ANGLO COAL

Investor Presentation

September 2005

Participants

Tony Redman

Chairman – Anglo Coal

Technical Director – Anglo American plc

John Wallington

Chief Executive Officer

Anglo Coal

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Chief Financial Officer

Anglo Coal

Business Overview

ANGLO COAL

✓ Leading producer of thermal and metallurgical coal	► 6th largest producer ► 4th largest global producer
✓ Geographic diversity	► Australia – 12.7 Mt (29%) for H1 2005 (attributable saleable tons) ► South Africa – 26.6 Mt (60%) for H1 2005 (attributable saleable tons) ► South America - 4.8 Mt (11%) for H1 2005 (attributable saleable tons)
✓ Market spread	► Domestic market - 52% production ► Med-Atlantic market – 31% production ► Indo-Pacific market – 17% production
✓ Product offering	► Thermal coal – 38,7 Mt (87%) for H1 2005 ► Metallurgical coal – 5.4 Mt (13%) for H1 2005
✓ Strong cashflow generator	► EBITDA H1 2005: US$476m; (EBITDA H1 2004: US$286m) ► Total free cash generated 1999-2004: US$1.8bn
✓ Competitive technical capacity	► 32.2 Mt opencut production ► 11.9 Mt underground production
✓ Consistent contributor to AA plc's earnings	► H1 2005: 13% (H1 2004: 9%)
✓ Positive outlook	► Exciting mix of greenfield and brownfield projects

Interim Financial Review

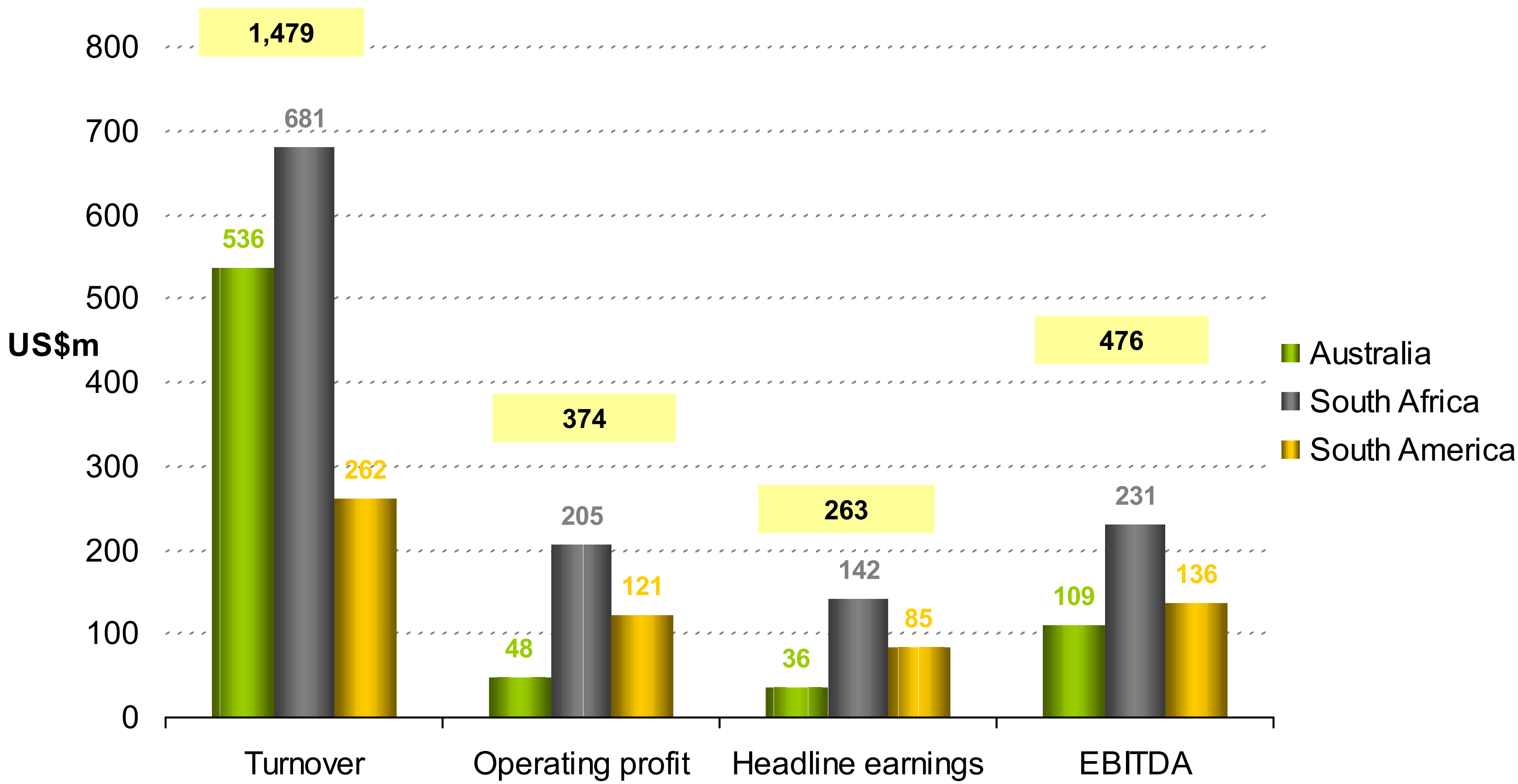
Financial synopsis

- Headline earnings of US$263m in H1 2005, an increase of 78% over H1 2004
- Improved performance due to more favourable commodity prices and production efficiencies
- Australia impacted by operating difficulties at Dartbrook and carry over tonnage at Moranbah

	H1 2005	H1 2004		2004
Turnover ($m)	1,479	1,040		2,382
EBITDA ($m)	476	286		687
Operating profit ($m)	374	201		497
Headline earnings ($m)	263	148		357
Capital expenditure	126	64		218
Net operating assets	2,350	2,105		2,546
Share of group headline earnings	13%	9%		13%
Share of group net operating assets	6%	6%		6%

Interim Financial Review

Geographical synopsis (H1 2005)



Interim Financial Review

Salient issues (H1 2005)

Australia

- Results negatively impacted by geological difficulties at Dartbrook thermal coal mine and the effect of carryover tonnage at Moranbah North metallurgical coal mine
- Operating profit of US$48m includes Moranbah North insurance claim of US$28m
- Net increase in production of 0.7mt to 12.7mt from H1:2004 (12.0mt)
- Longwall performance at Moranbah North progressing well (>2.1mt produced in H1: 2005)

South Africa

- Operating profit increased by 120% to US$205m on the back of higher export prices (52%), and a 1% increase in sales volumes supported by a 3% improvement in production to 26.6mt
- Higher production includes 0.6mt from the Mafube mine mini-pit (Eyesizwe joint venture)

South America

- Attributable sales tonnage from Colombia increased by 4% to 4.3mt and attributable operating profit rose to US$109m (H1 2004: US$79m)
- Venezuelan sales increased by 1% to 0.8mt (attributable)

Topical Issues

SA Mining Charter

Ownership (Charter target 26% by 2014)	► Facilitated establishment of Eyesizwe, Leeuw Mining & Exploration, Imbani Coal, Mafube Colliery ► 21% of Anglo Coal's potential production sold to BEE companies
Procurement	► R471 m sourced from BEE companies in H1 2005 ► 27% of Anglo Coal's discretionary spend
Employment Equity (Charter target 40% by 2009)	► 28% of senior management HDSA's
Other	► Mineral & Petroleum Resources Development Act – mining rights conversion process underway – most applications for conversions have been submitted ► Human resource development

Australian Production

Moranbah North	► Longwall performance has progressed well with production in excess of 2mt ► Carryover tonnage was significant but mitigation measures agreed
German Creek	► Fewer longwall moves planned for H2 2005 compared to H1
Dartbrook	► Longwall transition from Wynn to Kayuga Seam challenging ► Longwall relocated to next panel and strategic review in progress
Ports	► Quota scheme introduced at DBCT

China

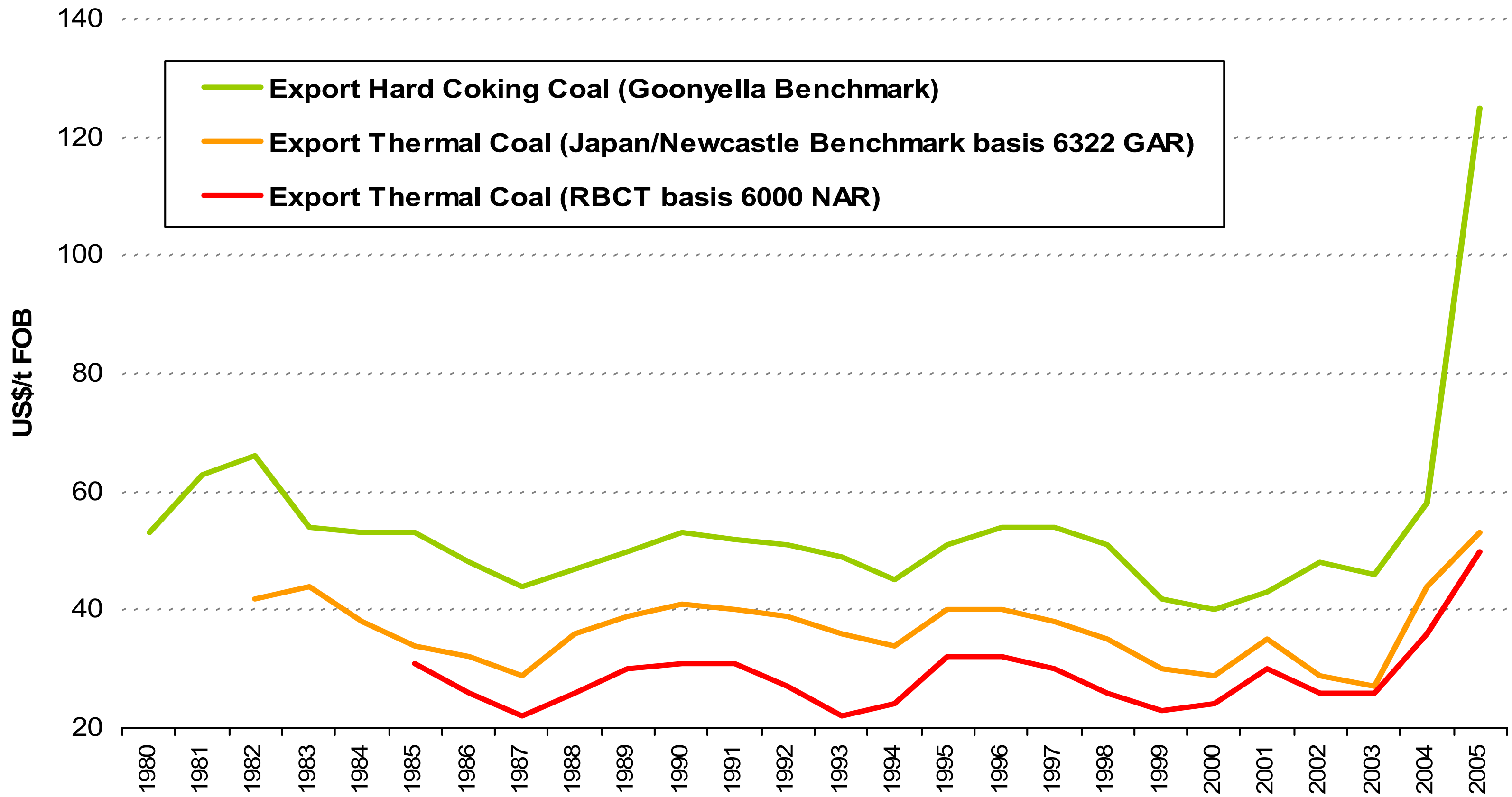
Shenhua	► Investment of slightly less than 1% of share capital ► Future potential co-operation and opportunities to participate in development projects

Market Overview

Key Factors	Anglo Coal Response
Diverse sectors (thermal & met) with different drivers, structures and pricing mechanisms (term vs spot/index)	► Comprehensive product range being enhanced ► Sector specific marketing strategies
Varying levels of consolidation - Met Coal - highly consolidated - Thermal - very fragmented	► Competitive share of both markets permits a "non-follower" approach
Steady domestic markets underpin higher value, but more volatile, export sectors	► Key shares in SA and Australian domestic markets
Export Thermal sector – record prices and growth despite the Kyoto Protocol and carbon constraints	► Customer specific strategies (price, quality, carbon) ► Understanding volatility
Export Metallurgical sector – record prices and structural tightness going forward	► Wider product offering ► Technical support to customers
Carbon constraints a reality	► A considered, proactive, multi-faceted response

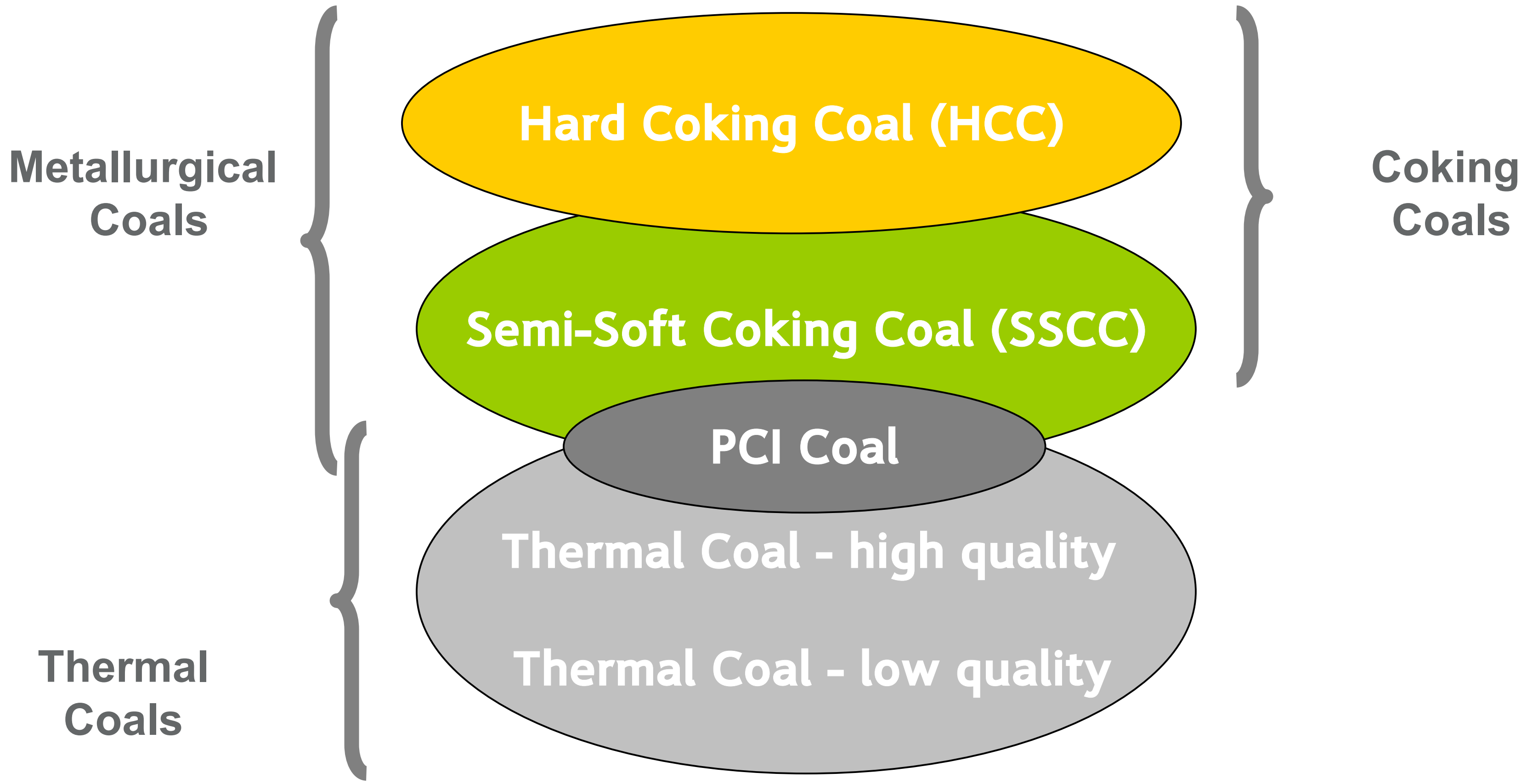
Price History

Commodity price trends

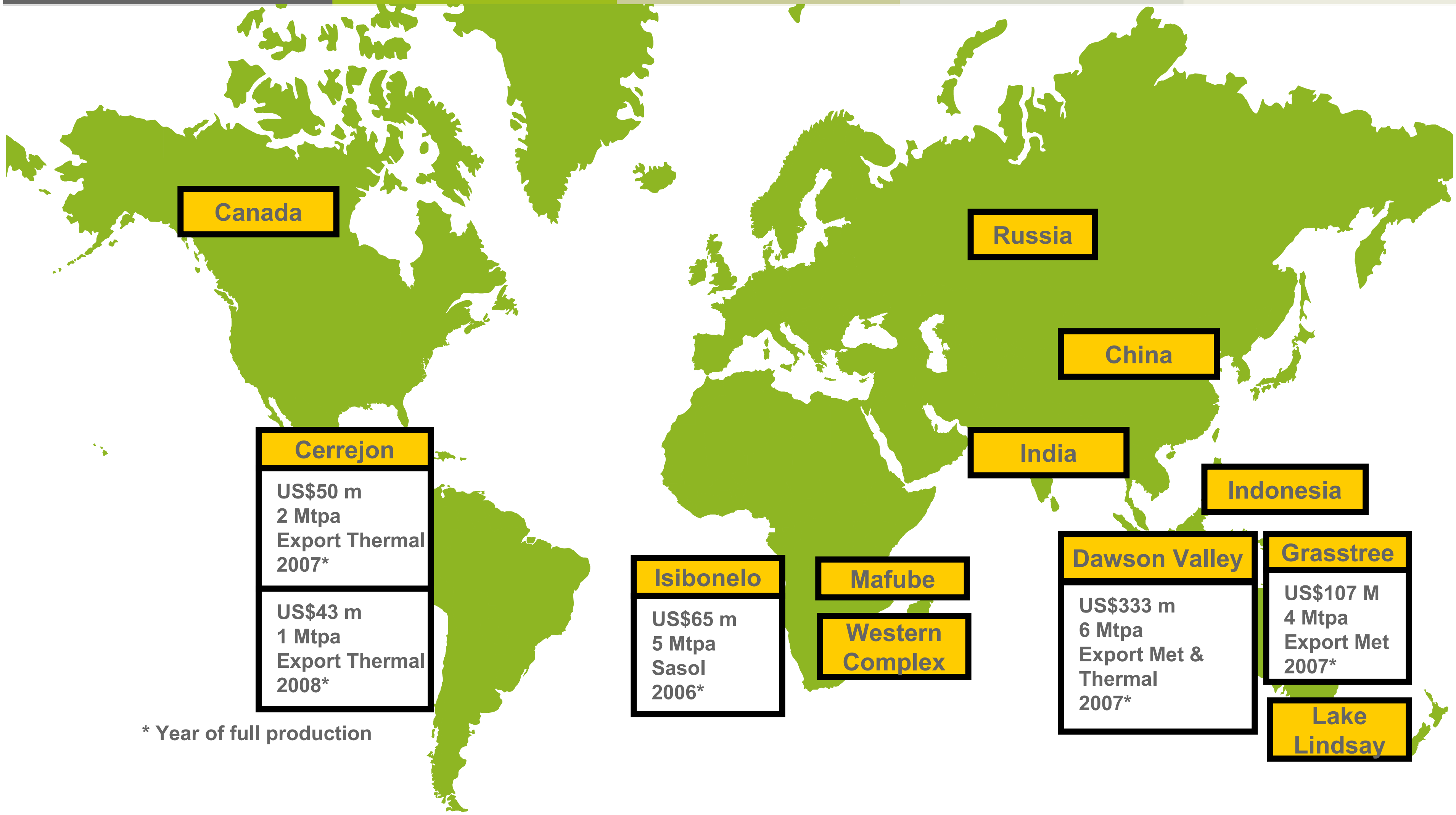


Different quality coals

Product portfolio



Project Pipeline



* Year of full production

Adjacency Strategies (Horizon 3)

Current initiatives

Coal bed/mine methane

- Dawson (Australia)
- Waterberg (South Africa)
- German Creek (Australia)

Monash Energy

- Power and low sulphur diesel
- Carbon capture and storage
- Government support

Coal gasification

- China – Xiwan
- Chemicals and power
- Emissions reduction

✓ **Long lead time**

✓ **High capital cost**

✓ **New skill base**

✓ **High returns**

Outlook and Conclusion

- Thermal coal prices have remained close to the US$50 level for some time, but have softened slightly of late. Expectations are for reasonable firmness through 2006
- Metallurgical prices are also expected to remain relatively firm
- Infrastructure constraints are still an issue
- Optimistic that conversion applications will be granted
- Number of new projects under consideration due to the strong domestic and international demand
- Strong organic growth forecast driven by projects in all major production centres
- Production outlook positive for H2
- Anglo Coal is well positioned to capitalise on sustained positive global economic environment