DELIVERING REAL VALUE

Fact Book 2010/11

AngloAmerican

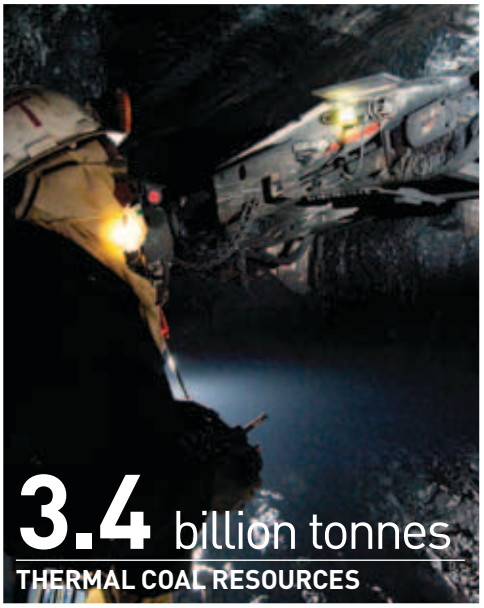
Real Mining. Real People. Real Difference.

Real Mining. Real People. Real Difference.

Aiming to be the leading global mining company – the investment, the partner and the employer of choice.

Throughout the year, I travelled extensively around our Group and I continue to be impressed by the commitment of everyone I have met in pursuing our ambition of becoming the leading global mining company.

Sir John Parker
Chairman



The delivery of first metal from Barro Alto is a major milestone as we develop a number of world class projects and drive 50% volume growth by 2015.

Cynthia Carroll
Chief executive

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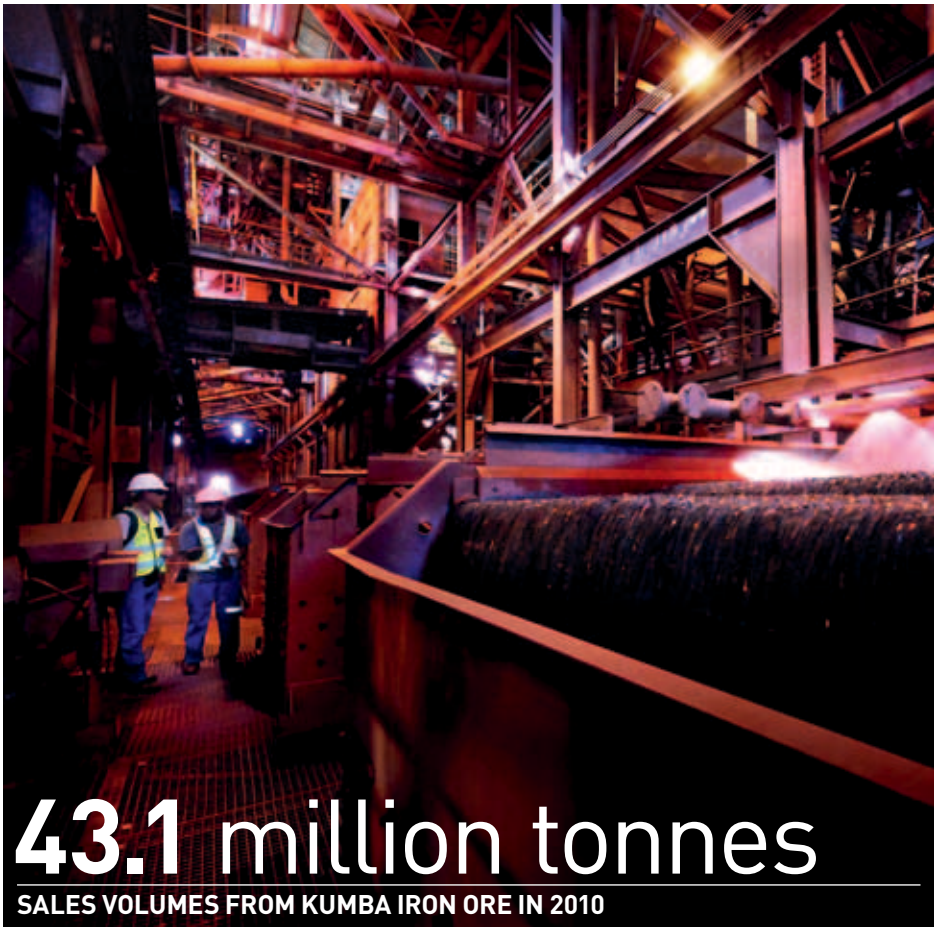
We comfortably exceeded our target of $1 billion in sustainable benefits from asset optimisation from core operations alone by 2011.

$1.5 bn

Whether it is the communities surrounding our operations or our employees, we work together to ensure everyone benefits.

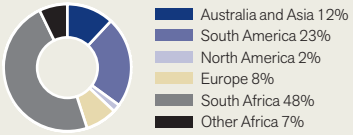
Cynthia Carroll
Chief executive



INCREASING OUR REACH
OUR OPERATIONS

We are one of the world's largest mining companies. Our portfolio of high quality mining assets and natural resources includes platinum group metals and diamonds, with significant interests in copper, iron ore, metallurgical coal, nickel and thermal coal, as well as a divestment portfolio of other mining and industrial businesses. We operate in Africa, Europe, South and North America, Australia and Asia.

REVENUE BY ORIGIN
Percentage



OUR SEVEN COMMODITY BUSINESSES

Precious

PLATINUM

Anglo Platinum Limited, a managed subsidiary, owns the largest platinum reserves in the world and is the largest primary producer of platinum, accounting for some 40% of world supply.

Primarily used in autocatalysts and jewellery. Also employed in chemical, electrical, electronic, glass and petroleum industries and medical applications.

Share of Group operating profit

$837m
9%
2009 $32m, 1%

Average number of employees ('000)[1]

52

For more information, see page 14 or visit: www.angloamerican.com

DIAMONDS

Independently managed De Beers is the world's leading diamond exploration, mining and marketing company. De Beers generates about 35% (by value) of global rough diamond production from its operations in South Africa, Botswana, Namibia and Canada.

The largest diamond jewellery market is the United States, followed by Japan, Europe, China and India.

Share of Group operating profit

$495m[2]
5%
2009 $64m, 1%

Average number of employees ('000)[1]

16[3]

For more information, see page 34 or visit: www.angloamerican.com

Base metals

COPPER

Our copper business has interests in six operations in Chile. These comprise the wholly owned Los Bronces, El Soldado, Mantos Blancos and Mantoverde mines, the Chagres smelter and a 44% interest in the Collahuasi mine.

Used mainly in wire and cable, brass, tubing and pipes, air conditioning and refrigeration.

Share of Group operating profit

$2,817m
29%
2009 $2,010m, 41%

Average number of employees ('000)[1]

4

For more information, see page 44 or visit: www.angloamerican.com

NICKEL

Nickel has three operating assets, Codemin in Brazil, Loma de Níquel in Venezuela, both producing ferronickel, as well as the recently commissioned, world class Barro Alto asset in Brazil.

More than 60% of all nickel is used in the production of stainless steel. Around 25% is used to make other types of steel and for super-alloys, which can withstand extreme temperatures.

Share of Group operating profit

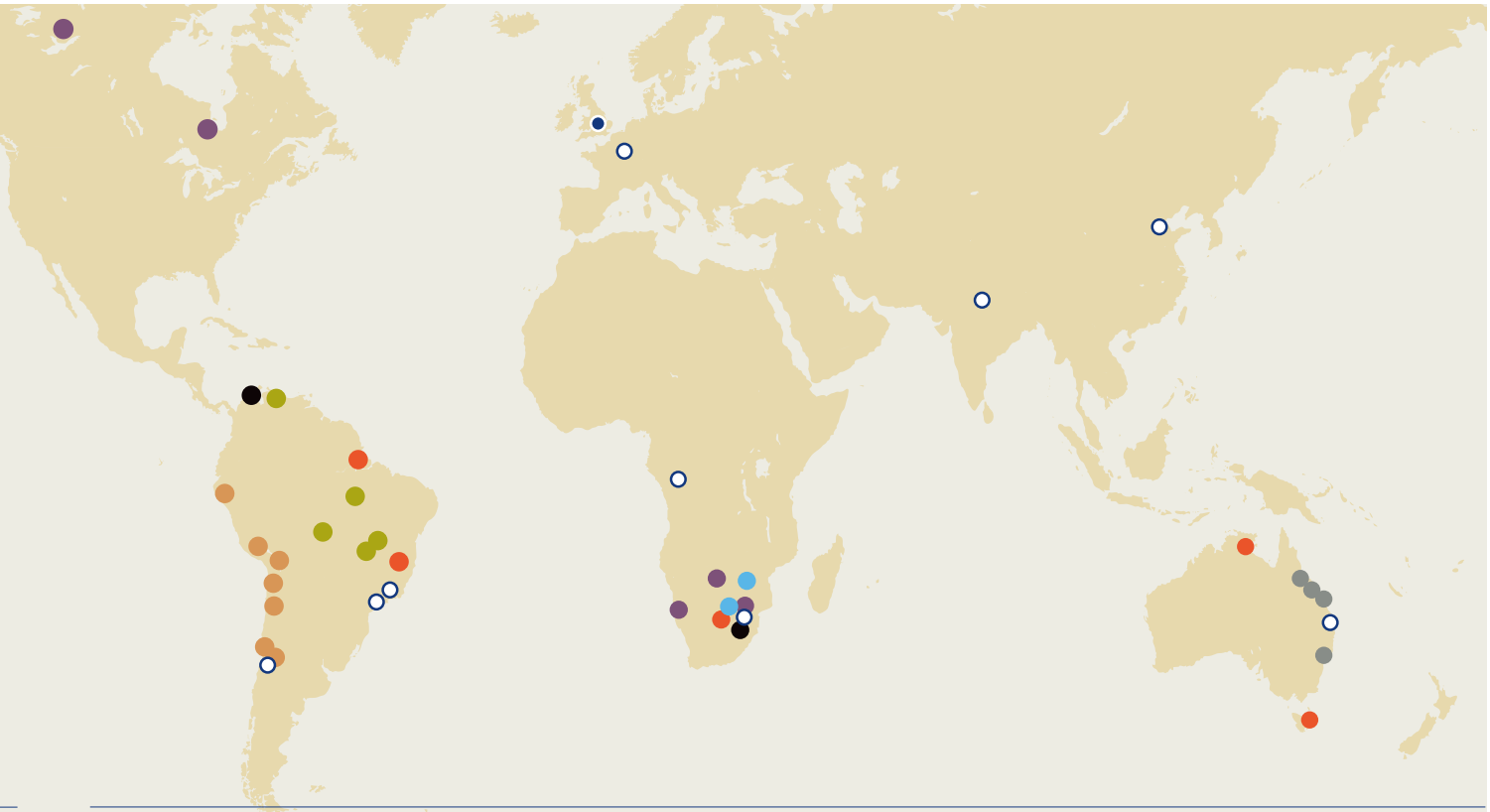
$96m
1%
2009 $2m, 0.04%

Average number of employees ('000)[1]

2

For more information, see page 58 or visit: www.angloamerican.com

(1) Excluding contractors and associates employees and including a proportionate share of employees within joint venture entities.
(2) De Beers results are shown as share of associates' operating profit.
(3) De Beers is an independently managed associate. Employee numbers shown represent the average number of employees in De Beers managed operations, including 100% of employees in De Beers' underlying joint ventures
(4) Consideration on a debt and cash free basis, as announced.



WHERE WE OPERATE

Headquarters

London, United Kingdom

Corporate and representative offices

Beijing, China
Brisbane, Australia
Johannesburg, South Africa
Kinshasa, DRC
Luxembourg
New Delhi, India
Rio de Janeiro, Brazil
Santiago, Chile
São Paulo, Brazil

North America

Africa

South America

Australia and Asia

Bulk

IRON ORE AND MANGANESE

We are the world's fourth largest iron ore producer, with a large high quality resource base in South Africa and Brazil.

Key component in steel, the most widely used of all metals. Global steel consumption is forecast to grow in excess of 5% pa over the next three years.

$3,681m
38%
2009 $1,489m, 30%

8

For more information, see page 70 or visit: www.angloamerican.com

METALLURGICAL COAL

Our metallurgical coal business is Australia's fourth biggest producer of coal and its number two exporter of metallurgical coal. We are active partners in diverse clean coal energy initiatives.

Key raw material for 70% of the world's steel industry. Demand is driven by economic, industrial and steel growth.

$783m
8%
2009 $451m, 9%

3

For more information, see page 84 or visit: www.angloamerican.com

THERMAL COAL

In South Africa, our thermal coal business owns and operates nine mines. In Colombia, we have a one-third shareholding (with BHP Billiton and Xstrata each owning one-third) in Cerréjon, Colombia's largest thermal coal exporter.

About 40% of all electricity generated globally is powered by thermal coal. About 5.1 billion tonnes of thermal coal are produced globally each year.

$710m
7%
2009 $721m, 15%

9

For more information, see page 98 or visit: www.angloamerican.com

Other Mining and Industrial

OTHER MINING AND INDUSTRIAL

Our programme to divest of non-core businesses is well advanced. During 2010, Anglo American completed the divestment of a number of non-core businesses with announced proceeds[4] of $3.3 billion.

$661m
7%
2009 $506m, 10%

20

For more information, see page 114 or visit: www.angloamerican.com

THE BUSINESS
AN OVERVIEW[1]

PLATINUM

Overall ownership: 79.7%

100% owned

South Africa
Bathopele Mine
Khomanani Mine
Thembelani Mine
Khuseleka Mine
Siphumelele Mine
Tumela Mine
Dishaba Mine
Mogalakwena Mine
Western Limb Tailings Retreatment
Waterval Smelter (including converting process)
Mortimer Smelter
Polokwane Smelter
Rustenburg Base Metals Refinery
Precious Metals Refinery
Twickenham Mine

Zimbabwe
Unki Mine

Other interests

South Africa	
Union Section	85%

Joint ventures or sharing agreements	
Modikwa Platinum Joint Venture	50%
Kroondal Pooling and Sharing Agreement	50%
Marikana Pooling and Sharing Agreement	50%
Mototolo Joint Venture	50%
Masa Chrome Company	74%

Associates	
Bokoni (formerly Lebowa Platinum Mines)	49%
Pandora	42.5%
Bafokeng-Rasimone	33%
Anooraq	27%
Johnson Matthey Fuel Cells	17.5%
Wesizwe	26.6%

DE BEERS[2]

Overall ownership: 45%

100% owned

South Africa
De Beers Group Services (Exploration and Services)
De Beers Marine

Industrial Diamonds
Element Six Technologies

Canada
De Beers Canada
Snap Lake
Victor

Trading and Marketing
The Diamond Trading Company
Forevermark
Diamdel

Other interests

South Africa	
De Beers Consolidated Mines	74%[3]
Finsch	
Namaqualand Mines	
Venetia	
South African Sea Areas	

Botswana	
Debswana (Damtshaa, Jwaneng, Orapa and Lethlakane mines)	50%

Namibia	
Namdeb (Mining Area No. 1, Orange River Mines, Elizabeth Bay and Marine concessions)	50%
De Beers Marine Namibia	70%

Trading and Marketing	
DTC Botswana	50%
Namibia DTC	50%

Industrial Diamonds	
Element Six Abrasives	60%

Diamond Jewellery Retail	
De Beers Diamond Jewellers	50%

COPPER

Overall ownership: 100%

100% owned

Chagres (Chile)
El Soldado (Chile)
Los Bronces (Chile)
Mantos Blancos (Chile)
Mantoverde (Chile)
Michiquillay (Peru)

Other interests

Collahuasi (Chile)	44%
Palabora (South Africa)	17%
Quellaveco (Peru)	81.9%
Pebble (US)	50%

NICKEL

Overall ownership: 100%

100% owned

Codemin (Brazil)
Barro Alto (Brazil)

Other interests

Loma de Níquel (Venezuela)	91.4%

(1) As at 31 December 2010.
(2) An independently managed associate.
(3) De Beers' 74% interest represents its legal ownership share in De Beers Consolidated Mines (DBCM). For accounting purposes De Beers consolidates 100% of DBCM as it is deemed to control the black economic empowerment (BEE) entity which holds the remaining 26% after providing certain financial guarantees on its behalf during 2010.

IRON ORE AND MANGANESE

Kumba Iron Ore (South Africa)	65.3%
Minas-Rio (Brazil)	100%
Amapá (Brazil)	70%
LLX Minas-Rio (Brazil)	49%
Samancor (South Africa and Australia)	40%

METALLURGICAL COAL

Overall ownership: 100%

100% owned
Australia
Callide
Australia – other
Monash Energy Holdings Ltd

Other interests	
Australia	
Dartbrook	83.3%
Dawson	51%
Drayton	88.2%
German Creek[1]	70%
Jellinbah	23%
Moranbah North	88%
Foxleigh	70%
Australia – other	
Dalrymple Bay Coal Terminal Pty Ltd	25.4%
Newcastle Coal Shippers Pty Ltd	17.6%

THERMAL COAL

Overall ownership: 100%

100% owned
South Africa
Goedehoop
Greenside and Nooitgedacht
Isibonelo
Kleinkopje
Landau
New Denmark
New Vaal

Other interests	
South Africa	
Mafube	50%
Phola plant	50%
Kriel[2]	73%
Zibulo[2]	73%
South Africa – other	
Richards Bay Coal Terminal	27%
Colombia	
Carbones del Cerrejón	33.3%

OTHER MINING AND INDUSTRIAL

Overall ownership: 100%

100% owned
Aggregates and Building Materials
Tarmac Quarry Materials
Tarmac Building Products
Tarmac China
Tarmac Romania
Tarmac Turkey
Zinc/Lead
Lisheen (Ireland)
Phosphate products
Copebrás (Brazil)
Niobium
Catalão (Brazil)

Other interests	
Aggregates and Building Materials	
Tarmac Middle East	50%
Zinc/Lead	
Black Mountain (South Africa)	74%
Gamsberg (South Africa)	74%
Steel products	
Scaw Metals (worldwide)[3]	74%
Coal Americas	
Peace River Coal (Canada)	74.8%

OTHER[4]

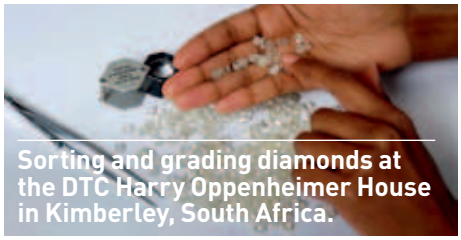
100% owned
Vergelegen (South Africa)

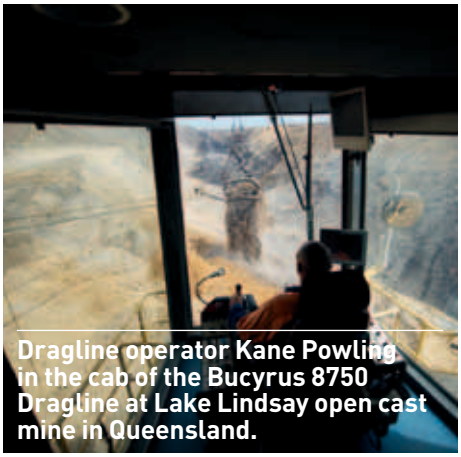
Other interests	
Exxaro Resources (southern Africa and Australia)	10%

(1) The German Creek operation includes both Capcoal Open Cut and Underground operations.
(2) Kriel and Zibulo form part of the Anglo American Inyosi Coal BEE Company of which Anglo American owns 73%.
(3) Moly-Cop and AltaSteel were sold in December 2010.
(4) Included within Corporate Activities and Unallocated Costs segment.

HISTORY AND TIMELINE


Mine Planning Analyst Ephraime Tanyane at the Leeufontein Pit at Kolomela Mine.


Sorting and grading diamonds at the DTC Harry Oppenheimer House in Kimberley, South Africa.


Dragline operator Kane Powling in the cab of the Bucyrus 8750 Dragline at Lake Lindsay open cast mine in Queensland.


The drum room in the plant at Sishen Mine.

1800

1871: Diamonds discovered at Kimberley, South Africa.

1886: Gold discovered on the Witwatersrand.

1910

1917: Anglo American Corporation (AAC) of South Africa was founded to exploit the gold deposits east of Johannesburg. The £1 million authorised capital was raised largely from British and American sources.

1920

1923: Platinum first discovered in South Africa in the Bushveld Complex north of Nylstroom.

1926: AAC becomes the largest shareholder in De Beers.

1930

1934: Diamond Trading Company formed as a diamond selling company based in Kimberley and London.

1960

1967: Mondi is incorporated.

1970

1975: The various Anglo American Group coal interests were merged into VEL and the merged business was then renamed Anglo American Coal Corporation Limited (Amcoal).

1990

1997: Anglo Platinum becomes the single listed holding company for the Anglo Platinum group of companies: RPM, PPRust, Leplats and Anglo Platinum Limited.

1998: AngloGold is formed from the separately listed South African companies, which then made up the Gold and Uranium Division of Anglo American.

1999: Anglo American plc is established by combining the business interests of Anglo and Minorco. This, together with a sweeping restructuring of the Group, has created one of the world's largest mining and natural resource companies.

2000

2000: Tarmac acquired by Anglo American plc. A further restructuring of the Colombian coal assets initially left Anglo Coal with 33% of an enlarged venture which subsequently acquired 50% of Cerrejón Zona Norte (CZN) from the Colombian government.

2001: Removal of cross-holding with De Beers. De Beers is privatised after 112 years as a listed company.

2002: Anglo Base Metals acquires the Disputada copper operations in Chile from Exxon Mobil in November 2002.

2003: Anglo American acquires a major stake in Kumba Resources.

2005: Disposal of Boart Longyear and Samancor Chrome in mid-2005.

2006: Shareholding in AngloGold Ashanti reduced from 51% to 42%.

Majority stake in Highveld Steel sold to Evraz and Credit Suisse.

Restructuring of Kumba Resources to separately list Kumba Iron Ore, of which Anglo American held 64%, and Exxaro, which became South Africa's largest black economic empowered (BEE) natural resources company, on the JSE Limited.

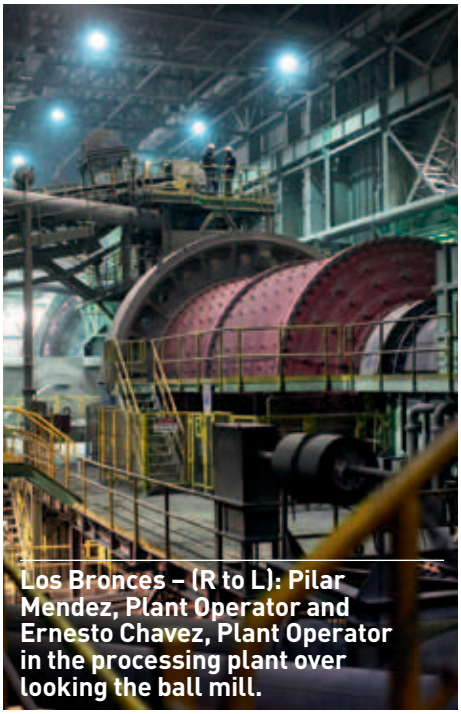
2007: Demerger of Mondi, Anglo American's paper and packaging business, to become a dual-listed company on the London and Johannesburg stock exchanges.

Shareholding in AngloGold Ashanti reduced from 42% to 16.6%.

Disposal of remaining 29% holding in Highveld Steel and Vanadium.

Completion of the unbundling of Hulamin from Tongaat-Hulett, along with a separate JSE listing.

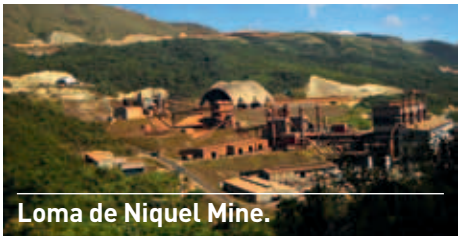
Purchase of a 49% stake in the MMX Minas-Rio iron ore project in Brazil.



Los Bronces – (R to L): Pilar Mendez, Plant Operator and Ernesto Chavez, Plant Operator in the processing plant over looking the ball mill.

Hydropower equipment raise rig drill at Twickenham Mine.

Minas Rio – (L to R): Michael Camilo Da S. Borchas, contractor mining technician and Juliano Roberto Ferreira, Environmental Engineer, monitoring ground movement.



Loma de Niquel Mine.

Boschoek conveyor at Rustentarg section.

Acquisition of the Michiquillay copper project in northern Peru and a 50% stake in the Pebble copper project in Alaska.

Acquisition of a 70% interest in the Foxleigh coal mine in Australia.

Selling down of Anglo American's stake in Exxaro from 23% to 10%, completed in September 2007. Anglo American will continue to hold a 10% shareholding until 2016.

2008: Anglo American acquires control of the Minas-Rio iron ore project and Amapá iron ore system in Brazil.

Sale of Namakwa Sands to Exxaro.

Sale of Tarmac Iberia S.A.U. to Holcim Spain, a subsidiary of Holcim Ltd.

2009: Sale of remaining 11.3% stake in AngloGold Ashanti.

Anglo American exits its shareholding in Hulamin Ltd.

Announcement of significant new copper prospects at Los Sulfatos and San Enrique Monolito near Los Bronces in Chile, with inferred resources of 1.2 billion tonnes and 900 million tonnes respectively.

Exit of shareholding in Tongaat Hulett Limited.

Anglo American announces streamlining of management structure and non-core businesses for divestment, including Scaw Metals, Copebrás, Catalão, Tarmac and the Group's portfolio of zinc assets.

2010

2010: Anglo American completes the sale of its interests in five undeveloped coal assets in Australia to a consortium composed of Korea Electric Power Corporation, POSCO and Cockatoo Coal Limited, for cash proceeds of A$577 million (approximately US$577 million).

Sale agreed of Tarmac's aggregates businesses in France, Germany, Poland and the Czech Republic and its Polish, and French and Belgian concrete products businesses, for a combined consideration of $483 million. These were all completed in 2010.

Sale agreed of Moly-Cop and AltaSteel to OneSteel Limited for a total consideration of $932 million on a debt and cash free basis, consisting of the grinding media and steel products businesses located in North and South America, and including the joint venture interests in the Donhad grinding media business in Australia and GenAlta Recycling Inc. in Canada. Moly-Cop and AltaSteel were previously managed as part of the wider Scaw Metals Group.

Decision announced to begin a divestment process for the Callide domestic thermal coal mine in Central Queensland, Australia.

Key licence secured for the development of the Minas-Rio iron ore project in Brazil. The award of the second part of the Mine Installation Licence ('Mine LI part 2') was granted by SUPRAM, the Minas Gerais state agency responsible for environmental licensing in December 2010 and marks a major achievement on the critical path for delivery of the Minas-Rio project.

2011: Anglo American plc and Lafarge SA announce their agreement to combine their cement, aggregates, ready-mixed concrete, asphalt and contracting businesses in the United Kingdom, comprising Tarmac Limited ('Tarmac UK') and Lafarge Cement UK, Lafarge Aggregates and Concrete UK ('Lafarge UK'). The transaction will form a 50:50 joint venture and will create a leading UK construction materials company, with a portfolio of high quality assets drawing on the complementary geographical distribution of operations and assets, the skills of two experienced management teams and a portfolio of well-known and innovative brands.

First production of metal is delivered on schedule from the $1.9 billion Barro Alto nickel project in Brazil. The Barro Alto nickel project is the first of Anglo American's four major strategic growth projects to begin production and will be a key contributor to Anglo American's 50% volume growth by 2015.

Following receipt of the Mine LI Part 2 in December 2010, the Minas-Rio iron ore project commenced civil works for the beneficiation plant in March 2011. Completion and commissioning of the mine is expected to take between 27 and 30 months, with first ore on ship expected in the second half of 2013.

DEFINING OUR AMBITION
OUR STRATEGY

Anglo American aims to be the leading global mining company – the investment, the partner and the employer of choice – through the operational excellence of world class assets in the most attractive commodities and a resolute commitment to the highest standards of safe and sustainable mining.

Our focused commodity businesses are driving superior operating performances, through major productivity improvements, disciplined cost management and the significant benefits of our asset optimisation and global supply chain programmes.

Cynthia Carroll
Chief executive

KEY STRATEGIC HIGHLIGHTS

Anglo American performed strongly in 2010, both operationally and financially, and we have continued to deliver on our clear strategic objectives. Strategic highlights from the year include:

1

We have completed $3.3 billion of divestments of non-core businesses, including our zinc portfolio, Moly-Cop and AltaSteel, five undeveloped coal assets in Australia and a number of Tarmac's European businesses. We have received strong interest in the remaining businesses and will divest those in a manner and on a timetable that maximise value. In February 2011, we announced our intention to combine the UK businesses of Tarmac and Lafarge, to create a leading UK construction materials company

OUR FOUR STRATEGIC ELEMENTS

INVESTING – in world class assets in the most attractive commodities

We own, operate and grow world class mining assets in those commodities that we believe deliver the best returns through the economic cycle and over the long term.

We aim to focus on those commodities in which we have advantaged positions and on large scale assets with long lives, low cost profiles and with clear expansion potential; that is: copper, diamonds, iron ore, metallurgical coal, nickel, platinum and thermal coal.

In 2010 we considerably strengthened our balance sheet and are well positioned to finance our project pipeline and to take advantage of any attractive M&A opportunities.

Réne Médori
Finance Director

Talent development remains a key priority. In pursuit of this aim, we launched the People Development Way, a global capability framework that describes the behaviours, knowledge, skills and experiences needed to enable Anglo American to achieve its strategic objectives.

Mervyn Walker
Group Director of Human Resources and Communications

Project delivery is a major challenge in our industry. At Anglo American we have chosen to focus on the way that we develop and approve our projects, ensuring that we harness the full capacity of our technical resources in a disciplined and consistent way.

David Weston
Group Director of Business Performance and Projects

2
We have exceeded all expectations by achieving asset optimisation and procurement benefits of $2.5 billion from our core businesses alone (including one-off benefits), well ahead of our 2011 target of $2 billion

3
We have made excellent progress on our four major projects, enabling us to start up a major project every six to nine months over the next few years. The first of these, the Barro Alto nickel project, began production on schedule in March 2011, and will more than double our Nickel business' output when it reaches full production. The expansion of our Los Bronces copper operation in Chile and the Kolomela iron ore project in South Africa are progressing on schedule and on budget. We have also secured key licences and permits for the Minas-Rio iron ore project in Brazil, and civil works for the beneficiation plant began in March 2011

4
We continue to focus on our safety performance across the board and recorded further improvements during the year, with fatalities and lost time injury rates both continuing to reduce. We have now achieved a near 70% improvement in safety since 2006 as we pursue our goal of zero harm.

Creating trust is at the heart of our licence to operate; in 2010 we made further headway, with another significant improvement in our safety performance, while extending our internationally recognised community engagement programme.

Brian Beamish
Group Director of Mining and Technology

ORGANISING – efficiently and effectively

Our structure aims to facilitate the delivery of performance and efficiencies to outperform the competition.

Each commodity business unit is focused on operational excellence, project delivery and driving its cost position further down its industry curve, while the lean corporate centre facilitates the extraction of value beyond what is achievable by the businesses alone.

Through close collaboration, value-driven leadership, the sharing of best practice, technical innovation, operational know-how and the pursuit of synergies in key value-driving functions such as supply chain and asset optimisation, the substantial benefits of Anglo American's scale and performance oriented culture are realised.

OPERATING – safely, sustainably and responsibly

Operating safely, sustainably and responsibly is embedded in everything we do. The safety of our people is our key core value and we are relentless in striving to achieve our goal of zero harm.

We are committed to environmental stewardship and minimising the environmental impact of our operations.

We aim to make a sustainable and positive difference to community development and act with integrity to build respectful relationships with the societies in which we work. Behaving in this way, supported by strong governance and risk management processes, enables us to develop and helps maintain trust with all our stakeholders and create value, which is fundamental to our ability to deliver superior long term returns to our shareholders.

EMPLOYING – the best people

Our people are as vital to our success as our mining assets.

We are committed to our people, who determine how effectively we operate and build our reputation with our investors, partners and fellow employees every day, and whom we require to uphold our values.

Ultimately, it is our people who will realise our ambition and deliver our strategy to be the leading global mining company.

INVESTING IN WORLD CLASS ASSETS
THE MOST ATTRACTIVE COMMODITIES

The Los Bronces copper expansion project in the Chilean Andes is due to come on stream in the fourth quarter of 2011.

INVESTING – IN WORLD CLASS ASSETS

Anglo American's pipeline of projects will deliver organic production growth of 50% by 2015.

ORGANIC PRODUCTION GROWTH EXPECTED BY 2015

+50%

PIPELINE OF PROJECTS

$70 bn

NEW CAPITAL INVESTMENT

Anglo American's pipeline of projects spans its core commodities and is expected to deliver organic production growth of 50% by 2015. Our $70 billion pipeline of more than 60 projects has the potential to double the production of the Group over the next decade.

The Los Bronces copper expansion project in Chile is on schedule for first production in the fourth quarter of 2011. Production at Los Bronces is scheduled to increase to 490 ktpa over the first three years of full production following project completion and to average 400 ktpa over the first 10 years. At peak production levels, Los Bronces is expected to be the fifth largest producing copper mine in the world, with highly attractive cash operating costs and reserves and resources that support a mine life of over 30 years, with further expansion potential. Also within the Los Bronces district, work continues on the exploration tunnel being constructed. This tunnel will provide underground drilling access to explore and define the resources at the very significant and high quality new discovery at the Los Sulfatos discovery.

The Barro Alto nickel project in Brazil delivered first production of metal in March 2011. This project makes use of a proven technology and will produce an average of 36 ktpa of nickel in full production (41 ktpa over the first five years), with a competitive cost position.

The Minas-Rio iron ore project in Brazil has made significant progress and is expected to produce 26.5 Mtpa of iron ore in its first phase. The award of the second part of the mine, beneficiation plant and tailings dam installation licence (LI part 2) in December 2010 was the final primary installation licence and supports commencement of the civil works for the beneficiation plant and tailings dam construction. This licence followed the award of the mining permit in August. The civil works for the benefication plant started in March 2011. It should take between 27 and 30 months from commencement of these works to construct and commission the mine and plant, complete the project and deliver the first ore on ship; however, there are still a number of other licences and permits to be obtained during this period.

Anglo American also reached agreement on a fixed 25-year iron ore port tariff with its port partner, LLX SA, in relation to the LLX Minas-Rio (LLX MR) iron ore port facility at Açu. The iron ore volumes associated with the first phase of the project will be subject to a net port tariff of approximately $5.15 per tonne (in 2013 terms) after taking into account Anglo American's shareholding in LLX MR ($7.10 per tonne gross). As part of the agreement to secure the long term tariff arrangements, Anglo American has agreed to fund a greater share of the development cost of the first phase of the port. This agreement is expected to result in additional capital expenditure attributable to Anglo American of approximately $525 million in relation to the port.

Studies for the expansion of the Minas-Rio project have continued during 2010 and the latest resource statement provides a total resource volume (Measured, Indicated and Inferred) of 5.3 billion tonnes, supporting the expansion of the project. The port tariff agreement also covers a long term tariff arrangement for all Anglo American's iron ore volumes beyond the first phase of the Minas-Rio project. The level of the expansion tariff will be dependent upon the capital cost to expand the port to accommodate those additional volumes and that capital cost will be determined in due course.

Kumba Iron Ore's Kolomela project in South Africa is well advanced and overall project progress reached 81% at 31 December 2010. The project remains on budget and on schedule to deliver initial production by the end of the first half of 2012, ramping up to full capacity in 2013. As at 31 December 2010, 22.6 Mt of waste material had been moved, 18.6 Mt of it during 2010.

The Mogalakwena North project reached steady state during the third quarter of 2010 (annual steady state 2011) and through optimisation projects will continually produce 600 kt per month of ore.

Dishaba East Upper project implementation commenced in 2007 and is on schedule to reach steady state production of 100 kozpa of platinum by 2012.

The concentrator at the Unki project in Zimbabwe was formally commissioned during the fourth quarter of 2010. At full capacity, Unki will supply 70 kozpa of refined platinum, a run rate expected to be reached in 2013.

SELECTED MAJOR PROJECTS

Completed in 2010

Sector	Project	Country	Completion date	Capex $m[1]	Production volume[2]
Platinum	MC Plant Capacity Expansion – phase 1	South Africa	Q2 2010	95	11 ktpa Waterval Converter Matte (WCM)
	Mainstream inert grind projects	South Africa	Q3 2010	149	Improve process recoveries

Approved

Sector	Project	Country	First production date	Full production date	Capex $m[1]	Production volume[2]
Platinum	Thembelani No. 2 Shaft	South Africa	2008	2018	316	Replace 115 kozpa refined platinum[3]
	Mogalakwena North	South Africa	2007	2010	822	350-400 kozpa refined platinum
	Twickenham	South Africa	2015	2019	911	180 kozpa refined platinum
	Unki Mine	Zimbabwe	2010	2013	459	70 kozpa refined platinum
	Khuseleka Ore Replacement	South Africa	2007	2015	187	Replace 101 kozpa refined platinum
	Base metals refinery expansion	South Africa	2011	2013	360	11 ktpa nickel
	Dishaba East Upper UG2	South Africa	2007	2012	219	100 kozpa refined platinum
Diamonds	Jwaneng – Cut 8	Botswana	2010	2024	3,000[4]	100 million carats
Copper[5]	Los Bronces expansion[6]	Chile	2011	2012	2,800	200 ktpa copper[7]
	Collahuasi phase 1	Chile	2011	2011	92	19 ktpa copper
Nickel	Barro Alto	Brazil	2011	2012	1,900	36 ktpa nickel
Iron Ore and Manganese	Minas-Rio phase 1	Brazil	2013	2014	5,034	26.5 Mtpa iron ore pellet feed (wet basis)[8]
	Kolomela (previously Sishen South)	South Africa	2012	2013	1,062	9.0 Mtpa iron ore
Thermal Coal	Zibulo (previously Zondagsfontein)	South Africa	2009	2012	517	6.6 Mtpa thermal

Future unapproved

Sector	Project	Country	First production date	Full production date	Production volume[2]
Platinum	Tumela No. 4 shaft	South Africa	2020	2026	271 kozpa refined platinum
Copper[5]	Quellaveco	Peru	2015	2016	225 ktpa copper
	Collahuasi expansion phase 2	Chile	2012	2012	20 ktpa copper[9]
	Michiquillay	Peru	2018	2019	155 ktpa copper[10]
	Pebble	US	TBD	TBD	175 ktpa copper
Nickel	Jacaré phase 1	Brazil	TBD	TBD	34 ktpa nickel
	Morro Sem Boné	Brazil	TBD	TBD	32 ktpa nickel
Iron Ore and Manganese	Sishen Expansion Project phase 1B	South Africa	2011	2012	0.7 Mtpa iron ore
	Sishen Expansion Project 2	South Africa	2015	2019	10.0 Mtpa iron ore
	Sishen Concentrate	South Africa	2015	2016	2.0 Mtpa iron ore
	Minas-Rio expansion	Brazil	TBD	TBD	TBD
Metallurgical Coal	Grosvenor	Australia	2013	2016	4.3 Mtpa metallurgical
	Drayton South	Australia	2015	2017	4.2 Mtpa thermal
	Moranbah South	Australia	2016	2019	TBD
Thermal Coal	Elders Project	South Africa	2016	2020	12.8 Mtpa thermal
	New Largo	South Africa	2013	2016	15 Mtpa thermal
	Cerrejón P500 P1	Colombia	2013	2015	8 Mtpa thermal
	Cerrejón P500 P2	Colombia	TBD	TBD	10-20 Mtpa thermal

(1) Capital expenditure shown on 100% basis in nominal terms. Platinum projects reflect approved capital expenditure.
(2) Represents 100% of average incremental or replacement production, at full production, unless otherwise stated.
(3) Thembalani No. 2 Shaft is currently under review.
(4) Debswana will invest $500 million in capital expenditure. Project investment, including capital expenditure, is likely to total $3 billion over the next 15 years. Total carats exposed are over the life of the expansion.
(5) Pebble will produce molybdenum and gold by-products, Michiquillay will produce molybdenum, gold and silver by-products and other projects will produce molybdenum and silver by-products.
(6) The February 2010 earthquake in Chile impacted the rate of progress and ultimate capital cost of the Los Bronces expansion project. Remedial actions have ensured the project remains on schedule for first production in Q4 2011. The expected cost of the project has subsequently been revised to $2.8 billion.
(7) Production represents average over first 10 years of the project. Production over the first three years of the project will average 278 ktpa.
(8) Capital expenditure, post-acquisition of Anglo American's shareholding in Minas-Rio, includes 100% of the mine and pipeline, and an attributable share of the port, as modified by the agreement with LLX SA and LLX Minas- Rio.
(9) Further phased expansions have the potential to increase production to 1 Mtpa.
(10) Expansion potential to 300 ktpa.

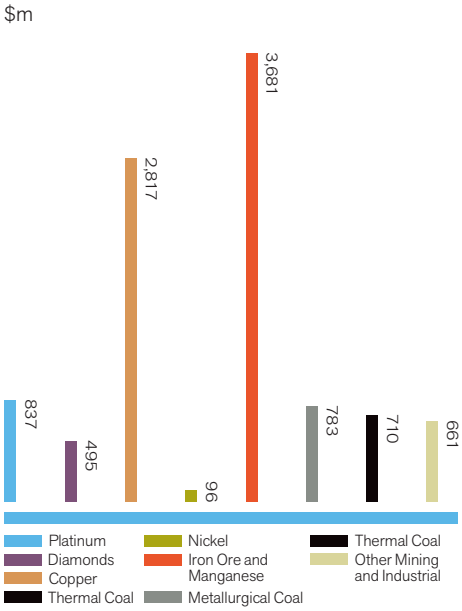
Metallurgical Coal took further steps to focus its business on high margin export products by progressing the Grosvenor and Drayton South feasibility studies. It is expected that a Board approval decision in relation to the development of the 4.3 Mtpa Grosvenor metallurgical coal project will be taken in the second quarter of 2012.

In South Africa, the $517 million Zibulo project is approaching completion, the opencast operation is at full production and the underground operation has four of eight production sections deployed. The washing plant, which is a 50:50 joint venture with BHP Billiton Energy Coal South Africa, is fully commissioned and is operating at 80% of planned monthly production. Completion of the man and materials shaft is expected to be in the second quarter of 2011. The feasibility study for the New Largo project started in 2010 and is expected to be completed in the first quarter of 2012.

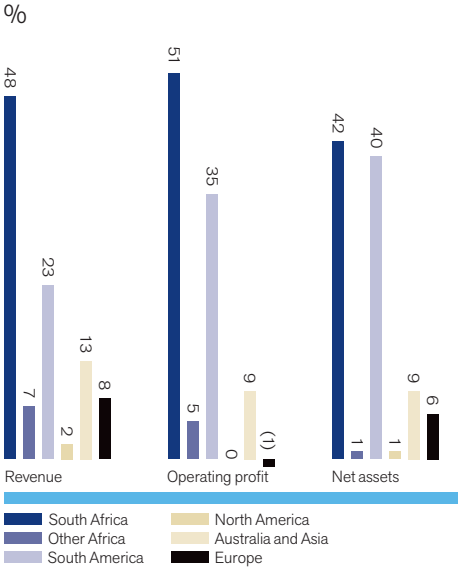
Debswana commenced the $3 billion Cut-8 expansion project at Jwaneng mine during 2010. Cut-8 represents the largest ever mining investment in Botswana and is expected to extend the life of mine to at least 2025.

MEASURING OUR PERFORMANCE
FINANCIAL HIGHLIGHTS

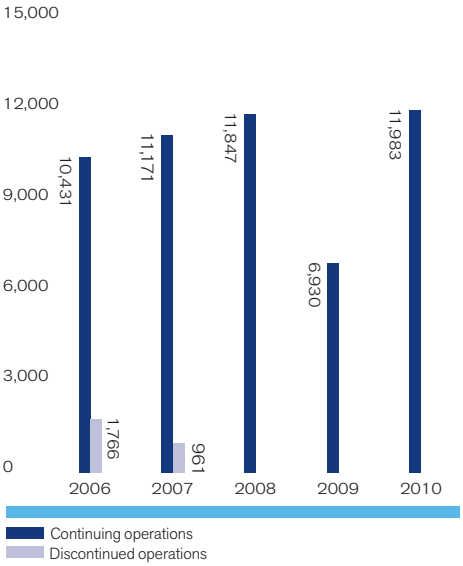
OPERATING PROFIT BY BUSINESS UNIT



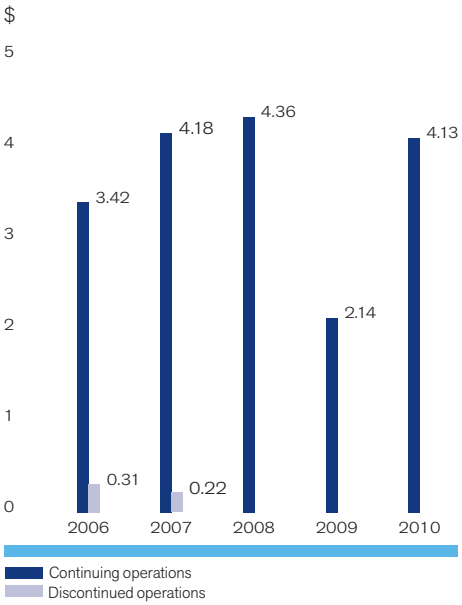
GEOGRAPHICAL SPLIT OF REVENUE, OPERATING PROFIT AND NET ASSETS 2010



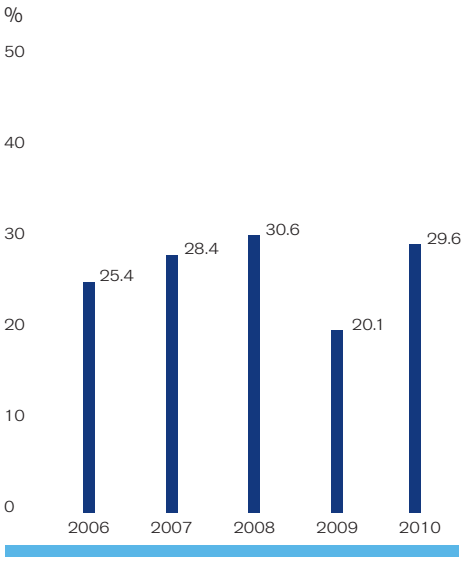
FIVE YEAR EBITDA HISTORY



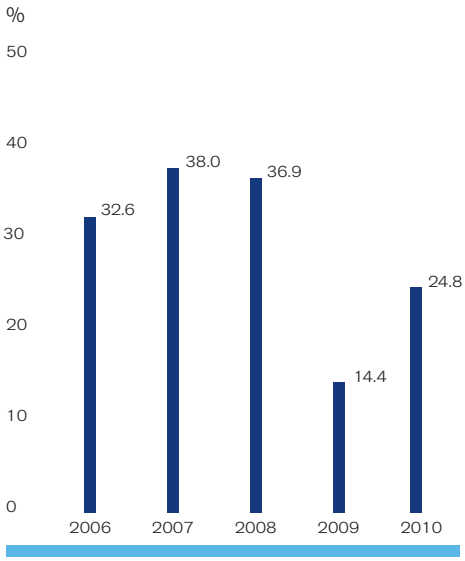
UNDERLYING EPS GROWTH



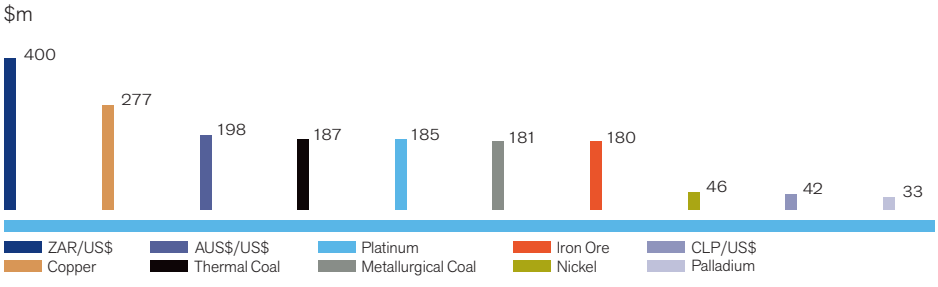
OPERATING MARGIN



RETURN ON CAPITAL EMPLOYED



UNDERLYING EARNINGS SENSITIVITIES 2010[1]



(1) Refers to 12 months to 31 December 2010. Excludes the effect of any hedging activities. Stated after tax at marginal rate. Sensitivities are the average of the positive and negative and reflect the impact of a 10% change in the average prices and exchange rates during 2010.

KEY FINANCIAL DATA

$ million (unless otherwise stated)	2010	2009	2008	2007	2006[1]	2005[1]	2004[1]
Group revenue including associates	**32,929**	24,637	32,964	30,559	29,404	24,872	22,610
Less: Share of associates' revenue	**(4,969)**	(3,779)	(6,653)	(5,089)	(4,413)	(4,740)	(5,429)
Group revenue	**27,960**	20,858	26,311	25,470	24,991	20,132	17,181
Operating profit including associates before special items and remeasurements	**9,763**	4,957	10,085	9,590	8,888	5,549	3,832
Special items and remeasurements (excluding financing and tax special items and remeasurements)	**1,727**	(208)	(330)	(227)	24	16	556
Net finance costs (including financing special items and remeasurements), tax and non-controlling interests of associates	**(423)**	(313)	(783)	(434)	(398)	(315)	(391)
Total profit from operations and associates	**11,067**	4,436	8,972	8,929	8,514	5,250	3,997
Net finance costs (including financing special items and remeasurements)	**(139)**	(407)	(401)	(108)	(71)	(220)	(385)
Profit before tax	**10,928**	4,029	8,571	8,821	8,443	5,030	3,612
Income tax expense (including special items and remeasurements)	**(2,809)**	(1,117)	(2,451)	(2,693)	(2,518)	(1,208)	(765)
Profit for the financial year – continuing operations	**8,119**	2,912	6,120	6,128	5,925	3,822	2,847
Profit for the financial year – discontinued operations	**–**	–	–	2,044	997	111	1,094
Profit for the financial year – total Group	**8,119**	2,912	6,120	8,172	6,922	3,933	3,941
Non-controlling interests	**(1,575)**	(487)	(905)	(868)	(736)	(412)	(440)
Profit attributable to equity shareholders of the Company	**6,544**	2,425	5,215	7,304	6,186	3,521	3,501
Underlying earnings[2] – continuing operations	**4,976**	2,569	5,237	5,477	5,019	3,335	2,178
Underlying earnings[2] – discontinued operations	**–**	–	–	284	452	401	506
Underlying earnings[2] – total Group	**4,976**	2,569	5,237	5,761	5,471	3,736	2,684
Earnings per share (US$) – continuing operations	**5.43**	2.02	4.34	4.04	3.51	2.35	1.84
Earnings per share (US$) – discontinued operations	**–**	–	–	1.54	0.70	0.08	0.60
Earnings per share (US$) – total Group	**5.43**	2.02	4.34	5.58	4.21	2.43	2.44
Underlying earnings per share (US$) – continuing operations	**4.13**	2.14	4.36	4.18	3.42	2.30	1.52
Underlying earnings per share (US$) – discontinued operations	**–**	–	–	0.22	0.31	0.28	0.35
Underlying earnings per share (US$) – total Group	**4.13**	2.14	4.36	4.40	3.73	2.58	1.87
Ordinary dividend per share (US cents)	**65.0**	–	44.0	124.0	108.0	90.0	70.0
Special dividend per share (US cents)	**–**	–	–	–	67.0	33.0	–
Weighted average basic number of shares outstanding (million)	**1,206**	1,202	1,202	1,309	1,468	1,447	1,434
EBITDA[3] – continuing operations	**11,983**	6,930	11,847	11,171	10,431	7,172	5,359
EBITDA[3] – discontinued operations	**–**	–	–	961	1,766	1,787	1,672
EBITDA[3] – total Group	**11,983**	6,930	11,847	12,132	12,197	8,959	7,031
EBITDA interest cover[4] – total Group	**42.0**	27.4	28.3	42.0	45.5	20.0	18.5
Operating margin (before special items and remeasurements) – total Group	**29.6%**	20.1%	30.6%	28.4%	25.4%	18.5%	14.7%
Ordinary dividend cover (based on underlying earnings per share) – total Group	**6.4**	–	9.9	3.5	3.5	2.9	2.7
Balance sheet							
Intangible assets and property, plant and equipment	**42,126**	37,974	32,551	25,090	25,632	33,368	35,816
Other non-current assets and investments[5]	**9,852**	7,303	7,607	9,271	8,258	5,585	5,547
Working capital	**2,385**	2,168	861	1,966	3,096	3,538	3,543
Other net current liabilities[5]	**(785)**	(272)	(840)	(911)	(1,430)	(1,429)	(611)
Other non-current liabilities and obligations[5]	**(8,757)**	(8,487)	(7,567)	(6,387)	(5,826)	(8,491)	(8,339)
Cash and cash equivalents and borrowings[6]	**(7,038)**	(11,046)	(11,051)	(5,170)	(3,244)	(4,993)	(8,243)
Net assets classified as held for sale	**188**	429	195	471	641	–	–
Net assets	**37,971**	28,069	21,756	24,330	27,127	27,578	27,713
Non-controlling interests	**(3,732)**	(1,948)	(1,535)	(1,869)	(2,856)	(3,957)	(4,588)
Equity attributable to equity shareholders of the Company	**34,239**	26,121	20,221	22,461	24,271	23,621	23,125
Total capital[7]	**45,355**	39,349	33,096	29,181	30,258	32,558	35,806
Cash flows from operations – continuing operations	**9,924**	4,904	9,579	9,375	9,012	5,963	3,857
Cash flows from operations – discontinued operations	**–**	–	–	470	1,045	1,302	1,434
Cash flows from operations – total Group	**9,924**	4,904	9,579	9,845	10,057	7,265	5,291
Dividends received from associates and financial asset investments – continuing operations	**285**	639	659	311	251	468	380
Dividends received from associates and financial asset investments – discontinued operations	**–**	–	–	52	37	2	16
Dividends received from associates and financial asset investments – total Group	**285**	639	659	363	288	470	396
Return on capital employed[8] – total Group	**24.8%**	14.4%	36.9%	38.0%	32.6%	18.8%	16.9%
EBITDA/average total capital[7] – total Group	**28.3%**	19.1%	38.0%	40.8%	38.8%	26.2%	21.3%
Net debt to total capital (gearing)[9]	**16.3%**	28.7%	34.3%	16.6%	10.3%	15.3%	22.6%

(1) Comparatives for 2006, 2005 and 2004 were adjusted in the 2007 Annual Report to reclassify amounts relating to discontinued operations where applicable.

(2) Underlying earnings is net profit attributable to equity shareholders, adjusted to remove the effect of special items and remeasurements and any related tax and non-controlling interests.

(3) EBITDA is operating profit before special items, remeasurements, depreciation and amortisation in subsidiaries and joint ventures and includes attributable share of EBITDA of associates.

(4) EBITDA interest cover is EBITDA divided by net finance costs, excluding other net financial income, exchange gains and losses on monetary assets and liabilities, unwinding of discount relating to provisions and other non-current liabilities, financing special items and remeasurements, and including attributable share of associates' net interest expense.

(5) Comparatives for 2008, 2007, 2006 and 2005 were adjusted in the 2009 Annual Report in accordance with IAS 1 *Presentation of Financial Statements – Improvements* to reclassify non-hedge derivatives whose expected settlement date was more than one year from the period end from current to non-current.

(6) This differs from the Group's measure of net debt as it excludes the net cash/(debt) of disposal groups (2010: $59 million; 2009: $48 million; 2008: $8 million; 2007: $(69) million; 2006: $(80) million; 2005: nil; 2004: nil) and excludes related hedges (2010: net liabilities of $405 million; 2009: net liabilities of $285 million; 2008: net liabilities of $297 million; 2007: net assets of $388 million; 2006: net assets of $193 million; 2005: nil; 2004: nil). For more detail see note 31 Consolidated cash flow analysis.

(7) Total capital is net assets excluding net debt.

(8) Return on capital employed is calculated as total operating profit before impairments for the year divided by the average of total capital less other investments and adjusted for impairments.

(9) Net debt to total capital is calculated as net debt (including related hedges) divided by total capital. Comparatives are presented on a consistent basis.

2.6 million ounces

FORECAST REFINED PLATINUM PRODUCTION IN 2011

7.3 m^2

FORECAST PRODUCTIVITY PER EMPLOYEE PER MONTH IN 2011

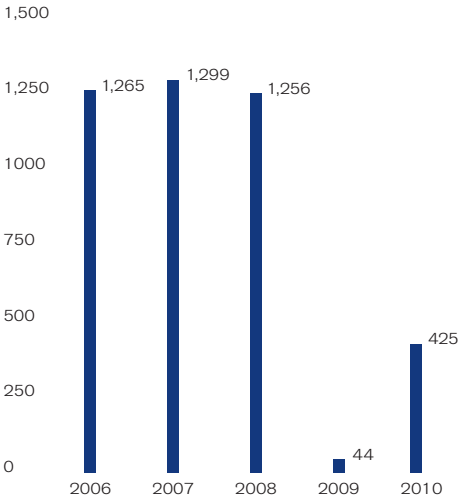
Mogalakwena – Safety Representative Leon Terblanche with assistant fitter Abram Masebe at the cyclone section of the new milling area at Mogalakwena Platinum Mine.

PLATINUM

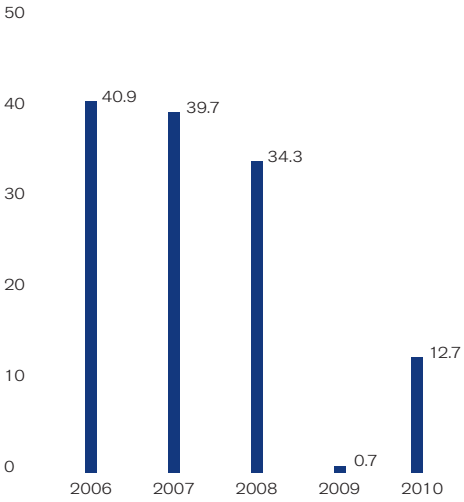
Our subsidiary, Anglo Platinum, is the world's largest primary producer of platinum, accounting for about 40% of world supply. Anglo American's platinum operations exploit the world's richest reserve of PGMs, known as the Bushveld Complex, which contains the PGM-bearing Merensky, UG2 and Platreef ores.

FINANCIAL HIGHLIGHTS

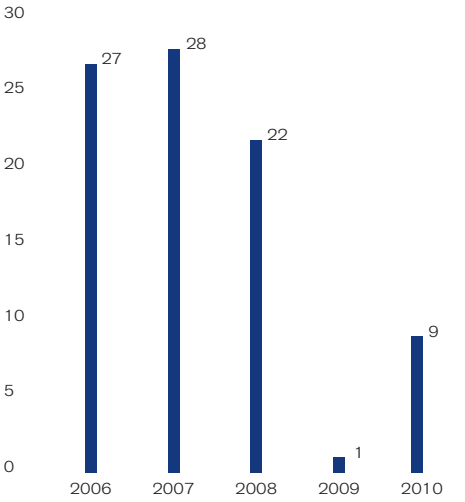
FIVE YEAR UNDERLYING EARNINGS
$m



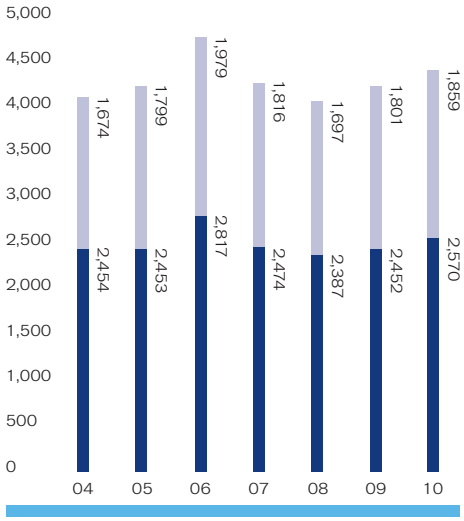
OPERATING MARGIN
%



SHARE OF GROUP OPERATING PROFIT %



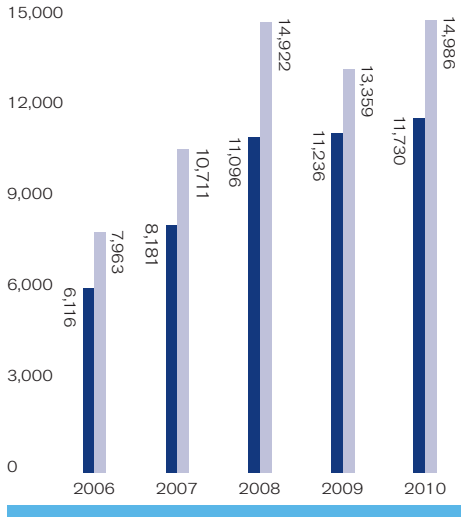
ANGLO PLATINUM PRODUCTION*
Ounces (thousand)



Platinum
Palladium, rhodium and gold

* Excludes share of Northern Platinum Limited
Excludes production of nickel and copper

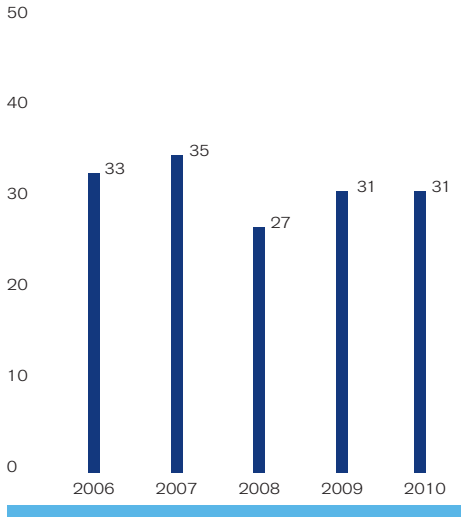
ANGLO PLATINUM OPERATING COSTS
ZAR/ounce



Cash operating cost per equivalent Pt ounce*
Cost of sales per total Pt ounce sold†

* Cash operating cost per equivalent Pt ounce excludes ounces from purchased concentrate and associated costs
† Total Pt ounces sold = refined Pt ounces sold plus Pt ounces sold in concentrate

SHARE OF GROUP NET OPERATING ASSETS %



FINANCIAL DATA

Production	2010	2009	2008	2007	2006
Platinum (troy ounces)	**2,569,900**	2,451,600	2,386,600	2,474,000	2,816,500
Palladium (troy ounces)	**1,448,500**	1,360,500	1,318,800	1,389,700	1,539,400
Rhodium (troy ounces)	**328,900**	349,900	299,300	328,800	326,000
Nickel (tonnes)	**18,500**	19,500	15,500	19,200	21,300

Turnover ($m)	2010	2009	2008	2007	2006
Subsidiaries and joint ventures	**6,365**	4,488	6,288	6,673	5,766
Associates	**237**	47	39	116	95
Total turnover	**6,602**	**4,535**	**6,327**	**6,789**	**5,861**
EBITDA	**1,624**	**677**	**2,675**	**3,155**	**2,845**
Depreciation and amortisation	**787**	**645**	**506**	**458**	**444**
Operating profit before special items and remeasurements	**837**	**32**	**2,169**	**2,697**	**2,398**
Operating special items and remeasurements	**(72)**	(104)	(19)	–	–
Operating profit after special items and remeasurements	**765**	**(72)**	**2,150**	**2,697**	**2,398**
Net interest, tax and minority interests	**(412)**	**12**	**(913)**	**(1,398)**	**(1,133)**
Total underlying earnings	**425**	**44**	**1,256**	**1,299**	**1,265**
Net operating assets	**13,478**	**12,141**	**9,045**	**9,234**	**7,078**
Capital expenditure	**1,011**	**1,150**	**1,563**	**1,479**	**923**

Mogalakwena – Jack Stosa working at the Primary Mill at the Mogalakwena Platinum Mine.

BUSINESS OVERVIEW

WORLD'S PRIMARY PRODUCER OF PLATINUM

No. 1

WHOLLY OWNED MINING OPERATIONS

10

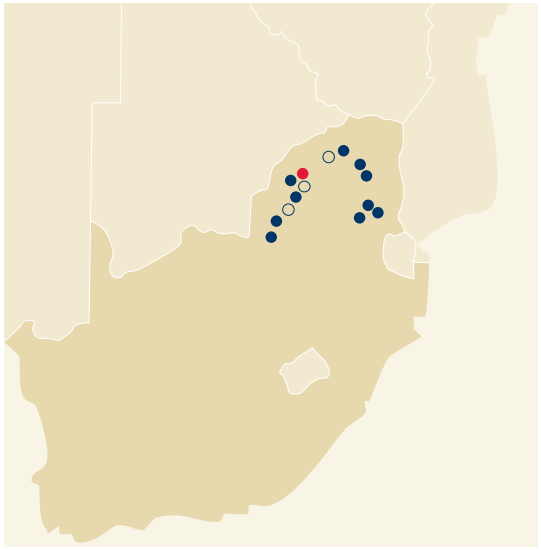
PLATINUM OUNCES PRODUCTION TARGET FOR 2011

2.6 m

FINANCIAL HIGHLIGHTS

$ million (unless otherwise stated)	2010	2009
Operating profit	**837**	32
EBITDA	**1,624**	677
Net operating assets	**13,478**	12,141
Capital expenditure	**1,011**	1,150
Share of Group operating profit	**9%**	1%
Share of Group net operating assets	**31%**	31%

OUR PLATINUM OPERATIONS



Operation	Ownership
Bafokeng-Rasimone JV	33%
Bokoni Platinum Mine	49%
Modikwa JV	50%
Pandora JV	42.5%
Polokwane Smelter	100%
Mogalakwena Mine	100%
Precious Metal Refinery	100%
Rustenburg Base Metals Refinery	100%
Rustenburg Platinum Mines (RPM)	100%
Khomanani Mine	
Bathopele Mine	
Siphumelele Mine	
Thembelani Mine	
Khuseleka Mine	
RPM Amandbelbult Section	100%
Tumela Mine	
Dishaba Mine	
Union Section	85%
Twickenham Mine	100%
Mototolo JV	50%
Kroondal	50%
Marikana JV	50%
Unki	100%

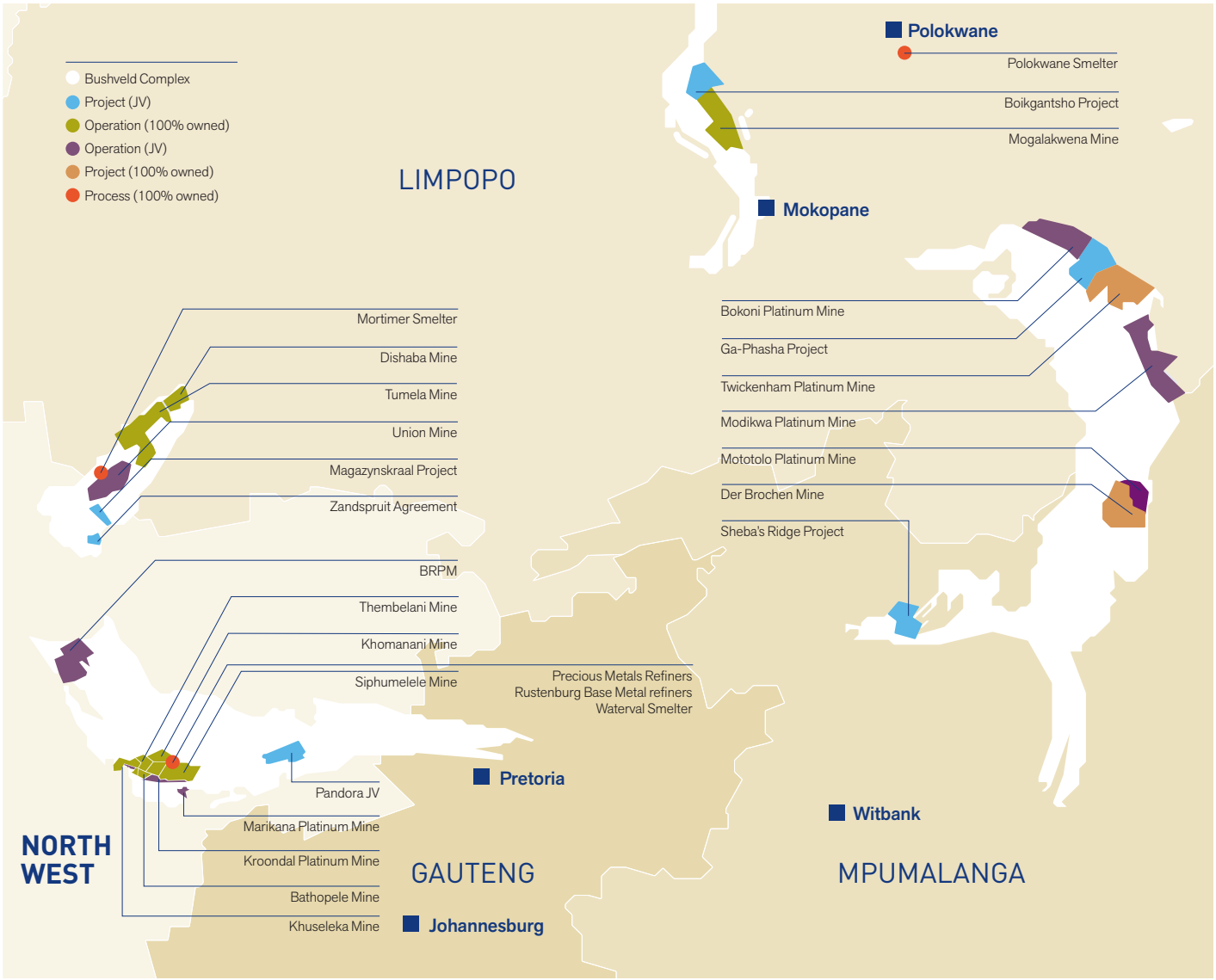
Underground Open Cut Other

Our Platinum business, based in South Africa, is the world's leading primary producer of platinum, accounting for around 40% of global output. Platinum mines, processes and refines the entire range of platinum group metals (PGMs): platinum, palladium, rhodium, ruthenium, iridium and osmium. Base metals such as nickel, copper and cobalt sulphate are important secondary products and are significant contributors to earnings.

Platinum's operations exploit the world's richest reserve of PGMs, known as the Bushveld Complex, which contains PGM-bearing Merensky, UG2 and Platreef ores. The company's access to an excellent portfolio of Ore Reserves ensures it is well placed to be the world's major platinum producer for many years to come.

Platinum wholly owns 10 mining operations currently in production, a tailings re-treatment facility, three smelters, a base metals refinery and a precious metals refinery. Each mine operates its own concentrator facilities, with smelting and refining of the output being undertaken at Rustenburg Platinum Mines' (RPM) metallurgical facilities.

Platinum's 100% owned mining operations now consist of the five mines at Rustenburg Section – Khomanani, Bathopele, Siphumelele, Thembelani and Khuseleka; Amandelbult Section's two mines, Tumela and Dishaba, as well as Mogalakwena and Twickenham mines and the new Unki mine in Zimbabwe. Union Mine is 85% held, with a black economic empowerment (BEE) partner, the Bakgatla-Ba-Kgafela traditional community, holding the remainder.



Platinum also has 50:50 joint ventures with a BEE consortium, led by African Rainbow Minerals, at Modikwa platinum mine; and with XK Platinum Partnership in respect of the Mototolo mine. In addition, Platinum has 50:50 pooling and sharing agreements with Aquarius Platinum covering the shallow reserves of the Kroondal and Marikana mines and portions of the reserves at Thembelani and Khuseleka. Platinum is in partnership with Royal Bafokeng Resources, and has a 33% shareholding in the combined Bafokeng-Rasimone platinum mine (BRPM) and Styldrift properties.

During 2010, the listing of Royal Bafokeng Platinum (RB Plat) was completed successfully. Platinum, through RPM, holds 12.6% of RB Plats' issued share capital. The listing was a landmark transaction marking the fulfilment of Platinum's commitment towards facilitating the creation of an independently controlled and managed, black-empowered PGM producer.

INDUSTRY OVERVIEW

Mogalakwena – Safety Representative Leon Terblanche checks the conveyor belt to the secondary crusher at Mogalakwena Platinum Mine.

INDUSTRY OVERVIEW

PGMs have a wide range of industrial and high technology applications. Demand for platinum is driven primarily by its use in autocatalysts to control emissions from both gasoline and diesel engine vehicles, and in jewellery. These uses are responsible for 70% of total net platinum consumption. Platinum, however, also has a large range of other applications, predominantly in the chemical, electrical, medical, glass and petroleum industries.

The platinum jewellery market requires constant promotion and development. Platinum is the major funder and supporter of the Platinum Guild International (PGI), which plays a key role in encouraging demand for platinum and in establishing new platinum jewellery markets. Since 2000, China has been the leading platinum jewellery market, followed by Europe, Japan and North America.

Industrial applications for platinum are driven by technology and, especially in the case of autocatalysts, by legislation. With the rapid spread of exhaust emissions legislation, more than 94% of new vehicles now have autocatalysts fitted. The intensifying stringency of emissions legislation will drive growth in PGM demand.

Palladium's principal application, accounting for about 45% of demand, is in autocatalysts. The metal is also used in electronic components, dental alloys and, more recently, has become an emerging jewellery metal in markets such as China. Palladium demand is expected to continue to increase in 2011, particularly given the volume of gasoline vehicles produced by emerging market countries such as China, India and Brazil.

The PGM markets had a strong year in 2010, with significant recovery in demand from the autocatalyst and industrial markets, healthy demand from the jewellery sector and increasing investor interest in the platinum and palladium markets, primarily via Exchange Traded Funds (ETFs). Supply increases from the industry were largely delivered and, as a result, the platinum and palladium markets remained essentially in balance. The rhodium market saw a reduced surplus due to improved autocatalyst demand.

MARKET INFORMATION

2010 SHARE OF WORLD PRODUCTION

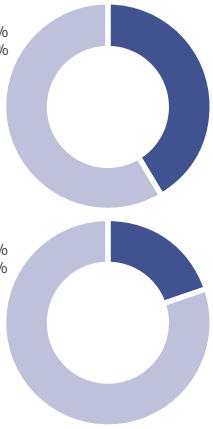
Ounces (thousand)

2010 Platinum supply

Anglo Platinum	2,570	42%
Rest of the world	3,612	58%
Total	**6,182**	

2010 Palladium supply

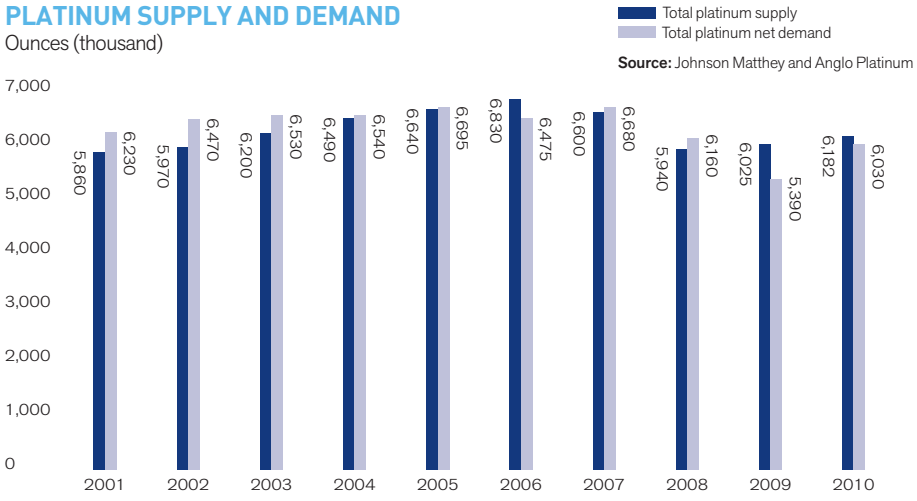
Anglo Platinum	1,449	25%
Rest of the world	5,806	75%
Total	**7,255**	



Source: Anglo Platinum

PLATINUM SUPPLY AND DEMAND

Ounces (thousand)



Source: Johnson Matthey and Anglo Platinum

2010 PLATINUM END USE (GROSS DEMAND) %

Autocatalyst 45.7%
Jewellery 21.3%
Investment 8.8%
Industrial 24.1%

Source: Anglo Platinum

2010 PALLADIUM END USE (GROSS DEMAND) %

Autocatalyst 59.4%
Jewellery 6.4%
Investment 12.4%
Industrial 21.8%

Source: Anglo Platinum

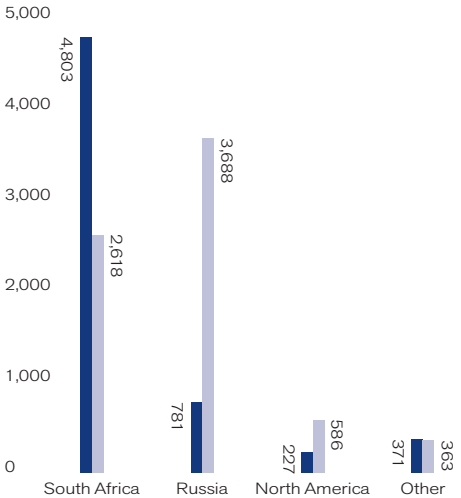
2010 RHODIUM END USE %

Autocatalyst 84.1%
Industrial 15.9%

Source: Anglo Platinum

GEOGRAPHICAL PGM SUPPLY

Ounces (thousand)



Platinum
Palladium

Source: Anglo Platinum

PRICE OF PLATINUM GROUP METALS (2009 TO 2010)

Platinum/Rhodium $/oz

Platinum
Rhodium

Average 2009 realised platinum price $1,199/oz
Average 2009 realised rhodium price $1,509/oz

Average 2010 realised platinum price $1,611/oz
Average 2010 realised rhodium price $2,424/oz

STRATEGY AND GROWTH

Roof bolt installation using a remotely controlled drill at Amandelbult Mine.

Our objective is to maintain Platinum's position as the leading primary producer of platinum. We are doing so in two principal ways: first, through managing costs as a priority, by improving productivity, increasing efficiency and through the effective management of supply chain and procurement costs; secondly, through continuing to develop the market for PGMs and to expand production into that growth opportunity.

We expect the cost improvement trend achieved since 2008 at Platinum to be sustained during 2011, with unit cash costs per equivalent refined platinum ounce kept at around R11,700, the same level as in 2010. Productivity is expected to increase from 7.06 m^2 to an average of 7.3 m^2 for 2011.

Platinum's strategic plan, based on our current view that the market will be adequately supplied, should improve the company's cost position, taking it from the upper half to the lower half of the cost curve. Platinum is steadily improving the reliability of its production capability and entrenching cost management throughout the business as a long term and sustainable culture. This will help ensure that Platinum is well positioned to extract optimal value from its assets as the market recovery continues. At the same time, there will continue to be an unremitting focus on safety as the company pursues its zero harm objective.

Project capital spend is now directly related to our long term ounce requirements. This has led to a reduction in the rate of spend, and all previously deferred projects have been reviewed and are now incorporated into our growth for value strategy. Platinum aims to spend R8 billion ($1.16 billion) of capital, excluding capitalised interest.

Platinum is involved in developing mining activity for PGMs on the Great Dyke of Zimbabwe, the second largest repository of platinum after the Bushveld Complex. Unki mine was commissioned in 2010, and will ramp up to design capacity in 2013. We are focusing exploration work in Zimbabwe on new projects in the Great Dyke as well as establishing extensions to the Unki resource base for potential future projects.

Projects

Capital expenditure amounted to $1,011 million, a 12% decrease, with $511 million spent on projects and $500 million on stay-in-business capital.

The concentrator at the Unki project in Zimbabwe was formally commissioned during the fourth quarter of 2010. First production of refined metal was achieved during the first quarter of 2011. At full capacity, Unki will supply 70 kozpa of refined platinum, a run rate expected to be reached in 2013.

The Mogalakwena North project reached steady state during the third quarter of 2010 (annual steady state 2011) and through optimisation projects will continuously produce 600 ktpm of ore.

Dishaba East Upper project implementation commenced in 2007 and is on schedule to reach steady state production of 100,000 platinum ounces per annum by 2012.

PROJECT PIPELINE – KEY PROJECTS

KHUSELEKA (FORMERLY TOWNLANDS) ORE REPLACEMENT

Overall capex: $187m

Country	South Africa
Ownership	100% Anglo Platinum
Replacement production	101,000 oz per annum
Full project capex	$187m
Full production	Q4 2015

The Khuseleka ore replacement project aims to replenish diminishing Merensky Reef output and to supplement existing UG2 Reef output at that shaft by extending the existing decline shaft. The associated project infrastructure includes three ventilation shafts, which were completed in 2010. This project will be completed in 2014.

THEMBALANI (FORMERLY PAARDEKRAAL)

Overall capex: $316m

Country	South Africa
Ownership	100% Anglo Platinum
Replacement production	115,000 oz per annum
Full project capex	$316m
Full production	Q4 2020

The Thembelani No 2 shaft project is designed to restore Merensky Reef output at Thembelani, in line with the overall strategy for the Rustenburg mining right area to maximise Merensky production where possible. The UG2 horizon will be mined to fill available shaft capacity, but not at the expense of Merensky production. The medium-term Rustenburg mines production profile is predicated on a series of phased decline extension projects to existing shafts. Between 2016 and 2026, the production profile will be maintained by using either two or three intermediate vertical shafts. The Thembelani No 2 shaft is the first of these vertical shafts. The ventilation shaft has reached its bottom station (1,058 metres below collar) and infrastructure to hoist rock during initial Ore Reserve development has been established to do lateral development. The men-and-materials shaft, 28 level stations (890 metres bellow collar) and 32 level stations are complete. Bulk infrastructure, such as the refrigeration plant, consumer substation, 11-kilovolt substation and 33-kilovolt yard has been completed and commissioned. This project is currently behind schedule and the re-statement of the project is in progress; steady state production from this shaft will be reached during 2020.

DISHABA (FORMERLY AMANDELBULT) EAST UPPER UG2

Overall capex: $219m

Country	South Africa
Ownership	100% Anglo Platinum
Incremental production	100,000 oz per annum
Full project capex	$219m
Full production	Q4 2012

The East Upper UG2 project utilises mined out Merensky reef infrastructure at Dishaba No 2 shaft to access UG2 reserves. Project implementation commenced in 2007 and is on schedule to reach steady-state production of 100,000 platinum ounces per annum during 2012.

MOGALAKWENA NORTH

Overall capex: $822m

Country
South Africa

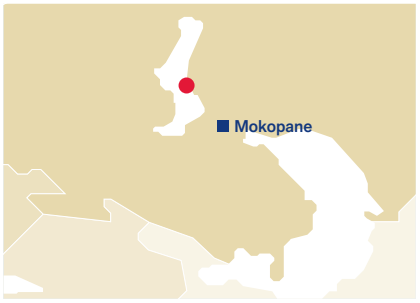
Ownership
100% Anglo Platinum

Incremental and replacement production
350-400,000 oz per annum

Full project capex
$822m

Full production
2010

The Mogalakwena North project, aimed at increasing milling capacity at the mine, was approved in 2006. During 2010, the Concentrator was commissioned and the associated tailings facilities were completed. This project has entailed the relocation of a number of villages and the resettlement of 892 families. A Government task team is assisting Anglo Platinum Limited with the relocation of the remaining 64 families, who remain unwilling to relocate.



TWICKENHAM

Overall capex: $1,259m

Country
South Africa

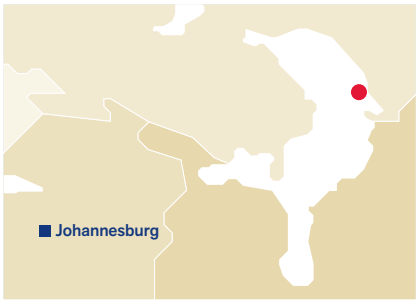
Ownership
100% Anglo Platinum

Incremental production
190,000 oz per annum

Full project capex
$1,259m

Full production
2019

The Twickenham Platinum Mine project has undergone a revalidation process due to significant changes in the economic environment, and in particular the sustained strength of the South African Rand against the US dollar. This project remains, however, an integral part of Anglo Platinum's strategy in expanding into the Eastern Limb.



BASE METALS REFINERY EXPANSION

Overall capex: $360m

Country
South Africa

Ownership
100% Anglo Platinum

Production
11,000 tonnes per annum of nickel

Full project capex
$360m

Full production
Q1 2012

The BMR expansion project began in the second half of 2007, following Board approval. In Dec 2008, the Board took the decision to defer the project for a period of one year. The project restarted in January 2010, with anticipated completion by the end of the second quarter of 2011. Overall completion stands at 96%. The first area, (consisting of copper pressure leach autoclave, and selenium and tellurium removal), has been hot commissioned and is in production. Construction of the second half of new nickel tank house is complete. Filter press No.1 and 2 in the sulphur removal section are complete, and the first 6 cells within the nickelic production section are complete and have been on line since 31 March 2011. The next challenge in the handover process will be the availability of plant and equipment from Operations to complete tie-in's in preparation for the upcoming chemical change over scheduled for May 2011.

UNKI PLATINUM MINE

Overall capex: $459m

Country
Zimbabwe

Ownership
100%

Incremental production
70,000 oz per annum refined platinum

Full project capex
$459m

Full production
Q4 2013

Unki is situated near Gweru, on Zimbabwe's Great Dyke. Unki is planned as a 120,000 tonne per month operation, with potential for further expansion. The mine uses a mechanised, trackless bord-and-pillar mining method. Concentrate produced at Unki Mine will be transported to the Polokwane smelter by road. Two declines have been designed, one for personnel and materials and the other for ore conveyance. Both declines have been developed on-reef, with strike belts from the seven production sections transferring ore directly onto the main decline conveyor.

Commissioning of the new concentrator plant at Unki Mine in Zimbabwe – Thomas Mungenge, safety officer, overlooking the plant.

Construction of the new Rustenburg Base Metals Refiners tankhouse.

PRODUCTION DATA

TOTAL REFINED PRODUCTION

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**2,569.9**	2,451.6	2,386.6	2,474.0	2,816.5
Palladium	000 oz	**1,448.5**	1,360.5	1,318.8	1,389.7	1,539.4
Rhodium	000 oz	**328.9**	349.9	299.3	328.8	326.0
Gold	000 oz	**81.3**	90.9	78.5	97.9	113.6
PGMs	000 oz	**4,936.9**	4,751.2	4,530.8	4,787.1	5,238.2
Nickel	000 tonnes	**18.5**	19.5	15.5	19.2	21.3
Copper	000 tonnes	**10.9**	11.2	8.8	11.0	11.1

BATHOPELE MINE

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**141.6**	133.6	112.6	116.3	132.0
Palladium	000 oz	**81.8**	73.9	62.7	66.9	75.8
Rhodium	000 oz	**24.7**	25.9	19.6	22.0	22.4
Gold	000 oz	**1.4**	1.5	1.2	1.6	1.8
PGMs	000 oz	**292.8**	278.0	228.9	240.1	271.7
Nickel	000 tonnes	**0.3**	0.3	0.2	0.2	0.2
Copper	000 tonnes	**0.1**	0.1	0.1	0.2	0.1
Cash operating costs	R/oz equivalent refined Pt	**10,748**	10,647	10,386	7,735	5,912
Cash operating costs	$/oz equivalent refined Pt	**1,469**	1,266	1,256	1,097	873

KHOMANANI MINE

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**101.1**	105.5	91.3	101.1	155.5
Palladium	000 oz	**47.2**	47.4	39.5	46.5	69.3
Rhodium	000 oz	**9.7**	11.1	7.8	9.2	12.2
Gold	000 oz	**4.0**	4.6	3.8	5.8	8.3
PGMs	000 oz	**174.6**	183.1	152.0	170.2	256.9
Nickel	000 tonnes	**0.7**	0.7	0.5	1.1	1.6
Copper	000 tonnes	**0.4**	0.5	0.4	0.6	0.7
Cash operating costs	R/oz equivalent refined Pt	**13,911**	12,659	11,622	9,600	5,960
Cash operating costs	$/oz equivalent refined Pt	**1,902**	1,505	1,405	1,362	880

THEMBELANI MINE

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**97.6**	79.3	71.1	85.3	109.5
Palladium	000 oz	**52.1**	40.6	36.9	46.5	56.6
Rhodium	000 oz	**14.1**	13.0	11.1	14.0	14.5
Gold	000 oz	**2.0**	2.1	1.4	2.3	3.4
PGMs	000 oz	**190.1**	155.6	140.1	165.9	208.5
Nickel	000 tonnes	**0.5**	0.5	0.3	0.5	0.6
Copper	000 tonnes	**0.2**	0.2	0.1	0.4	0.3
Cash operating costs	R/oz equivalent refined Pt	**13,126**	13,972	13,839	10,839	7,119
Cash operating costs	$/oz equivalent refined Pt	**1,794**	1,661	1,674	1,537	1,051

KHUSELEKA MINE

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**131.7**	157.0	172.8	225.8	305.8
Palladium	000 oz	**65.0**	76.0	82.7	114.9	147.4
Rhodium	000 oz	**15.2**	22.0	21.4	29.8	33.4
Gold	000 oz	**4.2**	5.2	5.1	9.1	12.8
PGMs	000 oz	**239.1**	293.0	315.6	412.2	545.9
Nickel	000 tonnes	**0.9**	1.0	1.1	1.8	2.1
Copper	000 tonnes	**0.5**	0.5	0.6	1.0	1.1
Cash operating costs	R/oz equivalent refined Pt	**13,477**	13,118	11,806	8,619	5,465
Cash operating costs	$/oz equivalent refined Pt	**1,842**	1,559	1,428	1,222	807

SIPHUMELELE MINE

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**96.2**	110.6	119.8	167.9	206.9
Palladium	000 oz	**42.0**	51.2	57.9	81.9	97.1
Rhodium	000 oz	**7.2**	13.1	14.9	19.9	21.1
Gold	000 oz	**4.6**	4.3	3.4	7.6	9.2
PGMs	000 oz	**156.8**	197.2	219.6	295.5	358.7
Nickel	000 tonnes	**0.7**	0.7	0.6	1.4	1.5
Copper	000 tonnes	**0.5**	0.4	0.3	0.7	0.8
Cash operating costs	R/oz equivalent refined Pt	**12,663**	13,297	14,901	10,681	7,526
Cash operating costs	$/oz equivalent refined Pt	**1,731**	1,581	1,802	1,515	1,112

TUMELA MINE

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**303.0**	293.8	314.5	408.5	449.8
Palladium	000 oz	**140.8**	133.6	149.2	201.4	210.3
Rhodium	000 oz	**45.9**	46.9	43.2	58.8	55.4
Gold	000 oz	**4.5**	5.9	6.3	11.1	11.5
PGMs	000 oz	**566.0**	549.7	585.2	781.7	811.2
Nickel	000 tonnes	**1.0**	1.1	1.2	2.3	2.2
Copper	000 tonnes	**0.5**	0.5	0.6	1.2	1.0
Cash operating costs	R/oz equivalent refined Pt	**9,870**	9,245	8,743	5,973	4,618
Cash operating costs	$/oz equivalent refined Pt	**1,349**	1,099	1,057	847	682

DISHABA MINE

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**156.4**	150.1	146.7	165.4	198.0
Palladium	000 oz	**71.8**	67.3	68.1	78.1	87.8
Rhodium	000 oz	**19.3**	19.1	13.9	15.7	16.5
Gold	000 oz	**3.7**	4.9	5.3	7.5	7.9
PGMs	000 oz	**278.0**	267.3	252.9	290.3	328.6
Nickel	000 tonnes	**0.8**	0.9	1.0	1.5	1.5
Copper	000 tonnes	**0.4**	0.5	0.5	0.8	0.7
Cash operating costs	R/oz equivalent refined Pt	**11,717**	10,291	9,644	6,921	4,900
Cash operating costs	$/oz equivalent refined Pt	**11,602**	1,223	1,166	982	724

UNION SECTION

85% owned from 1 December 2006 (100% statistics shown)

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**304.0**	291.9	309.0	309.6	327.2
Palladium	000 oz	**134.5**	127.3	139.7	145.1	147.5
Rhodium	000 oz	**46.6**	49.4	47.1	51.3	50.6
Gold	000 oz	**3.5**	4.5	4.6	5.3	5.4
PGMs	000 oz	**566.0**	550.7	576.3	608.6	607.7
Nickel	000 tonnes	**0.8**	0.9	1.0	1.3	1.2
Copper	000 tonnes	**0.3**	0.4	0.4	0.6	0.4
Cash operating costs	R/oz equivalent refined Pt	**11,179**	10,268	9,379	8,187	7,024
Cash operating costs	$/oz equivalent refined Pt	**1,528**	1,221	1,134	1,161	1,037

PRODUCTION DATA continued

MOGALAKWENA MINE

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**272.3**	233.3	177.4	162.5	185.5
Palladium	000 oz	**283.2**	249.9	184.5	167.4	208.3
Rhodium	000 oz	**16.5**	17.4	11.2	11.5	12.5
Gold	000 oz	**29.0**	31.0	21.0	17.4	21.5
PGMs	000 oz	**589.1**	520.2	384.5	354.2	420.1
Nickel	000 tonnes	**8.5**	9.1	5.6	3.9	4.5
Copper	000 tonnes	**5.6**	5.8	3.5	2.4	2.8
Cash operating costs	R/oz equivalent refined Pt	**12,426**	11,710	14,234	9,341	6,752
Cash operating costs	$/oz equivalent refined Pt	**1,699**	1,392	1,721	1,325	997

TWICKENHAM PLATINUM MINE PROJECT

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**3.6**	7.5	9.9	8.8	6.3
Palladium	000 oz	**3.2**	7.2	10.1	8.8	6.4
Rhodium	000 oz	**0.6**	1.6	1.7	1.3	1.1
Gold	000 oz	**0.1**	0.2	0.3	0.3	0.2
PGMs	000 oz	**8.5**	19.0	24.1	20.2	15.3
Nickel	000 tonnes	**–**	–	–	–	0.1
Copper	000 tonnes	**–**	–	–	–	–
Cash operating costs	R/oz equivalent refined Pt	**60,773**	21,662	21,724	14,670	11,155
Cash operating costs	$/oz equivalent refined Pt	**8,307**	2,575	2,627	2,081	1,648

MODIKWA PLATINUM MINE

50:50 JV with ARM Mining Consortium Limited

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**134.9**	135.3	131.2	114.6	145.6
Palladium	000 oz	**127.1**	128.0	124.9	114.0	142.9
Rhodium	000 oz	**24.1**	27.2	24.0	23.1	27.1
Gold	000 oz	**2.9**	3.7	3.7	3.7	3.9
PGMs	000 oz	**328.0**	331.8	320.5	297.0	360.1
Nickel	000 tonnes	**0.5**	0.6	0.6	0.6	0.7
Copper	000 tonnes	**0.3**	0.3	0.4	0.4	0.3
Cash operating costs	R/oz equivalent refined Pt	**13,569**	13,740	13,859	11,782	9,271
Cash operating costs	$/oz equivalent refined Pt	**1,855**	1,633	1,676	1,671	1,369

KROONDAL PLATINUM MINE POOLING-AND-SHARING AGREEMENT

50:50 JV with Aquarius Platinum (South Africa)

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**266.7**	230.7	196.3	128.8	148.3
Palladium	000 oz	**132.4**	110.8	94.0	63.5	71.8
Rhodium	000 oz	**43.1**	40.5	30.4	22.6	24.8
Gold	000 oz	**1.9**	2.0	1.3	1.2	1.3
PGMs	000 oz	**522.7**	458.7	371.8	267.0	289.3
Nickel	000 tonnes	**0.4**	0.4	0.3	0.2	0.2
Copper	000 tonnes	**0.1**	0.1	0.1	0.1	0.1
Cash operating costs	R/oz equivalent refined Pt	**11,031**	10.437	9,441	6,524	4,828
Cash operating costs	$/oz equivalent refined Pt	**1,508**	1,241	1,142	925	713

MARIKANA PLATINUM MINE POOLING-AND-SHARING AGREEMENT

50:50 JV with Aquarius Platinum (South Africa)

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**53.3**	38.2	32.8	22.4	12.8
Palladium	000 oz	**25.1**	16.7	14.2	9.6	6.0
Rhodium	000 oz	**7.7**	6.6	4.6	3.0	1.2
Gold	000 oz	**0.4**	0.4	0.3	0.3	0.1
PGMs	000 oz	**104.9**	71.3	60.1	41.8	22.0
Nickel	000 tonnes	**0.1**	0.1	0.1	–	–
Copper	000 tonnes	**0.1**	–	–	–	–
Cash operating costs	R/oz equivalent refined Pt	**13,633**	11,037	13,405	10,306	8,763
Cash operating costs	$/oz equivalent refined Pt	**1,864**	1,312	1,621	1,462	1,294

MOTOTOLO PLATINUM MINE

50:50 JV with XK Platinum Partnership

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**110.5**	106.3	83.9	92.6	8.5
Palladium	000 oz	**65.0**	61.5	48.9	55.3	5.1
Rhodium	000 oz	**18.7**	17.2	13.5	13.8	0.0
Gold	000 oz	**1.5**	1.6	1.1	1.4	0.1
PGMs	000 oz	**231.9**	214.9	175.3	182.4	13.7
Nickel	000 tonnes	**0.3**	0.3	0.2	0.3	–
Copper	000 tonnes	**0.1**	0.1	0.1	0.1	–
Cash operating costs	R/oz equivalent refined Pt	**10,392**	9,132	8,648	6,076	6,557
Cash operating costs	$/oz equivalent refined Pt	**1,420**	1,086	1,046	862	968

BRPM[1]

33% directly owned and indirect interest of 8.45% held through RBPlats

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz		172.5	170.5	190.5	240.6
Palladium	000 oz		68.9	69.4	80.4	99.8
Rhodium	000 oz		11.9	10.6	13.2	14.2
Gold	000 oz		9.8	9.3	12.2	14.0
PGMs	000 oz		274.4	271.8	314.4	381.4
Nickel	000 tonnes		1.7	1.7	2.3	2.7
Copper	000 tonnes		1.0	1	1.5	1.4
Cash operating costs	R/oz equivalent refined Pt		9,992	9,115	7,476	5,916
Cash operating costs	$/oz equivalent refined Pt		1,188	1,102	1,060	874

BOKONI PLATINUM MINE (PREVIOUSLY LEBOWA)[1]

49% owned: 51% owned by Anooraq Resources from 1 July 2009

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**62.8**	30.2	72.6	94.2	102.9
Palladium	000 oz	**42.1**	20.4	50.5	63.3	69.0
Rhodium	000 oz	**6.3**	5.2	7.7	10.9	10.7
Gold	000 oz	**3.6**	2.0	4.3	5.3	5.9
PGMs	000 oz	**123.7**	68.3	147.6	187.7	201.3
Nickel	000 tonnes	**0.7**	0.3	0.8	1.2	1.5
Copper	000 tonnes	**0.4**	0.2	0.4	0.7	1.0
Cash operating costs	R/oz equivalent refined Pt		18,920	15,000	10,144	7,621
Cash operating costs	$/oz equivalent refined Pt		2,249	1,814	1,439	1,126

WESTERN LIMB TRAINING RETREATMENT

100% owned

Refined production	unit	2010	2009	2008	2007	2006
Platinum	000 oz	**43.3**	32.4	41.8	44.1	49.0
Palladium	000 oz	**13.9**	10.4	13.6	16.9	18.9
Rhodium	000 oz	**1.9**	1.8	2.2	3.6	3.4
Gold	000 oz	**3.6**	3.8	4.4	4.6	4.7
PGMs	000 oz	**65.3**	50.9	66.0	77.3	81.9
Nickel	000 tonnes	**0.3**	0.2	0.2	0.3	0.4
Copper	000 tonnes	**0.2**	0.2	0.2	0.2	0.2
Cash operating costs	R/oz equivalent refined Pt	**9,110**	9,621	8,331	6,805	5,820
Cash operating costs	$/oz equivalent refined Pt	**1,245**	1,144	1,007	965	860

[1] Anglo Platinum Limited will no longer be reporting production or cost statistics for BRPM and Bokoni Platinum Mine due to their becoming independently managed associates in the year.

Thembelani – Process Controller Johannes Magongoa in the forge area of the Precious Metals Refinery in Rustenburg. Johannes is cooling a 99.99% pure platinum ingot that has just been removed from the furnace.

Thembelani – Platinum ore travels on a conveyor belt to the hoppers ready for transportation to the refinery watched by belt attendant Itumeleng Mathulwe.

PLATINUM GROUP METALS

estimates as at 31 December 2010

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The Ore Reserve and Mineral Resource estimates were compiled in compliance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, (The SAMREC Code, 2007). Operations and Projects outside South Africa were compiled in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as a minimum standard. Details of the individual operations appear in the Anglo Platinum Annual Report. Merensky Reef and UG2 Reef Mineral Resources are reported over an economic and mineable cut appropriate to the specific reef. The figures reported represent 100% of the Mineral Resources and Ore Reserves attributable to Anglo Platinum Limited unless otherwise noted. Rounding of figures may cause computational discrepancies.

Anglo American plc's interest in Anglo Platinum is 79.7%.

Platinum – South Africa Operations ORE RESERVES	Classification	Tonnes[1] 2010	Tonnes[1] 2009	Grade[2] 2010	Grade[2] 2009	Contained metal[3] 2010	Contained metal[3] 2009	Contained metal[3] 2010	Contained metal[3] 2009
Merensky Reef[4][5][6]		Mt	Mt	4E PGE	4E PGE	4E tonnes	4E tonnes	4E Moz	4E Moz
	Proved	89.2	77.5	4.97	5.41	443.5	419.7	14.3	13.5
	Probable	51.0	89.8	5.05	5.13	257.7	460.1	8.3	14.8
	Total	**140.2**	**167.3**	**5.00**	**5.26**	**701.3**	**879.8**	**22.5**	**28.3**
UG2 Reef[4][5][7]	Proved	425.9	409.9	4.14	4.37	1,762.2	1,792.1	56.7	57.6
	Probable	204.2	229.3	4.72	4.38	963.3	1,003.9	31.0	32.3
	Total	**630.2**	**639.2**	**4.33**	**4.37**	**2,725.4**	**2,796.0**	**87.6**	**89.9**
Platreef[8]	Proved	381.3	317.4	2.93	3.28	1,118.5	1,040.6	36.0	33.5
	Proved primary ore stockpile[9]	11.7	16.6	1.96	2.65	23.0	43.8	0.7	1.4
	Probable	216.3	174.6	2.68	3.12	579.4	544.1	18.6	17.5
	Total	**609.3**	**508.6**	**2.82**	**3.20**	**1,720.9**	**1,628.6**	**55.3**	**52.4**
All Reefs	Proved	908.1	821.4	3.69	4.01	3,347.2	3,296.3	107.6	106.0
	Probable	471.5	493.6	3.82	4.07	1,800.4	2,008.1	57.9	64.6
	Total[10]	**1,379.7**	**1,315.0**	**3.73**	**4.03**	**5,147.6**	**5,304.4**	**165.5**	**170.5**
Tailings[11]	Proved	–	–	–	–	–	–	–	–
	Probable	21.8	29.6	1.13	0.86	24.6	25.4	0.8	0.8
	Total	**21.8**	**29.6**	**1.13**	**0.86**	**24.6**	**25.4**	**0.8**	**0.8**

Platinum – Zimbabwe Operations ORE RESERVES	Classification	Tonnes[1] 2010	Tonnes[1] 2009	Grade[2] 2010	Grade[2] 2009	Contained metal[3] 2010	Contained metal[3] 2009	Contained metal[3] 2010	Contained metal[3] 2009
Main Sulphide Zone[12]		Mt	Mt	4E PGE	4E PGE	4E tonnes	4E tonnes	4E Moz	4E Moz
	Proved	14.3	5.1	3.69	3.60	52.9	18.3	1.7	0.6
	Probable	27.3	42.0	3.82	3.81	104.4	159.9	3.4	5.1
	Total	**41.7**	**47.1**	**3.78**	**3.79**	**157.3**	**178.2**	**5.1**	**5.7**

(1) **Tonnage:** Quoted as dry metric tonnes.
(2) **Grade:** 4E PGE is the sum of platinum, palladium, rhodium and gold grades in grammes per tonne (g/t).
(3) **Contained Metal:** Contained Metal is presented in metric tonnes and million troy ounces (Moz).
(4) **Merensky Reef and UG2 Reef:** (a) The BEE transaction announced with Royal Bafokeng Platinum Ltd. was finalised during 2010 resulting in a change of the attributable and reportable Ore Reserves for Bafokeng Rasimone Platinum Mine (BRPM). Anglo Platinum's attributable percentage decreased from 50% to 33%, equivalent to a decrease of 23.2Mt (-3.1Moz). (b) During 2008, RPM entered into agreement to sell its interest in the Western Bushveld Joint Venture (WBJV) to Wesizwe. The suspensive conditions of this agreement have been fulfilled resulting in the reporting of 0% attributable percentage of WBJV, equivalent to a decrease of 10.9Mt (-1.6Moz).
(5) **Merensky Reef and UG2 Reef:** The pay limits built into the basic mining equation are directly linked to the 2011 Business plan. The pay limit is based on Cost 4 which consists of 'Direct Cash Cost' (on and off mine), 'Other indirect Costs' and 'Stay in Business Capital' (on and off mine). The range is a function of various factors including depth of the ore body, geological complexity, infrastructure and economic parameters.
(6) **Merensky Reef:** The reserve pay-limit varies across all operations between 2.1g/t and 4.4g/t (4E PGE). The decrease is mainly attributable to the BEE transaction announced (-20.1Mt, -3.0Moz) and re-allocation of previously reported Ore Reserves back to Mineral Resources due to a change in the mine design and scheduling mainly at Tumela and Dishaba Mine (-11.1Mt, -2.4Moz). The Proved Ore Reserve tonnage increased mainly due to an increase in confidence at BRPM's Styldrift area.
(7) **UG2 Reef:** The reserve pay-limit varies across all operations between 2.0g/t and 3.9g/t (4E PGE). The decrease is mainly attributable due to re-allocation of previously reported Ore Reserves back to Mineral Resources due to a change in the mine design and scheduling mainly at Tumela and Dishaba Mine (-29.7Mt -6.0Moz) and due to the BEE transaction announced (-14.0Mt, -1.7Moz). However the UG2 Ore Reserves were influenced positively due to increased confidence mainly at BRPM and Union Mine (+39.6Mt, +5.2Moz) which resulted in a significant amount of Mineral Resources being converted to Ore Reserves.
(8) **Platreef:** The total Ore Reserves increased significantly due to a change in the economic assumptions for Mogalakwena North and Central where the 4E pay limit grade has been decreased from 1.7g/t to 1.0g/t due to technological advances in the processing plant and due to a change in the economic parameters. For Sandsloot and Zwartfontein South the pay limit grade is unchanged at 1.7g/t. It must be noted that a 4.5% mining loss has been applied to the total Ore Reserves. The modifying factors account for a decrease of 28.2Mt (-1.9Moz).
(9) **Platreef stockpiles:** Mined ore being held for long-term future treatment. These are reported separately as Proved Ore Reserves and aggregated into the summation tabulations. Previously reported Proved primary ore stockpiles containing oxidised and calcsilicate material above 3g/t are excluded from the Ore Reserve stockpile (-6.1Mt, -0.7Moz) and included under the Mineral Resources.
(10) **Alternative units – Total:** Tonnage in million short tons (Mton) and associated grade in troy ounces per short ton (oz/ton) for 2010 is:
Total – 1,520.8 Mton (2009: 1,449.6 Mton)
Total – 0.109 oz/ton (2009: 0.118 oz/ton)
(11) **Tailings:** Operating tailings dams for current mining operations cannot be geologically assessed and therefore are not reported as part of the Ore Reserves. At Rustenburg Mine a dormant dam has been evaluated and the tailings form part of the Ore Reserves statement. Tailings dams Ore Reserves are reported separately as Ore Reserves and are not aggregated to the global Ore Reserve summation.
(12) **Main Sulphide Zone:** The Main Sulphide Zone is the orebody mined at Unki Mine. The Ore Reserves for the Main Sulphide Zone relate to the Unki East mine only. Anglo Platinum owns an effective 100% interest in Southridge Limited. Due to increased confidence based on new information and on underground mining exposure the Proved Ore Reserves tonnage increased significantly.

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PLATINUM GROUP METALS continued

estimates as at 31 December 2010

Platinum – South Africa Operations MINERAL RESOURCES	Classification	Tonnes[1] 2010	Tonnes[1] 2009	Grade[2] 2010	Grade[2] 2009	Contained metal[3] 2010	Contained metal[3] 2009	Contained metal[3] 2010	Contained metal[3] 2009
Merensky Reef[4][5]		Mt	Mt	4E PGE	4E PGE	4E tonnes	4E tonnes	4E Moz	4E Moz
	Measured	152.5	129.6	5.53	5.54	843.1	717.5	27.1	23.1
	Indicated	254.2	242.2	5.54	5.36	1,408.8	1,299.2	45.3	41.8
	Measured and Indicated	**406.7**	**371.8**	**5.54**	**5.42**	**2,251.9**	**2,016.7**	**72.4**	**64.8**
	Inferred	615.5	670.8	5.43	5.36	3,340.3	3,594.3	107.4	115.6
UG2 Reef[4][6]	Measured	408.4	380.1	5.42	5.61	2,213.6	2,131.1	71.2	68.5
	Indicated	521.0	546.6	5.48	5.53	2,853.1	3,021.2	91.7	97.1
	Measured and Indicated	**929.4**	**926.7**	**5.45**	**5.56**	**5,066.7**	**5,152.3**	**162.9**	**165.6**
	Inferred	760.5	791.3	5.53	5.53	4,204.0	4,374.2	135.2	140.6
Platreef[7]	Measured	110.3	192.9	2.38	1.95	262.3	376.2	8.4	12.1
	Indicated	860.1	915.0	2.19	2.14	1,883.2	1,954.0	60.5	62.8
	Measured and Indicated	**970.3**	**1,107.9**	**2.21**	**2.10**	**2,145.5**	**2,330.1**	**69.0**	**74.9**
	Inferred	1,200.1	1,160.6	1.88	1.89	2,260.2	2,198.4	72.7	70.7
All Reefs	Measured	671.2	702.6	4.95	4.59	3,319.0	3,224.8	106.7	103.7
	Indicated	1,635.3	1,703.9	3.76	3.68	6,145.1	6,274.3	197.6	201.7
	Measured and Indicated[8]	**2,306.4**	**2,406.4**	**4.10**	**3.95**	**9,464.1**	**9,499.1**	**304.3**	**305.4**
	Inferred	2,576.1	2,622.7	3.81	3.88	9,804.5	10,167.0	315.2	326.9
Tailings[9]	Measured	87.6	–	1.08	–	94.3	–	3.0	–
	Indicated	0.4	147.3	0.89	1.06	0.4	155.6	0.0	5.0
	Measured and Indicated	**88.1**	**147.3**	**1.08**	**1.06**	**94.7**	**155.6**	**3.0**	**5.0**
	Inferred	–	–	–	–	–	–	–	–

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

Platinum – Zimbabwe Operations MINERAL RESOURCES	Classification	Tonnes[1] 2010	Tonnes[1] 2009	Grade[2] 2010	Grade[2] 2009	Contained metal[3] 2010	Contained metal[3] 2009	Contained metal[3] 2010	Contained metal[3] 2009
Main Sulphide Zone[10]		Mt	Mt	4E PGE	4E PGE	4E tonnes	4E tonnes	4E Moz	4E Moz
	Measured	8.7	7.7	4.12	4.08	35.7	31.2	1.1	1.0
	Indicated	19.2	11.3	4.17	4.28	80.2	48.5	2.6	1.6
	Measured and Indicated	**27.9**	**19.0**	**4.16**	**4.20**	**116.0**	**79.8**	**3.7**	**2.6**
	Inferred	49.7	95.9	4.12	4.29	204.5	411.6	6.6	13.2

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

Platinum – Other Projects MINERAL RESOURCES	Classification	Tonnes[1] 2010	Tonnes[1] 2009	Grade[2] 2010	Grade[2] 2009	Contained metal[3] 2010	Contained metal[3] 2009	Contained metal[3] 2010	Contained metal[3] 2009
South Africa		Mt	Mt	3E PGE	3E PGE	3E tonnes	3E tonnes	3E Moz	3E Moz
Anooraq-AngloPlatinumBoikgantsho[11]	Measured	–	–	–	–	–	–	–	–
Platreef	Indicated	86.6	86.6	1.35	1.35	116.9	116.9	3.8	3.8
	Measured and Indicated	**86.6**	**86.6**	**1.35**	**1.35**	**116.9**	**116.9**	**3.8**	**3.8**
	Inferred	51.0	51.0	1.23	1.23	62.7	62.7	2.0	2.0
Sheba's Ridge[12]				3E PGE	3E PGE				
	Measured	111.8	111.8	0.85	0.85	95.1	95.1	3.1	3.1
	Indicated	128.4	128.4	0.95	0.95	122.1	122.1	3.9	3.9
	Measured and Indicated	**240.1**	**240.1**	**0.90**	**0.90**	**217.2**	**217.2**	**7.0**	**7.0**
	Inferred	0.9	0.9	0.85	0.85	0.8	0.8	0.0	0.0
Canada				3E PGE	3E PGE				
River Valley[13]	Measured	4.3	4.3	1.79	1.79	7.6	7.6	0.2	0.2
	Indicated	11.0	11.0	1.20	1.20	13.3	13.3	0.4	0.4
	Measured and Indicated	**15.3**	**15.3**	**1.37**	**1.37**	**20.9**	**20.9**	**0.7**	**0.7**
	Inferred	1.2	1.2	1.24	1.24	1.5	1.5	0.0	0.0
Brazil				3E PGE	3E PGE				
Pedra Branca[14]	Inferred	6.6	6.6	2.27	2.27	15.0	15.0	0.5	0.5

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) **Tonnage:** Quoted as dry metric tonnes.
(2) **Grade:** 4E PGE is the sum of platinum, palladium, rhodium and gold grades in grammes per tonne (g/t).
3E PGE is the sum of platinum, palladium and gold grades in grammes per tonne (g/t).
(3) **Contained Metal:** Contained Metal is presented in metric tonnes and million troy ounces (Moz).
(4) **Merensky Reef and UG2 Reef:** (a) During 2009 the attributable interest in the Magazynskraal 3JQ Project (BEE transaction announced with Bakgatla-Ba-Kgafela and Pallinghurst) decreased from 74% to 20%. 74% attributable to this project was included in the 2009 Annual Report. This has been adjusted for in the current Annual Report equivalent to a decrease of 59.6Mt (-10.5 Moz). (b) The BEE transaction announced with Royal Bafokeng Platinum Ltd. was finalised during 2010 resulting in a change of the attributable and reportable Ore Reserves for Bafokeng Rasimone Platinum Mine (BRPM). Anglo Platinum's attributable percentage decreased from 50% to 33%, equivalent to a decrease of 54.2Mt (-10.3 Moz). (c) During 2008, RPM entered into agreement to sell its interest in the Western Bushveld Joint Venture (WBJV) to Wesizwe. The suspensive conditions of this agreement have been fulfilled during the first half of 2010. Rustenburg Platinum Mines Ltd (RPM) received Wesizwe shares as part settlement of the purchase consideration. This results in the reporting of 26.6% attributable tonnage in the Wesizwe areas (+27.0Mt, +4.6 Moz). The previously reported Mineral Resources for WBJV are therefore excluded from the 2010 figures (-16.3Mt, -2.8 Moz).
The Mineral Resources are quoted over a practical minimum mining cut suitable for the deposit known as the Resource Cut. Previously Resources were declared over a minimum mineable width of 80cm, but investigations have confirmed that this is not viable and the minimum width has been increased to 90cm. The Resource Cut includes geotechnical aspects in the hanging wall or footwall of the reef. Chromitite stringers above or below the UG2 main seam or any 'geotechnical weak zones' are included in the Resource Cut. The minimum beam height regarding the geotechnical aspect depends on the mining method.
Anglo Platinum takes cognisance of cut-off grades, derived from information on pay limits in the mining operations. No Mineral Resources are excluded from the 2010 declaration relative to 2009 as a result of the cut-off grade consideration. The delineation of the Mineral Resources that meet the requirements of reasonable expectation of eventual economic extraction has been defined using the modifying factors as defined in the SAMREC code. These include but are not limited to mineability, geological complexity, processability and economic factors such as Cost 4 pay limits. Cost 4 pay limit consists of 'Direct Cash Cost' (on and off mine), 'Other indirect Costs' and 'Stay in Business Capital' (on and off mine). The minimum resource grades per reef and per operation are in all instances greater than the Cost 4 pay limit.
(5) **Merensky Reef:** (a) The decrease in Mineral Resources is mainly attributable to the change of the attributable percentage decrease due to the finalisation of the BEE transactions (-51.3Mt, -10.9Moz) and (b) at Union due to new information where certain areas have been transferred from Mineral Resources to Mineral Deposit (-8.0Mt, -1.7Moz). The decreases were in part offset by the increase in Mineral Resources due to new information mainly from Bokoni, Ga-Phasha and Der Brochen (+37.7Mt, +8.3Moz) and due to acquisition from Wesizwe (+12.0Mt, +2.4Moz).
(6) **UG2 Reef:** The decrease in total Mineral Resources is mainly due to the change of the attributable percentage decrease following the finalisation of the BEE transactions (-78.8Mt, -12.6Moz).
(7) **Platreef:** A 1.0g/t (4E PGE) cut-off has been used to define Mineral Resources. The decrease is due to a higher percentage of Mineral Resources being converted to Ore Reserves as a consequence of the decrease in the 4E pay limit grade from 1.7g/t to 1.0g/t at Mogalakwena North and Central. Since previously reported Proved primary ore stockpiles containing oxidised and calcsilicate material above 3g/t are currently not planned to be processed, they are excluded from the Ore Reserve stockpile and included under the Measured Mineral Resources (+6.1Mt, +0.7Moz).
(8) **Alternative units – Measured and Indicated:** Tonnage in million short tons (Mton) and associated grade in troy ounces per short ton (oz/ton) for 2010 is:
Measured and Indicated – 2,542.4 Mton (2009: 2,652.6 Mton)
Measured and Indicated – 0.120 oz/ton (2009: 0.115 oz/ton)
(9) **Tailings:** Operating tailings dams for current mining operations cannot be geologically assessed and therefore are not reported as part of the Mineral Resources. Tailings dams resources are reported separately as Mineral Resources but are not aggregated to the global Mineral Resource summation. At Rustenburg Mine a dormant dam has been evaluated and the tailings form part of the Mineral Resource statement. At Union the previously reported tailings dams are reactivated and as a consequence no Mineral Resources are stated.
(10) **Main Sulphide Zone:** The Main Sulphide Zone is the orebody mined at Unki Mine. The Mineral Resources for the Main Sulphide Zone relate to the Unki East and West mines only. Anglo Platinum owns an effective 100% interest in Southridge Limited. Due to new information, which comprises of a significant amount of surface drilling and a re-interpretation of the geological structure, the spatial extent of the Unki project was reduced in the South and North to take cognisance of natural boundaries determined by geological structures. Previously reported Mineral Resources lying beyond these structures which were included under the Unki Project in 2009 will be reported as Unki South pending further evaluation in 2011.
(11) **Anooraq-Anglo Platinum Boikgantsho:** Anglo Platinum holds an attributable interest of 49%. A cut-off of US$20.00/t gross metal value was applied for resource definition.
(12) **Sheba's Ridge:** Anglo Platinum holds an attributable 35% of the JV area. A cut-off of US$10.50/t total revenue contribution from the constituent metal was used.
(13) **River Valley:** Anglo Platinum holds an attributable interest of 50%. A cut-off of 0.7g/t (platinum plus palladium) was applied for resource definition.
(14) **Pedra Branca:** Anglo Platinum holds an attributable interest of 51%. A cut-off of 0.7g/t (3E PGE) was applied for resource definition.

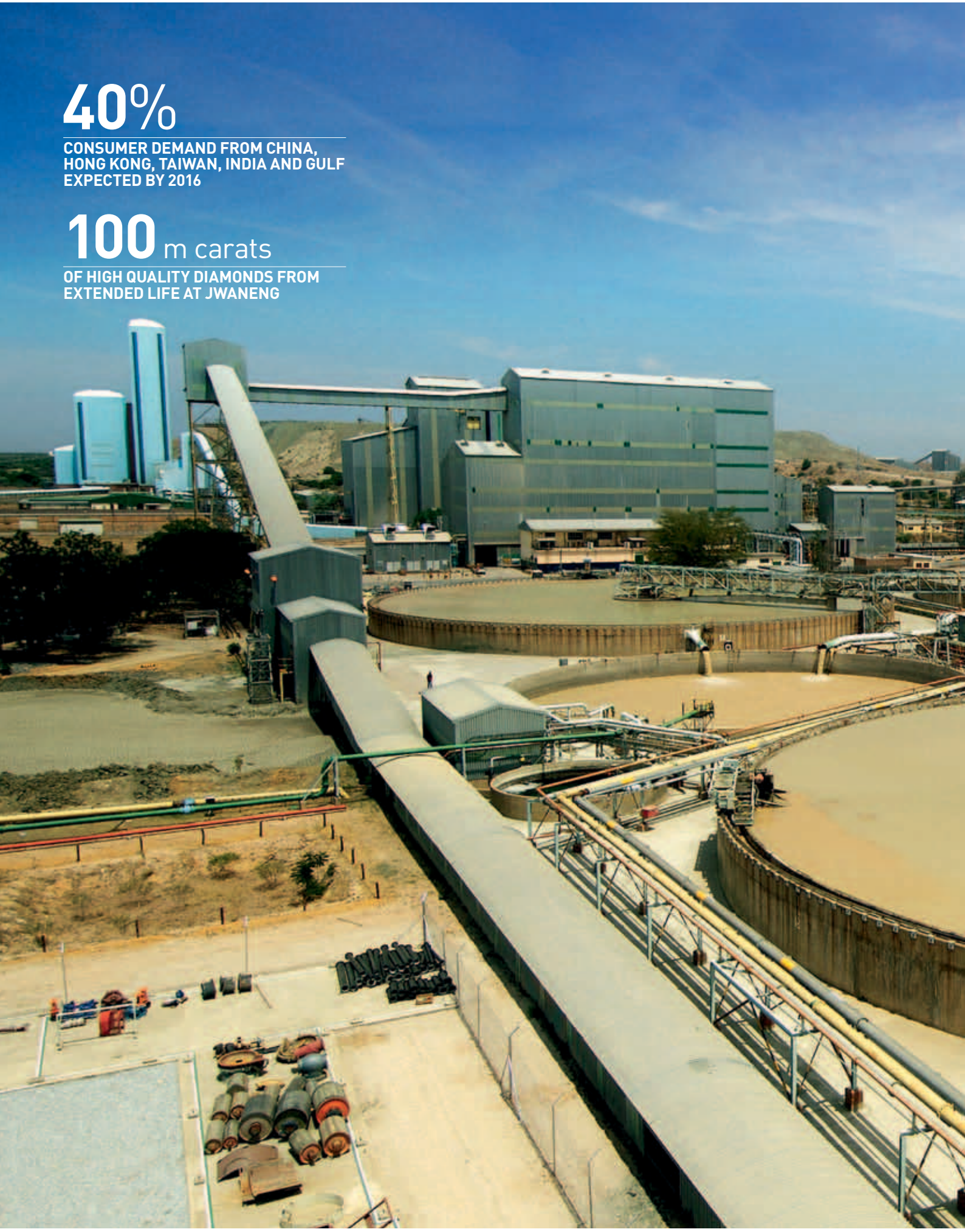
The following Operations and Projects contributed to the combined 2010 Ore Reserve and Mineral Resource estimates stated per reef (excluding Other Projects):

Operations:	%	LOM
Bafokeng Rasimone Platinum Mine (BRPM) – MR/UG2	33%	28
Bathopele Mine – UG2	100%	17
Bokoni Platinum Mine – MR/UG2	49%	27
Dishaba Mine – MR/UG2	100%	30+
Khomanani Mine – MR/UG2	100%	16
Khuseleka Mine – MR/UG2	100%	25
Kroondal Platinum Mine – UG2	50%	9
Marikana Platinum Mine – UG2	50%	9
Modikwa Platinum Mine – MR/UG2	50%	20
Mogalakwena Mine – PR	100%	30+
Mototolo Platinum Mine – UG2	50%	5*
Pandora – UG2	42.5%	13
Siphumelele Mine – MR/UG2	100%	30+
Thembelani Mine – MR/UG2	100%	17
Tumela Mine – MR/UG2	100%	30+
Twickenham Platinum Mine – MR/UG2	100%	30+
Union Mine – MR/UG2	85%	19
Unki Mine – MSZ	100%	30

Projects:	%
Der Brochen Project – MR/UG2	100%
Ga-Phasha PGM Project – MR/UG2	49%
Magazynskraal 3 JQ – MR/UG2	20%
Other Exploration Projects (portions of Driekop/Rustenburg) – MR/UG2	37.5% to 100%
Rustenburg – Non Mine Projects – MR/UG2	100%
Wesizwe – MR/UG2	26.6%

MR = Merensky Reef, UG2 = UG2 Reef, PR = Platreef, MSZ = Main Sulphide Zone;
% = Anglo Platinum Limited attributable interest;
LOM = Life of Mine in years based on scheduled Ore Reserves considering the combined MR and UG2 production where applicable;
* Only 5 years of Ore Reserves are declared as per Xstrata policy.

Audits related to the generation of the Ore Reserve and Mineral Resource statements were carried out by independent consultants during 2010 at the following operations:
BRPM, Bathopele, Dishaba, Mogalakwena, Siphumelele and Thembelani.

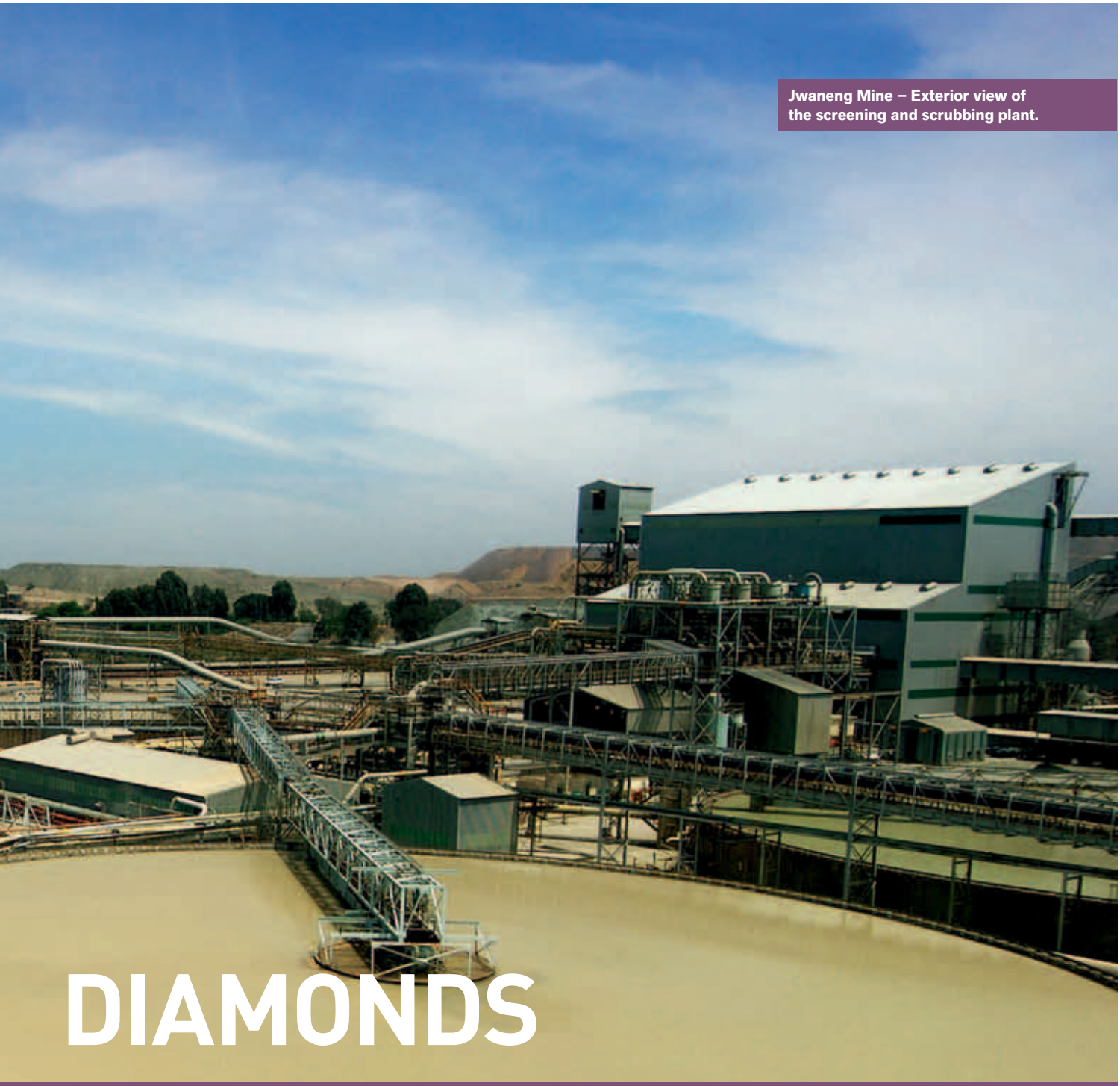


40%

CONSUMER DEMAND FROM CHINA, HONG KONG, TAIWAN, INDIA AND GULF EXPECTED BY 2016

100 m carats

OF HIGH QUALITY DIAMONDS FROM EXTENDED LIFE AT JWANENG



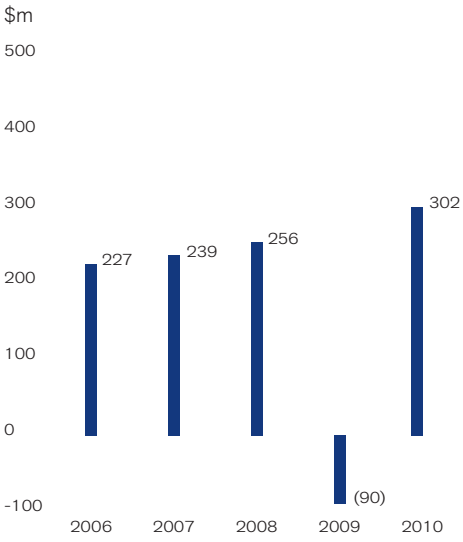
Jwaneng Mine – Exterior view of the screening and scrubbing plant.

DIAMONDS

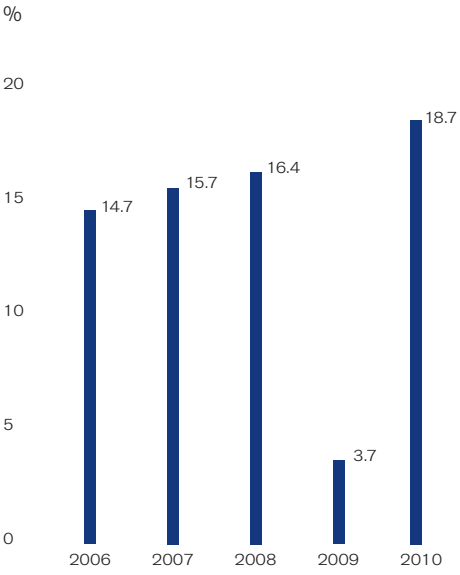
Independently managed De Beers is the world's leading diamond exploration, mining and marketing company. De Beers generates about 35% (by value) of global rough diamond production from its operations in South Africa, Botswana, Namibia and Canada.

FINANCIAL HIGHLIGHTS

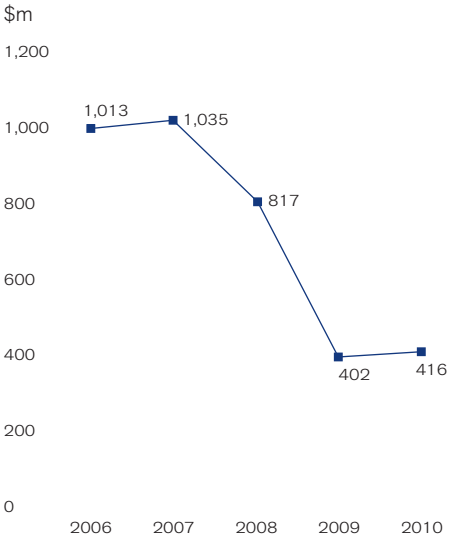
FIVE YEAR SHARE OF ASSOCIATE'S UNDERLYING EARNINGS



OPERATING MARGIN

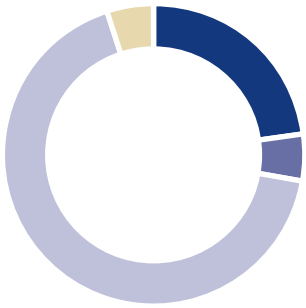


DE BEERS ANNUAL OPERATING COSTS 2006-10



2010 DE BEERS MINE PRODUCTION BY REGION

(million carats)



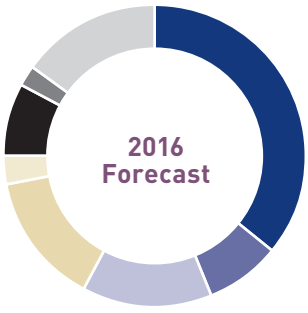
South Africa 7.6
Nambia 1.5
Botswana 22.2
Canada 1.7

Total 33.0

CONSUMER DEMAND FORECASTS

(Polished wholesale prices $)

USA 38%
Japan 11%
India 10%
China/Hong Kong 11%
Taiwan 2%
Gulf 8%
Turkey 2%
Rest of world 18%



USA 36%
Japan 8%
India 14%
China/Hong Kong 14%
Taiwan 3%
Gulf 8%
Turkey 2%
Rest of world 15%

Note: China, Hong Kong, Taiwan, India and Gulf expected to account for approximately 40% of consumer demand by 2016

FINANCIAL DATA

$m	2010	2009	2008	2007	2006
Turnover					
Subsidiaries	–	–	–	–	–
Joint ventures	–	–	–	–	–
Associates	2,644	1,728	3,096	3,076	3,148
Total turnover	2,644	1,728	3,096	3,076	3,148
EBITDA	666	215	665	587	541
Depreciation and amortisation	171	151	157	103	78
Operating profit before special items and remeasurements	495	64	508	484	463
Operating special items and remeasurements	(29)	(203)	(226)	(465)	(17)
Operating profit after special items and remeasurements	466	(139)	282	19	446
Net interest, tax and minority interests	(193)	154	(252)	(245)	(236)
Total underlying earnings	302	(90)	256	239	227
Group's associate investment in De Beers[1]	1,936	1,353	1,623	1,802	2,062

(1) Excludes shareholder loans of $358 million and preference shares of nil respectively (2009: $367 million and $88 million respectively).

Aquarium – The tall Jwaneng Aquarium building which comprises of the FISH (fully integrated sort house) and the CARP (completely automated recovery process).

BUSINESS OVERVIEW

WORLD'S LEADING DIAMOND BUSINESS

No.1

CARATS EXPECTED TO BE PRODUCED IN 2011

38m

MINE LIFE EXTENDED AT JWANENG, THE WORLD'S FLAGSHIP DIAMOND MINE, TO

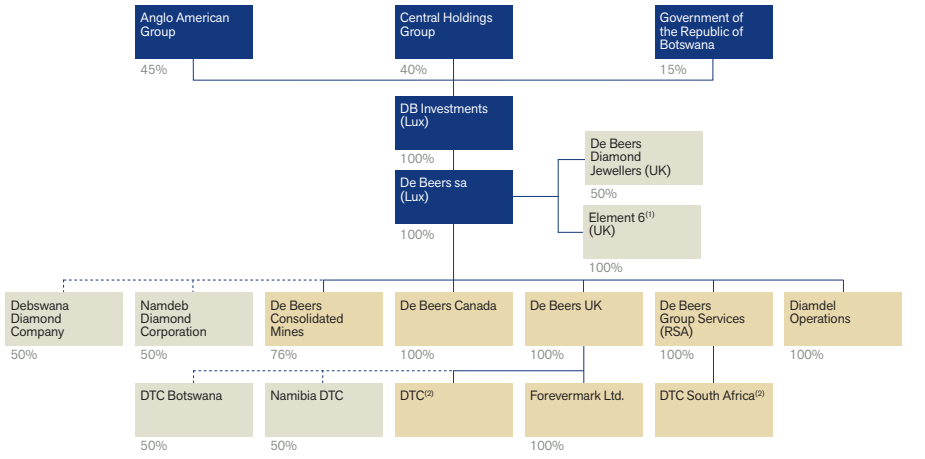
2025

FINANCIAL HIGHLIGHTS

$ million (unless otherwise stated)	2010	2009
Operating profit	**495**	64
EBITDA	**666**	215
Share of Group operating profit	**5%**	1%
Group's associate investment in De Beers[1]	**1,936**	1,353

(1) Excludes shareholder loans of $358 million and preference shares of nil (2009: $367 million and $88 million respectively)

DE BEERS OWNERSHIP STRUCTURE



BUSINESS OVERVIEW

Anglo American's diamond interests are represented by our 45% shareholding in De Beers. The other shareholders in De Beers are Central Holdings Ltd (an Oppenheimer family owned company), which owns 40%, and the Government of the Republic of Botswana (GRB) with 15%.

De Beers is the world's leading diamond business and with its joint venture partners operates in more than 20 countries across six continents, employing around 16,000 people. The company produces around 35% of the world's rough diamonds by value from its mines in Botswana, Canada, Namibia and South Africa.

De Beers holds a 50% interest in Debswana Diamond Company and in Namdeb Diamond Corporation, owned jointly with the GRB and the Government of the Republic of Namibia (GRN) respectively, and a 70% shareholding in De Beers Marine Namibia.

In addition, De Beers has a 74% shareholding in South African based De Beers Consolidated Mines Limited, with a broad based black economic empowerment consortium (the Ponahalo Holdings) holding the balance.

De Beers owns 100% of The Diamond Trading Company (DTC), the sales and rough diamond distribution arm of De Beers. It also has a 50% interest with the GRB in DTC Botswana and a 50% ownership, along with the GRN's matching shareholding, in Namibia DTC.

De Beers and LVMH Moët Hennessy Louis Vuitton have established a high-end retail jewellery joint venture, through De Beers Diamond Jewellers, with stores in the most fashionable areas of some of the world's great cities, including New York, Los Angeles, London, Paris, Tokyo and Dubai.

De Beers, through Element Six, is the world's leading supplier of industrial diamond supermaterials. Element Six operates internationally, with 10 manufacturing sites worldwide and a comprehensive global sales network. It is the leading player in the markets in which it operates.

CANADA

Victor mine and the Snap Lake mine in Canada are De Beers' first mining ventures outside of the African continent. Victor mine is located in the James Bay lowlands of northern Ontario, about 90km west of the First Nation community of Attawapiskat. It is so remote that it can only be accessed by air or seasonal ice road. The mine employs more than 400 local people and has channelled over C$175 million of investment into local Aboriginal businesses. Snap Lake mine lies 220 km northeast of Yellowknife and is Canada's first completely underground diamond mine. Both projects were completed in 2008. Combined output for 2010 was 1.75 million carats.

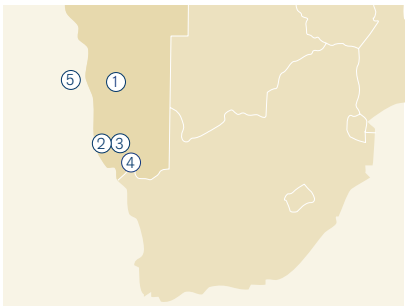
1. **100% Snap Lake**
2. **100% Victor**

Key
- Underground
- Open cut
- Other

NAMIBIA

Namdeb, a 50:50 partnership between De Beers and the Namibian government, has historically been a source of high value gemstones. Today, it is the acknowledged leader in the recovery of alluvial diamonds. In 2010 Namdeb's production was 1.47 million carats.

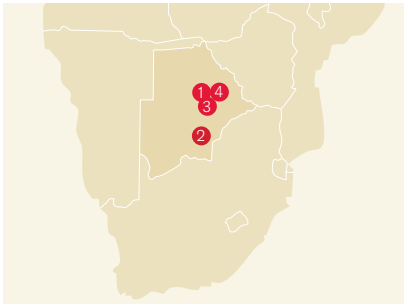
① **50% Alluvial contractors**
② **50% Elizabeth Bay**
③ **50% Mining Area 1**
④ **50% Orange River**
⑤ **50% Atlantic1**



BOTSWANA

Debswana, a 50:50 partnership between De Beers and the Botswana government, produced 22.22 million carats in 2010. Debswana operates two of the world's great diamond mines, Jwaneng and Orapa.

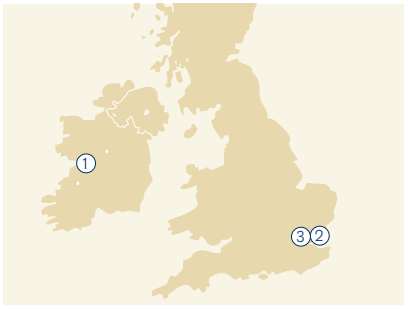
1. **50% Orapa**
2. **50% Jwaneng**
3. **50% Letlhakane**
4. **50% Damtshaa**



UNITED KINGDOM/IRELAND

De Beers Diamond Jewellers (DBDJ) is an independently managed jewellery retail joint venture with Moët Hennessy Louis Vuitton. Globally, the DBDJ network is comprises of 40 stores. The store network is now spread across the US (11), Europe (8), Middle East (4), East Asia (7) and Japan (10). Element Six (E6) is an industrial diamond supermaterials business, supplying diverse global markets such as oil and gas, mining, construction, automotive, aerospace, defence, electronics, semiconductor and general engineering.

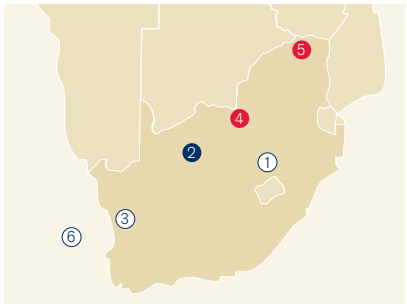
① **Element Six (E6) (Ireland)**
② **De Beers Diamond Jewellers**
③ **100% De Beers UK Ltd**



SOUTH AFRICA

De Beers Consolidated Mines produced 7.56 million carats in 2010, 58% above 2009.

① **74% Kimberley**
② **74% Finsch**
③ **74% Namaqualand**
④ **74% Voorspoed**
⑤ **74% Venetia**
⑥ **74% South African Sea Areas**



INDUSTRY OVERVIEW

INDUSTRY OVERVIEW

Up to two-thirds of the world's diamonds, by value, originate from southern and central Africa, while significant sources have been discovered in Russia, Australia and Canada. Most diamonds come from the mining of kimberlite deposits. Another important source of gem diamonds, however, has been secondary alluvial deposits formed by the weathering of primary kimberlites and the subsequent deposition of released diamonds in rivers and beach gravels.

Rough or uncut diamonds are broadly classified either as gem or industrial quality, with gem being overwhelmingly (>99%) the larger of the two markets, by value. The primary world market for gem diamonds is in retail jewellery, where aspects such as size, colour, shape and clarity have a large impact on valuation. De Beers, through the DTC, and its partners in Botswana, South Africa and Namibia, supplies its clients – known as 'Sightholders' – with parcels of rough diamonds that are specifically aligned to their respective cutting and polishing needs.

Markets

The first half of 2010 saw a strong recovery in demand for rough diamonds from DTC Sightholders against the low levels seen in early 2009. This recovery trend continued through the second half of the year following improved demand from retail markets, particularly in the eastern markets of India and China. By the end of 2010, DTC rough diamond prices had returned to pre-recession levels.

Since launching two years ago, De Beers' proprietary diamond brand, Forevermark, has continued to establish itself in China, Hong Kong and Japan. Forevermark jewellery is now available in 348 stores globally, a 40% increase on the beginning of 2009. Expansion, particularly across China, is progressing rapidly with five new cities added in 2010 and further locations planned for 2011.

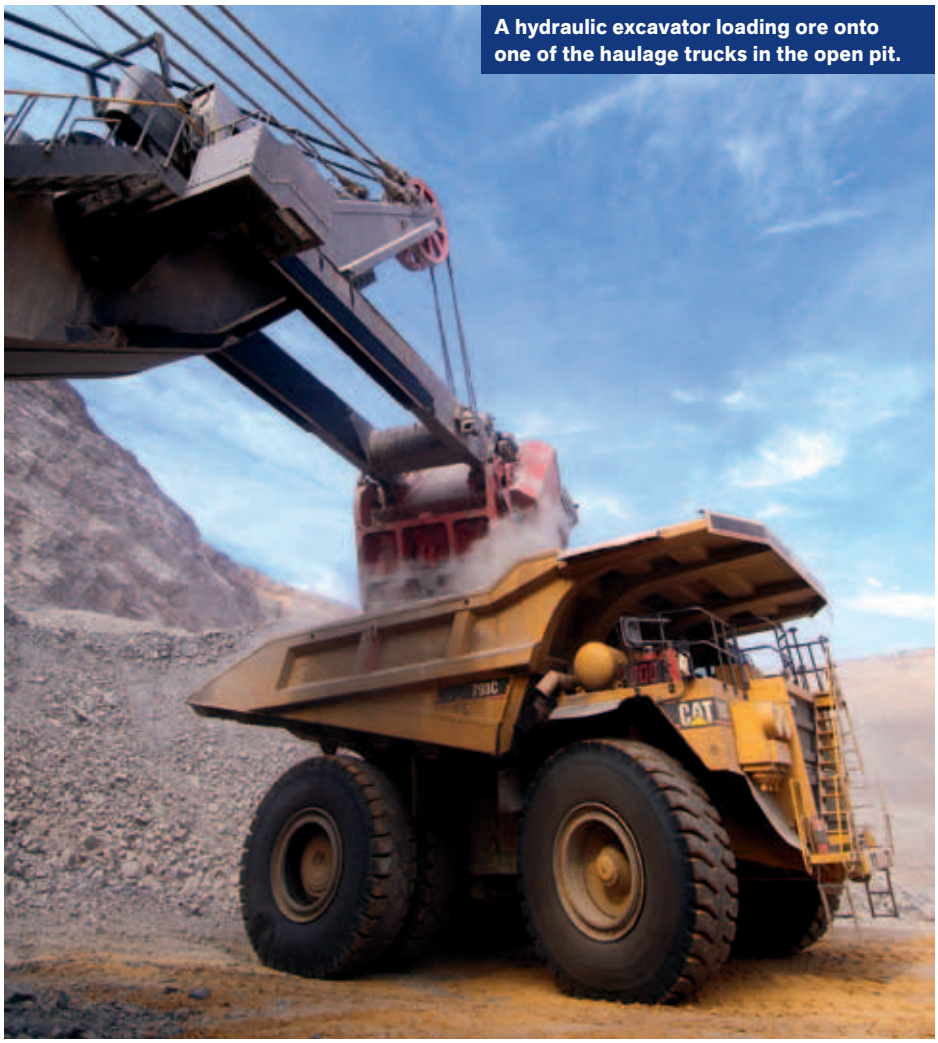
Operating performance

Revenue from sales of rough diamonds by the DTC, including those through joint ventures, increased by 57% compared with 2009, in response to increased consumer demand. Approximately 33.0 million carats were recovered from wholly owned and joint venture operations in 2010, compared with around 24.6 million carats in 2009, an increase of 34%.

The business has remained focused on prudent cash management and has continued to tackle costs aggressively. While costs necessarily rose due to increased production levels, exacerbated by a weaker US dollar, De Beers was able to maintain savings from the restructuring of the cost base in 2009, contributing to improved margins. In Botswana, Debswana commenced a comprehensive operations and cost review that identified many efficiency improvement opportunities which will be delivered over the next three years.

De Beers has an uncompromising focus on the safety of its employees and the security of its product. Regrettably, Debswana experienced a fatality late in the year, and De Beers' 2010 LTIFR was 0.24 versus 0.21 for 2009. This deteriorating trend is being addressed through the continued roll-out of the Safety Risk Management Programme.

In 2010, a review of the impact of the illicit diamond trade on De Beers demonstrated that there were a number of criminal syndicates behind the systematic theft of product from the operations. This resulted in the development of a new Global Security Strategy, which called for an organisational restructuring, with security specialists being recruited to both the centre and operations. A baseline of security control effectiveness for each operation was also established, forming the basis for improvement targets. Going forward, De Beers will be driving a loss prevention programme as a key pillar to improve product security.



A hydraulic excavator loading ore onto one of the haulage trucks in the open pit.

STRATEGY AND GROWTH

De Beers is prospecting for diamonds close to its Snap Lake mine, which opened in 2008 in the forbidding terrain of Canada's Northwest Territories.

STRATEGY AND GROWTH

De Beers introduced Five Strategic Levers in 2010 to drive business growth while permanently capturing the efficiencies gained during the global economic crisis. The company is focused on:

1. Sustainably maximising the price received for its rough diamonds through its distribution system
2. Finding, operating, optimising and investing in those mines that generate superior risk adjusted returns
3. Retaining and investing in downstream opportunities that ensure real value creation
4. Ensuring 2009 cost and capital efficiencies become entrenched
5. Investing in and protecting De Beers' reputation and diamond equity.

In February 2010, the shareholders of De Beers agreed, as part of the De Beers group's refinancing, that additional equity was required by De Beers. The shareholders, accordingly, all agreed to subscribe, in proportion to their current shareholding, for $1 billion of additional equity in De Beers. Our share of such additional equity, in line with our 45% equity holding, amounted to $450 million.

In March 2010, De Beers successfully refinanced all of its international and South African debt. The tenor of all debt facilities was extended to August 2013. At the end of 2010, net debt amounted to $1.76 billion compared with $3.20 billion at the end of 2009, a reduction of 45%.

Projects

Debswana commenced the Cut-8 extension project at Jwaneng mine during 2010. Cut-8 represents the largest ever mining investment in Botswana, and is expected to extend the life of mine to at least 2025.

De Beers continued to take an active leadership role in protecting consumers' confidence in diamonds. As it has done since its inception, De Beers continued to support the Kimberley Process, offering guidance to DTC Sightholders on the identification of potentially illegal and unethical exports from Zimbabwe's Marange region. De Beers continued to support increased producer country participation in the diamond pipeline, a key element of further empowerment. The 2010 De Beers Shining Light Awards, focused on promoting young, undiscovered designers in southern Africa, was the largest to date, comprising 30 pieces of diamond jewellery from Botswana, Namibia and South Africa.

DIAMONDS RECOVERED

SOUTH AFRICA

De Beers Consolidated Mines (74% owned by De Beers)

Carats (000)	2010	2009	2008	2007	2006
Cullinan	–	–	540	964	1,150
Finsch Mine	1,583	1,426	2,317	2,334	2,275
Kimberley	823	397	913	1,638	1,945
Koffiefontein	–	–	–	–	2
Namaqualand	97	71	310	767	978
The Oaks	–	–	61	94	103
Venetia	4,288	2,204	7,500	9,081	8,117
Voorspoed	732	532	128	–	–
South Africa Sea Areas	33	167	191	121	–
Total	**7,556**	**4,797**	**11,960**	**14,998**	**14,569**

BOTSWANA

Debswana (50% owned by De Beers)

Carats (000)	2010	2009	2008	2007	2006
Orapa	9,527	7,575	16,869	18,708	17,338
Letlhakane	1,221	1,066	1,200	1,113	1,089
Jwaneng	11,470	9,039	13,674	13,476	15,638
Damtshaa	–	54	533	341	228
Total	**22,218**	**17,734**	**32,276**	**33,638**	**34,293**

NAMIBIA

Namdeb (50% owned by De Beers)

Carats (000)	2010	2009	2008	2007	2006
Land	492	329	1,067	969	1,001
Marine Mining	980	600	1,055	1,207	1,084
Total	**1,472**	**929**	**2,122**	**2,176**	**2,085**

TANZANIA

Carats (000)	2010	2009	2008	2007	2006
Williamson	–	–	134	220	189
Total	**–**	**–**	**134**	**220**	**189**

CANADA

Carats (000)	2010	2009	2008	2007	2006
Victor	826	696	714	–	–
Snap Lake	925	444	926	81	–
Total	**1,751**	**1,140**	**1,640**	**81**	**–**
Grand total	**32,997**	**24,600**	**48,132**	**51,113**	**51,136**

Namdeb – employees clean the bedrock of its diamond bearing gravels using a hose to vacuum up the gravel and high pressure air jet to loosen it.

1 Mt

OF COPPER PER ANNUM POTENTIAL PRODUCTION THROUGH EXPANSION AT COLLAHUASI

490 ktpa

AVERAGE COPPER PRODUCTION OVER FIRST THREE YEARS AT EXPANDED LOS BRONCES OPERATION

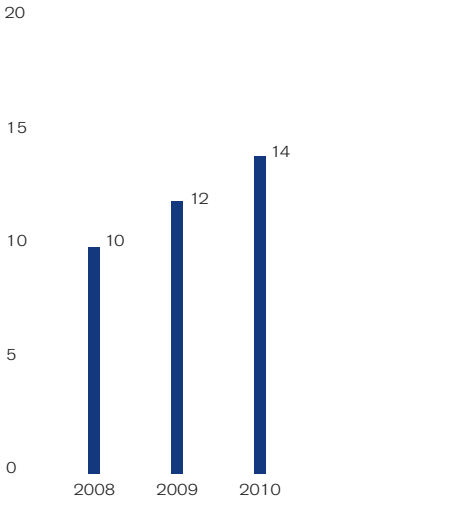
Los Bronces – Plant Operators, Pilar Mendez and Ernesto Chavez in the processing plant over looking the ball mill.

COPPER

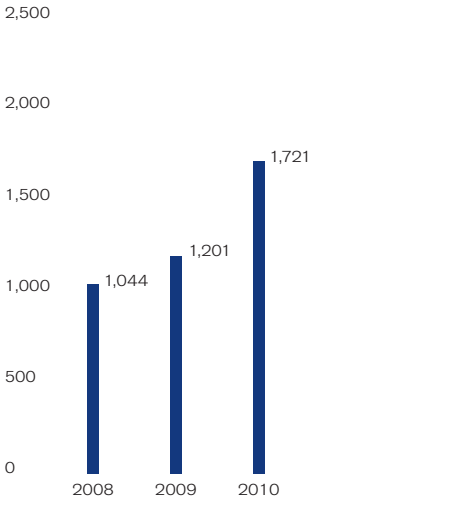
Our copper business has interests in six operations in Chile. These comprise the wholly owned Los Bronces, El Soldado, Mantos Blancos and Mantoverde mines, the Chagres smelter and a 44% interest in the Collahuasi mine.

FINANCIAL HIGHLIGHTS

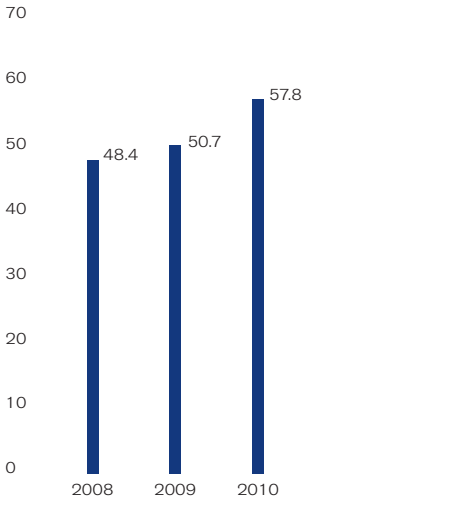
SHARE OF GROUP NET OPERATING ASSETS %



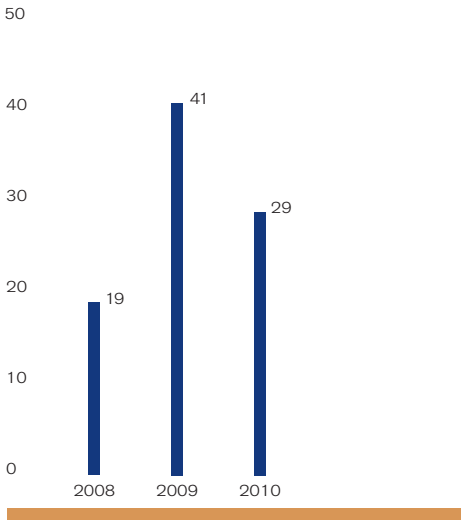
UNDERLYING EARNINGS
$m



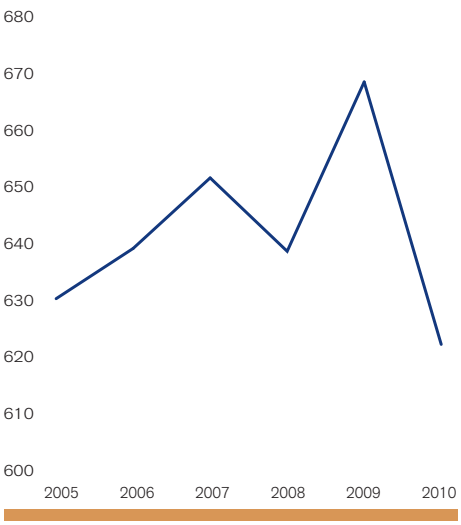
OPERATING MARGIN
%



SHARE OF GROUP OPERATING PROFIT
%



COPPER PRODUCTION FROM COPPER BUSINESS UNIT
000 kt



FINANCIAL DATA

$m	2010	2009	2008
Turnover			
Collahuasi	**1,729**	1,411	1,134
Anglo American Sur	**2,075**	1,723	1,965
Anglo American Norte	**1,073**	833	808
Projects and Corporate	**–**	–	–
Total turnover	**4,877**	**3,967**	**3,907**
EBITDA			
Collahuasi	**1,276**	952	682
Anglo American Sur	**1,263**	994	1,265
Anglo American Norte	**661**	408	288
Projects and Corporate	**(114)**	(100)	(131)
Total EBITDA	**3,086**	**2,254**	**2,104**
Depreciation and amortisation	**269**	**244**	**212**
Operating profit before special items and remeasurements			
Collahuasi	**1,186**	880	613
Anglo American Sur	**1,125**	862	1,157
Anglo American Norte	**624**	369	255
Projects and Corporate	**(118)**	(101)	(133)
Total operating profit before special items and remeasurements	**2,817**	**2,010**	**1,892**
Operating special items and remeasurements	**15**	104	(67)
Operating profit after special items and remeasurements	**2,832**	**2,114**	**1,825**
Net interest, tax and minority interests	**(1,096)**	**(809)**	**(848)**
Underlying earnings			
Collahuasi	**738**	663	367
Anglo American Sur	**685**	444	699
Anglo American Norte	**419**	197	113
Projects and Corporate	**(121)**	(103)	(135)
Total underlying earnings	**1,721**	**1,201**	**1,044**
Net operating assets	**6,291**	**4,763**	**3,148**
Capital expenditure	**1,530**	**1,123**	**808**

At the Los Bronces Confluencia project.

BUSINESS OVERVIEW

INCREASE IN RESERVES AND RESOURCES ANNOUNCED AT COLLAHUASI IN 2010

>40%

GROUP ATTRIBUTABLE COPPER PRODUCTION BY 2012

>900 ktpa

LOS BRONCES EXPECTED MINE LIFE

>30 years

FINANCIAL HIGHLIGHTS

$ million (unless otherwise stated)

	2010	2009
Operating profit	**2,817**	2,010
EBITDA	**3,086**	2,254
Net operating assets	**6,291**	4,763
Capital expenditure	**1,530**	1,123
Share of Group operating profit	**29%**	41%
Share of Group net operating assets	**14%**	12%

OUR COPPER OPERATIONS

South America

1 44% Collahuasi (Chile)
2 100% Los Bronces (Chile)
3 100% El Soldado (Chile)
4 100% Chagres (Chile)
5 100% Mantos Blancos (Chile)
6 100% Mantoverde (Chile)
7 81.9% Quellaveco Project (Peru)
8 100% Michiquillay Project (Peru)

North America

○ 50% Pebble

Key

● Open Pit
○ Other
● Underground

BUSINESS OVERVIEW

We have interests in six copper operations in Chile. The wholly owned operations comprise the Los Bronces, El Soldado, Mantos Blancos and Mantoverde mines as well as the Chagres smelter, while we have a 44% interest in the Collahuasi mine (where the other shareholders are Xstrata with 44%, and a Mitsui consortium holding the balance of 12%). The mines also produce associated by-products such as molybdenum and silver. In addition, we have interests in two projects in Peru (a controlling interest in Quellaveco and Michiquillay) and a 50% interest in the Pebble project in Alaska.

INDUSTRY OVERVIEW

INDUSTRY OVERVIEW

Copper's principal use is in the wire and cable markets because of the metal's electrical conductivity and corrosion resistance. Applications that make use of copper's electrical conductivity, such as wire (including wiring used in buildings), cables and electrical connectors, make up around 60% of total demand. Copper's corrosion-resistant qualities find numerous applications, particularly plumbing pipe and roof sheeting, in the construction industry, which accounts for a further 20% of demand. Copper's thermal conductivity also makes it suitable for use in heat transfer applications such as air conditioning and refrigeration, which constitute some 10% of total demand. Other applications include structural and aesthetic uses.

Copper mining is an attractive industry, with moderate concentration of customers and suppliers, and relatively good average profitability over the long term. Producers are price takers; hence, opportunities for product differentiation are limited, either at the concentrate or metal level. Access to quality orebodies should continue to be the key factor distinguishing project returns and mine profitability.

With no fundamental technological shifts expected in the short to medium term, forecast long term demand is likely to be underpinned by robust growth in copper's electrical uses, particularly wire and cable in construction, automobiles and electricity infrastructure. The key growth area will continue to be the developing world, led by China and, in the longer term, India, where industrialisation and urbanisation on a huge scale continue to propel copper demand growth, and where copper consumption per capita remains well below that of the advanced economies.

What has really distinguished copper in recent times – as reflected in its strong price performance – has been its underperformance on the supply side, which is supporting more robust fundamentals for the metal. Copper mine output has suffered disproportionately from a range of constraints on output, including a long term decline in ore grades, slow ramp-ups at new projects, strikes, technical failures and adverse weather.

Constraints on the supply side are likely to prove a structural feature of the market, driven by continuing declines in ore grades at maturing existing operations and new projects, a lack of capital investment and under-exploration in the industry, as well as political and environmental challenges in new copper areas. 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. Scarcity of water in some geographies, for example in Chile and Peru, is also enforcing the construction of capital- and energy-intensive desalination plants.

Los Bronces – (L to R): Andres Carrion and Yuri Varas in the processing plant at the leaching stage – Copper anodes in the background.

During the period 2000-2008, China increased its share of first-use refined metal consumption from 12% to an estimated 28%. The figure then leapt to 38% in 2009 as demand elsewhere fell sharply, while China's consumption continued to increase strongly. Through 2010, prices trended higher as demand picked up, supply remained constrained, visible inventories continued to decline and the dollar weakened. Anticipation of physically backed copper Exchange Traded Funds (ETFs) is further fuelling the bullish consensus surrounding copper.

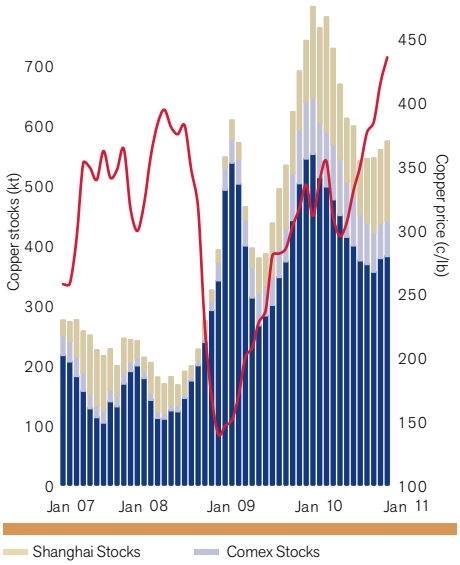
Markets

Average price	2010	2009
Average price (LME cash, c/lb)	**342**	234
Average realised price (c/lb)	**355**	269

Copper prices increased significantly during 2010, particularly during the second half of the year, as demand picked up in the OECD countries and remained relatively robust in China, while supply continued to be constrained, visible inventories fell and the dollar weakened. The emergence of physically backed copper ETFs further fuelled the bullish consensus views.

The LME copper cash price ended 2010 at a (nominal) record of 442 c/lb, a 33% increase over the prior year closing price. The 2010 average price of 342 c/lb represented a 46% increase compared with the previous year. The average realised price for the year was 355 c/lb, 32% higher than for 2009. The lower percentage increase in the realised price versus the average price reflects the lower level of provisional price adjustments in 2010 compared with 2009.

COPPER STOCKS AND PRICE

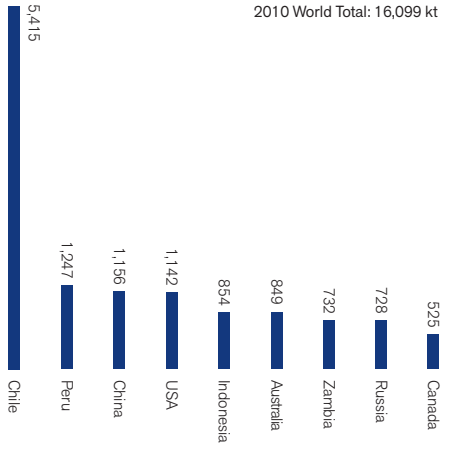


Source: Anglo American Commodity Research

MARKET INFORMATION

LEADING COPPER MINING COUNTRIES
(2010 mine production – '000 tonnes)

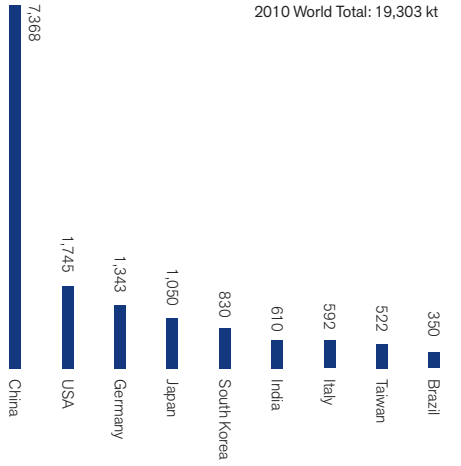
Cu



Source: Brook Hunt, a Wood Mackenzie company

LEADING COPPER CONSUMERS
(2010 refined copper consumption)

Cu



Source: Brook Hunt – a Wood Mackenzie company

GLOBAL COPPER CONSUMPTION
– estimated end use in 2010

%

Construction 33
Electrical products 33
Industrial machinery 13
Transport 13
Consumer products 8

Wire 54
Rods, Bars & Sections 3
Plate, Sheet & Strip 8
Tube 11
Cu Alloys 19
Other 5

Source: Brook Hunt – a Wood Mackenzie company

STRATEGY AND GROWTH

STRATEGY AND GROWTH

Our Los Bronces Development project is on track to deliver first production in the final quarter of 2011, raising our total attributable copper production to more than 900 ktpa by 2012. Additional growth in the short to medium term will come from the Quellaveco project in Peru, and from Collahuasi, where studies are in progress into further expansion following the announcement of a more than 40% increase in reserves and resources. We are continuing work on evaluating the development options for the resources acquired in 2007 at Michiquillay in Peru and Pebble in Alaska, with pre-feasibility studies under way in both projects in 2011.

In Chile, we are conducting extensive exploration around the two high quality copper prospects near Los Bronces at Los Sulfatos and San Enrique Monolito. Supplementing these, in October 2010, we announced a mineral resource estimate of 750 Mt for the West Wall project in Chile's Valparaíso region, in which Anglo American and Xstrata Copper each has a 50% interest.

Projects

The Los Bronces expansion project is on schedule for first production in the fourth quarter of 2011. Production at Los Bronces is scheduled to increase to 490 ktpa over the first three years of full production following project completion and to average 400 ktpa over the first 10 years. At peak production levels, Los Bronces is expected to be the fifth largest producing copper mine in the world, with highly attractive cash operating costs, and reserves and resources that support a mine life of over 30 years, with further expansion potential. Also within the Los Bronces district, work continues on the exploration tunnel being constructed. The tunnel will provide underground drilling access to explore and define the resources at the Los Sulfatos discovery.

Los Bronces – Truck Operators – Fernando Arcaya and Catherine Gonzalez.

At Collahuasi, the expansion project to increase sulphide processing capacity to 150,000 tonnes of ore per day is scheduled to be commissioned in the second half of 2011. The phase 2 expansion project to increase concentrator throughput to 160,000 tonnes of ore per day, an annual average production increment of 20,000 tonnes per year of copper over the estimated life of mine, was approved in March 2011. The expansion is expected to be commissioned in the first half of 2013. In July 2010, Collahuasi announced the increase of its copper reserves and resources by 40%, or by more than 2 billion tonnes, to 7.1 billion tonnes at 0.82% copper. The concept study to evaluate the next phase of expansion is complete, and the project is now entering pre-feasibility to evaluate the options to take Collahuasi to potentially 1 Mt of copper per annum.

Studies continue at both Mantos Blancos and Mantoverde to evaluate further extensions to the lives of the operations. During 2010, the life of Mantos Blancos was extended by five years to 2020, and Mantoverde by two years to 2016.

In Peru, the feasibility study for the Quellaveco project is complete. It is the intention to submit the project for Board approval during 2011 once the necessary water permits have been awarded. Some early works activity is under way in order to maintain the project completion date of late 2014. Also in Peru, early-stage work continues at the Michiquillay project. The drilling relating to the geological exploration programme will restart once certain social agreement issues under discussion with the local communities have been resolved. It is currently envisaged that the project will move to the pre-feasibility stage once drilling analysis and orebody modelling have been satisfactorily completed.

Activity at the Pebble project in Alaska continued during 2010, with the focus on engineering work to advance towards a pre-feasibility study, further environmental study work towards completion of an environmental baseline document, and additional geological exploration drilling. The project's pre-feasibility study is expected to be completed in 2012.

PROJECT PIPELINE – KEY PROJECTS

LOS BRONCES EXPANSION

Overall capex: $2,800m

Country	Chile
Ownership	100%
Incremental production	278,000 tonnes per annum of copper (average over first three years)
Full project capex	$2,800m
Full production	Q3 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 200 ktpa (production will average 278 ktpa over the first three years), 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 4.4 km conveyor belt, together with a 52 km 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.

The expected capital expenditure for the project has been revised to $2.8 billion, mainly due to the impact of the earthquake in 2010 and geotechnical difficulties encountered.

COLLAHUASI PHASE 1 AND 2

Overall capex: $92m and $210m

Country	Chile
Ownership	44%
Total production of mine when project ramps up to full production (100% basis)	490,000 tonnes per annum of copper (average over first ten years)
Full project capex (100% basis)	$92m and $210m respectively
Full production	2011 and 2013 respectively

The Collahuasi mine in Northern Chile is located at 4,400 metres above sea level (masl). The first phase of a number of potential expansion projects is due for completion in mid-2011. Phase 1 will increase sulphide processing capacity to 150kt per day. The Phase 2 expansion project to increase sulphide processing capacity to 160 kt per day was approved in March 2011. The Phase 2 expansion will produce an annual average increment of 20,000 tonnes of copper over the estimated life of the mine and is expected to be commissioned in the first half of 2013. The operation is in the bottom half of the industry cost curve and has a life of mine of over 30 years.

MICHIQUILLAY (UNAPPROVED)

Overall capex: TBD

Country Peru	Michiquillay was acquired in 2007 in a government privatisation. Early stage work continues. The drilling relating to the geological exploration programme will restart once certain social agreement issues under discussion with the local community have been resolved. It is currently envisaged that the project will move to the pre-feasibility stage once drilling analysis and ore body modelling have been satisfactorily completed.
Ownership 100%	
Total production of mine when project ramps up to full production 155,000 tonnes per annum of copper (with expansion potential to 300 ktpa)	
Full project capex TBD	
Full production 2019	

QUELLAVECO (UNAPPROVED)

Overall capex: $3,000m

Country Peru	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 2015. 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.
Ownership 81.9%	
Total production of mine when project ramps up to full production (100% basis) up to 225,000 tonnes per annum of copper (average over first 10 years)	
Full project capex (100% basis) $2,500-3,000m	
Full production 2015	

PEBBLE (UNAPPROVED)

Overall capex: TBD

Country US	Pebble is a 50:50 joint venture located in Alaska, USA. The project has the potential to be large scale, producing up to 350 ktpa copper, plus significant gold and molybdenum by-products. The operation is expected to be in the lower half of the cost curve once at full production. Work is at the pre-feasibility stage which is expected to be completed in 2012. Environmental issues remain a key priority.
Ownership 50%	
Total production of mine when project ramps up to full production (100% basis) up to 350,000 tonnes per annum of copper, 12 ktpa molybdenum and 600 kozpa gold	
Full project capex TBD	
Full production TBD	

PRODUCTION DATA

Production (tonnes)	2010	2009	2008	2007	2006
Collahuasi (attributable basis)					
Copper cathode	**17,100**	19,000	21,700	25,600	26,300
Copper in concentrate	**204,700**	216,800	182,600	173,300	167,300
Total copper production for Collahuasi	**221,800**	**235,800**	**204,300**	**198,900**	**193,600**
Anglo American Sur					
Los Bronces copper cathode	**42,600**	45,500	43,700	46,400	42,500
Los Bronces copper in sulphate	**4,100**	2,900	2,100	1,900	–
Los Bronces copper in concentrate	**174,700**	190,000	190,000	182,900	183,500
Total copper production for Los Bronces	**221,400**	**238,400**	**235,800**	**231,200**	**226,000**
El Soldado copper cathode	**4,700**	4,200	6,700	7,500	6,500
El Soldado copper in concentrate	**35,700**	37,200	43,100	65,300	62,200
Total copper production for El Soldado	**40,400**	**41,400**	**49,800**	**72,800**	**68,700**
Chagres Smelter					
Copper blister/anode	**137,900**	137,700	146,100	164,100	173,400
Copper blister/anode (third party)	**–**	2,500	1,000	–	–
Acid	**466,700**	457,600	486,600	493,400	499,200
Total copper production from Anglo American Sur[1]	**261,800**	**282,300**	**286,600**	**304,000**	**294,700**
Anglo American Norte					
Mantos Blancos copper cathode	**39,100**	46,200	39,600	48,700	49,100
Mantos Blancos copper in concentrate	**39,500**	44,000	46,800	40,200	42,600
Total copper production for Mantos Blancos	**78,600**	**90,200**	**86,400**	**88,900**	**91,700**
Mantoverde – copper cathode	**61,100**	61,500	62,500	61,000	60,300
Total copper production from Anglo American Norte[1]	**139,700**	**151,700**	**148,900**	**149,900**	**152,000**
Total Copper segment copper production	**623,300**	**669,800**	**639,800**	**652,800**	**640,300**

[1]Includes total concentrate, cathode and copper in sulphate production and blister/anode produced from third party.

Los Bronces – Jorge Reyes, Engineer and Juan Saez R, Engineer amongst the contractors working at the Los Bronces Confluencia project.

COPPER

estimates as at 31 December 2010

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The Ore Reserve and Mineral Resource estimates were compiled in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as a minimum standard. 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 ORE RESERVES	Attributable %	LOM	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Los Bronces (OP)[1]	100	34		Mt	Mt	%Cu	%Cu	kt	kt
Sulphide (TCu)			Proved	712.9	797.7	0.73	0.73	5,205	5,823
Flotation[2]			Probable	794.5	849.8	0.55	0.55	4,370	4,674
			Total	**1,507.4**	**1,647.5**	**0.64**	**0.64**	**9,575**	**10,497**
Sulphide (TCu)			Proved	384.4	442.3	0.37	0.36	1,421	1,592
Dump Leach[3]			Probable	350.1	382.0	0.29	0.28	1,015	1,069
			Total	**734.5**	**824.3**	**0.33**	**0.32**	**2,436**	**2,662**
El Soldado (OP and UG)	100	20				%Cu	%Cu		
Sulphide (TCu)			Proved	84.2	79.6	1.00	0.94	843	750
Flotation[4]			Probable	52.4	49.9	0.83	0.76	433	381
			Total	**136.6**	**129.6**	**0.93**	**0.87**	**1,276**	**1,131**
Oxide (TCu)			Proved	1.9	3.0	0.81	0.86	16	26
Heap Leach[5]			Probable	3.5	4.2	0.52	0.54	18	23
			Total	**5.4**	**7.2**	**0.62**	**0.67**	**33**	**48**
Mantos Blancos (OP)	100	10				%Cu	%Cu		
Sulphide (ICu)			Proved	16.2	7.2	0.88	0.88	143	63
Flotation[6]			Probable	29.6	18.8	0.84	0.94	249	177
			Total	**45.8**	**26.0**	**0.85**	**0.93**	**392**	**240**
Oxide (ASCu)			Proved	6.2	3.3	0.53	0.70	33	23
Vat and Heap Leach[7]			Probable	15.6	29.2	0.30	0.43	47	126
			Total	**21.8**	**32.5**	**0.37**	**0.46**	**80**	**149**
Oxide (ASCu)			Proved	2.3	0.9	0.19	0.24	4	2
Dump Leach[8]			Probable	57.2	11.9	0.23	0.25	134	30
			Total	**59.5**	**12.7**	**0.23**	**0.25**	**138**	**32**
Mantoverde (OP)	100	6				%Cu	%Cu		
Oxide (ASCu)			Proved	36.5	37.7	0.57	0.59	208	222
Heap Leach[9]			Probable	15.3	6.6	0.55	0.54	84	36
			Total	**51.8**	**44.3**	**0.56**	**0.58**	**292**	**258**
Oxide (ASCu)			Proved	29.1	17.3	0.24	0.32	70	55
Dump Leach[10]			Probable	22.1	7.0	0.28	0.42	62	29
			Total	**51.2**	**24.3**	**0.26**	**0.35**	**132**	**85**
Collahuasi (OP)[11]	44.0	60				%Cu	%Cu		
Oxide and Mixed (TCu)[12]			Proved	0.1	0.2	1.66	1.16	2	3
Heap Leach			Probable	29.3	19.3	0.66	0.74	193	143
			Total	**29.4**	**19.6**	**0.66**	**0.75**	**195**	**146**
Sulphide (TCu)			Proved	286.6	322.9	1.04	1.03	2,985	3,326
Flotation – direct feed			Probable	1,366.8	1,227.7	0.95	0.93	12,968	11,417
			Total	**1,653.4**	**1,550.6**	**0.96**	**0.95**	**15,952**	**14,743**
Low Grade Sulphide (TCu)			Proved	–	–	–	–	–	–
Flotation – stockpile			Probable	775.9	615.0	0.51	0.52	3,924	3,198
			Total	**775.9**	**615.0**	**0.51**	**0.52**	**3,924**	**3,198**

Mining method: OP = Open Pit, UG = Underground. LOM = Life of Mine in years based on scheduled Ore Reserves.
TCu = total copper, ICu = insoluble copper (total copper less acid soluble copper), ASCu = acid soluble copper.

(1) **Los Bronces :** The sub-product estimated grade for molybdenum is 0.014% for the total Ore Reserves quoted, while the average estimated grade for Mineral Resources is 0.007%.
(2) **Los Bronces – Sulphide (Flotation):** The decrease in Ore Reserves is the result of changes to the pit design, in response to restrictions imposed by mining permits, as well as variable changes to slope angles driven by geotechnical and operational considerations. This subsequently resulted in material being re-allocated from Ore Reserves to Mineral Resources.
(3) **Los Bronces – Sulphide (Dump Leach):** Both Ore Reserves and Mineral Resources were reduced based on a change in the modelled sulphate boundary due to new information.
(4) **El Soldado – Sulphide (Flotation):** The gain in Ore Reserves was primarily driven by the increase in copper price, adding phase 6 to the 'Filo' area of the mine. The decrease in Mineral Resources was driven by the conversion of Mineral Resources to Ore Reserves.
(5) **El Soldado – Oxide (Heap Leach):** The decrease in Ore Reserves is primarily due to production with transfer of 'mixed' oxide material to the sulphide process contributing to the rest of the decrease.
(6) **Mantos Blancos – Sulphide (Flotation):** The increase was primarily due to the addition of Phase 17 resulting from benefits associated with higher metal prices and stripping benefit associated with the development of the Mercedes Dump Leach project.
(7) **Mantos Blancos – Oxide (Vat and Heap Leach):** The decrease in Ore Reserves is predominantly a result of production depletion and a change in the cut-off grade strategy driven by costs. The decrease in Mineral Resources was driven by conversion of Mineral Resources to Ore Reserves in the Mercedes Dump Leach project area.
(8) **Mantos Blancos – Oxide (Dump Leach):** The increase in Ore Reserves was driven by the conversion of Mineral Resources from the Mercedes Dump Leach area and the change in the life-of-mine plan to re-process old Vat and Heap-Leach tailings. The increase in Mineral Resources was based on new material introduced from the phase II area of the Mercedes Dump.
(9) **Mantoverde – Oxide (Heap Leach):** The increase in Ore Reserves was due to new mine designs driven by higher copper prices, lowering of the cut-off grades and a reduction in the carbonate restriction for Heap material, resulting in the addition of several new phases and satellite pits. The decrease in Mineral Resources was primarily due to conversion to Ore Reserves.
(10) **Mantoverde – Oxide (Dump Leach):** The significant increase in Ore Reserves is a result of new pit designs driven by higher copper prices in conjunction with lower cut-off grades supported by operational performance. The decrease in Mineral Resources was primarily due to conversion to Ore Reserves.
(11) **Collahuasi:** The increase in Ore Reserves was primarily driven by the increase in metal prices coupled with new drilling information (Rosario) and the lowering of the breakeven cut-off grade for sulphide ore feed (0.4% to 0.34%TCu). Significant increases in sulphide Mineral Resources were due to new drilling information (Rosario West) as a primary factor and higher metal prices coupled with the change in cut-off grade as a secondary factor. The sub-product estimated grade for molybdenum is 0.022% for Ore Reserves, while the average estimated grade for Mineral Resources is 0.024%.
(12) **Collahuasi – Oxide and Mixed:** Increase in Oxide reserves was driven by higher metal prices and new drilling information from the Dulcinea and La Borracha pits. The previously reported Secondary Sulphides have been re-allocated to Mineral Deposit due to uneconomic metallurgical recoveries.
(13) **Copper Resources:** A test of reasonable eventual economic extraction is applied through consideration of an optimised pit shell. Materials outside the optimised shell that have potential of eventual economic extraction via underground means are included in the Mineral Resource statement.

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.

Audits related to the generation of the Ore Reserve and Mineral Resource statements were carried out by independent consultants during 2010 at the following operations:
Los Bronces, El Soldado, Mantos Blancos, Mantoverde and Collahuasi.

COPPER continued

estimates as at 31 December 2010

Copper – Operations MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Los Bronces (OP)[1][13]	100		Mt	Mt	%Cu	%Cu	kt	kt
Sulphide (TCu)		Measured	118.2	55.7	0.48	0.43	567	240
Flotation[2]		Indicated	1,030.0	739.8	0.42	0.39	4,326	2,885
		Measured and Indicated	**1,148.1**	**795.5**	**0.43**	**0.39**	**4,893**	**3,125**
		Inferred (in LOM)	68.0	121.0	0.54	0.52	367	629
		Inferred (ex. LOM)	2,853.4	3,065.0	0.38	0.38	10,843	11,647
		Total Inferred	**2,921.4**	**3,186.0**	**0.38**	**0.39**	**11,210**	**12,276**
Sulphide (TCu)		Measured	–	–	–	–	–	–
Dump Leach[3]		Indicated	–	–	–	–	–	–
		Measured and Indicated	**–**	**–**	**–**	**–**	**–**	**–**
		Inferred (in LOM)	108.4	132.0	0.26	0.25	282	330
		Inferred (ex. LOM)	–	–	–	–	–	–
		Total Inferred	**108.4**	**132.0**	**0.26**	**0.25**	**282**	**330**
El Soldado (OP and UG)[13]	100				%Cu	%Cu		
Sulphide (TCu)		Measured	27.8	30.4	0.73	0.72	203	219
Flotation[4]		Indicated	17.0	23.0	0.67	0.65	114	150
		Measured and Indicated	**44.8**	**53.4**	**0.71**	**0.69**	**317**	**368**
		Inferred (in LOM)	17.5	13.1	0.81	0.68	142	89
		Inferred (ex. LOM)	22.3	34.3	0.61	0.60	136	206
		Total Inferred	**39.8**	**47.4**	**0.70**	**0.62**	**278**	**295**
Oxide (TCu)		Measured	0.3	0.2	0.82	0.91	2	2
Heap Leach[5]		Indicated	0.2	0.2	0.78	0.83	2	1
		Measured and Indicated	**0.5**	**0.4**	**0.80**	**0.88**	**4**	**3**
		Inferred (in LOM)	0.2	0.5	0.66	0.80	1	4
		Inferred (ex. LOM)	0.5	0.7	0.74	0.69	3	5
		Total Inferred	**0.7**	**1.2**	**0.72**	**0.74**	**5**	**9**
Mantos Blancos (OP)[13]	100				%Cu	%Cu		
Sulphide (ICu)		Measured	16.4	10.6	0.75	0.68	123	72
Flotation[6]		Indicated	101.8	105.2	0.63	0.68	642	715
		Measured and Indicated	**118.2**	**115.8**	**0.65**	**0.68**	**765**	**788**
		Inferred (in LOM)	0.8	2.0	0.78	0.66	6	13
		Inferred (ex. LOM)	8.3	10.4	0.57	0.55	47	57
		Total Inferred	**9.1**	**12.4**	**0.59**	**0.57**	**53**	**70**
Oxide (ASCu)		Measured	5.8	1.1	0.43	0.56	25	6
Vat and Heap Leach[7]		Indicated	16.6	27.1	0.42	0.37	70	100
		Measured and Indicated	**22.4**	**28.2**	**0.42**	**0.38**	**95**	**106**
		Inferred (in LOM)	0.6	1.3	0.38	0.53	2	7
		Inferred (ex. LOM)	3.5	3.3	0.44	0.58	15	19
		Total Inferred	**4.1**	**4.7**	**0.43**	**0.57**	**18**	**26**
Oxide (ASCu)		Measured	–	–	–	–	–	–
Dump Leach[8]		Indicated	–	–	–	–	–	–
		Measured and Indicated	**–**	**–**	**–**	**–**	**–**	**–**
		Inferred (in LOM)	0.3	1.2	0.17	0.23	1	3
		Inferred (ex. LOM)	13.0	–	0.24	–	31	–
		Total Inferred	**13.3**	**1.2**	**0.24**	**0.23**	**32**	**3**
Mantoverde (OP)[13]	100				%Cu	%Cu		
Oxide (ASCu)		Measured	22.3	38.5	0.33	0.35	74	135
Heap Leach[9]		Indicated	25.8	22.9	0.35	0.34	90	78
		Measured and Indicated	**48.1**	**61.5**	**0.34**	**0.35**	**164**	**213**
		Inferred (in LOM)	0.7	0.2	0.50	0.54	3	1
		Inferred (ex. LOM)	2.5	4.4	0.31	0.62	8	27
		Total Inferred	**3.2**	**4.6**	**0.35**	**0.62**	**11**	**28**
Oxide (ASCu)		Measured	–	–	–	–	–	–
Dump Leach[10]		Indicated	–	2.7	–	0.35	–	9
		Measured and Indicated	**–**	**2.7**	**–**	**0.35**	**–**	**9**
		Inferred (in LOM)	2.3	0.2	0.22	0.37	5	1
		Inferred (ex. LOM)	–	–	–	–	–	–
		Total Inferred	**2.3**	**0.2**	**0.22**	**0.37**	**5**	**1**
Collahuasi (OP)[11][13]	44.0				%Cu	%Cu		
Oxide and Mixed (TCu)[12]		Measured	–	–	–	–	–	–
Heap Leach		Indicated	10.5	18.0	0.61	0.69	64	124
		Measured and Indicated	**10.5**	**18.0**	**0.61**	**0.69**	**64**	**124**
		Inferred (in LOM)	10.2	0.6	0.84	1.09	86	7
		Inferred (ex. LOM)	9.4	1.3	0.72	0.71	68	9
		Total Inferred	**19.7**	**2.0**	**0.78**	**0.83**	**153**	**16**
Sulphide (TCu)		Measured	2.6	1.4	0.75	0.73	19	10
Flotation – direct feed		Indicated	411.2	344.6	0.92	0.86	3,787	2,964
		Measured and Indicated	**413.8**	**346.0**	**0.92**	**0.86**	**3,806**	**2,974**
		Inferred (in LOM)	567.7	252.3	0.99	0.93	5,602	2,346
		Inferred (ex. LOM)	2,329.8	1,558.6	0.93	0.90	21,736	14,027
		Total Inferred	**2,897.5**	**1,810.8**	**0.94**	**0.90**	**27,338**	**16,373**
Low Grade Sulphide (TCu)		Measured	3.7	1.2	0.45	0.48	17	6
Flotation – stockpile		Indicated	151.1	76.0	0.47	0.49	703	373
		Measured and Indicated	**154.7**	**77.2**	**0.47**	**0.49**	**720**	**378**
		Inferred (in LOM)	234.4	62.0	0.49	0.51	1,153	316
		Inferred (ex. LOM)	909.8	614.0	0.47	0.50	4,273	3,070
		Total Inferred	**1,144.2**	**676.0**	**0.47**	**0.50**	**5,426**	**3,386**

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

Copper – Projects ORE RESERVES	Attributable %	LOM	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Quellaveco (OP)[1]	81.9	28		Mt	Mt	%Cu	%Cu	kt	kt
Sulphide (TCu)			Proved	701.8	672.2	0.65	0.61	4,562	4,096
Flotation			Probable	214.6	207.8	0.63	0.76	1,352	1,572
			Total	**916.4**	**880.0**	**0.65**	**0.64**	**5,914**	**5,668**

Copper – Projects MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Quellaveco (OP)[1]	81.9		Mt	Mt	%Cu	%Cu	kt	kt
Sulphide (TCu)		Measured	196.8	213.1	0.40	0.44	787	937
Flotation		Indicated	627.0	394.6	0.45	0.45	2,822	1,776
		Measured and Indicated	**823.8**	**607.6**	**0.44**	**0.45**	**3,609**	**2,713**
		Inferred (in LOM)	8.1	32.7	0.72	0.72	58	235
		Inferred (ex. LOM)	174.9	77.7	0.44	0.45	770	350
		Total Inferred	**183.0**	**110.4**	**0.45**	**0.53**	**828**	**585**
Mantoverde Sulphide Project[2]	100				%Cu	%Cu		
Sulphide (TCu)		Measured	81.1	1.0	0.68	0.80	552	8
Flotation		Indicated	37.8	50.6	0.68	0.75	257	380
		Measured and Indicated	**119.0**	**51.7**	**0.68**	**0.75**	**809**	**388**
		Inferred	53.1	100.6	0.64	0.69	340	694
Pebble (OP/UG)[3][4][5][6][7]	50.0				%Cu	%Cu		
Cu-Au-Mo Porphyry		Measured[4]	510.0	510.0	0.34	0.34	1,734	1,734
		Indicated[5]	4,890.0	4,890.0	0.46	0.46	22,494	22,494
		Measured and Indicated	**5,400.0**	**5,400.0**	**0.45**	**0.45**	**24,228**	**24,228**
		Inferred[6]	2,840.0	2,840.0	0.32	0.32	9,088	9,088
Los Sulfatos[8]	100				%Cu	%Cu		
Sulphide (TCu)		Inferred	1,200	1,200	1.46	1.46	17,520	17,520
San Enrique Monolito[9]	100				%Cu	%Cu		
Sulphide (TCu)		Inferred	900	900	0.81	0.81	7,290	7,290
West Wall[10]	50.0				%Cu	%Cu		
Sulphide (TCu)		Inferred	750	–	0.54	–	4,050	–

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

Mining method: OP = Open Pit, UG = Underground. 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) **Quellaveco:** New drilling information resulted in improvements in the proportion of Proven and Probable Ore Reserves. While there was no significant increase in Ore Reserves, the use of higher metal prices for the determination of the resource pit resulted in a significant increase in Mineral Resources. The sub-product estimated grade for molybdenum is 0.019% for Ore Reserves, while the average estimated grade for Mineral Resources is 0.016%. Due to a rounding error on average grades reported in 2009, a correction of -12kt in contained metal was necessary for the 2009 Ore Reserves. This resulted in a small change in the average grade reported for 2009 Ore Reserves from 0.65% to 0.64%(TCu).

(2) **Mantoverde Sulphide Project:** New drilling information significantly improved the proportion of Measured and Indicated category material, while a change in the copper price also increased the overall volume of Mineral Resources.

(3) **Pebble:** The Mineral Resources are based on drilling to May 2009 and a block model finalised in December 2009. Reported Mineral Resources fall within a volume defined by resource price estimates and are based on a cut-off grade of 0.40% CuEq. Calculation of copper equivalent (CuEq) is based on long-term metal prices and takes into consideration the recovery of copper, gold and molybdenum. At a cut-off of 0.60% CuEq the estimate of Measured Resources is 277Mt at 0.40% Cu, 0.42 g/t Au, 0.020% Mo while the estimate of Indicated Resources is 3,391Mt at 0.56% Cu, 0.41 g/t Au, 0.029% Mo.

(4) **Pebble co-product estimated grades 2010 (Measured):** Gold 0.36g/t, Molybdenum 0.018%. CuEq average grade 0.66%.

(5) **Pebble co-product estimated grades 2010 (Indicated):** Gold 0.36g/t, Molybdenum 0.027%. CuEq average grade 0.85%.

(6) **Pebble co-product estimated grades 2010 (Inferred):** Gold 0.30g/t, Molybdenum 0.026%. CuEq average grade 0.66%.

(7) **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. There are no known factors affecting the claims.

(8) **Los Sulfatos:** The 2010 work programme focused on development of Tunel Sur, an 8km tunnel that will provide underground access for resource drilling. Drilling is planned to commence during 2012. The test for reasonable prospects of eventual economic extraction is based on an underground operation.

(9) **San Enrique Monolito:** Exploration drilling during 2010 focused on the confirmation of extension at depth for the underground resource. The test for reasonable prospects of eventual economic extraction is based on an underground operation.

(10) **West Wall:** Exploration in 2010 focused on in-fill drilling of the Lagunillas sector of the project. The test for reasonable prospects of eventual economic extraction is based on an open pit operation to a depth of 600m below surface.

Audits related to the generation of the Ore Reserve and Mineral Resource statements were carried out by independent consultants during 2010 at the following projects:
Quellaveco, Mantoverde Sulphide Project and Pebble.

100%

INCREASE IN NICKEL'S PRODUCTION IN 2011 AS THE BARRO ALTO PROJECT RAMPS UP

185 metres

LENGTH OF EACH OF THE TWO ROTARY KILNS AT BARRO ALTO (PICTURED)

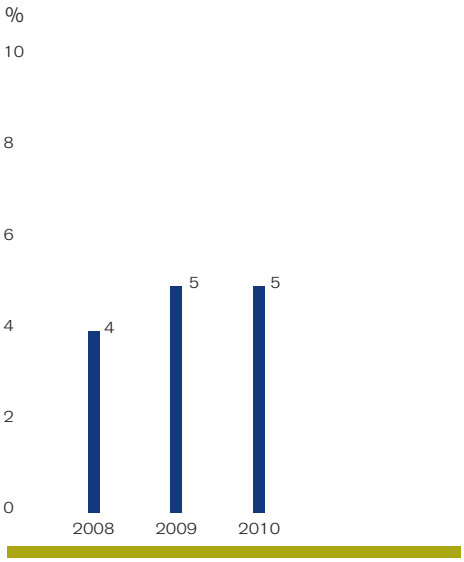
Installation of two 185 metre-long rotary kilns at Barro Alto. Ore is heated at very high temperatures in kilns in a process known as calcining, which removes moisture and water crystallisation from ore and starts the metallurgical process, pre-reducing the ore before feeding it to an electric-arc furnace for smelting.

NICKEL

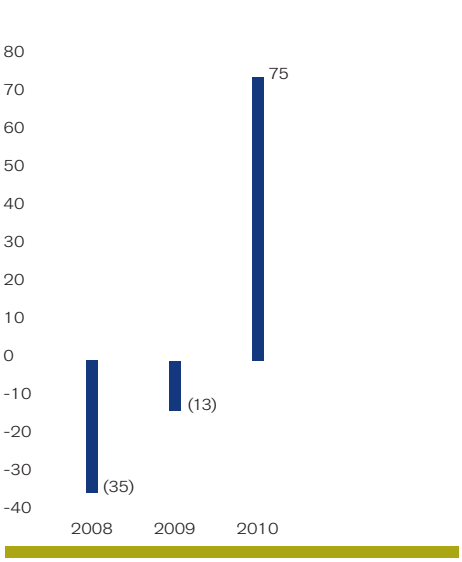
Nickel has three operating assets, Codemin in Brazil, Loma de Níquel in Venezuela, both producing ferronickel, as well as the recently commissioned world class Barro Alto asset in Brazil.

FINANCIAL HIGHLIGHTS

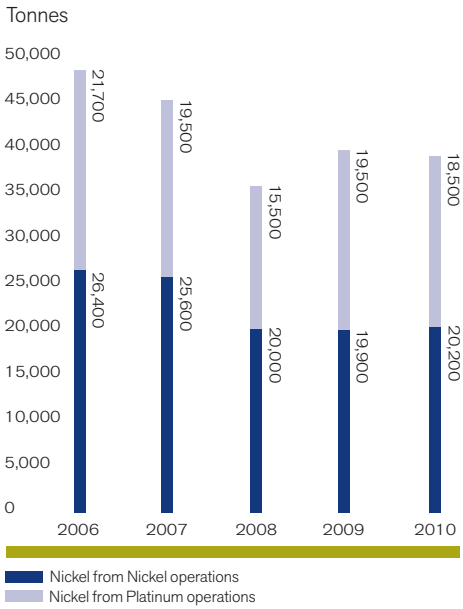
SHARE OF GROUP NET OPERATING ASSETS



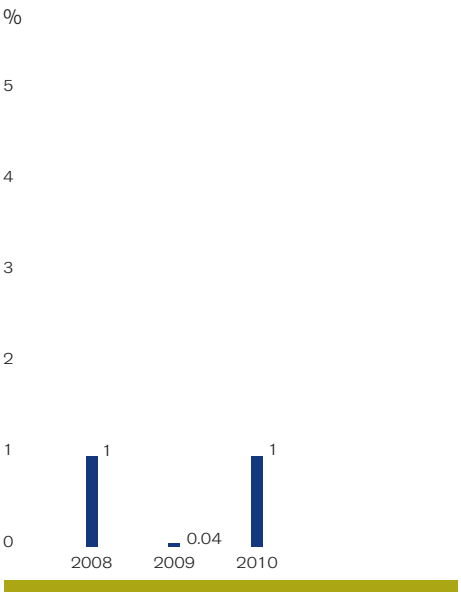
UNDERLYING EARNINGS



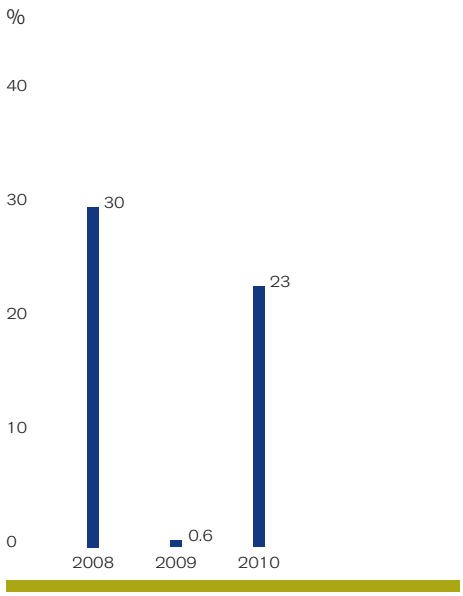
ANGLO AMERICAN NICKEL PRODUCTION



SHARE OF GROUP OPERATING PROFIT



OPERATING MARGIN



FINANCIAL DATA

$m	2010	2009	2008
Turnover			
Codemin	**195**	157	198
Loma de Níquel	**231**	191	210
Projects and Corporate	**–**	–	–
Total turnover	**426**	**348**	**408**
EBITDA			
Codemin	**83**	49	132
Loma de Níquel	**82**	11	48
Projects and Corporate	**(43)**	(32)	(30)
Total EBITDA	**122**	**28**	**150**
Depreciation and amortisation	**26**	**(26)**	**(27)**
Operating profit before special items and remeasurements			
Codemin	**76**	41	123
Loma de Níquel	**65**	(7)	30
Projects and Corporate	**(45)**	(32)	(30)
Total operating profit before special items and remeasurements	**96**	**2**	**123**
Operating special items and remeasurements	**(51)**	(88)	(130)
Operating profit after special items and remeasurements	**45**	**(86)**	**(7)**
Net interest, tax and minority interests	**(21)**	**(15)**	**(158)**
Underlying earnings			
Codemin	**48**	24	94
Loma de Níquel	**55**	17	(97)
Projects and Corporate	**(28)**	(54)	(32)
Total underlying earnings	**75**	**(13)**	**(35)**
Net operating assets	**2,334**	**1,787**	**1,401**
Capital expenditure	**525**	**554**	**530**

Loma De Niquel Nickel Mine – distant view of the mine.

BUSINESS OVERVIEW

CONTAINED NICKEL AT JACARÉ
3.7 Mt

AVERAGE NICKEL PRODUCTION OVER FIRST FIVE YEARS AT BARRO ALTO
41 ktpa

FIRST METAL FROM BARRO ALTO
Q1 2011

FINANCIAL HIGHLIGHTS

$ million (unless otherwise stated)	2010	2009
Operating profit	**96**	2
EBITDA	**122**	28
Net operating assets	**2,334**	1,787
Capital expenditure	**525**	554
Share of Group operating profit	**1%**	0.04%
Share of Group net operating assets	**5%**	5%

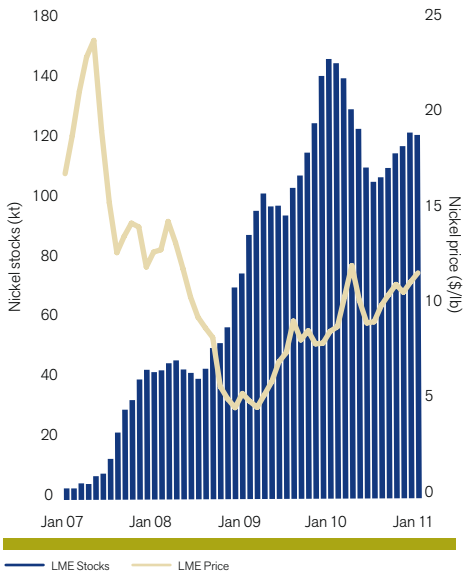
BUSINESS OVERVIEW

Nickel has three operating assets, Codemin in Brazil and Loma de Níquel in Venezuela, both producing ferronickel, as well as the recently commissioned world class Barro Alto asset in Brazil, which delivered first metal in March 2011 and will more than double the business unit's production, adding an average of 36 kt of nickel per year. Within the business unit's portfolio there are also two promising unapproved projects, Jacaré and Morro Sem Boné, both in Brazil, and early-stage exploration projects in Finland, Canada and Australia.

First metal from the recently commissioned world class Barro Alto asset in Brazil.

INDUSTRY OVERVIEW

NICKEL STOCKS AND PRICES



Source: Anglo American Commodity Research

INDUSTRY OVERVIEW

Nickel can occur as two main deposits: sulphides that are found underground and laterites that can be mined by open pit methods. Sulphides contain a significant number of by-products such as gold, silver, copper and PGMs, which typically generate processing credits.

Nickel's main use is as an alloying metal, along with chromium and other metals, in the production of stainless and heat resistant steel. Approximately 66% of nickel is used to manufacture stainless steel and around 25% in other steel and non-ferrous alloys. Primary nickel is used in the form of pure nickel metal, ferronickel, nickel oxide and other chemicals. The steel industry is also supplied by recycled nickel and, in a more recent development, by nickel pig iron (NPI) in China. However, NPI production, which is a highly energy intensive process, decreased in 2010 due to the initiatives implemented by the Chinese government in order to save energy.

The industry is highly cyclical. World stainless steel production increased by nearly 21% in 2010, albeit from a very low base, its strongest growth since 1995. Nickel consumption has risen from about 1.12 Mt in 2000 to about 1.48 Mt in 2010, a compound average growth rate of 2.8% per annum, reflecting an increase in the pace of industrialisation and urbanisation programmes in developing nations.

The nickel market experienced its best year in recent years in 2007 when the average price was $16.86/lb compared with $11.02/lb in 2006 and $6.68/lb in 2005. It has subsequently fallen back and ended 2010 at $11.32/lb.

Markets

Average nickel price (c/lb)	2010	2009
Average market price (LME, cash)	**989**	667
Average realised price	**986**	668

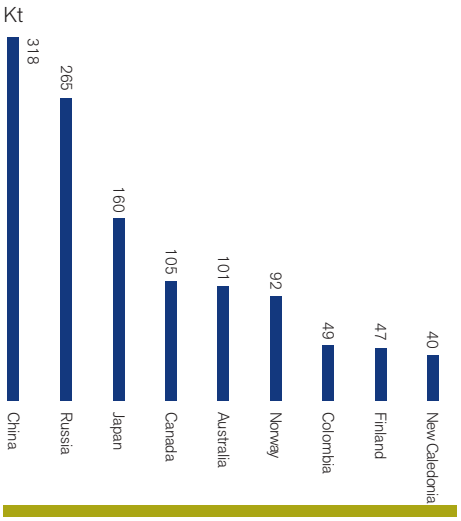
The average nickel price was 48% higher than in 2009, underpinned by strong stainless steel demand. Global nickel consumption increased by 12% to 1.48 Mt in 2010, while supply remained constrained owing to strike action and delays to new projects experienced by a number of producers.

From a low of $7.73/lb during February 2010, prices rose sharply to a high for the year of $12.52/lb in April as a result of improved underlying fundamentals and stainless steel restocking. Prices retreated to $8.14/lb in June amid concerns over the impact of the European debt crises, but rebounded during the fourth quarter, ending the year at $11.32/lb.

LME stocks decreased by 18% from a high of 166,000 tonnes at the beginning of February to 136,000 tonnes at the end of December, indicative of underlying physical demand for nickel.

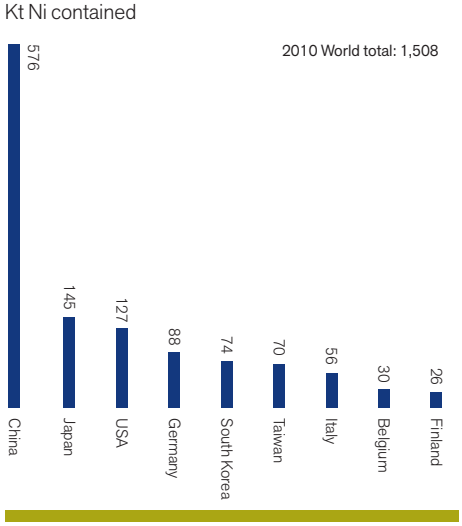
MARKET INFORMATION

LEADING NICKEL PRODUCING COUNTRIES (2010 mine production)



Source: CRU International Ltd

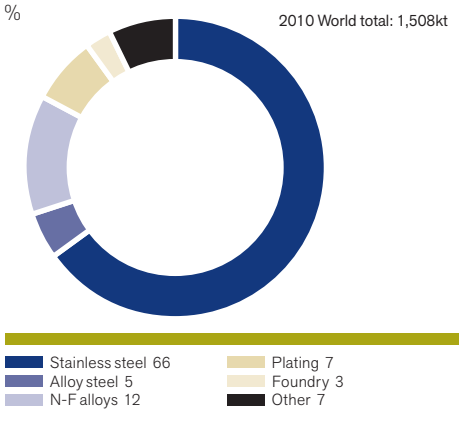
LEADING NICKEL CONSUMERS (2010 refined consumption)



Source: CRU International Ltd

GLOBAL NICKEL CONSUMPTION BY FIRST USE

– estimated end use in 2010



Source: Brook Hunt – a Wood Mackenzie company

STRATEGY AND GROWTH

STRATEGY AND GROWTH

Nickel aims to become a major low cost producer by managing efficiently its existing assets, extracting value with asset optimisation initiatives. In the mid to long term the business unit will grow organically, maximising value from greenfield projects and looking for brownfield opportunities.

The business evaluates inorganic growth options and acquisitions as well as technology development through Anglo American's ARNi (Anglo Research Nickel) section. ARNi is developing a hydrometallurgical process, which could provide the business with a strong competitive advantage.

Significant future growth will come from Barro Alto, which began its ramp-up in early 2011, and will make Anglo American the largest producer of ferronickel in the world with an estimated 11% market share, and one that is well positioned on the lower half of the industry cost curve, making it the world's third most competitive ferronickel producer.

Projects

First metal from the $1.9 billion Barro Alto nickel project was produced on schedule in March 2011.

This project makes use of a proven technology and will produce an average of 36 ktpa of nickel in ferronickel at full production, averaging 41 ktpa over the first five years, with a competitive cost position.

The Nickel business' unapproved project pipeline has the potential to increase production by an additional 66 ktpa, with further upside potential, leveraging the Group's considerable nickel laterite technical expertise. Jacaré, with Mineral Resources of 3.7 Mt of contained nickel, was the largest nickel discovery in the last decade and has the potential to significantly strengthen Anglo American's position in the worldwide nickel market.

Barro Alto, ferronickel project – Women in Mining – Primary Crusher – Iraildes, lady digger driver at the primary crusher.

PROJECT PIPELINE – KEY PROJECTS

BARRO ALTO

Overall capex: $1,900m

Country	Brazil
Ownership	100%
Incremental production	36,000 tonnes per annum of nickel
Full project capex	$1,900m
Full production	H2 2012

The Barro Alto project is located in the state of Goias, Brazil, approximately 170km from Anglo American's existing Codemin nickel operation. The project was approved in December 2006 and first metal was produced on schedule in March 2011 at a capital cost of $1.9 billion. Average production over the 26 year life of mine will be 36 ktpa of nickel. Once at full production, the operation is expected to be in the lower half of the cash cost curve, and will more than double Anglo American'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 American at its existing nickel operations.

MORRO SEM BONÉ (UNAPPROVED)

Overall capex: TBD

Country	Brazil
Ownership	100%
Incremental production	~30,000 tonnes per annum of nickel
Full project capex	TBD
First production	TBD

Morro Sem Boné is located in Brazil and is expected to operate in the lower half of the cost curve.

JACARÉ (UNAPPROVED)

Overall capex: TBD

Country	Brazil
Ownership	100%
Incremental production	up to 85,000 tonnes per annum of nickel
Full project capex	TBD
First production date	TBD

The Jacaré project is located in Brazil and, at full production, is expected to operate in the lower half of the cost curve. Phase 1 of the project could potentially deliver 35 ktpa of nickel, with Phase 2 potentially delivering a further 50 ktpa with cobalt by-products.

PRODUCTION DATA

Production (tonnes)	2010	2009	2008	2007	2006
Codemin					
Ore mined	**493,900**	547,700	498,400	539,300	487,600
Ore processed	**488,300**	512,000	475,900	522,600	518,600
Ore grade processed (% Ni)	**1.9**	2.1	2.1	2.1	2.1
Production	**8,500**	**9,500**	**9,100**	**9,900**	**9,800**
Loma de Níquel					
Ore mined	**714,200**	822,700	811,000	1,183,200	1,324,300
Ore processed	**798,000**	641,800	676,800	1,096,100	1,205,000
Ore grade processed (% Ni)	**1.6**	1.6	1.6	1.6	1.6
Production	**11,700**	**10,400**	**10,900**	**15,700**	**16,600**
Total Nickel segment nickel production	**20,200**	**19,900**	**20,000**	**25,600**	**26,400**
Platinum nickel production[1]	**18,500**	**19,500**	**15,500**	**19,200**	**21,700**
Total attributable nickel production	**38,700**	**39,400**	**35,500**	**44,800**	**48,100**

[1] Northam Platinum Limited was transferred to a disposal group in September 2007. Production information excludes Northam Platinum Limited. Northam Platinum Limited was sold on 20 August 2008.

Codemin – Industrial Plant – Maintenance of crusher – (L to R): Claton Jose Pinto and Renilson Gomes da Silva.

NICKEL

estimates as at 31 December 2010

NICKEL

The Ore Reserve and Mineral Resource estimates were compiled in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as a minimum standard. 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.

Nickel – Operations ORE RESERVES	Attributable %	LOM	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Barro Alto (OP)[1]	100	20		Mt	Mt	%Ni	%Ni	kt	kt
Laterite			Proved	16.0	9.0	1.75	1.66	279	150
			Probable	31.6	30.5	1.65	1.71	520	522
			Total	**47.5**	**39.5**	**1.68**	**1.70**	**798**	**672**
Loma de Níquel (OP)[2]	91.4	8				%Ni	%Ni		
Laterite			Proved	3.9	7.4	1.54	1.46	60	109
			Probable	5.8	25.0	1.44	1.42	83	354
			Total	**9.7**	**32.4**	**1.48**	**1.43**	**143**	**463**
Niquelândia (OP)[3]	100	13				%Ni	%Ni		
Laterite			Proved	5.8	3.2	1.29	1.33	74	42
			Probable	1.9	0.5	1.24	1.33	24	7
			Total	**7.7**	**3.7**	**1.28**	**1.33**	**98**	**49**

Nickel – Operations MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Barro Alto (OP)[1]	100		Mt	Mt	%Ni	%Ni	kt	kt
Laterite		Measured	9.1	3.5	1.50	1.30	137	46
		Indicated	9.8	16.6	1.22	1.27	119	211
		Measured and Indicated	**18.9**	**20.1**	**1.35**	**1.28**	**256**	**257**
		Inferred (in LOM)	45.5	38.5	1.51	1.55	685	597
		Inferred (ex. LOM)	17.1	22.4	1.18	1.27	202	285
		Total Inferred	**62.6**	**61.0**	**1.42**	**1.45**	**887**	**883**
Loma de Níquel (OP)[2]	91.4				%Ni	%Ni		
Laterite		Measured	0.5	1.9	1.43	1.51	7	29
		Indicated	1.5	7.2	1.37	1.51	21	109
		Measured and Indicated	**2.0**	**9.2**	**1.39**	**1.51**	**28**	**138**
		Inferred (in LOM)	0.1	–	1.78	–	2	–
		Inferred (ex. LOM)	1.1	6.4	1.59	1.53	18	97
		Total Inferred	**1.3**	**6.4**	**1.61**	**1.53**	**20**	**97**
Niquelândia (OP)[3]	100				%Ni	%Ni		
Laterite		Measured	1.0	3.3	1.25	1.29	12	43
		Indicated	2.2	3.5	1.24	1.25	27	44
		Measured and Indicated	**3.2**	**6.9**	**1.24**	**1.27**	**40**	**87**
		Inferred (in LOM)	–	–	–	–	–	–
		Inferred (ex. LOM)	–	–	–	–	–	–
		Total Inferred	**–**	**–**	**–**	**–**	**–**	**–**

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

Nickel – Projects MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Jacaré[4]	100		Mt	Mt	%Ni	%Ni	kt	kt
Ferruginous Laterite		Measured	0.5	–	1.19	–	6	–
		Indicated	96.8	98.5	1.18	1.19	1,144	1,175
		Measured and Indicated	**97.3**	**98.5**	**1.18**	**1.19**	**1,149**	**1,175**
		Inferred	73.9	80.8	1.15	1.16	850	939
Saprolite		Measured	–	–	–	–	–	–
		Indicated	33.9	25.3	1.52	1.54	517	388
		Measured and Indicated	**33.9**	**25.3**	**1.52**	**1.54**	**517**	**388**
		Inferred	83.7	85.1	1.37	1.36	1,149	1,156

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) **Barro Alto:** Ore from Barro Alto is currently being processed at the Codemin plant. The pit has been re-optimised and re-scheduled at a higher nickel price which resulted in higher Ore Reserves being declared. Less than 1% of the Inferred (in LOM) is scheduled to be mined in the first three years and less than 10% in the first 10 years. Mineral Resources are quoted above a 0.9% Ni cut-off and below an iron content of 30% Fe. In addition due to new information, a total of 2.6Mt with an average grade of 1.68% Ni was added to the Ore Reserves and 4.4Mt with an average grade of 1.68% Ni was added to the Mineral Resources. The Mineral Resources were diminished by the conversion of material to Ore Reserves. The Mineral Resources include 8.7Mt of Ferruginous Laterite at an average grade of 1.21% Ni.

(2) **Loma de Níquel:** The single largest component contributing to the decrease in Ore Reserves is due to the recognition of the loss of rights over 13 of 16 mining concession areas (28.4Mt with an average grade of 1.42% Ni). Refer to note 5 in the Financial statements. The three remaining mining concessions are due for renewal in November 2012. This reduction was partially offset by model refinement, following a new drilling campaign, within the Camedas 1, Sector North where Mineral Resources and Ore Reserves increased significantly. Mineral Resources include all mineralisation inside a saprolite envelope defined by nickel and iron grade boundaries (>0.80% Ni and <35% Fe).

(3) **Niquelândia:** The change in Ore Reserves is the exclusive result of conversion of Mineral Resources to Ore Reserves within the new integrated mine plan that envisages blending of Barro Alto ores and Niquelândia ores. Mineral Resources are quoted above a 0.9% Ni cut-off and below an iron content of 30% Fe. The Mineral Resources decrease as a result of the higher percentage converted to Ore Reserves due to the integration of the mine plans. Previously referred to as Codemin-Niquelândia, Codemin being the ferronickel smelter adjacent to the Niquelândia Mine.

(4) **Jacaré:** Mineral Resources are quoted above a 0.9% Ni cut-off and greater than 1.5m thickness. The resource model has been updated following further drilling. The Plano de Aproveitamento Economico (PAE) is currently under consideration by Brazil's Departamento Nacional de Produção Mineral (DNPM). The Saprolite Resources tabulated are a combination of higher-grade resources (>1.3% Ni) that are expected to feed a pyrometallurgical treatment facility and lower-grade resources (1.3% – 0.9% Ni) that could be used to neutralise the acid in the proposed treatment of the Ferruginous Laterite material. Ferruginous Laterite is envisaged to be treated by hydrometallurgical processes.

Audits related to the generation of the Ore Reserve and Mineral Resource statements were carried out by independent consultants during 2010 at the following operations: Barro Alto, Niquelândia.

Codemin – Industrial Plant – Shipping bays – Andre Luiz Barbosa de Oliveira in the shipping Nickel bays.

Barro Alto, ferronickel project – Control Room – Kelveny Moraes Sousa (foreground) and Valerio Vieira de Souza (background).

$1.6 bn

ATTRIBUTABLE SPEND TO 31 DECEMBER 2010 ON THE MINAS-RIO PROJECT

43.1 Mt

SALES VOLUMES FROM KUMBA IRON ORE IN 2010

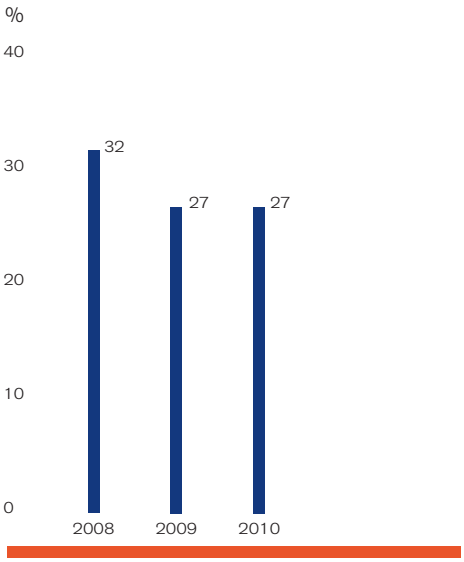
Kumba is the only haematite ore producer in the world to fully beneficiate its product. This is made possible through dense medium separation (DMS) and jig technology. At Sishen Mine the ore from the pit is trucked to the DMS plant where it is crushed, washed and separated into coarse, medium and fine material by wet screening.

IRON ORE AND MANGANESE

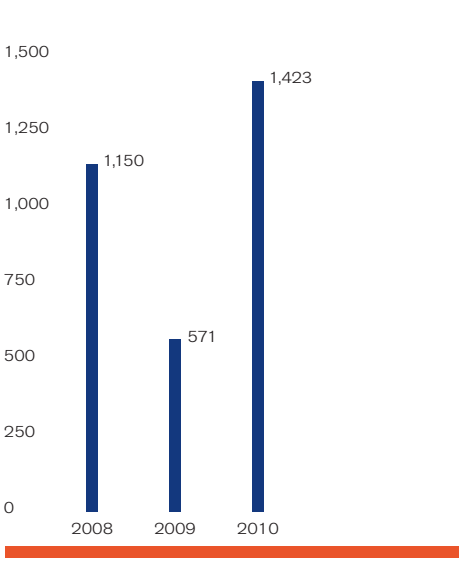
We are the world's fourth largest iron ore producer, with a large high quality resource base in South Africa and Brazil.

FINANCIAL HIGHLIGHTS

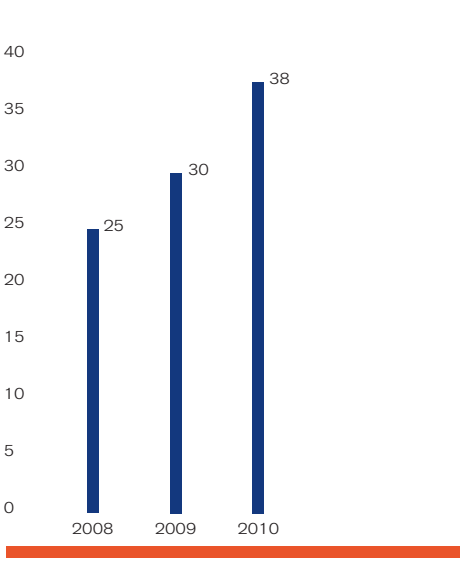
SHARE OF GROUP NET OPERATING ASSETS



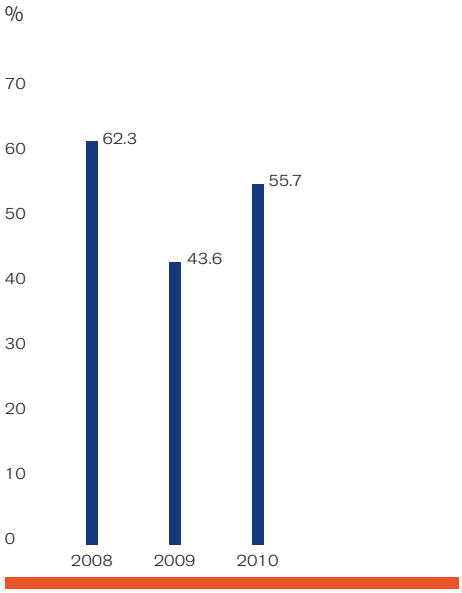
UNDERLYING EARNINGS



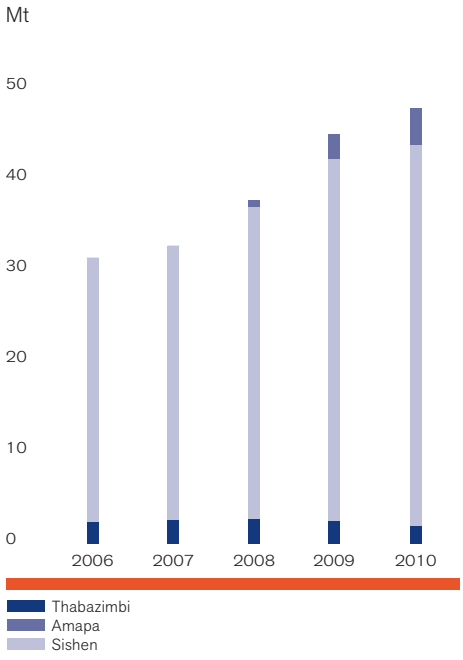
SHARE OF GROUP OPERATING PROFIT



OPERATING MARGIN



GROUP IRON ORE PRODUCTION



FINANCIAL DATA

$m	2010	2009	2008
Total turnover	**6,612**	**3,419**	**4,099**
Of which:			
Kumba Iron Ore	**5,310**	2,816	2,573
Samancor	**983**	603	1,526
Iron Ore Brazil	**319**	–	–
EBITDA	**3,856**	**1,593**	**2,625**
Of which:			
Kumba Iron Ore	**3,514**	1,562	1,632
Iron Ore Brazil	**(73)**	(135)	(5)
Samancor	**415**	166	998
Depreciation and amortisation	**175**	**104**	**71**
Operating profit before special items and remeasurements	**3,681**	**1,489**	**2,554**
Of which:			
Kumba Iron Ore	**3,396**	1,487	1,583
Iron Ore Brazil	**(97)**	(141)	(9)
Samancor	**382**	143	980
Operating special items and remeasurements	**356**	(1,139)	(620)
Operating profit after special items and remeasurements	**4,037**	**350**	**1,934**
Net interest, tax and minority interests	**(2,258)**	**(918)**	**(1,404)**
Underlying earnings	**1,423**	**571**	**1,150**
Of which:			
Kumba Iron Ore	**1,210**	490	523
Iron Ore Brazil	**(77)**	(119)	(31)
Manganese	**290**	200	658
Net operating assets	**11,701**	**10,370**	**10,457**
Capital expenditure	**1,195**	**1,140**	**783**

Work in progress at Kolomela Mine.

BUSINESS OVERVIEW

MINAS-RIO'S RESOURCE ESTIMATE

5.3 billion tonnes[1]

2010 GROUP IRON ORE OUTPUT

47.4 Mt

MINAS-RIO PHASE 1 PLANNED IRON ORE PRODUCTION

26.5 Mtpa

FINANCIAL HIGHLIGHTS	2010	2009
$ million (unless otherwise stated)		
Operating profit	**3,681**	1,489
Kumba Iron Ore	**3,396**	1,487
Iron Ore Brazil	**(97)**	(141)
Samancor	**382**	143
EBITDA	**3,856**	1,593
Net operating assets	**11,701**	10,370
Capital expenditure	**1,195**	1,140
Share of Group operating profit	**38%**	30%
Share of Group net operating assets	**27%**	27%

BUSINESS OVERVIEW

Our Iron Ore portfolio principally comprises a 65.25% shareholding in Kumba Iron Ore Limited (Kumba), a leading supplier of seaborne iron ore, and Iron Ore Brazil's 100% interest in Anglo Ferrous Minas-Rio, a 49% shareholding in LLX Minas-Rio, which owns the port of Açu (currently under construction) from which iron ore from the Minas-Rio project will be exported (together, the Minas-Rio project), and a 70% interest in the Amapá iron ore system.

Kumba, listed on the Johannesburg Stock Exchange, produces a leading quality lump ore and is the only haematite iron ore producer that beneficiates 100% of its product. Export ore is transported via the Sishen-Saldanha Iron Ore Export Channel (IOEC) to Saldanha Port. The rail and port operations are owned and operated by the South African 'parastatal' Transnet. Kumba is well positioned to supply the high growth Asia-Pacific and Middle East markets and is also geographically well positioned to supply European steel markets in the light of an expected decline in lump ore supplies from other sources.

Kumba operates two mines – Sishen Mine in the Northern Cape, which produced 41.3 million tonnes (Mt) of iron ore in 2010, and Thabazimbi Mine in Limpopo, with an output of 2.1 Mt. Its third mine, Kolomela (previously Sishen South), that will produce 9 Mtpa, is under development in the Northern Cape. In 2010, Kumba exported more than 80% of its total iron ore sales volumes of 43.2 Mt, with 61% of these exports destined for China and the remainder to Europe, Japan, South Korea and the Middle East.

Our Minas-Rio iron ore project is located in the states of Minas Gerais and Rio de Janeiro and will include open pit mines and a beneficiation plant in Minas Gerais producing high grade pellet feed. On completion of phase 1, ore will be transported through a slurry pipeline more than 500 kilometres to the port of Açu in Rio de Janeiro state. Amapá, in Amapá state in northern Brazil, continues to ramp up its pellet feed and sinter feed production, which reached 4.0 Mt in 2010 and is expected to produce 4.5 Mt in 2011.

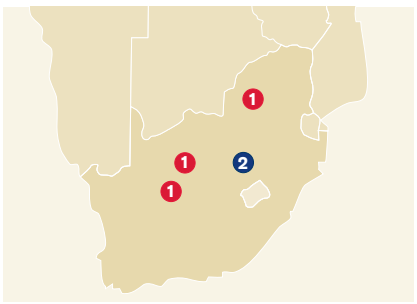
Our Manganese interests consist of a 40% shareholding in Samancor Holdings, which owns Hotazel Manganese Mines and Metalloys, both in South Africa, and a 40% shareholding in each of the Australian-based operations Groote Eylandt Mining Company (GEMCO) and Tasmanian Electro Metallurgical Company (TEMCO), with BHP Billiton owning 60% and having management control. Samancor is the world's largest producer of seaborne manganese ore and is among the top three global producers of manganese alloy. Its operations produce a combination of ores, alloys and metal from sites in South Africa and Australia.

(1) Excludes the Serro Mineral Resources

SOUTH AFRICA

Kumba operates two mines – Sishen in the Northern Cape, which produced 41.3 Mt of iron ore in 2010, and Thabazimbi Mine in Limpopo, with an output of 2.1 Mt. Its third mine, Kolomela, that will produce 9 Mtpa, is under development in the Northern Cape.

Samancor, which is the world's largest integrated producer by sales of manganese ore and alloys, is headquartered in South Africa.



1 63% Kumba Iron Ore – Sishen, Kolomela and Thabazimbi
2 40% Samancor

Key
- Open cut
- Port
- Other

SOUTH AMERICA

The Minas-Rio project is located in the state of Minas Gerais, Brazil and will include open pit mines and a beneficiation plant producing high grade pellet feed which will be transported, through a slurry pipeline, over 500 km to the Port of Açu in the state of Rio de Janeiro.

Amapá, located in Amapá state in Northern Brazil, is in the process of ramping up its pellet feed and sinter feed production and produced 4.0 Mt in 2010. Amapá production could increase to 6.5 Mtpa with further capital investment.

1 100% Minas-Rio (Brazil)
2 70% Amapá (Brazil)
3 49% LLX Minas-Rio (Brazil)

AUSTRALIA

The Australian Manganese operations consist of Groote Eylandt Mining Company (GEMCO), situated off the east coast of the Northern Territory of Australia, and Tasmanian Electro Metallurgical Company (TEMCO), which is based at Bell Bay, approximately 55 km from Launceston, Tasmania.

1 40% GEMCO
2 40% TEMCO

Minas Rio – (L to R): Luiz Antonio De Assuncas Souza, Safety Supervisor and Fabio Marquezini, Safety Technician looking at plans at the Port of Acu.

INDUSTRY OVERVIEW

Amapá – Processing Plant – Marcelo Coelho Velazquez and Paulo Gardel S Guimaraes at the reclaimer.

INDUSTRY OVERVIEW

Steel is the most widely used of all metals. In 2010, global crude steel production returned to above pre-2008 levels, at 1.4 billion tonnes, an increase of 17% on 2009. China, the world's principal steelmaker, showed year on year growth in crude steel production, despite its government initiated cooling down, power restrictions and destocking through the supply chain. Chinese crude steel production for 2010 was 626 Mt, an increase of 52 Mt or 9% year on year.

A strong recovery in iron ore demand and an apparent collapse in Chinese domestic iron ore supply were the main reasons for the strong growth in 2009 in seaborne imports. In 2010 however, Chinese domestic iron ore supply accounted for 285 Mt of apparent iron ore consumption, a 34% increase year on year. With iron ore consumption by China only increasing 9% year on year to 888 Mt, this resulted in a decrease of 2% in seaborne imports to 603 Mt compared with 2009.

Crude steel production in China is expected to grow by 5% to 10% during 2011. Domestic iron ore production in China is unlikely to grow significantly beyond the 2010 level of 285 Mt, mainly due to diminishing qualities and increasing mining costs. The additional demand for iron ore in China during 2011 is expected to be sourced from seaborne supply, with the demand levels in the rest of the world remaining at 2010 levels.

Both manganese ore and alloy prices firmed owing to improving market conditions in the year, boosted by restocking steelmakers. In 2011, the prices of both manganese ore and alloy will be heavily influenced by steel production trends and the stocking and destocking cycles, while, in the case of manganese alloys, prices will largely be determined by supply responses resulting from latent capacity in the industry.

Markets

World crude steel production continued to increase during 2010 and returned to above pre-2008 levels at 1.4 billion tonnes. China's continued robust economic growth contributed to growth in crude steel production, despite power restrictions and destocking through the supply chain. Crude steel production in China increased by 9% to 626 Mt and continued to exceed demand. The European, Japanese and South Korean markets saw a 24% increase in crude steel output, bringing total production to 341 Mt, only slightly below levels achieved in 2008.

Despite the continued strength in iron ore demand in China, a surge in Chinese domestic iron ore supply during 2010 resulted in a decrease of 2% to 603 Mt in seaborne imports. Global seaborne iron ore demand increased by 5% to 979 Mt, driven by a 19% increase in demand from the steel industry in the rest of the world.

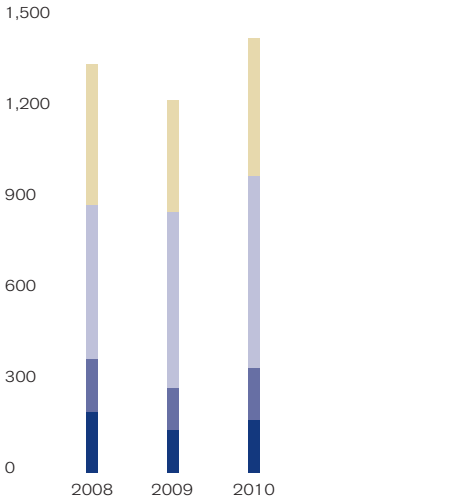
Index prices rose strongly during the year, with the 62% Fe Platts index averaging approximately $147/t (CFR), up from $80/t in 2009.

The manganese ore and alloy market reflected the increase in world crude steel production and demand, resulting in significantly increased prices for alloy and ore during the year. Production increased to meet demand, with furnaces reaching full capacity for the first time since 2008.

MARKET INFORMATION

GLOBAL CRUDE STEEL PRODUCTION

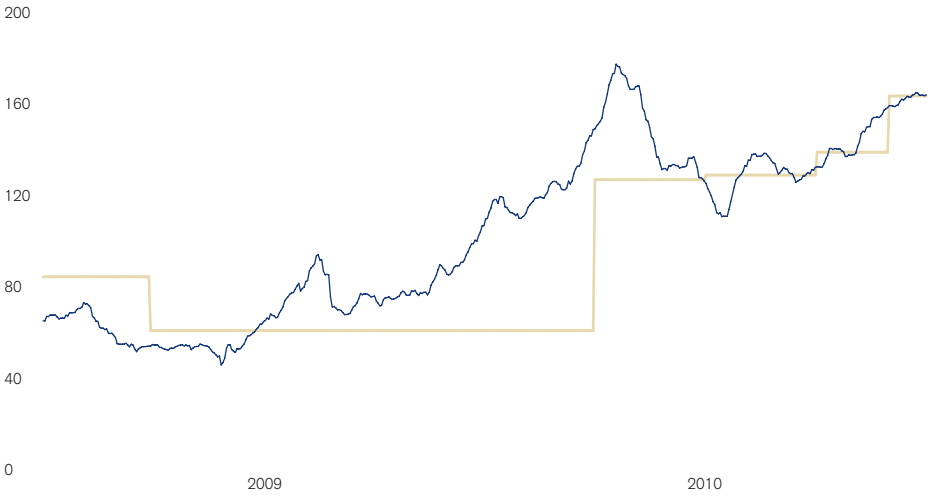
Mt



Europe
Japan and Korea
China
Rest of World

PRICE OF IRON ORE (2009 TO 2010)

$/t



Spot
Benchmark

Average 2009 realised iron ore price $65/t

Average 2010 realised iron ore price $125/t

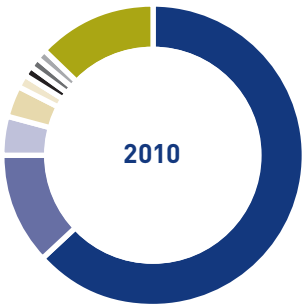
GLOBAL STAINLESS STEEL CONSUMPTION

%

2010 World total: 26 MT

Automotive 14.2
Architecture 12.8
Catering utensils and domestic appliances 38.7
Process and other industries 26
Others and unallocated 8.4

SEABORNE IRON ORE DEMAND BY COUNTRY



China 63.2%
Japan 11.8%
South Korea 4.2%
Germany 3.3%
Taiwan 1.2%
North America 1.1%
Italy 1.1%
Rest of world 12.7%

Source: Brook Hunt – a Wood Mackenzie company

STRATEGY AND GROWTH

STRATEGY AND GROWTH

A core strategy is to grow our position in iron ore and to supply premium, high quality iron ore products against a background of declining quality global iron ore supplies. Anglo American has a unique iron ore resource profile, with large, high quality resource bases in South Africa and Brazil. Significant future growth will come from Minas-Rio (including expansion potential) and expansion at Kolomela.

Kumba's business strategy is to be a leading value adding iron ore supplier to the global steel industry. The business is focused on optimising the value of current operations by successfully executing its asset optimisation initiatives and the optimisation of its product portfolio. Kumba seeks to capture further value across the value chain through its niche product strategy and the professionalising of its ocean freight management. Minas-Rio will capture a significant part of the high growth pellet feed market with its premium product featuring high iron content and low impurities.

Phase 1 of the Minas-Rio project will produce 26.5 Mtpa, with first production scheduled after completion and commissioning of the project, which is anticipated 27-30 months after commencement of civil works for the beneficiation plant and tailings dam construction. Further expansion potential is supported by the 2010 resource estimate of 5.3 billion tonnes (Measured, Indicated and Inferred), and further resource potential is considered to exist. While focus has been on phase 1 construction, studies for the expansion of the project, including consideration of the optimal production profile, have continued to be evaluated during the year.

Kolomela is expected to produce 9 Mtpa of iron ore, with initial production scheduled for the end of the first half of 2012 and ramping up to full capacity in 2013. Further growth projects in the Northern Cape and Limpopo regions of South Africa could potentially increase Kumba's production output to 70 Mtpa.

The manganese strategy is to focus on upstream resources businesses, despite their low-cost alloy smelters having been significant contributors to profit in recent years. In addition, alloy smelters add value to the overall manganese business as they enable Samancor to access markets with an optimal mix of ore and alloy, to optimise production to best suit market conditions and provide ongoing information on the performance of their ores in the smelting process.

Minas Rio – The new pipeline installation – (L to R): Clerio Marcos Dutra, Co-ordinator of projects, Daniel Cardoso Espindola, Safety Technician and Wagno Luis Oliverira, Assistant Security Technician.

Projects

The development of the 9 Mtpa Kolomela Mine is well advanced and overall project progress reached 81% as at 31 December 2010. The project remains on budget and on schedule to deliver initial production at the end of the first half of 2012, ramping up to full capacity in 2013. As at 31 December 2010, 22.6 Mt of waste material had been moved, 18.6 Mt of it during 2010. Capital expenditure of $679 million (excluding capitalised costs for pre-strip waste removal) has been incurred to 31 December 2010, with $307 million incurred during 2010.

Significant progress has been made at the Minas-Rio project in Brazil, expected to produce 26.5 Mtpa in its first phase. The award of the second part of the mine, beneficiation plant and tailings dam installation licence (LI part 2) in December 2010, being the final primary installation licence, supported the start of the civil works for the beneficiation plant, which commenced in March 2011. This licence followed the award of the mining permit in August 2010. As previously stated, it should take between 27 and 30 months from commencement of these works to construct and commission the mine and plant, complete the project and deliver the first ore on ship; however, there are still a number of other licences and permits to be obtained during this period.

Anglo American also reached agreement on a fixed 25-year iron ore port tariff with its port partner, LLX SA, in relation to the LLX Minas-Rio (LLX MR) iron ore port facility at Açu. The iron ore volumes associated with the first phase of the project will be subject to a net port tariff of approximately $5.15 per tonne (in 2013 terms) after taking into account Anglo American's shareholding in LLX MR ($7.10 per tonne gross). As part of the agreement to secure the long term tariff arrangements, Anglo American has agreed to fund a greater share of the development cost of the first phase of the port. This agreement is expected to result in additional capital expenditure attributable to Anglo American of approximately $525 million in relation to the port.

Project development at the plant has been focused on progressing earthworks in preparation for the commencement of civil works. The pipeline element of the project is well progressed, with pipe laying, welding and burying beginning in June and ended the year ahead of schedule, including the completion of two underground river crossings (one of which is the longest of its type in Brazil). The civil works for the filtration plant are under way and, at the port, offshore works have continued with the commencement of the construction of the iron ore pier and breakwater, following completion of the 2.9 km main trestle.

Studies for the expansion of the Minas-Rio project continued during 2010 and the latest resource statement provides a total resource volume (Measured, Indicated and Inferred) of 5.3 billion tonnes, supporting the expansion of the project. In addition, the port agreement noted above also covers a long term tariff arrangement for all Anglo American's iron ore volumes beyond the first phase of the Minas-Rio project. The level of the expansion tariff will be dependent upon the capital cost to expand the port to accommodate those additional volumes and that capital cost will be determined in due course.

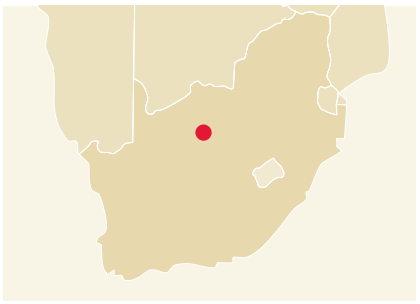
PROJECT PIPELINE – KEY PROJECTS

KOLOMELA (PREVIOUSLY SISHEN SOUTH)

Overall capex: $1,062m

Country	South Africa
Ownership*	48.3%
Production volume	9 Mtpa iron ore
Full project capex	$1,062m
Full production	Q1 2013

The Kolomela project, which involves the development of an opencast mine some 80 kilometres south of Sishen mine, in the Northern Cape of South Africa, was approved in July 2008. Development is well advanced and overall project progress reached 81% as at 31 December 2010. The project remains on budget and on schedule to deliver initial production at the end of the first half of 2012, ramping up to full capacity of 9 Mtpa in 2013.

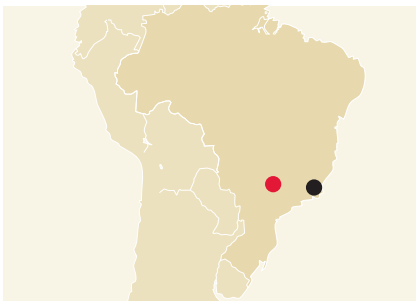


MINAS-RIO PHASE 1

Overall capex: $5,034m(1)

Country	Brazil
Ownership	100%
Production volume	26.5 Mtpa iron ore pellet feed (wet basis)
Full project capex	$5,034m(1)
First production	H2 2013

The Minas-Rio operations will be located in the state of Minas Gerais, Brazil and will include open pit mines and a beneficiation plant producing high grade pellet feed which will be transported, through a slurry pipeline, over 500 km to the Port of Açu in the state of Rio de Janeiro. Civil works for the beneficiation plant commenced in March 2011, and it should take 27-30 months from commencement of these works to construct and commission the mine and plant, complete the project and deliver first ore on ship; however, there are still a number of other licenses and permits to be obtained during this period.



SISHEN EXPANSION PROJECT PHASE 1B (UNAPPROVED)

Overall capex: TBD

Country	South Africa
Ownership*	48.3%
Production volume	0.8 Mtpa iron ore
Full project capex	TBD
Full production	2012

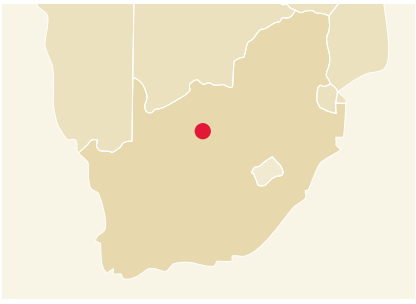
The aim of the Sishen Expansion Project Phase 1B (SEP1B) is to beneficiate the -1+0.2mm fraction of the Jig plant ROM feed currently being discarded. The project aims to produce 0.75 Mtpa additional fines product, and has the potential to increase the Jig plant yield by about 3%.

SISHEN B GRADE PROJECT (UNAPPROVED)

Overall capex: TBD

Country	South Africa
Ownership*	48.3%
Production volume	10 Mtpa iron ore
Full project capex	TBD
Full production	2019

Sishen production will be increased by up to 10Mtpa with the development of Sishen B Grade Project 2 (B Grade). B Grade will use the additional material available in the definition of the larger optimised pit shell, supplemented by material that became available with the refinement of the Sishen product range. The increased mining activity required to mine the larger pit will in part be utilised by beneficiating the low Fe grade portion of the material resulting in some of the waste being reclassified as ore.



(1) Capital expenditure, post acquisition of Anglo American's shareholding in Minas-Rio, includes 100% of the mine and pipeline, and an attributable share of the port, as modified by the agreement with LLXSA and LLX Minas-Rio.

* Kumba Iron Ore owns 74% of Sishen, Thabazimbi and Kolomela. Anglo American plc through its 65% ownership in Kumba effectively owns 48.3% of Sishen.

PRODUCTION DATA

	2010	2009	2008	2007	2006
Kumba Iron Ore – tonnes					
Lump	**25,922,300**	25,300,000	22,042,000	19,043,000	18,639,800
Fines	**17,462,600**	16,643,000	14,657,000	13,357,000	12,470,300
	43,384,900	**41,943,000**	**36,699,000**	**32,400,000**	**31,110,100**
Amapá[1] – tonnes					
Sinter feed	**2,136,900**	576,100	128,000	–	–
Pellet feed	**1,892,500**	2,077,100	584,000	–	–
	4,029,400	**2,653,200**	**712,000**	**–**	**–**
Total iron ore production	**47,414,300**	**44,596,200**	**37,411,000**	**32,400,000**	**31,110,100**
Samancor[2] – tonnes					
Manganese ore	**2,952,800**	1,570,000	2,704,000	2,411,000	2,248,000
Manganese alloy[3]	**312,000**	129,000	306,000	310,000	256,300

[1] Production from Amapá is included from 5 August 2008. Amapá production for full year 2008 was 1.2 Mt. At 31 December 2009 Amapá was not in commercial production and therefore to this date all revenue and related costs were capitalised. Commercial production commenced on 1 January 2010.
[2] Saleable production.
[3] Production includes Medium Carbon Ferro Manganese.

An overview of Sishen Mine.

IRON ORE

estimates as at 31 December 2010

KUMBA IRON ORE

The Ore Reserve and Mineral Resource estimates were compiled in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, (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.

Kumba Iron Ore – Operations ORE RESERVES	Attributable %	LOM	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Saleable product 2010		Saleable product 2009	
Kolomela Mine (OP)[1]	48.3	28		Mt	Mt	%Fe	%Fe	Mt	%Fe	Mt	%Fe
			Proved	118.5	123.1	64.5	64.2	118	64.5	123	64.2
			Probable	84.0	91.0	64.1	63.9	84	64.1	91	63.9
			Total	**202.4**	**214.1**	**64.3**	**64.1**	**202**	**64.3**	**214**	**64.0**
Sishen Mine (OP)[2]	38.0	20				%Fe	%Fe				
			Proved	576.3	707.6	59.8	59.2	439	65.5	531	65.4
			Probable	500.6	203.9	58.7	59.2	366	65.1	154	64.9
			Total	**1,077.0**	**911.5**	**59.3**	**59.2**	**805**	**65.3**	**685**	**65.3**
Thabazimbi Mine (OP)[3]	48.3	6				%Fe	%Fe				
Area outside Vanderbijl Pit			Proved	9.0	9.5	61.1	61.7	8	62.6	8	63.4
			Probable	4.9	4.7	60.6	61.3	4	61.9	4	62.7
			Total	**13.9**	**14.2**	**61.0**	**61.5**	**12**	**62.3**	**12**	**63.1**

Kumba Iron Ore – Operations MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009
Kolomela Mine (OP)[4]	48.3		Mt	Mt	%Fe	%Fe
		Measured	49.1	49.5	65.1	65.0
		Indicated	20.0	20.8	65.0	64.9
		Measured and Indicated	**69.2**	**70.3**	**65.1**	**64.9**
		Inferred (in LOM)	35.1	35.4	65.7	65.6
		Inferred (ex. LOM)	47.7	47.4	62.5	62.5
		Total Inferred	**82.7**	**82.9**	**63.9**	**63.8**
Sishen Mine (OP)[5]	38.0				%Fe	%Fe
		Measured	127.0	589.1	59.4	56.0
		Indicated	410.5	697.0	58.5	57.6
		Measured and Indicated	**537.5**	**1,286.1**	**58.7**	**56.8**
		Inferred (in LOM)	17.9	3.7	59.7	58.2
		Inferred (ex. LOM)	116.2	148.7	59.6	59.4
		Total Inferred	**134.1**	**152.4**	**59.6**	**59.4**
Thabazimbi Mine (OP)[6][7]	48.3				%Fe	%Fe
Area outside Vanderbijl Pit		Measured	3.4	9.5	61.8	62.7
		Indicated	1.2	2.4	61.2	63.7
		Measured and Indicated	**4.6**	**11.9**	**61.6**	**62.9**
		Inferred (in LOM)	0.9	1.3	61.9	61.9
		Inferred (ex. LOM)	0.9	2.3	61.5	63.4
		Total Inferred	**1.8**	**3.6**	**61.7**	**62.8**
Vanderbijl Pit hematite		Measured	8.1	–	62.8	–
		Indicated	1.8	–	64.3	–
		Measured and Indicated	**9.9**	**–**	**63.1**	**–**
		Inferred (in LOM)	–	–	–	–
		Inferred (ex. LOM)	1.5	–	64.2	–
		Total Inferred	**1.5**	**–**	**64.2**	**–**

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

Mining method: OP = Open Pit. LOM = Life of Mine is based on scheduled Reserves including some Inferred Resources considered for life of mine planning.
The tonnage is quoted as dry metric tonnes and abbreviated as Mt for million tonnes.
The Mineral Resources are constrained by a resource pit shell, which defines the spatial limits of eventual economic extraction.
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.
The Zandrivierspoort Project is not reported as Anglo American's shareholding is below the internal threshold for reporting. Details of this project are presented in the Kumba Iron Ore Annual Report.

(1) **Kolomela Mine – Ore Reserves:** The mine plan has been updated to include revised scheduling and blending strategies.
(2) **Sishen Mine – Ore Reserves:** An expanded pit layout has been developed to incorporate the updated long-term price outlook for iron ore and is responsible for the largest proportion of the change (+609Mt). The gains are offset by a refinement in the resource model (-238Mt) and application of an improved LOM planning technique that includes a refinement in the treatment and estimation of modifying factors (-152Mt).
(3) **Thabazimbi Mine – Ore Reserves:** The reserve cut-off was increased resulting in the slight decrease in Ore Reserves.
(4) **Kolomela Mine – Mineral Resources:** The reserve cut-off grade was lowered resulting in slightly more Mineral Resources being converted to Ore Reserves.
(5) **Sishen Mine – Mineral Resources:** The expanded pit layout has resulted in a significantly higher conversion of Mineral Resources to Ore Reserves (-618Mt). A further reduction is attributable to a refinement of the resource model, which focused particular attention on remodelling the lower-grade jig plant feed materials (-120Mt).
(6) **Thabazimbi Mine:** In 2010, the Mineral Resources have been split into two separate entities; the Vanderbijl Pit hematite Mineral Resource and the area outside the Vanderbijl Pit. The hematite Mineral Resource in the Vanderbijl Pit, which has not changed since 2006, has been ring-fenced as part of an ongoing study to utilise this and other lower-grade material at this location.
(7) **Thabazimbi Mine – Mineral Resources:** The reserve cut-off was increased resulting in a slight increase in Mineral Resources as less were converted to Ore Reserves.

Audits related to the generation of the Ore Reserve and Mineral Resource statements were carried out by independent consultants during 2010 at the following operations: Sishen, Thabazimbi.

IRON ORE AND MANGANESE

IRON ORE continued

estimates as at 31 December 2010

IRON ORE BRAZIL

The Minas Rio operations will be located in the state of Minas Gerais, Brazil and will include open pit mines and a beneficiation plant producing high grade pellet feed which will be transported, through a slurry pipeline, over 500km to the Port of Açu in the state of Rio de Janeiro. The project will largely be based on the two main deposits of Serra do Sapo and Itapanhoacanga. Two ore types, Friable and Compact Itabirite, have been identified at Serra do Sapo and Itapanhoacanga. Only the Friable Itabirite is being considered for Phase 1 of the project. The planned annual capacity of Phase 1 is 26.5Mtpa of iron ore pellet feed (wet tonnes), for start up during in the second half of 2013.

2010 was a turnaround year for Amapá with plant operations nearing stability. Coupled with a good safety performance and excellent cost control, Amapá achieved profitability at the end of 2010 (12 months ahead of schedule). Additional efforts are underway to achieve stability in earthmoving maintenance. The focus for Amapá has shifted from completion of commissioning and achievement of stability in operations to potential growth. Additional geochemical and engineering testwork and studies are underway that will all form part of the Mineral Resource to Ore Reserve conversion to be performed at the end of 2011.

The Mineral Resource estimates were compiled in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as a minimum standard. The figures reported represent 100% of the Mineral Resources. Rounding of figures may cause computational discrepancies.

Iron Ore Brazil – Operations

MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009
			Mt	Mt	%Fe	%Fe
Amapá (OP)[1][2]	70.0					
Canga		Measured	–	–	–	–
		Indicated	12.0	–	53.1	–
		Measured and Indicated	**12.0**	**–**	**53.1**	**–**
		Inferred	3.9	17.2	45.1	54.6
Colluvium		Measured	13.5	5.6	41.9	40.9
		Indicated	34.3	31.0	40.5	44.0
		Measured and Indicated	**47.9**	**36.6**	**40.9**	**43.5**
		Inferred	25.8	14.1	35.6	41.7
Friable Itabirite and Hematite		Measured	14.7	28.7	44.5	42.5
		Indicated	78.9	80.8	42.6	41.3
		Measured and Indicated	**93.7**	**109.4**	**42.9**	**41.6**
		Inferred	54.5	29.9	40.3	41.8

Iron Ore Brazil – Projects

MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009
			Mt	Mt	%Fe	%Fe
Itapanhoacanga (OP)[3][4]	100					
Friable Itabirite and Hematite		Measured	25.0	25.0	42.5	42.5
		Indicated	219.2	219.2	41.6	41.6
		Measured and Indicated	**244.2**	**244.2**	**41.7**	**41.7**
		Inferred	74.7	74.7	41.7	41.7
Compact Itabirite		Measured	10.9	10.9	33.2	33.2
		Indicated	95.8	95.8	33.8	33.8
		Measured and Indicated	**106.7**	**106.7**	**33.7**	**33.7**
		Inferred	43.9	43.9	33.2	33.2
Serra do Sapo (OP)[3][5]	100				%Fe	%Fe
Friable Itabirite and Hematite		Measured	502.7	498.1	37.8	38.6
		Indicated	1,070.0	872.5	37.2	37.0
		Measured and Indicated	**1,572.6**	**1,370.5**	**37.4**	**37.6**
		Inferred	275.8	192.2	39.9	33.1
Compact Itabirite		Measured	497.7	453.8	31.5	31.8
		Indicated	1,819.8	1,968.3	31.0	31.2
		Measured and Indicated	**2,317.5**	**2,422.1**	**31.1**	**31.3**
		Inferred	709.2	149.4	30.2	30.3
Serro (OP)[3][6]	100				%Fe	%Fe
Friable Itabirite and Hematite		Measured	–	–	–	–
		Indicated	9.5	9.5	63.6	63.6
		Measured and Indicated	**9.5**	**9.5**	**63.6**	**63.6**
		Inferred	74.2	74.2	35.3	35.3
Compact Itabirite		Measured	–	–	–	–
		Indicated	–	–	–	–
		Measured and Indicated	**–**	**–**	**–**	**–**
		Inferred	308.2	308.2	31.6	31.6

Mining method: OP = Open Pit.
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) **Amapá – Mineral Resources:** The cut-off grade used is 25% Fe. Assays are on a dry basis. Tonnages are reported on a wet basis with an average moisture content of 7 wt% for Canga, 10 wt% for Colluvium and 8 wt% for Friable Itabirite and Hematite ore.
(2) **Amapá:** The increase in Colluvium and Friable Itabirite and Hematite is the result of the addition of the Mário Cruz Leste and Vila do Meio Leste areas. The decrease in Measured and Indicated Friable Itabirite and Hematite is mostly the result of depletion and a change in the classification methodology. Friable Itabirite and Hematite includes Friable Itabirite, Altered Friable Itabirite and Friable Hematite. The Mineral Resources comprise the Mário Cruz, Mário Cruz Leste, Martelo, Taboca, Taboca Leste, Vila do Meio and Vila do Meio Leste areas.
(3) **Minas Rio Project – Mineral Resources:** The cut-off grade used is 25% Fe. Assays are on a dry basis. Tonnages are reported on a wet basis with an average moisture content of 4 wt% for Friable ore. Friable Itabirite and Hematite includes Friable Itabirite, Semi-Compact Itabirite, High Alumina Itabirite, Soft Hematite and Canga. The Compact Itabirite was previously referred to as Hard Itabirite.
(4) **Itapanhoacanga:** Friable Itabirite and Hematite includes Friable Itabirite, Semi-Compact Itabirite, Soft Hematite and Hard Hematite.
(5) **Serra do Sapo:** Friable Itabirite and Hematite includes Friable Itabirite, Semi-Compact Itabirite, High Alumina Itabirite, Soft Hematite and Canga. The Canga material (70.1 Mt at 55.11% Fe Inferred Resources) is included and supported by the geometallurgical tests. The properties of Mineração Trindade Ltd containing Mineral Resources which were included in the 2009 figures were acquired by Anglo Ferrous Minas-Rio Mineração S.A.
(6) **Serro:** Friable Itabirite and Hematite includes Friable Itabirite, Semi-Compact Itabirite and Hard Hematite (9.5Mt @ 63.6% Fe).

Audits related to the generation of the Mineral Resource statements were carried out by independent consultants during 2010 at the following operations and projects: Amapá.

MANGANESE

estimates as at 31 December 2010

SAMANCOR MANGANESE

The Ore Reserve and Mineral Resource estimates were compiled in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, (The SAMREC Code, 2007) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as applicable. The figures reported represent 100% of the Ore Reserves and Mineral Resources (source: BHP Billiton). Rounding of figures may cause computational discrepancies.

Samancor Manganese – Operations ORE RESERVES	Attributable %	LOM	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Yield 2010	Yield 2009
GEMCO (OP)[1]	40.0	12		Mt	Mt	%Mn	%Mn	%	%
			Proved	63.2	67.5	46.9	46.8	50.7	50.8
			Probable	42.0	43.2	46.4	46.4	47.6	47.9
			Total	**105.2**	**110.7**	**46.7**	**46.7**	**49.5**	**49.7**
Hotazel Manganese Mines[2]	29.6					%Mn	%Mn		
Mamatwan (OP)[3]		22	Proved	48.9	53.6	37.2	37.8		
			Probable	32.0	24.8	37.0	37.2		
			Total	**80.9**	**78.4**	**37.1**	**37.6**		
Wessels (UG)[4]		54	Proved	5.0	5.1	45.1	45.5		
			Probable	76.4	68.4	42.9	43.0		
			Total	**81.4**	**73.5**	**43.1**	**43.2**		

Samancor Manganese – Operations MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Yield 2010	Yield 2009
GEMCO (OP)[5]	40.0		Mt	Mt	%Mn	%Mn	%	%
		Measured	67.0	71.2	46.3	46.3	44.4	44.4
		Indicated	45.5	46.6	45.9	46.0	43.9	44.0
		Measured and Indicated	**112.4**	**117.9**	**46.2**	**46.2**	**44.2**	**44.2**
		Inferred	38.9	39.0	43.3	43.3	45.2	45.2
Hotazel Manganese Mines	29.6				%Mn	%Mn		
Mamatwan (OP)[6]		Measured	68.9	79.6	35.6	35.8		
		Indicated	54.7	45.3	34.6	34.3		
		Measured and Indicated	**123.6**	**124.9**	**35.2**	**35.3**		
		Inferred	4.2	3.1	34.4	33.1		
Wessels (UG)[7]		Measured	14.6	12.1	45.8	46.3		
		Indicated	128.4	132.0	44.2	44.2		
		Measured and Indicated	**143.0**	**144.1**	**44.4**	**44.4**		
		Inferred	–	–	–	–		

THE MINERAL RESOURCES INCLUDE ORE RESERVES

Samancor Gabon – Projects MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Yield 2010	Yield 2009
Franceville Project – Beniomi[8]	40.0		Mt	Mt	%Mn	%Mn	%	%
Plaquette Ore		Measured	11.0	–	36.1	–	72.0	–
		Indicated	6.6	–	36.1	–	74.4	–
		Measured and Indicated	**17.5**	**–**	**36.1**	**–**	**72.9**	**–**
		Inferred	2.9	–	36.1	–	71.8	–
Transition Ore		Measured	4.1	–	24.3	–	73.1	–
		Indicated	2.4	–	24.5	–	75.1	–
		Measured and Indicated	**6.5**	**–**	**24.4**	**–**	**73.8**	**–**
		Inferred	5.0	–	24.2	–	68.4	–
Franceville Project – Bordeaux[8]	40.0				%Mn	%Mn		
Plaquette Ore		Measured	4.6	–	36.4	–	72.0	–
		Indicated	0.8	–	36.1	–	67.8	–
		Measured and Indicated	**5.4**	**–**	**36.4**	**–**	**71.4**	**–**
		Inferred	0.8	–	36.8	–	69.5	–
Transition Ore		Measured	2.3	–	24.7	–	74.0	–
		Indicated	0.5	–	24.1	–	70.3	–
		Measured and Indicated	**2.8**	**–**	**24.6**	**–**	**73.3**	**–**
		Inferred	1.8	–	25.1	–	67.1	–

Mining method: OP = Open Pit, UG = Underground. 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) **GEMCO – Ore Reserves:** Manganese grades are given as per washed ore samples and should be read together with their respective yields.
(2) **Hotazel Manganese Mines:** An agreement has been reached between Samancor Manganese and empowerment consortium Ntsimbintle Mining Pty Ltd. The Ntsimbintle agreement has been signed by both parties and approved by the South African Government. This transaction allows for the inclusion of part of the Prospecting Rights held by Ntsimbintle into the Mamatwan and Wessels Mining Areas in exchange for 9% equity in Hotazel Manganese Mines (Pty) Ltd, thereby adding the Ore Reserves of Mamatwan and Wessels within the Ntsimbintle Prospecting Right to the Mamatwan and Wessels Mining Rights. Section 102 applications have been lodged with the South African Department of Mineral Resources (DMR) to amend the Mamatwan and Wessels Mining Rights areas to include the Ntsimbintle Prospecting Right. Hotazel Manganese Mines (Pty) Ltd is the owner of Mamatwan and Wessels mines. The other 26% is held by: Ntsimbintle (9%), NCAB (7%), Iziko (5%) and the HMM Education Trust (5%). The addition of other empowerment consortiums during 2010 has diluted Anglo American's share in Hotazel Manganese Mines (Pty) Ltd to 29.6%.
(3) **Mamatwan – Ore Reserves:** The increase is attributable to the revised wireframe used in the latest block model. The calculation of the Ore Reserves has been aligned with the updated mine plan.
(4) **Wessels – Ore Reserves:** The increase is ascribed to a revised smaller support pillar factor in the West Block (18% versus a previous factor of 25%) and the new block model. The calculation of the Ore Reserves has been aligned with the updated mine plan.
(5) **GEMCO – Mineral Resources:** No additional drilling data was added during 2010. All changes are as a result of depletion due to mining.
(6) **Mamatwan – Mineral Resources:** Changes are due to the use of a new resource model now covering the entire Ntsimbintle joint venture area.
(7) **Wessels – Mineral Resources:** A new resource model has been used to estimate Mineral Resources.
(8) **Beniomi and Bordeaux:** Mn grades are for +0.15mm screen size fraction and should be read together with their respective tonnage yields. These areas were prospected using drilling and pitting by CVRD (Vale) from 2003 to 2005 and subsequently by Samancor Gabon. A programme of large diameter bucket auger and Mini sonic drilling was conducted on the Beniomi and later the Bordeaux Plateaux focused on providing Pilot Plant feed. In addition, a regional exploration programme using RAB drill rigs was undertaken on surrounding plateaux. Gemecs (Pty) Ltd prepared geological models and resource estimates for Beniomi and Bordeaux, which are the only areas for which Mineral Resources have been declared. Pilot Plant testwork results have informed the opinion as to eventual economic viability of the Mineral Resources as reported. The greater project comprises of a number of wide-spread prospecting permits and prospecting authorisations. In time, the project is envisaged to include a number of shallow open pit mines located on a number of plateaux feeding a processing plant complex made up of scrubbing and DMS sections and producing both high grade lump and fine ores.

No. 2

EXPORTER OF METALLURGICAL COAL FROM AUSTRALIA

25%

IMPROVEMENT IN LONGWALL CUTTING HOURS AS A RESULT OF THE LW108 PROJECT

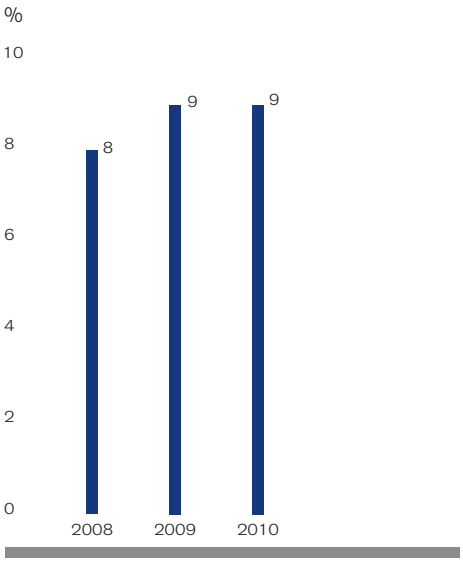
Foxleigh – A Terrex RH340 excavator in action in the Far South pit at Foxleigh Mine in Queensland Australia.

METALLURGICAL COAL

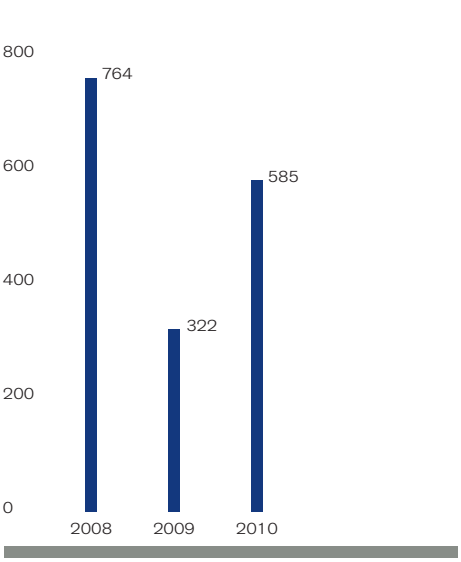
Our metallurgical coal business is Australia's fourth biggest producer of coal and its number two exporter of metallurgical coal. We are active partners in diverse clean coal energy initiatives.

FINANCIAL HIGHLIGHTS

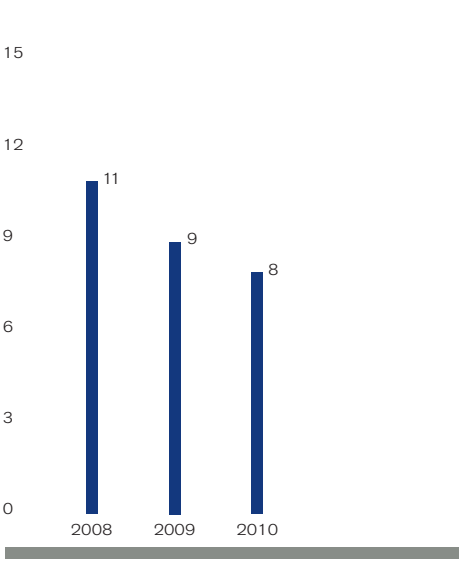
SHARE OF GROUP NET OPERATING ASSETS



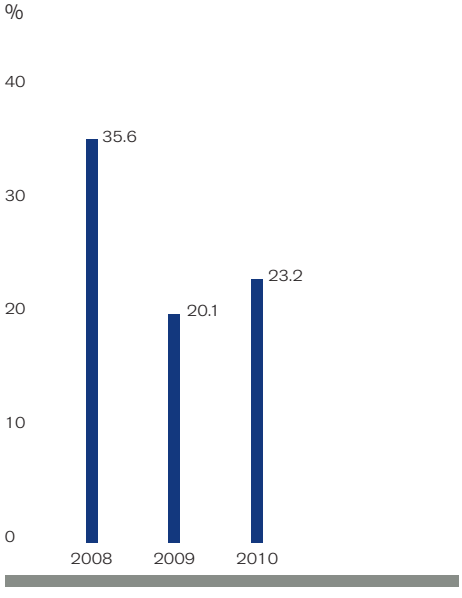
UNDERLYING EARNINGS



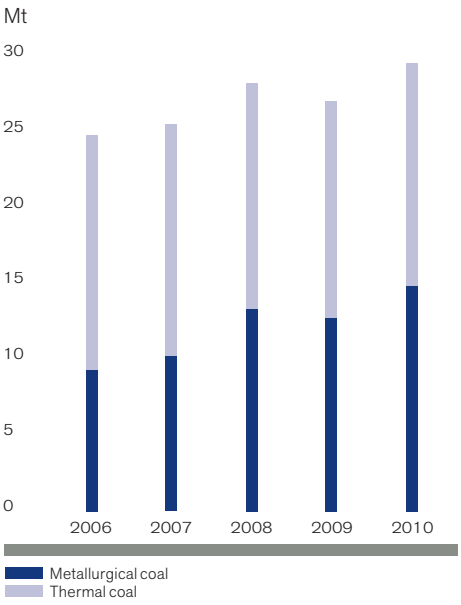
SHARE OF GROUP OPERATING PROFIT



OPERATING MARGIN



ANGLO AMERICAN COAL PRODUCTION FROM METALLURGICAL COAL



FINANCIAL DATA

$m	2010	2009	2008
Turnover			
Subsidiaries/Joint Ventures	**3,119**	2,075	2,949
Associates	**258**	164	170
Total turnover	**3,377**	**2,239**	**3,119**
Of which:			
Australia	**3,377**	2,239	3,119
Projects and corporate	**–**	–	–
EBITDA	**1,116**	**706**	**1,319**
Of which:			
Australia	**1,147**	729	1,353
Projects and corporate	**(31)**	(23)	(34)
Depreciation and amortisation	**333**	**255**	**209**
Operating profit before special items and remeasurements	**783**	**451**	**1,110**
Of which:			
Australia	**814**	474	1,144
Projects and corporate	**(31)**	(23)	(34)
Operating special items and remeasurements	**23**	(28)	(22)
Operating profit after special items and remeasurements	**806**	423	**1,088**
Net interest, tax and minority interests	**(198)**	(129)	**(346)**
Underlying earnings	**585**	**322**	**764**
Of which:			
Australia	**616**	345	797
Projects and corporate	**(31)**	(23)	(33)
Net operating assets	**3,918**	**3,407**	**2,669**
Capital expenditure	**217**	**96**	**467**

Dragline operator Kane Powling in the cab of the Bucyrus 8750 Dragline at Lake Lindsay open cast mine in Queensland Australia.

BUSINESS OVERVIEW

METALLURGICAL COAL'S RESOURCE BASE

3.4 billion tonnes

2010 EXPORT METALLURGICAL COAL PRODUCTION

14.7 Mt

PROJECTED OUTPUT OF METALLURGICAL COAL FROM GROSVENOR PROJECT

4.3 Mtpa

FINANCIAL HIGHLIGHTS	2010	2009
$ million (unless otherwise stated)		
Operating profit	**783**	451
EBITDA	**1,116**	706
Net operating assets	**3,918**	3,407
Capital expenditure	**217**	96
Share of Group operating profit	**8%**	9%
Share of Group net operating assets	**9%**	9%

BUSINESS OVERVIEW

Through our Metallurgical Coal business unit, we are Australia's fourth biggest coal producer and in 2010 we became the country's number two exporter of metallurgical coal.

Our coal operations in Australia are based on the east coast, from where Metallurgical Coal serves a range of customers throughout Asia and the Indian subcontinent, and as far afield as Europe and South America.

Metallurgical Coal operates six mines, one wholly owned and five in which it has a controlling interest. Five of the mines are located in Queensland's Bowen Basin: Moranbah North (metallurgical coal), Capcoal (metallurgical and thermal coal), Foxleigh (metallurgical coal), Dawson (metallurgical and thermal coal) and Callide (thermal coal). Drayton mine (thermal coal) is in the Hunter Valley in New South Wales.

All of the mines are in well established locations and have direct access to rail and port facilities at Dalrymple Bay and Gladstone in Queensland or Newcastle in New South Wales.

Moranbah North is an underground longwall mining operation with a mining lease covering 100 square kilometres. Coal is mined from the Goonyella Middle Seam, approximately 200 metres below the surface. The mine produces around 3.9 Mt (attributable) of high fluidity, hard coking coal for steel manufacturing. Metallurgical Coal supplies methane-rich seam gas to a power station at Moranbah North, thereby reducing the mine's carbon dioxide equivalent (CO_2e) emissions by around 1.3 Mtpa.

Capcoal operates two longwall underground mines and an open cut mine. Together, they produce around 5.5 Mt (attributable) annually of hard coking coal, pulverised coal injection (PCI) and thermal coal. Capcoal also supplies methane-rich seam gas to Energy Developments Limited's power station, thereby contributing to Queensland's power grid, while eliminating 1 Mt of methane emissions per annum.

Foxleigh is an open cut operation with an annual output exceeding 1.7 Mt (attributable) of high quality PCI coal. Currently, the mine is engaged in an asset optimisation process to raise attributable production to 2.2 Mtpa.

Dawson is an open cut operation, which in 2010 produced 7.0 Mt in total (3.6 Mt attributable) of coking and thermal coal.

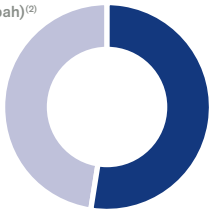
Metallurgical Coal owns an effective 23% interest in the Jellinbah and Lake Vermont mines in Queensland, both metallurgical coal producers.

In 2010, Metallurgical Coal's mines produced 14.7 Mt (attributable) of metallurgical coal, all for export, and 14.5 Mt (attributable) of thermal coal, of which 44% was exported.

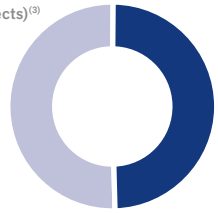
Metallurgical Coal's resource base totals some 3.4 billion tonnes of coal. This includes high quality greenfield metallurgical coal reserves close to existing infrastructure.

LIFE OF MINE[1] AND RESERVES AND RESOURCES

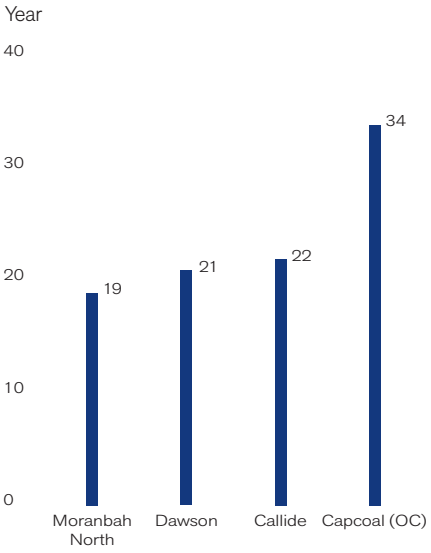
Reserves (Operations excl. Jellinbah)[2]
- Proved 342 Mt
- Probable 312 Mt



Resources (Operations and Projects)[3]
- Measured 1,585 Mt
- Indicated 1,639 Mt



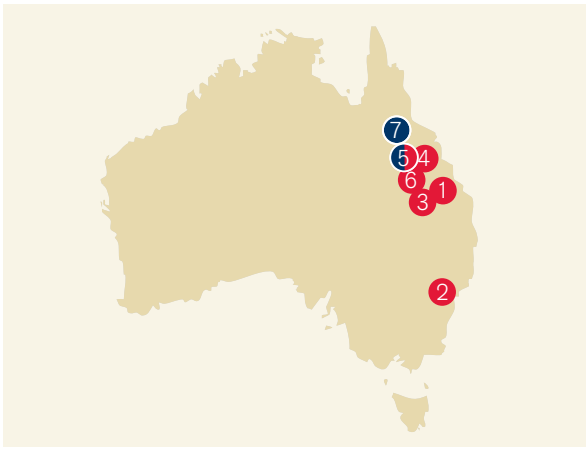
FOUR LONGEST LIFE OPERATIONS



Source: Anglo American

[1] Life of Mine in years based on scheduled Coal Reserves.
[2] Includes Australian export thermal, coking coal, domestic power and metallurgical coal reserves (excl. Jellinbah). The figures reported represent 100% of the Saleable Coal Reserves and Coal Resources; the percentage attributable to Anglo American plc is stated separately on pages 95 to 97. Coal reserves are additional to Coal Resources.
[3] Coal Resources for Operations are reported as additional to Coal Reserves.

OUR METALLURGICAL COAL OPERATIONS



Thermal
- 1 100% Callide
- 2 88% Drayton

Metallurgical
- 3 51% Dawson Complex
- 4 70% Foxleigh
- 5 70% German Creek*
- 6 23% Jellinbah
- 7 88% Moranbah North

* The German Creek operation includes both Capcoal Open Cut and Underground operations.

Key
- Open Cut
- Underground

An overview of Moranbah North Power Station which is a 45MW power plant located in Central Queensland at Anglo American's Moranbah North mine. The plant generates electricity from methane-rich gas that is released during underground mining operations. The plant is owned and operated by Energy Development (EDL), and began operations in late 2008.

INDUSTRY OVERVIEW

An overview of a section of Moranbah North mine in Queensland Australia.

INDUSTRY OVERVIEW

Produced in relatively few countries, metallurgical coal is primarily used in, and is a key raw material for, nearly 70% of the world's steelmaking industry. It includes hard coking coal, semi-soft coking coal and PCI coal. The chemical composition of the coal is fundamental to steel producers' raw material mix and product quality.

Primary underlying demand for coking coal is driven by steel, cement and other sectors of industry. In 2010, global hard coal production exceeded 6.0 billion tonnes, most of it being used in the country of origin. A small amount is traded across land borders such as those between the US and Canada, China and Mongolia, and between the countries of the former Soviet Union. In 2010, the international seaborne metallurgical coal market accounted for just 240 Mt of metallurgical coal, of which Australia supplied two-thirds.

Markets

Anglo American weighted average achieved FOB price ($/tonne)	2010	2009
Export metallurgical coal	**176**	141
Export thermal coal	**87**	74
Domestic thermal coal	**30**	27

Attributable sales volumes ('000 tonnes)	2010	2009
Export metallurgical coal	**14,948**	11,542
Export thermal coal	**6,384**	6,239
Domestic thermal coal	**8,342**	8,604

In 2010 there was a significant increase in demand for metallurgical coal from the global steel industry, with a return to levels last seen in 2008 in the traditional Asian markets and sustained growth in China and India. Demand increased in the first quarter as steelmakers started to restock, which resulted in a temporary oversupply of steel mid-year as steel producers drew down stock again. In the third quarter, this trend reversed and the industry has subsequently seen a strengthening in coal demand and prices. European demand continues to recover, albeit at a slower pace than in Asia. Unseasonal record rainfall in Australia has limited supply from Queensland mines since September, a trend which continued throughout the fourth quarter and will continue to impede production in early 2011. Industry stock levels reached record lows and this is expected to result in a further increase in metallurgical coal prices in 2011.

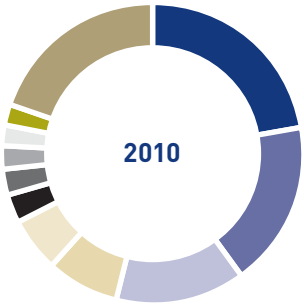
The market for metallurgical coal has traditionally priced coal through annual price negotiations providing for fixed pricing for a 12 month period. Since the second quarter of 2010, a move to quarterly pricing has occurred. In parallel with this shift, multiple coking coal indices have been developed with the aim of creating a liquid spot market with transparent pricing, though no reliable index has yet been determined. Metallurgical Coal is well placed to continue to supply its customers under the new pricing mechanisms as they evolve.

MARKET INFORMATION

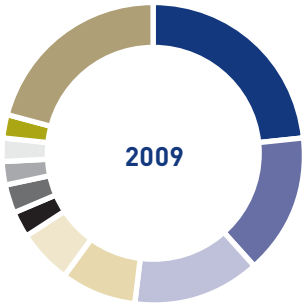
TOP 5 EXPORTERS OF COKING COAL IN 2010

BHPB 25%
Anglo American 11%
Teck 9%
Xstrata 5%
Rio Tinto 5%
Others 45%

SEABORNE METALLURGICAL COAL DEMAND BY COUNTRY



Japan 22.4%
China 17.7%
India 13.9%
South Korea 7.9%
Brazil 5.8%
Germany 2.9%
Italy 2.8%
Taiwan 2.5%
United Kingdom 2.3%
Ukraine 2.2%
Rest of world 19.6%

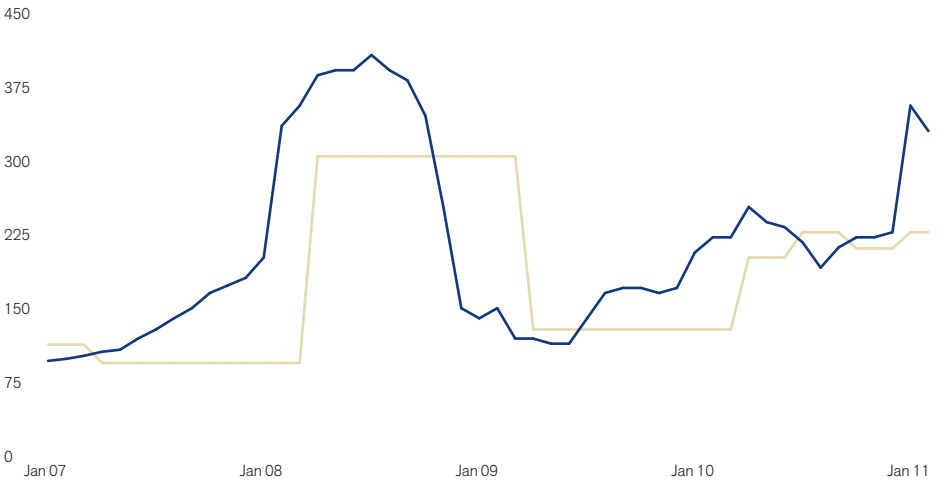


Japan 23.4%
China 15.2%
India 13.5%
South Korea 8.1%
Brazil 5.7%
Germany 2.9%
Ukraine 2.9%
Italy 2.7%
United Kingdom 2.5%
Taiwan 2.5%
Rest of world 20.6%

MARKET PRICE ANALYSIS

(Shown to February 2011)

$/tonne FOB Australia



HCC Contract - FOB Aus
HCC Spot - FOB Aus

Source: CRU

STRATEGY AND GROWTH

STRATEGY AND GROWTH

Metallurgical Coal's strategy is to increase significantly the value of the business by optimising existing operations and developing new operations to supply high margin export coal. Three specific programmes have been developed to implement this strategy. First, a structured programme of asset optimisation is designed to deliver industry-best operational performance over the existing asset base. Secondly, the business unit's attractive and well-developed organic growth pipeline aims to double high value metallurgical coal production over the next decade. With a resource base of approximately 3.4 billion tonnes[1], four future projects, including two high quality metallurgical coal opportunities in Queensland; Grosvenor and Moranbah South, and the Dartbrook and Drayton South thermal, semi-soft and PCI prospects in New South Wales, have been mapped out to position the company for growth. Thirdly, in line with increasing demand from the steelmaking industry in both existing and emerging markets, Metallurgical Coal is realising increased value from developing superior specialised product offerings to customers in that sector. Emerging markets, particularly in the Asia-Pacific region, are likely to remain the driving force behind metallurgical coal demand both in the short and the long term.

Early in 2010, we undertook a review of our portfolio of coal assets in Australia in order to assess their alignment with the Group's overall strategy. As a result of this review, in July we announced the sale of the Bylong and Sutton Forest undeveloped coal assets in New South Wales and the three open cut coal deposits at Collingwood, Ownaview and Taroom in Queensland. In November, we instituted a divestment process for Callide, which primarily supplies domestic power stations in Biloela and Gladstone. This follows on the disposal of the Dawson Seamgas assets earlier this year.

[1] Comprising: 1.6 billion tonnes Measured Resources, 1.6 billion tonnes Indicated Resources and 0.2 billion tonnes Inferred Resources. The Measured and Indicated Resources are in addition to reserves. All resources are reported on a 100% basis and have been estimated in accordance with the requirements of the JORC code.

Environmentalist Matt Goddard at the coal handling preparation plant at Lake Lindsay mine in Queensland.

Projects

Metallurgical Coal took further steps to focus its business on high margin export products by progressing the Grosvenor and Drayton South feasibility studies and by divesting non-core assets, including the sale of five undeveloped exploration assets and the Dawson Seamgas assets. The proposed divestment of the Callide mine has also been announced. Callide primarily supplies domestic power stations in Queensland and produced 8.5 Mt of thermal coal in 2010 and has expansion potential from its resource base of more than 800 million tonnes.

At the Greenfield projects of Grosvenor, Moranbah South, Dartbrook and Drayton South, studies continue in order to meet expectations of growing demand for both metallurgical and export thermal coal. Approval of the 4.3 Mtpa Grosvenor metallurgical coal project is targeted for the second quarter of 2012.

PROJECT PIPELINE – KEY PROJECTS

GROSVENOR (UNAPPROVED)

Overall capex: TBD

Country Australia	The Grosvenor project is a greenfield metallurgical coal project close to current operations at Moranbah North. Approval of the 4.3 Mtpa Grosvenor metallurgical coal project is targeted for the second quarter of 2012.
Ownership 100%	
Incremental production 4.3 Mtpa metallurgical coal	
Full project capex TBD	
Full production 2016	

DRAYTON SOUTH (UNAPPROVED)

Overall capex: TBD

Country Australia	Drayton South will replace mining capacity at Drayton mine, leveraging existing site infrastructure and the coal handling processing plant.
Ownership 88.2%	
Incremental production 4.2 Mtpa thermal coal	
Full project capex TBD	
Full production 2017	

MORANBAH SOUTH (UNAPPROVED)

Overall capex: TBD

Country Australia	Moranbah South is a potential new mine located in the north Bowen Basin of Queensland.
Ownership 50%	
Incremental production TBD	
Full project capex TBD	
Full production 2019	

PRODUCTION DATA

Production (tonnes)	2010	2009	2008	2007	2006
Metallurgical Coal segment					
Australia[1]					
Metallurgical	**14,701,800**	12,622,600	13,144,900	10,145,400	9,195,600
Thermal	**14,460,500**	14,051,800	14,696,300	15,059,300	15,258,400
Total Metallurgical Coal segment	**29,162,300**	**26,674,400**	**27,841,200**	**25,204,700**	**24,454,000**
Australia					
Callide	**8,515,600**	8,766,400	9,582,700	10,031,100	9,816,100
Drayton	**4,206,000**	3,630,200	3,711,500	3,902,700	4,136,300
Capcoal	**5,460,300**	4,598,900	5,621,900	4,115,700	3,165,400
Jellinbah East	**1,792,500**	1,745,800	1,033,900	891,800	887,400
Moranbah North	**3,937,800**	2,581,000	3,181,500	3,211,600	2,928,500
Dawson Complex	**3,584,900**	3,756,200	3,537,200	3,051,800	3,520,300
Foxleigh	**1,665,700**	1,595,900	1,172,500	–	–
Total	**29,162,300**	**26,674,400**	**27,841,200**	**25,204,700**	**24,454,000**

[1] 2006 and 2005 exclude production at Dartbrook which was closed in the year. Production for Dartbrook was 792,000 tonnes in 2006 and 1,495,500 tonnes in 2005.
Metallurgical Coal attributable saleable production.

Grasstree – Miners coming from underground at the end of their shift.

METALLURGICAL COAL
estimates as at 31 December 2010

METALLURGICAL COAL

The Coal Reserve and Coal Resource estimates were compiled in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as a minimum standard. The figures reported represent 100% of the Coal Reserves and Coal Resources, the percentage attributable to Anglo American plc is stated separately. Rounding of figures may cause computational discrepancies. Anglo American Metallurgical Coal comprises export metallurgical and thermal coal operations located in Australia.

Metallurgical Coal – Australia Operations				ROM Tonnes[3]		Yield[4]		Saleable Tonnes[3]		Saleable Quality[5]	
COAL RESERVES[1]	Attributable %[2]	LOM	Classification	2010	2009	2010	2009	2010	2009	2010	2009
Callide (OC)	100	22		Mt	Mt	ROM %	ROM %	Mt	Mt	kcal/kg	kcal/kg
Domestic Power			Proved	130.6	125.8	98.1	97.4	128.1	122.3	3,740	4,550
			Probable	90.6	87.7	99.5	99.2	90.1	87.0	3,890	4,560
			Total	**221.2**	**213.5**	**98.7**	**98.2**	**218.2**	**209.3**	**3,800**	**4,550**
Capcoal (OC)	76.8	34								kcal/kg	kcal/kg
Export Thermal			Proved	84.7	85.7	3.0	3.3	2.7	3.0	7,060	7,070
			Probable	72.5	54.1	2.3	3.6	1.7	2.0	7,030	7,070
			Total	**157.1**	**139.8**	**2.7**	**3.4**	**4.4**	**5.0**	**7,050**	**7,070**
										CSN	CSN
Coking			Proved			21.2	23.4	18.7	20.8	7.0	7.0
			Probable			16.8	25.7	12.3	14.4	6.5	6.5
			Total			**19.2**	**24.3**	**31.0**	**35.2**	**7.0**	**7.0**
Other Metallurgical										kcal/kg	kcal/kg
			Proved			44.3	42.8	39.0	38.1	6,970	6,980
			Probable			46.7	37.2	35.0	20.9	6,990	7,090
			Total			**45.4**	**40.6**	**74.0**	**59.0**	**6,980**	**7,020**
Capcoal (UG)	70.0	11								CSN	CSN
Coking			Proved	45.7	41.3	72.9	66.9	35.2	29.2	9.0	9.0
			Probable	14.7	13.8	72.0	68.5	11.2	10.0	9.0	8.5
			Total	**60.4**	**55.1**	**72.7**	**67.3**	**46.3**	**39.2**	**9.0**	**9.0**
Dawson (OC)	51.0	21								kcal/kg	kcal/kg
Export Thermal			Proved	17.9	21.0	61.3	57.6	11.2	12.4	6,500	6,500
			Probable	156.0	161.8	57.6	56.4	92.4	93.9	6,500	6,500
			Total	**173.8**	**182.8**	**58.0**	**56.6**	**103.7**	**106.3**	**6,500**	**6,500**
										CSN	CSN
Coking			Proved			22.1	24.4	4.0	5.2	7.5	7.5
			Probable			17.7	18.9	28.4	31.4	7.5	7.5
			Total			**18.2**	**19.5**	**32.4**	**36.6**	**7.5**	**7.5**
Drayton (OC)	88.2	6								kcal/kg	kcal/kg
Export Thermal			Proved	4.2	1.9	76.7	78.4	3.2	1.5	6,260	7,070
			Probable	24.3	31.2	76.7	77.3	18.6	24.1	6,260	6,450
			Total	**28.5**	**33.1**	**76.7**	**77.4**	**21.8**	**25.6**	**6,260**	**6,490**
Foxleigh (OC)	70.0	8								kcal/kg	kcal/kg
Other Metallurgical			Proved	5.8	1.9	76.9	71.1	4.8	1.4	6,960	6,520
			Probable	14.7	4.4	76.8	71.1	12.0	3.3	6,810	6,580
			Total	**20.5**	**6.3**	**76.8**	**71.1**	**16.8**	**4.7**	**6,850**	**6,560**
Moranbah North (UG)	88.0	19								CSN	CSN
Coking			Proved	116.8	123.6	76.9	78.5	94.8	102.5	8.0	7.5
			Probable	13.1	12.2	72.3	74.0	10.0	9.6	8.0	8.0
			Total	**130.0**	**135.8**	**76.4**	**78.1**	**104.8**	**112.0**	**8.0**	**7.5**
Australia Export Thermal	58.1			Mt	Mt	Plant %	Plant %	Mt	Mt	kcal/kg	kcal/kg
			Proved	405.5	401.0	55.0	49.7	17.1	16.9	6,540	6,650
			Probable	385.8	365.3	59.9	59.8	112.7	120.0	6,470	6,500
			Total	**791.4**	**766.4**	**59.2**	**58.5**	**129.8**	**136.9**	**6,480**	**6,520**
Australia Coking	76.9									CSN	CSN
			Proved			62.3	63.8	152.7	157.7	8.0	7.5
			Probable			29.6	32.7	61.9	65.3	7.5	7.5
			Total			**52.4**	**54.6**	**214.5**	**223.0**	**8.0**	**7.5**
Australia Other Metallurgical	75.5									kcal/kg	kcal/kg
			Proved			34.0	30.2	43.7	39.5	6,970	6,960
			Probable			48.3	35.2	47.1	24.2	6,940	7,020
			Total			**40.8**	**32.1**	**90.8**	**63.7**	**6,960**	**6,990**
Australia Domestic Power	100									kcal/kg	kcal/kg
			Proved			98.1	97.4	128.1	122.3	3,740	4,550
			Probable			99.5	99.2	90.1	87.0	3,890	4,560
			Total			**98.7**	**98.2**	**218.2**	**209.3**	**3,800**	**4,560**

Mining method: OC = Open Cut, UG = Underground. LOM = Life of Mine in years based on scheduled Coal 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.
Additional footnotes appear at the end of the section.

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).
Other Metallurgical refers to semi soft, soft, hard, semi-hard or anthracite coal, other than Coking Coal, such as pulverized coal injection (PCI) or other general metallurgical coal for the export or domestic market with a wider range of properties than Coking Coal.
Domestic Power refers to low- to high-volatile thermal or semi-soft coal primarily for domestic consumption for power generation; quality measured by calorific value (CV).

METALLURGICAL COAL continued

estimates as at 31 December 2010

Metallurgical Coal – Australia Operations COAL RESOURCES[6]	Attributable %[2]	Classification	Tonnes 2010 MTIS[6]	Tonnes 2009 MTIS[6]	Coal Quality 2010 kcal/kg[7]	Coal Quality 2009 kcal/kg[7]
Callide	100	Measured	220.0	317.8	4,870	4,800
		Indicated	324.0	375.3	4,790	4,740
		Measured and Indicated	**543.9**	**693.1**	**4,820**	**4,770**
		Inferred (in LOM)[8]	12.1	0.4	4,260	4,050
Capcoal (OC)	76.8	Measured	13.8	21.8	7,080	7,010
		Indicated	27.9	39.1	7,080	6,940
		Measured and Indicated	**41.7**	**60.9**	**7,080**	**6,970**
		Inferred (in LOM)[8]	36.6	12.0	6,710	6,560
Capcoal (UG)	70.0	Measured	76.3	79.5	6,730	6,750
		Indicated	68.0	76.9	6,620	6,660
		Measured and Indicated	**144.3**	**156.4**	**6,680**	**6,710**
		Inferred (in LOM)[8]	0.3	–	6,630	–
Dawson	51.0	Measured	163.1	163.1	6,670	6,650
		Indicated	278.6	278.6	6,660	6,650
		Measured and Indicated	**441.7**	**441.7**	**6,660**	**6,650**
		Inferred (in LOM)[8]	103.5	103.5	6,870	6,710
Drayton	88.2	Measured	2.4	0.9	6,870	6,870
		Indicated	12.3	12.5	6,850	6,730
		Measured and Indicated	**14.7**	**13.4**	**6,850**	**6,740**
		Inferred (in LOM)[8]	0.4	0.1	6,050	5,910
Foxleigh	70.0	Measured	17.3	10.0	7,130	6,760
		Indicated	16.1	58.9	7,090	6,480
		Measured and Indicated	**33.3**	**68.9**	**7,110**	**6,520**
		Inferred (in LOM)[8]	7.0	–	6,830	–
Moranbah North	88.0	Measured	39.5	42.1	6,630	6,590
		Indicated	20.4	20.0	6,500	6,480
		Measured and Indicated	**59.9**	**62.2**	**6,590**	**6,550**
		Inferred (in LOM)[8]	0.2	0.1	6,680	6,800
Australia – Mine Leases	77.5	Measured	532.3	635.2	5,960	5,750
		Indicated	747.3	861.4	5,870	5,820
		Measured and Indicated	**1,279.6**	**1,496.6**	**5,910**	**5,790**
		Inferred (in LOM)[8]	160.2	116.0	6,630	6,690

THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Metallurgical Coal – Australia Projects COAL RESERVES[1]	Attributable %[2]	LOM	Classification	ROM Tonnes[3] 2010 Mt	ROM Tonnes[3] 2009 Mt	Yield[4] 2010 ROM %	Yield[4] 2009 ROM %	Saleable Tonnes[3] 2010 Mt	Saleable Tonnes[3] 2009 Mt	Saleable Quality[5] 2010 CSN	Saleable Quality[5] 2009 CSN
Grosvenor	100	26									
Coking			Proved	63.3	–	64.9	–	43.3	–	8.5	–
			Probable	49.9	–	64.3	–	33.8	–	8.0	–
			Total	**113.2**	**–**	**64.6**	**–**	**77.2**	**–**	**8.5**	**–**

Metallurgical Coal – Australia Projects COAL RESOURCES[6] [8]	Attributable %[2]	Classification	Tonnes 2010 MTIS[6]	Tonnes 2009 MTIS[6]	Coal Quality 2010 kcal/kg[7]	Coal Quality 2009 kcal/kg[7]
Dartbrook	83.3	Measured	386.1	170.1	5,720	6,200
		Indicated	24.8	51.9	5,460	6,200
		Measured and Indicated	**410.9**	**222.1**	**5,700**	**6,200**
Drayton South	88.2	Measured	405.7	398.9	6,580	6,440
		Indicated	173.4	137.9	6,540	6,340
		Measured and Indicated	**579.2**	**536.8**	**6,570**	**6,410**
Grosvenor	100	Measured	168.5	240.1	6,410	6,350
		Indicated	55.3	117.2	6,430	6,340
		Measured and Indicated	**223.8**	**357.3**	**6,410**	**6,350**
Moranbah South	50.0	Measured	146.4	56.0	6,030	5,940
		Indicated	325.4	149.7	6,300	6,290
		Measured and Indicated	**471.7**	**205.7**	**6,220**	**6,190**
Taroom	–	Measured	–	36.4	–	5,560
		Indicated	–	89.0	–	5,580
		Measured and Indicated	**–**	**125.5**	**–**	**5,570**
Theodore	51.0	Measured	–	–	–	–
		Indicated	258.5	358.2	6,260	6,250
		Measured and Indicated	**258.5**	**358.2**	**6,260**	**6,250**
Australia – Projects	74.3	Measured	1,106.7	901.5	6,180	6,300
		Indicated	837.4	903.9	6,320	6,210
		Measured and Indicated	**1,944.1**	**1,805.4**	**6,240**	**6,260**

Metallurgical Coal – Australia Operations and Projects COAL RESOURCES[6]	Attributable %[2]	Classification	Tonnes 2010 MTIS[6]	Tonnes 2009 MTIS[6]	Coal Quality 2010 kcal/kg[7]	Coal Quality 2009 kcal/kg[7]
Total	75.6	Measured	1,638.9	1,536.7	6,110	6,070
		Indicated	1,584.7	1,765.3	6,110	6,020
		Measured and Indicated	**3,223.6**	**3,302.0**	**6,110**	**6,050**
		Inferred (in LOM)[8]	196.0	116.0	6,590	6,690

THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Metallurgical Coal – Australia Projects BROWN COAL RESOURCES[6] [8]	Attributable %[2]	Classification	Tonnes 2010 MTIS[6]	Tonnes 2009 MTIS[6]	Coal Quality 2010 kcal/kg[7]	Coal Quality 2009 kcal/kg[7]
Monash Energy	100					
		Measured	5,095.0	5,095.0	1,820	1,820
		Indicated	5,221.0	5,221.0	1,790	1,790
		Measured and Indicated	**10,316.0**	**10,316.0**	**1,800**	**1,800**
Australia Brown Coal Resources	100	Measured	5,095.0	5,095.0	1,820	1,820
		Indicated	5,221.0	5,221.0	1,790	1,790
		Measured and Indicated	**10,316.0**	**10,316.0**	**1,800**	**1,800**

(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 2010 only. For the 2009 Reported and Attributable figures, please refer to the 2009 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 – ROM % 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 whereas Plant % is based on the 'Feed to Plant' tonnes. The product yields (ROM %) 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 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, 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

Callide: A full economic re-assessment of the Southern operations, was completed in 2010 which has resulted in a slight increase in reserves. The resources and reserves for the Boundary Hill and Boundary Hill Extended deposit have been depleted for 2010 due to unavailability of an updated geological model.
Capcoal: The increase in reserves at Capcoal is due to revision of the open cut economic pit limits derived from a revised margin ranking and a realignment of the underground mine layout.
Dawson: All geological models for Dawson have been updated and a major revision of the mine plan has been undertaken during 2010. Results from this work will only be finalised in Q1 2011 and Dawson resources and reserves have been depleted for 2010. The Dawson North mining area was reopened at the end of 2010.
Foxleigh: Reserve areas have been extended as a result of a revised economic margin ranking. Foxleigh Plains has been included in the resource and reserve estimates for the first time.
Grosvenor: Reserves are reported for the first time as the Grosvenor project has progressed to detailed feasibility study and a mining lease application has been lodged.
Moranbah South: Resources are reported for underground mining areas which have reasonable potential for eventual economic extraction based on conceptual mining studies.
Drayton South: Reported resources are based on current open cut, highwall mining and underground mining layouts from pre-feasibility studies. Previously reported as Saddlers Creek.
Dartbrook: Resources are now reported for potential open cut mining areas based on the results from the latest conceptual mining study completed in 2010.
Jellinbah: Not reported in 2010 due to <25% attributable interest.
Taroom: Disposal of Taroom was completed in December 2010.
Theodore: The decrease is a result of a change in the stripping ratio used to define 'reasonable prospects for eventual economic extraction'.

Brown Coal

Monash Energy: Resource estimates have not changed from 2009 because no additional data was added in 2010. The brown coal is a substantial resource suitable as a feedstock to many chemical processes but requires technological breakthroughs to allow the economic development of clean coal plants.

Coal Bed Methane

Dawson/Harcourt: The Dawson and Harcourt CBM operations were disposed of in July 2010.

Assumption with respect to Mineral Tenure

Callide: An expectation that a Mining Lease Application which has been lodged will be granted for the northern part of the Kilburnie area. A Mining Lease Application will be lodged and is expected to be granted for the Amy's Find area as an extension to the existing mining area at The Hut.
Foxleigh: A Mining Lease Application has been submitted with Department of Employment, Economic Development and Innovation (DEEDI) for the Plains area.

Reviews by independent third parties were carried out in 2010 on the following Operations and Project areas: Callide, Foxleigh, Dawson, Dartbrook, Drayton South.

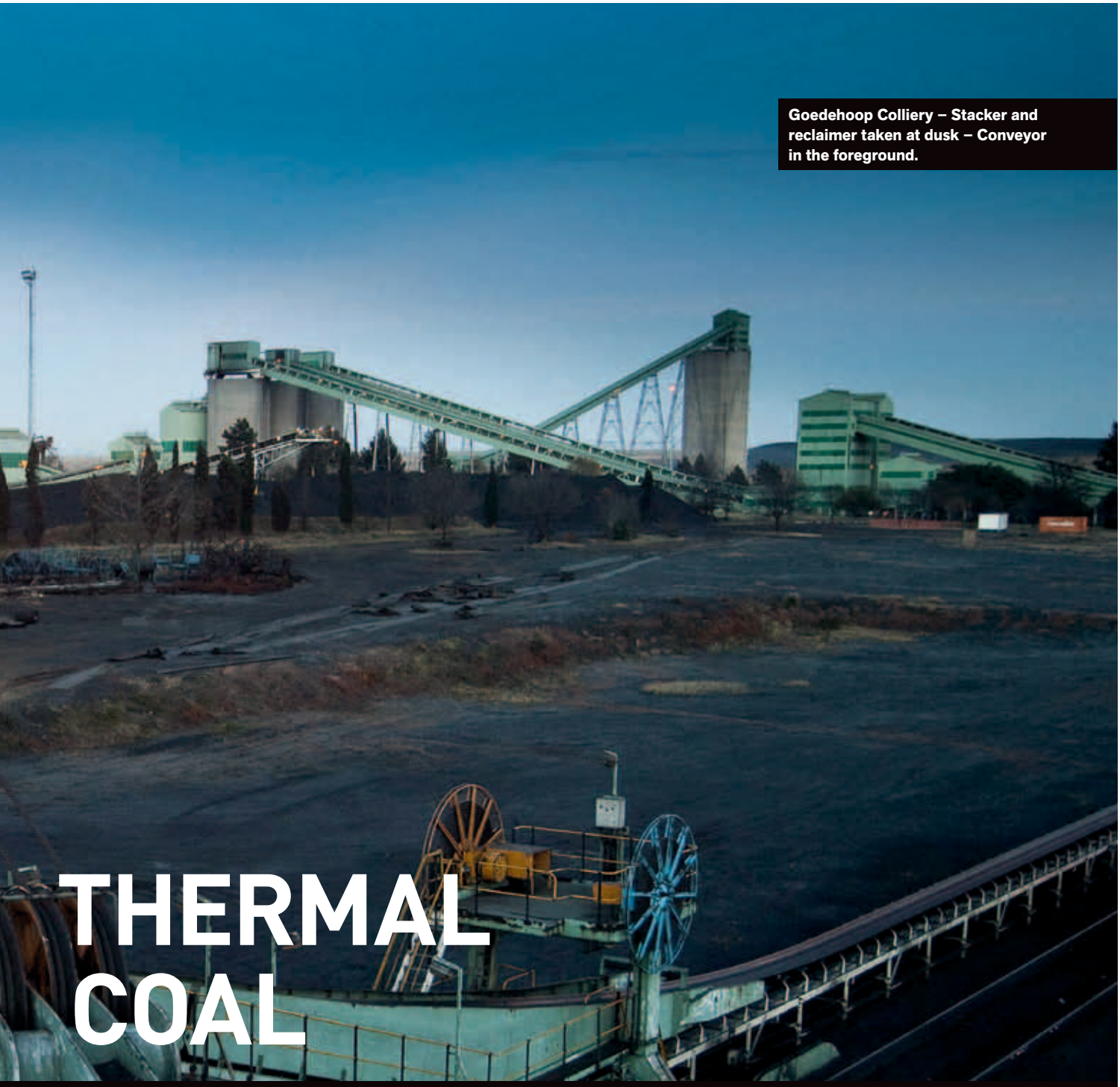
The open pit at Anglo American's Foxleigh Mine in Queensland Australia.

32%

SOUTH AFRICA'S COAL EXPORTS DELIVERED TO INDIA IN 2010

68.5 Mt

OF THERMAL COAL PRODUCED FROM SOUTH AFRICA AND SOUTH AMERICA



Goedehoop Colliery – Stacker and reclaimer taken at dusk – Conveyor in the foreground.

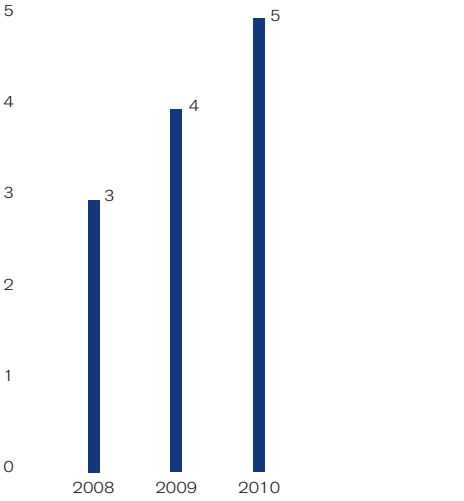
THERMAL COAL

In South Africa, our thermal coal business owns and operates nine mines. In Colombia, we have a one-third shareholding (with BHP Billiton and Xstrata each owning one-third) in Cerréjon, Colombia's largest thermal coal exporter.

FINANCIAL HIGHLIGHTS

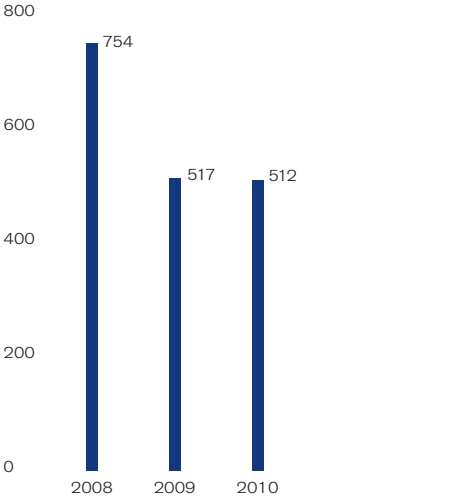
SHARE OF GROUP NET OPERATING ASSETS

%



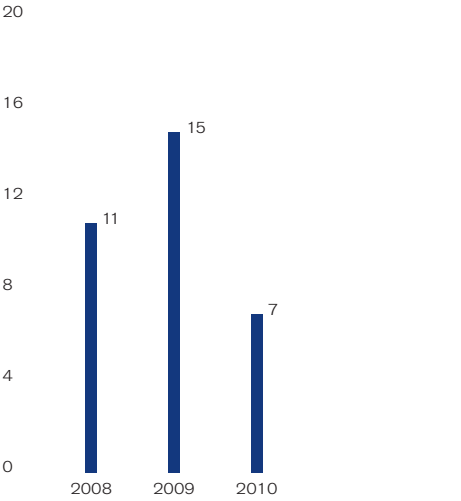
UNDERLYING EARNINGS

$m



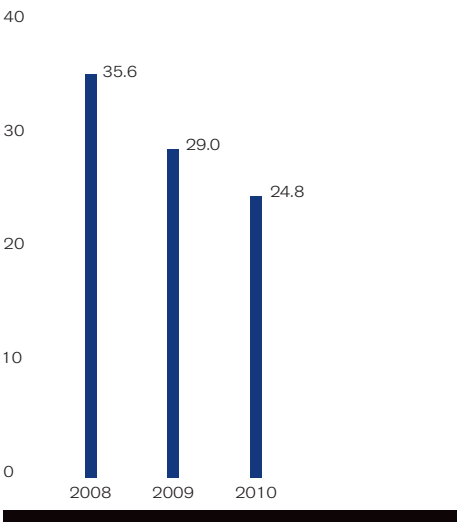
SHARE OF GROUP OPERATING PROFIT

%



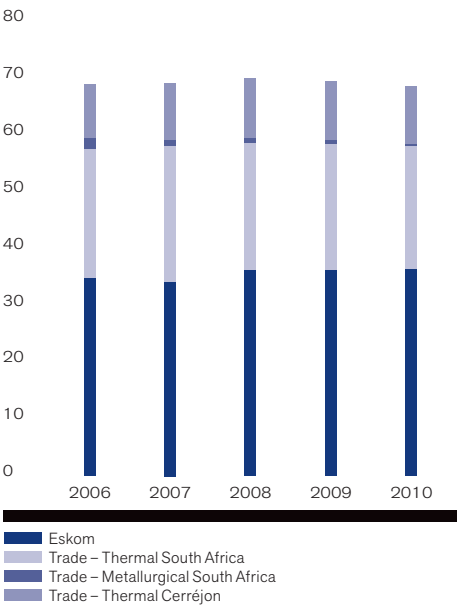
OPERATING MARGIN

%



ANGLO AMERICAN COAL PRODUCTION FROM THERMAL COAL

Mt



FINANCIAL DATA

$m	2010	2009	2008
Turnover			
Subsidiaries	**2,105**	1,748	2,210
Joint ventures	**–**	–	–
Associates	**761**	742	841
Total turnover	**2,866**	**2,490**	**3,051**
Of which:			
South Africa	**2,105**	1,748	2,210
South America	**761**	742	841
EBITDA	**872**	**875**	**1,200**
Of which:			
South Africa	**539**	550	814
South America	**358**	352	419
Projects and corporate	**(25)**	(27)	(33)
Depreciation and amortisation	**162**	**154**	**293**
Operating profit before special items and remeasurements	**710**	**721**	**1,078**
Of which:			
South Africa	**426**	442	736
South America	**309**	305	375
Projects and corporate	**(25)**	(26)	(33)
Operating special items and remeasurements	**(2)**	(6)	2
Operating profit after special items and remeasurements	**708**	**715**	**1,080**
Net interest, tax and minority interests	**(198)**	**(204)**	**(324)**
Underlying earnings	**512**	**517**	**754**
Of which:			
South Africa	**314**	328	543
South America	**223**	215	243
Projects and corporate	**(25)**	(26)	(32)
Net operating assets	**2,111**	**1,707**	**1,018**
Capital expenditure	**274**	**400**	**365**

Greenside Colliery – Surveyor Godfrey Motsi measures the size of the coal stockpile using sophisticated GPS technology.

BUSINESS OVERVIEW

THERMAL COAL RESOURCES

3.4 billion tonnes

2010 ATTRIBUTABLE PRODUCTION FROM THERMAL COAL

68.5 Mt

PROJECTED COAL PRODUCTION FROM THE NEW ZIBULO MINE

6.6 Mtpa

FINANCIAL HIGHLIGHTS	2010	2009
$ million (unless otherwise stated)		
Operating profit	**710**	721
South Africa	**426**	442
Colombia	**309**	305
Projects and corporate	**(25)**	(26)
EBITDA	**872**	875
Net operating assets	**2,111**	1,707
Capital expenditure	**274**	400
Share of Group operating profit	**7%**	15%
Share of Group net operating assets	**5%**	4%

BUSINESS OVERVIEW

Thermal Coal operates in South Africa and has a one-third interest in Cerrejón in Colombia. In South Africa, Thermal Coal wholly owns and operates nine mines and has a 50% interest in the Mafube colliery and Phola washing plant. Five of the mines collectively supply 22 Mtpa of thermal coal to both export and local markets. New Vaal, New Denmark and Kriel collieries are domestic product operations supplying 32 Mtpa of thermal coal to Eskom, the state-owned power utility. Isibonelo mine produces 5 Mtpa of thermal coal for Sasol Synthetic Fuels, the coal to liquids producer, under a 20 year supply contract.

Anglo American Inyosi Coal, a broad based black economic empowerment (BBBEE) company valued at approximately $1 billion, is 73% held by Anglo American; the remaining 27% is held by Inyosi, a BEE consortium led by the Pamodzi and Lithemba consortia (66%), with the Women's Development Bank and a community trust holding the remaining equity. Anglo American Inyosi Coal, in turn, owns Kriel colliery, the new Zibulo multi-product colliery (previously known as the Zondagsfontein project) and the greenfield projects of Elders, New Largo and Heidelberg. The outstanding conditions precedent to the Anglo American Inyosi Coal transaction were fulfilled by the end of May and the transaction became effective from 1 June 2010.

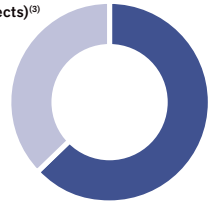
Thermal Coal's South African operations currently route all export thermal coal through the Richards Bay Coal Terminal (RBCT), in which it has a 27% shareholding, to customers throughout the Med-Atlantic and Asia-Pacific regions. Within South Africa, 62% of total sales tonnes are made to the Eskom power utility, of which the majority are on long term (i.e. life of mine) cost-plus contracts. A further 8% is sold to Sasol and 2% to industrial sector consumers. The remaining 28% is exported through RBCT.

In South America, we have a one-third shareholding (with BHP Billiton and Xstrata each owning one-third) in Cerrejón. Cerrejón is Colombia's largest thermal coal exporter. This opencast operation has a 32 Mtpa production capacity (10.7 Mtpa attributable). Cerrejón owns and operates its own rail and deep water port facilities and sells into the export thermal and pulverised coal injection (PCI) coal markets.

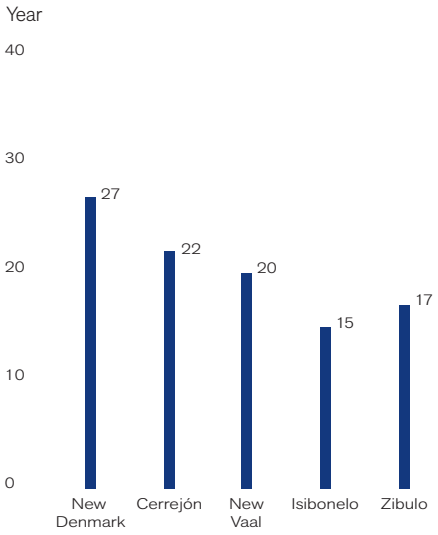
LIFE OF MINE[1] AND RESERVES AND RESOURCES

Reserves (Operations)[2]
Proved 1,348 Mt
Probable 359 Mt

Resources (Operations and Projects)[3]
Measured 2,114 Mt
Indicated 1,240 Mt



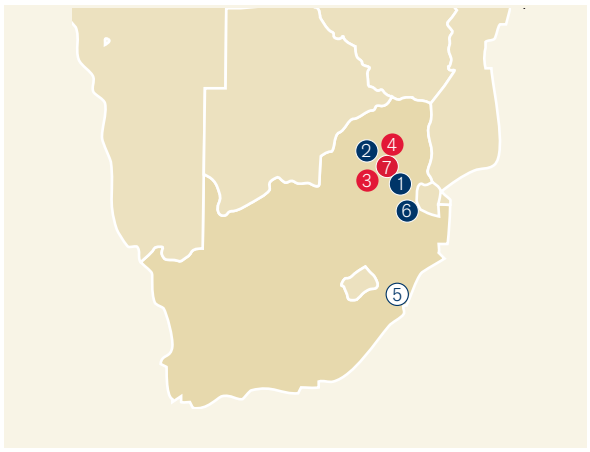
FIVE LONGEST LIFE OPERATIONS



Source: Anglo American

[1] Life of Mine in years based on scheduled Coal Reserves.
[2] Saleable tonnes including Colombian export thermal and South African export thermal, other metallurgical, domestic power and Synfuel coal reserves. The figures reported represent 100% of the Saleable Coal Reserves and Coal Resources; the percentage attributable to Anglo American plc is stated separately on pages 109 to 112. Coal reserves are additional to Coal Resources.
[3] Coal Resources for Operations are reported as additional to Coal Reserves.

OUR EXPORT THERMAL COAL OPERATIONS



South Africa
1 100% Goedehoop
2 100% Greenside
3 100% Kleinkopje
4 100% Landau
5 27.5% Richards Bay Coal Terminal
6 73% Zibulo
7 50% Mafube

South America
1 33% Cerrejón (Colombia)

Key
Open Cast
Other
Underground

INDUSTRY OVERVIEW

Goedehoop Colliery – Underground – Close-up of a miner operating a remote controlled continuous miner cutting machine.

INDUSTRY OVERVIEW

Coal is the most abundant source of fossil fuel energy in the world, considerably exceeding known reserves of oil and gas. The bulk of all coal produced worldwide is thermal coal, which is used as a fuel for power generation and other industries, notably the cement sector. The seaborne thermal coal market accounts for nearly 692 Mtpa and is supplied from a large number of countries, with coal producers operating in a highly competitive global marketplace.

Thermal coal usage is driven by the demand for electricity and is influenced by the price of competing fuels, such as oil and gas and, increasingly, the cost of carbon. Global thermal coal demand is also affected by the availability of alternative generating technologies, including gas, nuclear, hydro-electricity and renewables. The market for export thermal coal is further impacted by the varying degrees of privatisation and deregulation in electricity markets, with customers focused on securing the lowest cost fuel supply in order to produce power at a competitive price. This has resulted in a move away from longer term contracts towards shorter term contracts priced against various coal price indices, which has given rise to the development of an increasingly active financial market for hedging and derivative instruments. The extent to which these pricing instruments are used, however, varies from region to region.

Markets

Anglo American weighted average achieved FOB price ($/tonne)	2010	2009
RSA export thermal coal	**82.49**	64.46
RSA domestic thermal coal	**19.64**	18.48
Colombian export thermal coal	**72.69**	73.47

Attributable sales volumes ('000 tonnes)	2010	2009
RSA export thermal coal	**16,347**	15,857
RSA domestic thermal coal	**5,178**	6,251
Colombian export thermal coal	**10,461**	10,103

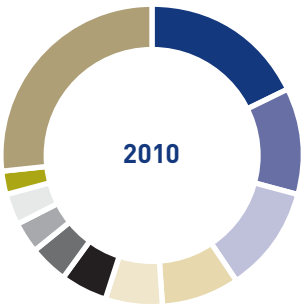
The global seaborne thermal coal market experienced a robust year in 2010. Despite a challenging environment for thermal coal imports into Europe, surging energy demand growth in Asia, provided predominantly by coal fired power generation, helped drive global demand and support prices.

Thermal coal markets in Europe and the US saw softer demand as weakened power markets and cheaper gas reduced coal consumption. At the beginning of the year, Colombian producers were compelled to price competitively to move thermal coal into their traditional US and European markets. This resulted in delivered thermal coal prices in the European market regularly trading at a discount to the South African FOB export price, which excludes the cost of freight. As demand in the Asia Pacific market progressively improved, South African thermal coal sales into this market increased and Colombian producers began exporting significant volumes to this region for the first time.

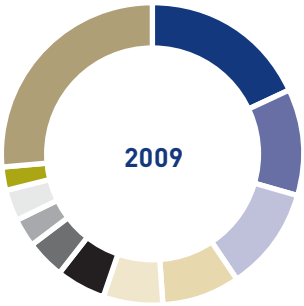
China and India imported significantly more thermal coal during 2010, compared with 2009, increasing by some 40% and 15% respectively, which boosted demand for South African coal. RBCT exported 63 Mt during 2010, a 2 Mt increase over 2009, with some 65% exported to Asian markets and about 30% going to the European and Mediterranean region.

MARKET INFORMATION

SEABORNE THERMAL COAL DEMAND BY COUNTRY



Japan 17.9%
China 11.4%
South Korea 11.3%
Taiwan 8.2%
India 6.3%
United Kingdom 5.0%
Germany 4.0%
Russia 3.4%
United States 3.3%
Malaysia 2.6%
Rest of world 26.6%



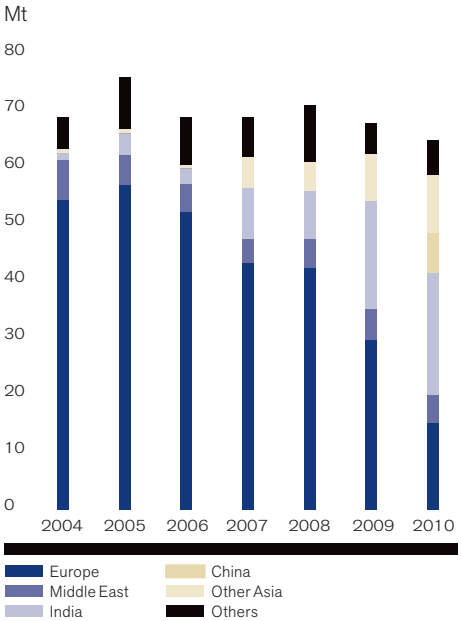
Japan 18.1%
South Korea 11.5%
China 11.0%
Taiwan 8.6%
India 6.3%
United Kingdom 5.2%
Germany 4.1%
United States 3.3%
Russia 3.2%
Spain 2.5%
Rest of world 26.2%

TOP 5 EXPORTERS OF THERMAL COAL IN 2010

Xstrata plc 10.2%
Bumi Resources 8.1%
Adaro Energy 6.6%
Anglo American plc 6.5%
BHP Billiton Limited 6.2%
Others 62.4%

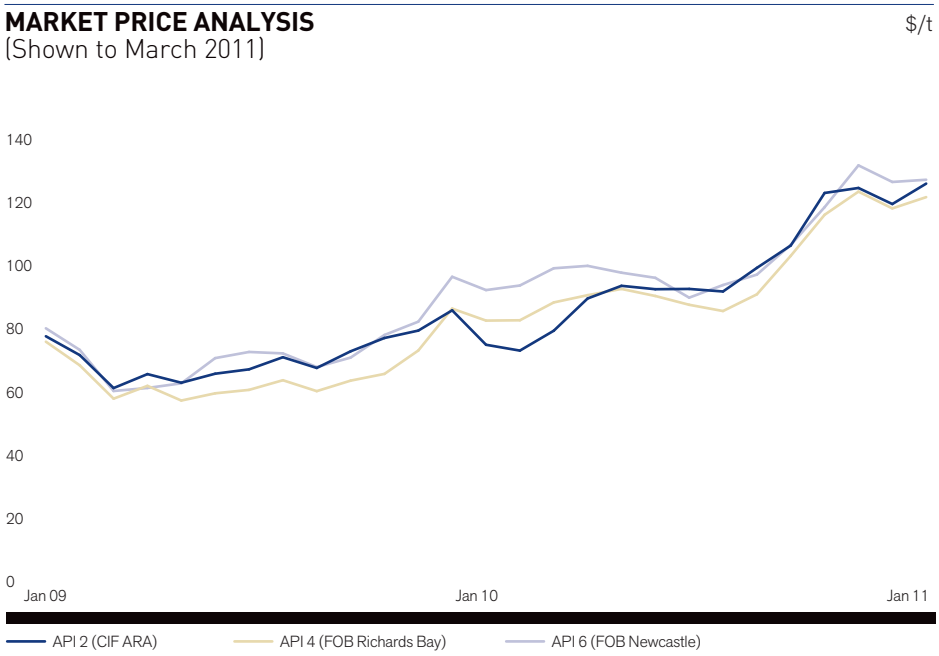
Source: AME

EXPORT THERMAL COAL FROM SOUTH AFRICA



Europe
Middle East
India
China
Other Asia
Others

MARKET PRICE ANALYSIS
(Shown to March 2011)



API 2 (CIF ARA)
API 4 (FOB Richards Bay)
API 6 (FOB Newcastle)

STRATEGY AND GROWTH

A fog cannon, imported from the United States, is used to spray a fine mist of water on to the tip in order to prevent dust.

STRATEGY AND GROWTH

Thermal Coal's strategy is focused on serving the power generation and industrial sectors from large, low cost coal basins. The business unit has a diverse, high quality asset portfolio in South Africa and Colombia and aims to be a long term, reliable supplier. It also strives to participate actively in the pursuit of cleaner coal solutions for the world's energy needs.

Thermal Coal is focused on expanding its strong standing in the export market, while maintaining a significant position in the domestic market in South Africa. It will deliver on this ambition through its extensive portfolio of expansion projects, supported by targeted acquisitions. By year end, it had substantially completed a major programme of investment, including investigations into expansions at Cerrejón and the development of Zibulo. The business unit has commenced its feasibility study on New Largo, identified by Eskom as a primary coal supplier to its Kusile power station now under construction. Kusile's first units are scheduled to be operating in 2013.

India is an ever growing market for South Africa sourced coal, with 2010 showing a pronounced swing from the Med-Atlantic to the Asia-Pacific market. For the year as a whole, 32% of South Africa's coal exports, and a similar proportion of Thermal Coal's own exports, through the RBCT were destined for India. Thermal Coal is evaluating opportunities to increase its market share to India.

In Colombia, Cerrejón's growth strategy encompasses a two-phased expansion strategy. The first phase requires an increase in the port and logistics chain capacity in order to reach 40 Mtpa. Thereafter, a river diversion would be required to expand the pits. This expansion would allow for a potential increase in production to 50-60 Mtpa. The feasibility study for phase 1 is being reviewed by the shareholders. Phase 2 expansion is at the concept phase of development.

In addition to developing its operations in its existing geographies, Thermal Coal is constantly evaluating potential opportunities in new regions which are well placed to service its growing markets.

Projects

In South Africa, the $517 million Zibulo project is approaching completion, the opencast operation is at full production and the underground operation has four of eight production sections deployed. The washing plant, which is a 50:50 joint venture with BHP Billiton Energy Coal South Africa, is fully commissioned and is operating at 80% of planned monthly production. Completion of the man and materials shaft is expected to be in the second quarter of 2011. The mining rights of Zibulo colliery and the environmental management plan were approved during 2010.

The feasibility study for the New Largo project started in 2010 and is expected to be completed in the first quarter of 2012. Significant progress has been made to complete a provisional coal supply agreement with Eskom by the end of March 2011.

At Cerrejón, a two-phase growth strategy has been adopted and is currently being implemented. The first phase, referred to as P500 Phase 1, requires an increase in the port and logistics chain capacity, while maintaining the current operational footprint, in order to reach a target of 40 Mtpa. The second phase, referred to as P500 Phase 2, will require a river diversion and pit expansions to access the additional reserves required to reach a potential 50-60 Mtpa. The feasibility study for Phase 1 was reviewed by the shareholder review teams towards the end of 2010. A process is under way to address the findings of the review process. The aim is to have the Phase 1 ready for approval by the shareholder boards towards the end of the second quarter of 2011.

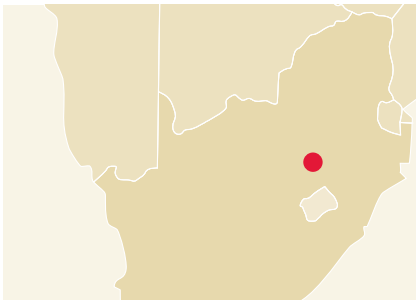
PROJECT PIPELINE – KEY PROJECTS

ZIBULO (PREVIOUSLY ZONDAGSFONTEIN)

Overall capex: $517m (100%)

Country	South Africa
Ownership	73% Anglo American
Production volume	6.6 Mtpa thermal (100%)
Full project capex	517m (100%)
Full production	Q4 2012

The Zibulo project consists of an underground mine and double-stage washing plant producing an export thermal and middlings product. The washing plant is a 50:50 joint venture with BHP Billiton Energy Coal South Africa. Zibulo is nearing final construction with the equipping of the vertical shaft the only outstanding work. The project is on schedule, with first coal produced during the third quarter of 2009 and will continue to ramp up during the course of 2011, reaching full production of 6.6Mtpa of thermal coal in 2012.



ELDERS PROJECT

Overall capex: $1,280m

Country	South Africa
Ownership	73% Anglo American
Production volume	12.8 Mtpa thermal (100%)
Full project capex	$1.3 billion
Full production	TBD

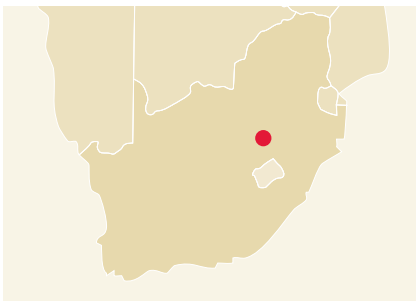
The previously classified Elders opencast and underground projects have now been combined and is being evaluated as a multi-product underground mine, producing a lower grade export and middlings product. The project is currently in concept phase with completion targeted for Q3 2011.

NEW LARGO

Overall capex: $1,280m

Country	South Africa
Ownership	73% Anglo American
Production volume	15 Mtpa thermal (domestic, 100%)
Full project capex	$1.3 billion
Full production	2017

The New Largo project consists of a large opencast and underground mine producing a thermal domestic product earmarked for the Kusile power station. The New Largo feasibility study is well underway with completion targeted for Q1 2012, aligned with first coal requirements from the power station of October 2013.



CERREJÓN P500P1

Overall capex: $271m

Country	Colombia
Ownership	33% Anglo American
Production volume	8 Mtpa thermal (100%)
Full project capex	$271m
Full production	2015

P500 – Phase 1 project is an expansion at current production from 32Mtpa to 40Mtpa at full production. The increase in tonnage will be achieved by systematically eliminating bottle necks and constraints in the production, processing and transportation of coal. Construction is targeted to begin in August 2011 after the project has been reviewed and approved by shareholders. Full production will be reached in 2015.

PRODUCTION DATA

Production (tonnes)	2010	2009	2008	2007	2006
South Africa					
Eskom	**36,403,400**	36,225,100	36,158,100	34,064,000	34,821,200
Trade Thermal	**21,612,000**[1]	22,185,900[1]	22,286,800	23,952,400	22,754,000
Trade Metallurgical	**436,500**	747,100	971,900	1,143,700	1,768,200
South Africa Total	**58,451,900**[1]	**59,158,100**[1]	**59,416,800**	**59,160,100**	**59,343,400**
South America[2]					
Thermal	**10,060,100**	10,189,600	10,410,300	9,875,400	9,477,200
Total Thermal Coal segment	**68,512,000**[1]	**69,347,700**[1]	**69,827,100**	**69,035,500**	**68,820,600**
South Africa					
Bank	**–**	–	–	51,900	477,600
Greenside	**3,425,000**	3,294,600	3,401,100	3,314,900	2,778,100
Goedehoop	**6,026,200**	6,905,000	7,449,400	8,456,200	8,534,500
Isibonelo	**4,569,100**	5,061,900	5,152,100	5,001,000	4,020,100
Kriel	**9,526,100**	11,161,700	10,344,400	11,210,100	12,318,400
Kleinkopje	**4,423,600**	4,414,000	4,545,600	3,490,700	3,898,400
Landau	**4,085,800**	4,231,500	4,089,300	4,058,200	4,102,400
New Denmark	**5,051,600**	3,728,900	5,272,500	5,134,700	5,508,500
New Vaal	**17,235,300**	17,553,700	17,034,400	17,119,500	16,275,000
Nooitgedacht	**–**	475,000	454,600	565,700	711,000
Mafube	**2,447,700**	2,212,800	1,673,400	757,200	719,400
Zibulo	**1,661,500**	119,000	–	–	–
Total	**58,451,900**[1]	**59,158,100**[1]	**59,416,800**	**59,160,100**	**59,343,400**
South America[2]					
Carbones Del Cerrejón	**10,060,100**	10,189,600	10,410,300	9,875,400	9,477,200
Total	**10,060,100**	**10,189,600**	**10,410,300**	**9,875,400**	**9,477,200**

[1] Zibulo (previously Zondagsfontein) is currently not in commercial production and therefore all revenue and related costs associated with 1,662 kt (2009: 119 kt) of production have been capitalised. The 1,662 kt includes Eskom coal of 765 kt (2009: 33 kt) and export thermal coal production of 897 kt (2009: 86 kt).

[2] South American production excludes Carbones del Guasare which was identified as non-core in 2009.

Greenside Colliery – A Terex diesel shovel at the Kromdraai open cast pit.

THERMAL COAL

estimates as at 31 December 2010

THERMAL COAL

The Coal Reserve and Coal Resource estimates were compiled in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, (The SAMREC Code, 2007) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as applicable. The figures reported represent 100% of the Coal Reserves and Coal Resources, the percentage attributable to Anglo American plc is stated separately. Rounding of figures may cause computational discrepancies. Anglo American Thermal Coal comprises the dominantly export and domestic thermal coal operations, located in Colombia and South Africa.

Thermal Coal – Colombia Operations

COAL RESERVES[1]	Attributable %[2]	LOM	Classification	ROM Tonnes[3] 2010	ROM Tonnes[3] 2009	Yield[4] 2010	Yield[4] 2009	Saleable Tonnes[3] 2010	Saleable Tonnes[3] 2009	Saleable Quality[5] 2010	Saleable Quality[5] 2009
Cerréjon (OC)	33.3	22		Mt	Mt	ROM %	ROM %	Mt	Mt	kcal/kg	kcal/kg
Export Thermal			Proved	659.0	646.6	95.2	96.2	634.8	621.4	6,230	6,210
			Probable	64.1	50.7	95.3	96.2	61.7	48.9	6,230	6,210
			Total	**723.1**	**697.3**	**95.2**	**96.2**	**696.5**	**670.3**	**6,230**	**6,210**
Colombia Export Thermal	33.3									kcal/kg	kcal/kg
			Proved	659.0	646.6	95.2	96.2	634.8	621.4	6,230	6,210
			Probable	64.1	50.7	95.3	96.2	61.7	48.9	6,230	6,210
			Total	**723.1**	**697.3**	**95.2**	**96.2**	**696.5**	**670.3**	**6,230**	**6,210**

Thermal Coal – South Africa Operations

COAL RESERVES[1]	Attributable %[2]	LOM	Classification	ROM Tonnes[3] 2010	ROM Tonnes[3] 2009	Yield[4] 2010	Yield[4] 2009	Saleable Tonnes[3] 2010	Saleable Tonnes[3] 2009	Saleable Quality[5] 2010	Saleable Quality[5] 2009
Goedehoop (UG&OC)	100	10		Mt	Mt	ROM %	ROM %	Mt	Mt	kcal/kg	kcal/kg
Export Thermal			Proved	46.8	25.5	53.9	59.9	25.7	15.5	6,220	6,240
			Probable	45.6	85.6	55.0	54.5	25.6	47.5	6,220	6,180
			Total	**92.4**	**111.1**	**54.4**	**55.7**	**51.3**	**63.0**	**6,220**	**6,190**
Greenside (UG)	100	10								kcal/kg	kcal/kg
Export Thermal			Proved	37.3	39.8	58.6	59.0	22.7	24.3	6,190	6,190
			Probable	2.3	2.4	62.8	63.0	1.5	1.5	6,190	6,190
			Total	**39.6**	**42.1**	**58.8**	**59.2**	**24.2**	**25.8**	**6,190**	**6,190**
Isibonelo (OC)	100	15								kcal/kg	kcal/kg
Synfuel			Proved	74.9	84.5	100	100	74.9	84.6	4,640	4,560
			Probable	–	–	–	–	–	–	–	–
			Total	**74.9**	**84.5**	**100**	**100**	**74.9**	**84.6**	**4,640**	**4,560**
Kleinkopje (OC)	100	14								kcal/kg	kcal/kg
Export Thermal			Proved	77.5	77.1	37.1	33.8	29.0	26.4	6,220	6,220
			Probable	12.3	21.3	45.8	48.4	5.7	10.4	6,240	6,230
			Total	**89.8**	**98.4**	**38.3**	**37.0**	**34.7**	**36.8**	**6,220**	**6,220**
										kcal/kg	kcal/kg
Domestic Power			Proved			31.7	37.5	24.9	29.5	4,460	4,490
			Probable			–	–	–	–	–	–
			Total			**27.4**	**29.4**	**24.9**	**29.5**	**4,460**	**4,490**
Kriel (UG&OC)	73.0	13								kcal/kg	kcal/kg
Domestic Power			Proved	61.2	67.0	100	100	61.2	67.0	4,800	4,790
			Probable	69.6	64.3	100	100	69.6	64.3	4,450	4,500
			Total	**130.8**	**131.3**	**100**	**100**	**130.8**	**131.3**	**4,610**	**4,650**
Landau (OC)	100	10								kcal/kg	kcal/kg
Export Thermal			Proved	44.7	48.0	50.7	52.8	23.0	25.1	6,250	6,300
			Probable	24.7	21.4	48.7	50.7	12.2	11.0	6,250	6,370
			Total	**69.4**	**69.5**	**50.0**	**52.2**	**35.2**	**36.1**	**6,250**	**6,320**
										kcal/kg	kcal/kg
Domestic Power			Proved			8.5	7.0	3.8	3.4	4,100	4,450
			Probable			8.5	9.1	2.1	2.0	4,400	3,900
			Total			**8.5**	**7.6**	**6.0**	**5.4**	**4,210**	**4,250**
Mafube (OC)	50.0	6								kcal/kg	kcal/kg
Export Thermal			Proved	30.1	35.6	49.0	51.6	14.8	18.4	6,270	6,300
			Probable	–	67.3	–	36.9	–	25.1	–	6,280
			Total	**30.1**	**103.0**	**49.0**	**42.0**	**14.8**	**43.5**	**6,270**	**6,290**
										kcal/kg	kcal/kg
Domestic Power			Proved			23.1	23.0	6.9	8.2	5,490	5,450
			Probable			–	31.3	–	21.2	–	5,080
			Total			**23.1**	**28.4**	**6.9**	**29.4**	**5,490**	**5,180**
New Denmark (UG)	100	27								kcal/kg	kcal/kg
Domestic Power			Proved	40.4	37.0	100	100	40.4	37.0	4,930	5,090
			Probable	92.9	106.7	100	100	92.9	106.7	5,070	4,940
			Total	**133.3**	**143.7**	**100**	**100**	**133.3**	**143.7**	**5,030**	**4,980**

THERMAL COAL continued
estimates as at 31 December 2010

Thermal Coal – South Africa Operations continued COAL RESERVES[1]	Attributable %[2]	LOM	Classification	ROM Tonnes[3] 2010	ROM Tonnes[3] 2009	Yield[4] 2010	Yield[4] 2009	Saleable Tonnes[3] 2010	Saleable Tonnes[3] 2009	Saleable Quality[5] 2010	Saleable Quality[5] 2009
New Vaal (OC)	100	20		Mt	Mt	ROM %	ROM %	Mt	Mt	kcal/kg	kcal/kg
Domestic Power			Proved	397.5	423.4	93.4	92.1	384.6	404.0	3,490	3,490
			Probable	–	–	–	–	–	–	–	–
			Total	**397.5**	**423.4**	**93.4**	**92.1**	**384.6**	**404.0**	**3,490**	**3,490**
Nooitgedacht 5 Seam (UG)	100	2								kcal/kg	kcal/kg
Export Thermal			Proved	1.2	1.9	36.5	34.6	0.5	0.7	6,340	6,360
			Probable	–	–	–	–	–	–	–	–
			Total	**1.2**	**1.9**	**36.5**	**34.6**	**0.5**	**0.7**	**6,340**	**6,360**
										kcal/kg	kcal/kg
Other Metallurgical			Proved			28.4	27.0	0.4	0.5	6,280	6,300
			Probable			–	–	–	–	–	–
			Total			**28.4**	**27.0**	**0.4**	**0.5**	**6,280**	**6,300**
Zibulo (UG&OC)	73.0	17								kcal/kg	kcal/kg
Export Thermal			Proved	–	–	–	–	–	–	–	–
			Probable	111.9	99.3	41.0	39.7	46.3	39.5	6,320	6,350
			Total	**111.9**	**99.3**	**41.0**	**39.7**	**46.3**	**39.5**	**6,320**	**6,350**
										kcal/kg	kcal/kg
Domestic Power			Proved			–	–	–	–	–	–
			Probable			35.6	37.0	40.9	38.5	4,990	4,880
			Total			**35.6**	**37.0**	**40.9**	**38.5**	**4,990**	**4,880**
South Africa Export Thermal	90.4			Mt	Mt	Plant %	Plant %	Mt	Mt	kcal/kg	kcal/kg
			Proved	811.7	839.8	49.3	50.3	115.7	110.3	6,230	6,250
			Probable	359.3	468.3	46.6	46.2	91.3	135.0	6,280	6,270
			Total	**1,171.0**	**1,308.1**	**48.1**	**47.7**	**207.0**	**245.3**	**6,250**	**6,260**
South Africa Other Metallurgical	100									kcal/kg	kcal/kg
			Proved			28.4	27.0	0.4	0.5	6,280	6,300
			Probable			–	–	–	–	–	–
			Total			**28.4**	**27.0**	**0.4**	**0.5**	**6,280**	**6,300**
South Africa Domestic Power	93.1									kcal/kg	kcal/kg
			Proved			90.2	89.1	522.0	549.1	3,830	3,850
			Probable			86.2	82.5	205.5	232.7	4,840	4,810
			Total			**88.9**	**86.8**	**727.5**	**781.8**	**4,120**	**4,130**
South Africa Synfuel	100									kcal/kg	kcal/kg
			Proved			100	100	74.9	84.6	4,640	4,560
			Probable			–	–	–	–	–	–
			Total			**100**	**100**	**74.9**	**84.6**	**4,640**	**4,560**

Thermal Coal – Operations TOTAL COAL RESERVES[1]	Attributable %[2]	Classification	ROM Tonnes[3] 2010	ROM Tonnes[3] 2009	Yield[4] 2010	Yield[4] 2009	Saleable Tonnes[3] 2010	Saleable Tonnes[3] 2009	Saleable Quality[5] 2010	Saleable Quality[5] 2009
Export Thermal	46.4		Mt	Mt	Plant %	Plant %	Mt	Mt	kcal/kg	kcal/kg
		Proved	1,470.7	1,486.4	88.1	89.3	750.5	731.7	6,230	6,220
		Probable	423.3	519.0	66.2	59.5	153.1	183.9	6,260	6,250
		Total	**1,894.0**	**2,005.4**	**84.4**	**83.2**	**903.6**	**915.6**	**6,230**	**6,230**
Other Metallurgical	100								kcal/kg	kcal/kg
		Proved			28.4	27.0	0.4	0.5	6,280	6,300
		Probable			–	–	–	–	–	–
		Total			**28.4**	**27.0**	**0.4**	**0.5**	**6,280**	**6,300**
Domestic Power	93.1								kcal/kg	kcal/kg
		Proved			90.2	89.1	522.0	549.1	3,830	3,850
		Probable			86.2	82.5	205.5	232.7	4,840	4,810
		Total			**88.9**	**86.8**	**727.5**	**781.8**	**4,120**	**4,130**
Synfuel	100								kcal/kg	kcal/kg
		Proved			100	100	74.9	84.6	4,640	4,560
		Probable			–	–	–	–	–	–
		Total			**100**	**100**	**74.9**	**84.6**	**4,640**	**4,560**

Mining method: OC = Open Cast, UG = Underground. LOM = Life of Mine in years based on scheduled Coal 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.
Additional footnotes appear at the end of the section.

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).
Other Metallurgical refers to semi soft, soft, hard, semi-hard or anthracite coal, other than Coking Coal, such as pulverized coal injection (PCI) or other general metallurgical coal for the export or domestic market with a wider range of properties than Coking Coal.
Domestic Power refers to low- to high-volatile thermal or semi-soft coal primarily for domestic consumption for power generation; quality measured by calorific value (CV).
Synfuel refers to a coal specifically for the domestic production of synthetic fuel and chemicals; quality measured by calorific value (CV).

Thermal Coal – Colombia Operations

COAL RESOURCES[6]	Attributable %[2]	Classification	Tonnes 2010 MTIS[6]	Tonnes 2009 MTIS[6]	Coal Quality 2010 kcal/kg[7]	Coal Quality 2009 kcal/kg[7]
Cerréjon	33.3					
		Measured	870.4	1,051.6	6,420	6,480
		Indicated	194.4	270.3	6,490	6,480
		Measured and Indicated	**1,064.8**	**1,321.9**	**6,430**	**6,480**
		Inferred (in LOM)[8]	47.7	40.3	6,910	6,960
Colombia – Mine Leases	33.3	Measured	870.4	1,051.6	6,420	6,480
		Indicated	194.4	270.3	6,490	6,480
		Measured and Indicated	**1,064.8**	**1,321.9**	**6,430**	**6,480**
		Inferred (in LOM)[8]	47.7	40.3	6,910	6,960

THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Thermal Coal – South Africa Operations

COAL RESOURCES[6]	Attributable %[2]	Classification	Tonnes 2010 MTIS[6]	Tonnes 2009 MTIS[6]	Coal Quality 2010 kcal/kg[7]	Coal Quality 2009 kcal/kg[7]
Goedehoop	100					
		Measured	111.2	115.3	5,460	5,030
		Indicated	79.9	82.4	5,280	5,270
		Measured and Indicated	**191.1**	**197.7**	**5,380**	**5,130**
		Inferred (in LOM)[8]	–	–	–	–
Greenside	100	Measured	–	–	–	–
		Indicated	–	–	–	–
		Measured and Indicated	**–**	**–**	**–**	**–**
		Inferred (in LOM)[8]	13.0	13.3	5,470	5,470
Isibonelo	100	Measured	–	–	–	–
		Indicated	20.3	25.8	5,360	5,250
		Measured and Indicated	**20.3**	**25.8**	**5,360**	**5,250**
		Inferred (in LOM)[8]	–	–	–	–
Kleinkopje	100	Measured	30.2	28.6	5,020	4,990
		Indicated	–	–	–	–
		Measured and Indicated	**30.2**	**28.6**	**5,020**	**4,990**
		Inferred (in LOM)[8]	–	–	–	–
Kriel	73.0	Measured	7.4	61.8	5,240	5,280
		Indicated	18.4	34.7	4,810	4,710
		Measured and Indicated	**25.8**	**96.5**	**4,930**	**5,080**
		Inferred (in LOM)[8]	–	–	–	–
Landau	100	Measured	30.4	30.4	5,730	5,730
		Indicated	41.7	41.7	4,600	4,600
		Measured and Indicated	**72.1**	**72.1**	**5,080**	**5,080**
		Inferred (in LOM)[8]	–	–	–	–
Mafube	50.0	Measured	79.9	3.8	5,320	5,230
		Indicated	–	–	–	–
		Measured and Indicated	**79.9**	**3.8**	**5,320**	**5,230**
		Inferred (in LOM)[8]	–	10.7	–	5,420
New Denmark	100	Measured	–	–	–	–
		Indicated	–	–	–	–
		Measured and Indicated	**–**	**–**	**–**	**–**
		Inferred (in LOM)[8]	18.6	30.6	5,220	5,310
New Vaal	100	Measured	–	–	–	–
		Indicated	–	–	–	–
		Measured and Indicated	**–**	**–**	**–**	**–**
		Inferred (in LOM)[8]	–	–	–	–
Nooitgedacht 5 Seam	100	Measured	1.1	1.1	4,990	4,750
		Indicated	–	–	–	–
		Measured and Indicated	**1.1**	**1.1**	**4,990**	**4,750**
		Inferred (in LOM)[8]	–	–	–	–
Zibulo	73.0	Measured	79.7	98.0	4,980	4,810
		Indicated	174.6	174.2	4,870	4,910
		Measured and Indicated	**254.3**	**272.2**	**4,900**	**4,870**
		Inferred (in LOM)[8]	43.7	59.2	5,400	5,430
South Africa – Mine Leases	82.9	Measured	339.9	339.1	5,290	5,070
		Indicated	334.9	358.8	4,960	4,960
		Measured and Indicated	**674.8**	**697.8**	**5,130**	**5,020**
		Inferred (in LOM)[8]	75.4	113.8	5,370	5,400

THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Thermal Coal – Operations

COAL RESOURCES[6]	Attributable %[2]	Classification	Tonnes 2010 MTIS[6]	Tonnes 2009 MTIS[6]	Coal Quality 2010 kcal/kg[7]	Coal Quality 2009 kcal/kg[7]
Total	52.5					
		Measured	1,210.3	1,390.7	6,100	6,130
		Indicated	529.2	629.1	5,520	5,620
		Measured and Indicated	**1,739.5**	**2,019.7**	**5,930**	**5,970**
		Inferred (in LOM)[8]	123.0	154.0	5,970	5,810

THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

THERMAL COAL continued

estimates as at 31 December 2010

Thermal Coal – South Africa Projects

COAL RESOURCES[6] [8]	Attributable %[2]	Classification	Tonnes 2010	Tonnes 2009	Coal Quality 2010	Coal Quality 2009
			MTIS[6]	MTIS[6]	kcal/kg[7]	kcal/kg[7]
Elders	73.0	Measured	207.9	183.4	4,980	4,940
		Indicated	30.8	30.6	5,390	4,960
		Measured and Indicated	**238.6**	**213.9**	**5,030**	**4,940**
Kriel Block F	100	Measured	–	–	–	–
		Indicated	62.8	–	5,310	–
		Measured and Indicated	**62.8**	**–**	**5,310**	**–**
Kriel East	73.0	Measured	81.5	97.9	4,940	4,930
		Indicated	36.0	22.8	4,950	4,900
		Measured and Indicated	**117.5**	**120.8**	**4,940**	**4,920**
New Largo	73.0	Measured	350.8	247.1	4,400	4,430
		Indicated	286.0	246.1	4,230	4,230
		Measured and Indicated	**636.8**	**493.2**	**4,320**	**4,330**
Nooitgedacht 2+4 Seam	100	Measured	55.5	29.9	5,330	5,320
		Indicated	3.4	17.1	5,300	5,320
		Measured and Indicated	**59.0**	**47.0**	**5,330**	**5,320**
South Rand	73.0	Measured	78.9	90.7	4,870	4,780
		Indicated	142.2	156.5	4,840	4,710
		Measured and Indicated	**221.1**	**247.2**	**4,850**	**4,740**
Vaal Basin	100	Measured	128.9	54.6	3,730	3,570
		Indicated	149.3	23.4	4,000	4,440
		Measured and Indicated	**278.2**	**77.9**	**3,870**	**3,830**
South Africa – Projects	79.7	Measured	903.5	703.6	4,580	4,650
		Indicated	710.5	469.4	4,490	4,500
		Measured and Indicated	**1,613.9**	**1,200.0**	**4,540**	**4,590**

Thermal Coal – Operations and Projects

COAL RESOURCES[6]	Attributable %[2]	Classification	Tonnes 2010	Tonnes 2009	Coal Quality 2010	Coal Quality 2009
			MTIS[6]	MTIS[6]	kcal/kg[7]	kcal/kg[7]
Total	65.6	Measured	2,113.8	2,094.3	5,450	5,640
		Indicated	1,239.7	1,125.5	4,930	5,130
		Measured and Indicated	**3,353.5**	**3,219.7**	**5,260**	**5,460**
		Inferred (in LOM)[8]	123.0	154.0	5,970	5,810

THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

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 2010 only. For the 2009 Reported and Attributable figures, please refer to the 2009 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 – ROM % 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 whereas Plant % is based on the 'Feed to Plant' tonnes. The product yields (ROM %) 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 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. 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

Cerréjon: Increase in resources is due to the inclusion of previously excluded resources as a result of restrictions imposed by surface features (+729 Mt). Environmental and community restrictions fully stated and now included in the 2010 statement. Re-evaluation of factors influencing economics and technical potential has resulted in the transfer of P500 project and related resource blocks to Coal Deposit (-984 Mt).

Isibonelo: As a consequence of the uncertainty associated with Environmental Management Programme Report (EMPR) approval, the Pit 4 Reserves were reallocated to Coal Deposit (-8.7 Mt). Transfer from underground resource to opencast reserve to be optimised by opencast mining (-5.4 Mt).

Kriel: Conversion from resources to reserves (+12.9 Mt). Transfer of Block F non-dedicated resources from Kriel Colliery to Project Kriel Block F (-54.2 Mt).

Mafube: Reclassification of Probable Reserves and Inferred Resources in Mine Plan to Coal Resources pending the approval for conversion of the Prospecting Right over Nooitgedacht and Wildfontein to a Mining Right (-66.6 Mt).

New Denmark: Due to inaccessibility of blocks, the Inferred Resources In Mine Plan were downgraded to Coal Deposit (-12.0 Mt).

Nooitgedacht: 5 Seam – Coal Reserves were sterilised due to seam height restrictions (-0.2 Mt).

Zibulo: Additional drilling information and increased geological confidence in the 2 seam has resulted in the upgrade of Inferred Resources in Mine Plan to Probable Reserve (+13.8 Mt).

Vaal Basin: Increased drilling and geological confidence resulted in an upgrade of Inferred Resources to Indicated and Measured Resources (+200.3 Mt). Previously referred to as Vaalbank

Elders: Increased drilling and geological confidence resulted in an upgrade of the Coal Deposit to Coal Resources (+33.7 Mt).

Kriel Block F: Represents the non Eskom dedicated portion of the Kriel Mining Right, owned by Anglo Operations Limited.

New Largo: Increased drilling and wash data resulted in an upgrade of Inferred Resources to Indicated and Measured Resources (+142.1 Mt).

Nooitgedacht: 2 + 4 Seam – Update of the geological model resulted in upgrade to Measured Resource (+12.9 Mt)

South Rand: Increased drilling and geological confidence resulted in an upgrade of the Coal Deposit to Coal Resources (+27.5 Mt). Reclassification based on washability analysis rather than raw quality as reported in 2009 resulted in downgrade of resources (-53.6 Mt).

Assumption with respect to Mineral Tenure

Mafube: Coal Resources at Nooitgedacht and Wildfontein (approximately 76 Mt Measured) which are intended to be part of mine plan, are held as a Prospecting Right. Application for conversion to a Mining Right will be submitted pending the completion of the Environmental Management Plan (EMP). Anglo American Thermal Coal has reasonable expectation that such conversion will not be withheld.

New Largo: The interpretation of wetlands in the latest Mpumalanga Biodiversity Plan has been expanded and as such could affect the Mining Right application. Anglo American has reasonable expectations that such permission will be granted.

Zibulo: The Mining Right has been granted and Probable Reserves will be converted to Proved Reserves in 2011.

Royalty Payment

South Africa: Royalty payments commenced in February 2010 in accordance with the Royalties Act (No. 28 of 2008) and have been taken into consideration in economic assessment of the reserves.

Reviews by independent third parties were carried out in 2010 on the following Operations and Project areas: Cerrejón, Greenside, New Denmark, New Largo, New Vaal.

New Denmark Colliery is reducing its carbon footprint with the commissioning of a US$1.2 million methane gas-flaring project. The project involves the installation of two mobile flaring-off mechanisms that will be incorporated into the mine's existing methane drainage system. The mobile flare is a joint New Denmark-Gemini Carbon concept and is a world first in Clean Development Mechanisms.

MBA Training Programme at Scaw Metals in South Africa.

OTHER MINING AND INDUSTRIAL

Our programme to divest of non-core businesses is well advanced. During 2010, Anglo American completed the divestment of a number of non-core businesses with announced proceeds[1] of $3.3 billion.

[1] Consideration on a debt and cash free basis, as announced.

BUSINESS OVERVIEW

COMPLETED DIVESTMENTS

$3.3 bn

INCREASE IN SCAW METALS OPERATING PROFIT

30%

INCREASE IN RUN OF MINE COAL AT PEACE RIVER COAL

44%

FINANCIAL HIGHLIGHTS	2010	2009
$ million (unless otherwise stated)		
Operating profit	**661**	506
Tarmac	**48**	101
Zinc	**321**	175
Scaw Metals	**170**	131
Copebrās	**81**	(40)
Catalão	**67**	106
Coal Americas	**(3)**	(8)
Other	**(23)**	41
EBITDA	**912**	878
Net operating assets	**3,807**	5,029
Capital expenditure	**224**	268
Share of Group operating profit	**7%**	10%
Share of Group net operating assets	**9%**	13%

TARMAC

Tarmac generated an operating profit of $48 million, a 52% decrease, reflecting difficult trading conditions in the UK and the sale of the majority of Tarmac's European businesses during 2010. On a like-for-like basis, operating profit decreased by 17%. There was strong downward price pressure during the year and Tarmac continued to deliver cost savings to mitigate the impacts of these difficult trading conditions.

In the UK Quarry Materials businesses, volumes remained at similar levels to 2009, but unusual weather patterns resulted in a greater degree of seasonal variation over the year. Tarmac's work to maximise operational efficiency continues and a newly revised management structure continues the good progress made in recent years.

Weak demand in the housing and commercial sectors put considerable pressure on the Tarmac Building Products business, which continued its cost reduction and business rationalisation initiatives.

The 2011 outlook remains relatively weak for the construction sector as a whole, but underlying fundamental demand remains and will turn to orders when economic conditions are more conducive to construction activity.

On 18 February 2011, Anglo American and Lafarge announced their agreement to combine their cement, aggregates, ready-mixed concrete, asphalt and contracting businesses in the United Kingdom, Tarmac Limited and Lafarge Cement UK, Lafarge Aggregates and Concrete UK. The 50:50 joint venture will create a leading UK construction materials company, with a portfolio of high quality assets drawing on the complementary geographical distribution of operations and assets, the skills of two experienced management teams and a portfolio of well-known and innovative brands.

ZINC

	2010	2009
Attributable zinc production (tonnes)	**349,700**[1]	350,400
Attributable lead production (tonnes)	**71,200**	68,300
Average market price – zinc (c/lb)	**98**	75
Average market price – lead (c/lb)	**97**	78

[1] Allowing for Skorpion's full year production, total attributable zinc production was 362,900 tonnes, a 4% increase over the previous period.

Zinc generated an 83% increase in operating profit to $321 million, mainly as a result of higher metal prices, improved efficiencies and tightly controlled costs.

Production at Skorpion increased by 1% to 151,700 tonnes on a full year basis, although only 138,500 tonnes is reported due to the disposal of the operation on 3 December 2010. While electricity constraints, mill motor failures and cell repairs affected production, the combined impact was more than offset by a number of asset optimisation initiatives.

At Lisheen, ore processed increased by 4% and zinc metal production increased by 2% to 175,100 tonnes. Lead metal production increased by 7% to 20,600 tonnes.

At Black Mountain, good progress was made with the improvements to the underground infrastructure, which resulted in an increase of 13% in total ore hoisted. Tonnes milled increased by 7%, with improved feed grades on all metals other than silver. This resulted in strong metal in concentrate production increases of 28% for zinc to 36,100 tonnes, 3% for lead to 50,600 tonnes, 14% for copper to 2,500 tonnes and 4% for silver to 56,600 kg.

Anglo American announced the sale of its zinc portfolio to Vedanta on 10 May 2010 for a total consideration[2] of $1,338 million. The sale of Skorpion was completed on 3 December 2010, resulting in a net cash inflow of $570 million.

[2] The agreed consideration was based on profits and cash flows for the zinc businesses being for the benefit of the purchaser from 1 January 2010, subject to completion.

SCAW METALS

Scaw Metals increased its operating profit by 30% to $170 million.

Moly-Cop and AltaSteel performed well, assisted by strong demand for grinding media and increased vertical integration with the Canadian rolling mills. Production of steel products at 794,200 tonnes exceeded the prior year, notwithstanding the earthquake in Chile in February 2010 impacting production in Talcahuano. In November, Anglo American announced the sale of Moly-Cop and AltaSteel to OneSteel. The transaction was completed on 31 December 2010, resulting in a net cash inflow of $993 million.

In the South African managed businesses, certain key steel markets remained under pressure, resulting in a lower operating profit. The reduction was attributable to selling price pressure, rising input costs and the effect of a strong rand. Despite this, the integrated nature of the business allowed the rolling mills to maintain reasonable levels of output to supply the downstream businesses. Grinding media demand remained strong, albeit with some pricing pressure. Production of steel products at Scaw South Africa was 710,000 tonnes, a 2% increase over the prior year.

COPEBRÁS

Copebrás recorded an operating profit of $81 million, a $121 million improvement over 2009, as a result of improved market conditions and operational improvement initiatives. Strong prices for soft commodities during the second half of 2010 served as a sound foundation for increased demand for fertilisers in Brazil. Sales volumes at 998,100 tonnes of fertilisers were virtually in line with those achieved in 2009, but higher operating margins were achieved, with record sales for certain products.

CATALÃO

Catalão generated an operating profit of $67 million for the year, 37% lower than 2009 as a result of lower niobium grades and overall recoveries, partially offset by improved realised prices. Sales in 2010 reached 4,100 tonnes. Following a landslide in the pit in late 2009, operations at Catalão started to improve by mid-year when access was re-established in richer parts of the pit. The subsequent discovery of water in certain parts of the pit in the third quarter required a revision of the mining plan. Normal levels of production were reached towards the end of the year.

Anglo American has conducted a drilling programme at its Catalão ferroniobium business in Brazil which has delineated additional niobium resources. In conjunction with the application of improved processing technology, this may result in the significant extension of Catalão's life of mine and production capacity, which would enable Anglo American to take advantage of the attractive dynamics of, and long term demand outlook for, the niobium market. Anglo American has therefore decided to retain the business in its portfolio and is progressing a feasibility study for Catalão.

COAL AMERICAS

Peace River Coal (PRC) in Canada had a much improved operating performance in 2010, delivering a 44% increase in run of mine coal and a 35% increase in clean metallurgical coal production. This was due to improved mining and plant operations and improved coal recovery, coupled with the successful implementation of Phase 1 of the Trend Mine Plant Upgrade project in May 2010, which improved and stabilised plant performance. Phases 2 and 3 of the project are progressing on schedule and will be commissioned in the first quarter of 2011, delivering a further 30% capacity improvement in plant throughput.

The business was impacted by temporary port constraints during December 2010, which led to the delay of two cargoes into the first week of 2011, with the result that metallurgical coal sales volume for 2010 ended 18% lower than coal production. As a result of the impact on revenue of these delayed cargoes, PRC reported an operating loss of $3 million for the year. However, given the current market strength and the strong trading conditions anticipated for 2011, coupled with increasing production from PRC, a substantial uplift in profitability is forecast for 2011.

The Environmental Assessment Application for the Roman Mountain Brownfield project was submitted in 2010. This project will consist of an integrated plant and mining operation of up to 5 Mtpa capacity with the Trend mine.

The business continues to develop strong relationships with the community and the key First Nations in the area, which was reflected in the successful launch of mining fundamentals and a truck driver training programme in 2010. The programme is delivering promising results and has had a positive impact on the workforce in the area.

FINANCIAL DATA

$m	2010	2009	2008
Turnover			
Tarmac[1]	**2,376**	2,870	4,399
Skorpion[2]	**311**	236	279
Lisheen[2]	**265**	208	196
Black Mountain[2]	**197**	148	115
Scaw Metals[3]	**1,579**	1,384	1,927
Copebras	**461**	320	655
Catalao	**152**	184	141
Coal Americas	**179**	165	245
Tongaat Hulett/Hulamin[4]	**–**	393	817
Namakwa Sands	**–**	–	177
Projects and corporate	**–**	–	–
Total turnover	**5,520**	**5,908**	8,951
EBITDA			
Tarmac[1]	**188**	313	488
Skorpion[2]	**154**	100	132
Lisheen[2]	**114**	74	40
Black Mountain[2]	**73**	59	37
Scaw Metals[3]	**213**	172	309
Copebras	**104**	(9)	244
Catalao	**71**	111	80
Coal Americas	**18**	6	42
Tongaat Hulett/Hulamin[4]	**–**	73	115
Namakwa Sands	**–**	–	59
Projects and corporate	**(23)**	(21)	(33)
Total EBITDA	**912**	878	1,513
Depreciation and amortisation	**251**	**372**	**431**
Operating profit before special items and remeasurements	**661**	**506**	**1,082**
Operating special items and remeasurements	**(100)**	(145)	(239)
Operating profit after special items and remeasurements	**561**	**361**	**843**
Net tax and minority interests	**(139)**	**(103)**	**(348)**
Underlying earnings			
Of which:			
Tarmac[1]	**67**	81	173
Skorpion[2]	**133**	40	85
Lisheen[2]	**99**	67	15
Black Mountain[2]	**47**	60	28
Scaw Metals[3]	**119**	70	165
Copebras	**48**	7	105
Catalao	**38**	77	70
Coal Americas	**1**	(12)	25
Tongaat Hulett/Hulamin[4]	**–**	31	53
Namakwa Sands	**–**	–	46
Projects and corporate	**(30)**	(18)	(31)
Total Underlying earnings	**522**	**403**	734
Net operating assets	**3,807**	**5,029**	**5,231**
Capital expenditure	**224**	**268**	**603**

[1] In the year ended 31 December 2010 Tarmac sold its Polish and French and Belgian concrete products businesses and the majority of its European aggregates businesses.
[2] Skorpion, Lisheen and Black Mountain comprise the Group's portfolio of operating zinc assets. The Group completed the disposal of its interest in the Skorpion mine in December 2010. The disposals of Lisheen and Black Mountain were completed in February 2011.
[3] Scaw Metals includes Moly-Cop and AltaSteel which were disposed of in December 2010.
[4] The Group's investments in Tongaat Hulett and Hulamin were disposed of in August 2009 and July 2009, respectively.

PRODUCTION DATA

			2010	2009	2008
Other Mining and Industrial segment					
Tarmac					
Aggregates		tonnes	**58,875,600**	72,767,300	93,095,000
Lime products		tonnes	**1,225,900**	1,214,400	1,353,000
Concrete		m^3	**3,305,800**	3,521,200	6,312,000
Zinc and Lead					
Skorpion					
Ore mined		tonnes	**1,412,600**	1,495,900	1,390,400
Ore processed		tonnes	**1,358,000**	1,426,800	1,333,300
Ore grade processed	Zinc	% Zn	**11.2**	11.5	11.7
Production	Zinc	tonnes	**138,500**	150,400	145,400
Lisheen					
Ore mined		tonnes	**1,531,700**	1,534,500	1,561,900
Ore processed		tonnes	**1,587,600**	1,526,200	1,516,900
Ore grade processed	Zinc	% Zn	**12.2**	12.4	12.1
	Lead	% Pb	**1.9**	1.8	1.6
Production	Zinc in concentrate	tonnes	**175,100**	171,800	167,200
	Lead in concentrate	tonnes	**20,600**	19,200	15,900
Black Mountain					
Ore mined		tonnes	**1,415,500**	1,249,700	1,199,800
Ore processed		tonnes	**1,378,600**	1,293,200	1,204,800
Ore grade processed	Zinc	% Zn	**3.3**	2.8	3.0
	Lead	% Pb	**4.2**	4.0	4.2
	Copper	% Cu	**0.3**	0.3	0.4
Production	Zinc in concentrate	tonnes	**36,100**	28,200	27,900
	Lead in concentrate	tonnes	**50,600**	49,100	47,000
	Copper in concentrate	tonnes	**2,500**	2,200	2,500
Total attributable zinc production		**tonnes**	**349,700**	**350,400**	**340,500**
Total attributable lead production		**tonnes**	**71,200**	**68,300**	**62,900**
Scaw Metals					
South Africa Steel Products		tonnes	**710,000**	693,000	771,000
International Steel Products		tonnes	**794,200**	718,000	879,000
Niobium					
Catalão					
Ore mined		tonnes	**1,209,400**	906,700	768,100
Ore processed		tonnes	**909,300**	873,500	818,100
Ore grade processed		Kg Nb/tonne	**6.6**	9.3	11.1
Production		tonnes	**4,000**	5,100	4,600
Phosphates					
Copebrás					
Phosphates		tonnes	**1,002,000**	829,000	982,100
Other Mining and Industrial segment					
South America					
Thermal[1]			**441,400**	750,700	1,074,200
Canada					
Metallurgical			**868,000**	645,300	632,300
Thermal			**–**	73,000	140,100
			868,000	718,300	772,400
Total Other Mining and Industrial segment coal production			**1,309,400**	**1,469,000**	**1,846,600**

[1] At 31 December 2010, Carbones del Guasare had ceased to an associate of the Company.

NIOBIUM

estimates as at 31 December 2010

OTHER MINING AND INDUSTRIAL

The Ore Reserve and Mineral Resource estimates were compiled in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as a minimum standard. 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 – Operations ORE RESERVES	Attributable %	LOM	Classification	Tonnes		Grade		Contained product	
				2010	2009	**2010**	2009	**2010**	2009
Catalão (OP)	100	5		Mt	Mt	$\%Nb_2O_5$	$\%Nb_2O_5$	kt	kt
Carbonatite Complex			Proved	4.0	9.1	1.09	1.19	44	108
Oxide[1]			Probable	1.1	3.1	1.01	1.10	11	34
			Total	**5.1**	**12.2**	**1.07**	**1.17**	**55**	**142**

Niobium – Operations MINERAL RESOURCES	Attributable %	Classification	Tonnes		Grade		Contained product	
			2010	2009	**2010**	2009	**2010**	2009
Catalão (OP)	100		Mt	Mt	$\%Nb_2O_5$	$\%Nb_2O_5$	kt	kt
Carbonatite Complex		Measured	2.0	19.1	1.30	1.33	26	254
Oxide[2]		Indicated	0.8	20.4	1.04	1.25	8	254
		Measured and Indicated	**2.8**	**39.5**	**1.22**	**1.29**	**35**	**507**
		Inferred (in LOM)	0.4	0.5	0.94	0.88	4	5
		Inferred (ex. LOM)	0.8	11.4	0.86	1.20	7	137
		Total Inferred	**1.2**	**11.9**	**0.89**	**1.18**	**10**	**141**

Niobium – Projects MINERAL RESOURCES	Attributable %	Classification	Tonnes		Grade		Contained product	
			2010	2009	**2010**	2009	**2010**	2009
Catalão (OP)	100		Mt	Mt	$\%Nb_2O_5$	$\%Nb_2O_5$	kt	kt
Carbonatite Complex		Measured	13.7	–	1.24	–	170	–
Fresh Rock[3]		Indicated	19.5	–	1.24	–	243	–
		Measured and Indicated	**33.2**	**–**	**1.24**	**–**	**413**	**–**
		Inferred	18.1	–	1.37	–	248	–

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

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 – Oxide Ore Reserves:** The decrease is due to Ore Reserves within the Area Leste being re-allocated to Mineral Resources (-2.2Mt), following the development of a new pit model that is restricted within the Area Leste (MGC-01) tenement boundary; Material within the Fosfertil tenement adjacent to Area Leste being excluded as the 2009 agreement with Fosfertil was not concluded (-3.2Mt); A block at Boa Vista Mine was re-allocated to Mineral Resources (-0.9Mt) because the estimated silica grade of the final concentrate exceeded 6.25%.

(2) **Catalão – Oxide Mineral Resources:** The Oxide Resources are reported above a 0.5% Nb_2O_5 cut-off. The Mineral Resources have been split into Oxide and Fresh Rock in 2010 due to the recognition of distinct differences in mineralogical characteristics. The Oxides from Morro de Padre have also been re-allocated to Mineral Deposit due to uneconomic metallurgical recoveries.

(3) **Catalão – Fresh Rock Mineral Resources:** The Fresh Rock Resources are reported above a 0.7% Nb_2O_5 cut-off. The Morro de Padre area is included in the Fresh Rock Mineral Resources.

PHOSPHATE PRODUCTS

estimates as at 31 December 2010

Phosphate products – Operations ORE RESERVES	Attributable %	LOM	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009
Copebrás (OP)[1]	100	41		Mt	Mt	$\%P_2O_5$	$\%P_2O_5$
Carbonatite Complex			Proved	92.4	72.2	14.0	13.4
Oxide			Probable	151.5	180.5	13.0	13.0
			Total	**243.9**	**252.8**	**13.4**	**13.1**

Phosphate products – Operations MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009
Copebrás (OP)[2]	100		Mt	Mt	$\%P_2O_5$	$\%P_2O_5$
Carbonatite Complex		Measured	4.0	5.3	13.4	11.1
Oxide		Indicated	60.2	94.5	11.8	10.6
		Measured and Indicated	**64.2**	**99.8**	**11.9**	**10.6**
		Inferred (in LOM)	7.9	16.2	13.0	12.8
		Inferred (ex. LOM)	51.0	53.0	10.9	9.8
		Total Inferred	**58.9**	**69.1**	**11.1**	**10.5**

Phosphate products – Projects MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009
Coqueiros (OP)[3]	100		Mt	Mt	$\%P_2O_5$	$\%P_2O_5$
Carbonatite Complex		Measured	1.8	–	10.5	–
Oxide		Indicated	16.5	–	12.9	–
		Measured and Indicated	**18.3**	**–**	**12.6**	**–**
		Inferred	26.2	–	11.2	–
Carbonatite Complex		Measured	1.2	–	7.3	–
Fresh Rock		Indicated	34.0	–	8.5	–
		Measured and Indicated	**35.2**	**–**	**8.5**	**–**
		Inferred	16.2	–	7.6	–

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

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) **Copebrás – Oxide Ore Reserves:** The decrease is attributable equally to production and a redesign of the pit which resulted in 5.6Mt of Ore Reserves being re-allocated to Mineral Resources due to changes in economic assumptions. The decrease was partially offset by a gain of 1.4Mt Ore Reserves following completion of an infill drilling campaign within Area 5 that has revealed mineralisation that extends to greater depth than originally considered.

(2) **Copebrás – Oxide Mineral Resources:** Mineral Resources are quoted above a 7% P_2O_5 cut-off and a CaO/P_2O_5 ratio between 1 and 1.4. The decrease is a result of a transfer of 115 Mt of Mineral Resources, located within the Catalão II Complex and reported in 2009 under Copebrás to the Coqueiros Project; New resource modelling added 64 Mt to the Mineral Resources, principally from the southern part of FFG04, Area 5 and the Gomides Area.

(3) **Coqueiros:** The Mineral Resources (previously reported under Copebrás) represent the MCG-03 area only and exclude the adjacent MCG-02 area which still requires additional work to be carried out before presentation to Brazil's Departamento Nacional de Produção Mineral (DNPM). The Oxide mineralisation is defined by a cut-off grade of 7% P_2O_5 and a CaO/P_2O_5 ratio between 1 and 1.4. The Fresh Rock resources are defined by a cut-off grade of 5% P_2O_5. The metallurgical recovery characteristics of the Fresh Rock appear superior to those of the oxidised materials, permitting the application of a lower cut-off grade.

OTHER MINING AND INDUSTRIAL

ZINC

estimates as at 31 December 2010

OTHER MINING AND INDUSTRIAL

The Ore Reserve and Mineral Resource estimates were compiled in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, (The SAMREC Code, 2007) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as applicable. 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 – Operations ORE RESERVES	Attributable %	LOM	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Black Mountain (UG)	74.0	8		Mt	Mt	%Zn	%Zn	kt	kt
Deeps[1]			Proved	3.6	4.9	2.75	3.52	99	171
Zinc			Probable	3.6	2.8	3.27	2.03	117	57
			Total	**7.2**	**7.7**	**3.01**	**2.97**	**216**	**229**
Copper						%Cu	%Cu		
			Proved			0.33	0.38	12	18
			Probable			0.43	0.41	15	12
			Total			**0.38**	**0.39**	**27**	**30**
Lead						%Pb	%Pb		
			Proved			3.76	3.64	135	177
			Probable			2.80	2.64	100	75
			Total			**3.28**	**3.27**	**235**	**251**
Lisheen (UG)[2]	100	3				%Zn	%Zn		
Zinc			Proved	4.8	5.9	11.38	12.02	552	703
			Probable	1.1	1.1	8.95	9.34	101	103
			Total	**6.0**	**7.0**	**10.92**	**11.59**	**652**	**806**
Lead						%Pb	%Pb		
			Proved			1.86	1.86	90	109
			Probable			1.54	1.87	17	21
			Total			**1.80**	**1.86**	**107**	**129**

Zinc – Operations MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Black Mountain (UG)	74.0		Mt	Mt	%Zn	%Zn	kt	kt
Deeps[1]		Measured	3.7	7.2	2.67	2.74	99	197
Zinc		Indicated	6.0	5.8	3.09	2.11	185	123
		Measured and Indicated	**9.7**	**13.1**	**2.93**	**2.46**	**284**	**320**
		Inferred (in LOM)	9.6	7.3	2.75	2.95	264	214
		Inferred (ex. LOM)	–	–	–	–	–	–
		Total Inferred	**9.6**	**7.3**	**2.75**	**2.95**	**264**	**214**
Copper					%Cu	%Cu		
		Measured			0.38	0.37	14	27
		Indicated			0.49	0.45	29	26
		Measured and Indicated			**0.45**	**0.41**	**43**	**53**
		Inferred (in LOM)			0.53	0.73	51	53
		Inferred (ex. LOM)			–	–	–	–
		Total Inferred			**0.53**	**0.73**	**51**	**53**
Lead					%Pb	%Pb		
		Measured			3.57	3.16	133	228
		Indicated			3.92	3.02	235	177
		Measured and Indicated			**3.79**	**3.10**	**368**	**404**
		Inferred (in LOM)			2.60	2.26	250	164
		Inferred (ex. LOM)			–	–	–	–
		Total Inferred			**2.60**	**2.26**	**250**	**164**
Swartberg[3]					%Zn	%Zn		
Zinc		Measured	–	–	–	–	–	–
		Indicated	16.4	17.3	0.68	0.63	111	109
		Measured and Indicated	**16.4**	**17.3**	**0.68**	**0.63**	**111**	**109**
		Inferred	31.9	24.5	0.65	0.68	207	167
Copper					%Cu	%Cu		
		Measured			–	–	–	–
		Indicated			0.64	0.70	104	121
		Measured and Indicated			**0.64**	**0.70**	**104**	**121**
		Inferred			0.67	0.61	215	150
Lead					%Pb	%Pb		
		Measured			–	–	–	–
		Indicated			2.91	2.87	476	497
		Measured and Indicated			**2.91**	**2.87**	**476**	**497**
		Inferred			2.73	2.79	871	684

Footnotes appear at the end of the section.

Zinc – Operations

MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Lisheen (UG)[2]	100		Mt	Mt	%Zn	%Zn	kt	kt
Zinc		Measured	0.6	0.8	13.48	12.84	87	101
		Indicated	0.2	0.4	12.15	11.50	30	41
		Measured and Indicated	**0.9**	**1.1**	**13.12**	**12.42**	**117**	**142**
		Inferred (in LOM)	0.2	0.3	19.29	19.23	37	52
		Inferred (ex. LOM)	0.2	0.3	11.41	11.66	27	34
		Total Inferred	**0.4**	**0.6**	**14.91**	**15.31**	**64**	**86**
Lead					%Pb	%Pb		
		Measured			2.18	2.05	14	16
		Indicated			2.21	2.06	5	7
		Measured and Indicated			**2.19**	**2.06**	**20**	**23**
		Inferred (in LOM)			3.34	3.21	6	9
		Inferred (ex. LOM)			2.39	2.55	6	7
		Total Inferred			**2.81**	**2.87**	**12**	**16**

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

Zinc – Projects

MINERAL RESOURCES	Attributable %	Classification	Tonnes 2010	Tonnes 2009	Grade 2010	Grade 2009	Contained metal 2010	Contained metal 2009
Gamsberg – North (OP)[4]	74.0		Mt	Mt	%Zn	%Zn	kt	kt
Zinc		Measured	43.3	43.3	7.09	7.09	3,068	3,072
		Indicated	57.5	57.5	6.47	6.47	3,723	3,723
		Measured and Indicated	**100.8**	**100.8**	**6.74**	**6.74**	**6,791**	**6,796**
		Inferred	53.3	53.3	5.39	5.39	2,873	2,873
Gamsberg – East (UG)[5]	74.0				%Zn	%Zn		
Zinc		Measured	–	–	–	–	–	–
		Indicated	–	–	–	–	–	–
		Measured and Indicated	**–**	**–**	**–**	**–**	**–**	**–**
		Inferred	32.3	32.3	9.83	9.83	3,172	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.

Black Mountain plus Gamsberg and Lisheen are reported because the sale of these operations was not finalised by 31 December 2010. However, the sale of Black Mountain and Lisheen was completed on 4 February 2011 and 15 February 2011 respectively.

(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. A higher cut-off was applied in 2010 and the exchange rate increased reducing the overall revenue in ZAR terms. These two effects outweighed the higher metal price used in 2010 and a decrease in both Ore Reserves and Mineral Resources is attributed to these factors. However a change in estimation methodology limited the decrease. Measured and Indicated Resources are estimated to contain 9.7Mt of material grading 50.9 g/t silver as a by-product. Inferred Resources are estimated to contain 9.6Mt of material grading 24.9 g/t silver as a by-product.

(2) **Lisheen:** Changes in Ore Reserves are largely attributable to production, with sterilisation of ore due to back-filling on a retreat mining sequence accounting for the reduction in Mineral Resources. Mineral Resources are constrained by geological parameters (total sulphide content and ore thickness) and are quoted above a 6% ZnEq cut-off.

(3) **Black Mountain – Swartberg:** Indicated Resources are estimated to contain 16.4Mt of material grading 35.4 g/t silver as a by-product. Inferred Resources are estimated to contain 31.9Mt of material grading 32.2 g/t silver as a by-product.

(4) **Gamsberg – North:** Mineral Resources are constrained within mineralized horizons and within a pit shell and are reported above a cut-off grade of 3% Zn. During 2010, 50kt of material containing an estimated 4.3 kt Zinc was mined via the exploration adit and processed at the Black Mountain concentrator.

(5) **Gamsberg – East:** Gamsberg East is located 4km 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. The study has recommended that Gamsberg East is incorporated in the Gamsberg North pre-feasibility study.

Audits related to the generation of the Ore Reserve and Mineral Resource statements were carried out by independent consultants during 2010 at the following operations: Black Mountain.

OTHER INFORMATION

Market capitalisation	31 March 2011	2010	2009	2008	2007	2006	2005	2004	2003
Anglo American plc									
– $ billion	68.4	**69.5**	58.7	30.3	82.0	75.2	50.8	35.3	31.8
– £ billion	43.1	**44.5**	36.4	20.8	41.4	38.4	29.6	18.4	17.8
– ZAR billion	468.1	**460.6**	433.2	288.6	562.7	525.1	322.0	199.6	212.7

Credit ratings – as at 31 March 2011

	Standard & Poors	Moody's Investors Service
Long term	BBB	Baa1
Short term	A-2	P-2

Exchange rates		31 March 2011	2010	2009	2008	2007	2006	2005	2004	2003
£/$	period end	0.63	**0.64**	0.62	0.69	0.50	0.51	0.58	0.52	0.56
	average	0.62	**0.65**	0.64	0.54	0.50	0.54	0.55	0.55	0.61
ZAR/$	period end	6.77	**6.60**	7.38	9.30	6.84	7.00	6.35	5.65	6.67
	average	6.91	**7.32**	8.41	8.27	7.05	6.77	6.37	6.44	7.55

Ordinary shares prices – period end	31 March 2011	2010	2009	2008	2007	2006	2005	2004	2003
Anglo American plc									
– £ per share	32.07	**33.10**	27.11	15.46	30.80	24.91	19.79	12.32	12.07
– ZAR per share	217.11	**342.59**	319.49	210.99	415.02	342.00	213.70	133.50	143.00

Analysis of Anglo American plc ordinary shares	Shares outstanding as at 31 December	Weighted average number of shares in issue [1]
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
2010	**1,342,932,714**	**1,206,077,713**

FURTHER INFORMATION

- 2010 Annual Report
- Notice of 2011 AGM and Shareholder Information Booklet
- Sustainable Development Report 2010
- Optima – Anglo American's current affairs journal
- Good Citizenship: Business Principles
- The Anglo American Environment Way
- The Anglo American Occupational Health Way
- The Anglo American Safety Way
- The Anglo American Social Way

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