcal/kg[7]
		Measured	187.8	18.2	7,000	6,810
		Indicated	11.7	6.3	6,980	6,810
		Measured and Indicated	**199.5**	**24.5**	**7,000**	**6,810**

Remaining Coal Resources – Projects[6]			Tonnes		Coal Quality	
Canada and Venezuela	Attributable %[2]	Classification	2009	2008	2009	2008
Total	42.8		MTIS[6]	MTIS[6]	kcal/kg[7]	kcal/kg[7]
		Measured	187.8	18.2	7,000	6,810
		Indicated	11.7	6.3	6,980	6,810
		Measured and Indicated	**199.5**	**24.5**	**7,000**	**6,810**

Remaining Coal Resources – Mine Lease and Projects[6]			Tonnes		Coal Quality	
Canada and Venezuela	Attributable %[2]	Classification	2009	2008	2009	2008
Total	46.4		MTIS[6]	MTIS[6]	kcal/kg[7]	kcal/kg[7]
		Measured	207.7	45.1	6,950	7,460
		Indicated	17.1	85.9	6,830	7,790
		Measured and Indicated	**224.8**	**131.0**	**6,940**	**7,670**
		Inferred (in LOM)[8]	1.4	2.4	6,500	7,500

Attributable percentages for country totals are weighted by Measured and Indicated MTIS.

(1) Coal Reserves are quoted on a Run Of Mine (ROM) reserve tonnage basis which represents the tonnes delivered to the plant. Saleable reserve tonnage represents the product tonnes produced. Coal Reserves (ROM and Saleable) are on the applicable moisture basis.

(2) Attributable (%) refers to 2009 only. For the 2008 Reported and Attributable figures, please refer to the 2008 Annual Report.

(3) The tonnage is quoted as metric tonnes. ROM tonnages on an As Delivered moisture basis, and Saleable tonnages on a Product moisture basis.

(4) Yield (%) represents the ratio of Saleable reserve tonnes to ROM reserve tonnes and is quoted on a constant moisture basis or on an air dried to air dried basis. The product yields for Proved, Probable and Total are calculated by dividing the individual Saleable reserves by the total ROM reserves per classification.

(5) The coal quality for the Coal Reserves is quoted as either Calorific Value (CV) using kilo-calories per kilogram (kcal/kg) units on a Gross As Received (GAR) basis or Crucible Swell Number (CSN). Coal quality parameters for the Coal Reserves for Coking, Other Metallurgical and Export Thermal collieries meet the contractual specifications for coking coal, PCI, metallurgical coal, steam coal and domestic coal. Coal quality parameters for the Coal Reserves for Domestic Power and Domestic Synfuels collieries meet the specifications of the individual supply contracts. CV is rounded to the nearest 10 kcal/kg and CSN to the nearest 0.5 index.

(6) Coal Resources are quoted on a Mineable Tonnage In-Situ (MTIS) basis in million tonnes which are in addition to those resources which have been modified to produce the reported Coal Reserves. Coal Resources are on an in-situ moisture basis.

(7) The coal quality for the Coal Resources is quoted on an in-situ heat content as Calorific Value (CV) using kilo-calories per kilogram (kcal/kg) units on a Gross As Received (GAR) basis. CV is rounded to the nearest 10 kcal/kg.

(8) Inferred (in LOM) refers to Inferred Coal Resources that are included in the life of mine extraction schedule of the respective collieries and are not reported as Coal Reserves. Inferred Coal Resources outside the LOM plan but within the mine lease area are not reported due to a) the uncertainty attached to such resources in that it cannot be assumed that all or part of the Inferred Resource will necessarily be upgraded to Indicated or Measured categories through continued exploration, b) such Inferred Resources do not necessarily meet the requirements of reasonable prospects for eventual economic extraction, particularly in respect of future mining and processing economics.

Summary of material changes (±10%) at reporting level

Canada
Trend: Reserves: a gain of 9 Mt due to a change in stripping ratio resulting from economic assumptions. Resources: a gain of 25 Mt due to changes in classification methodology and cut-off parameters.
Belcourt-Saxon: Resources: a gain of 171 Mt due to the project being reported for the first time in 2009.
Roman Mountain: Resources: a gain of 4 Mt due to additional drilling information.

China
Xiwan: The Xiwan Project reported in 2008 is currently subject to finalisation of disposal to a third party. Resources are therefore excluded from the 2009 estimates.

Venezuela
Guasare: The resource and reserve statement supplied by Carbones del Guasare has not been validated by Anglo American Thermal Coal. Reserves: a gain of 15 Mt due to changes in mine plan, increased drilling density, and correction for under reporting in 2008. Resources: a loss of 106 Mt due to conversion to reserves and a reclassification of Measured and Indicated to Inferred resources.

Assumption with respect to Mineral Tenure
Venezuela: Although the Carbones del Guasare mining concession terminates in 2013, Coal Reserves and Resources in the Mine Lease that may be included in a mine plan beyond this date are included in the 2009 statement.

Reviews by independent third parties were carried out in 2009 on the following Operations and Project areas: Trend, Roman Mountain

Other information

Market capitalisation	30 April 2010	as at 31 December 2009	2008	2007	2006	2005	2004	2003	2002
Anglo American plc									
– US$ billion	57.6	58.7	30.3	82.0	75.2	50.8	35.3	31.8	21.8
– £ billion	37.7	36.4	20.8	41.4	38.4	29.6	18.4	17.8	13.6
– ZAR billion	383.1	433.2	288.6	562.7	525.1	322.0	199.6	212.7	187.2

Credit ratings – as at 30 April 2010	Standard & Poors	Moody's Investors Service
Long term	BBB	Baa1
Short term	A-2	P-2

Exchange rates		30 April 2010	2009	2008	2007	2006	2005	2004	2003	2002
£/US$	period end	0.65	0.62	0.69	0.50	0.51	0.58	0.52	0.56	0.62
	average	0.64	0.64	0.54	0.50	0.54	0.55	0.55	0.61	0.67
ZAR/US$	period end	7.39	7.38	9.30	6.84	7.00	6.35	5.65	6.67	8.58
	average	7.46	8.41	8.27	7.05	6.77	6.37	6.44	7.55	10.48

Ordinary shares prices – period end	30 April 2010	2009	2008	2007	2006	2005	2004	2003	2002
Anglo American plc									
– £ per share	28.05	27.11	15.46	30.80	24.91	19.79	12.32	12.07	9.23
– ZAR per share	317.45	319.49	210.99	415.02	342.00	213.70	133.50	143.00	126.50

Analysis of Anglo American plc ordinary shares	Shares outstanding as at 31 December	Weighted average number of shares in issue[1]
2002	1,469,156,171	1,410,732,309
2003	1,476,304,626	1,415,193,472
2004	1,493,839,387	1,434,486,714
2005	1,493,855,896	1,447,133,203
2006	1,541,653,607	1,467,739,208
2007	1,342,911,897	1,308,662,275
2008	1,342,919,020	1,202,212,347
2009	1,342,927,138	1,201,516,878

[1] The weighted average number of shares excludes shares held by the employee benefit trusts and other Anglo American shares held by the Group.

Further information

- 2009 Annual Report
- Notice of 2010 AGM and Shareholder Information Booklet
- 2009 Report to Society
- Optima – Anglo American's current affairs journal
- Transformation Report
- Good Citizenship: Business Principles
- Anglo Environment Way
- Anglo Occupational Health Way
- Anglo Safety Way
- Anglo Social Way

If you would like to receive copies of Anglo American's publications, please write to:

Investor and Corporate Affairs Department
Anglo American plc
20 Carlton House Terrace
London SW1Y 5AN
England

Alternatively, publications can be ordered online at:
http://www.angloamerican.co.uk/aa/siteservices/requestreport

Contact details

Anglo American – London
Investor & Corporate Affairs
Tel: +44 (0)20 7968 8888
Email: investorrelations@angloamerican.co.uk

www.angloamerican.co.uk