Anglo American Thermal Coal Investor Presentation

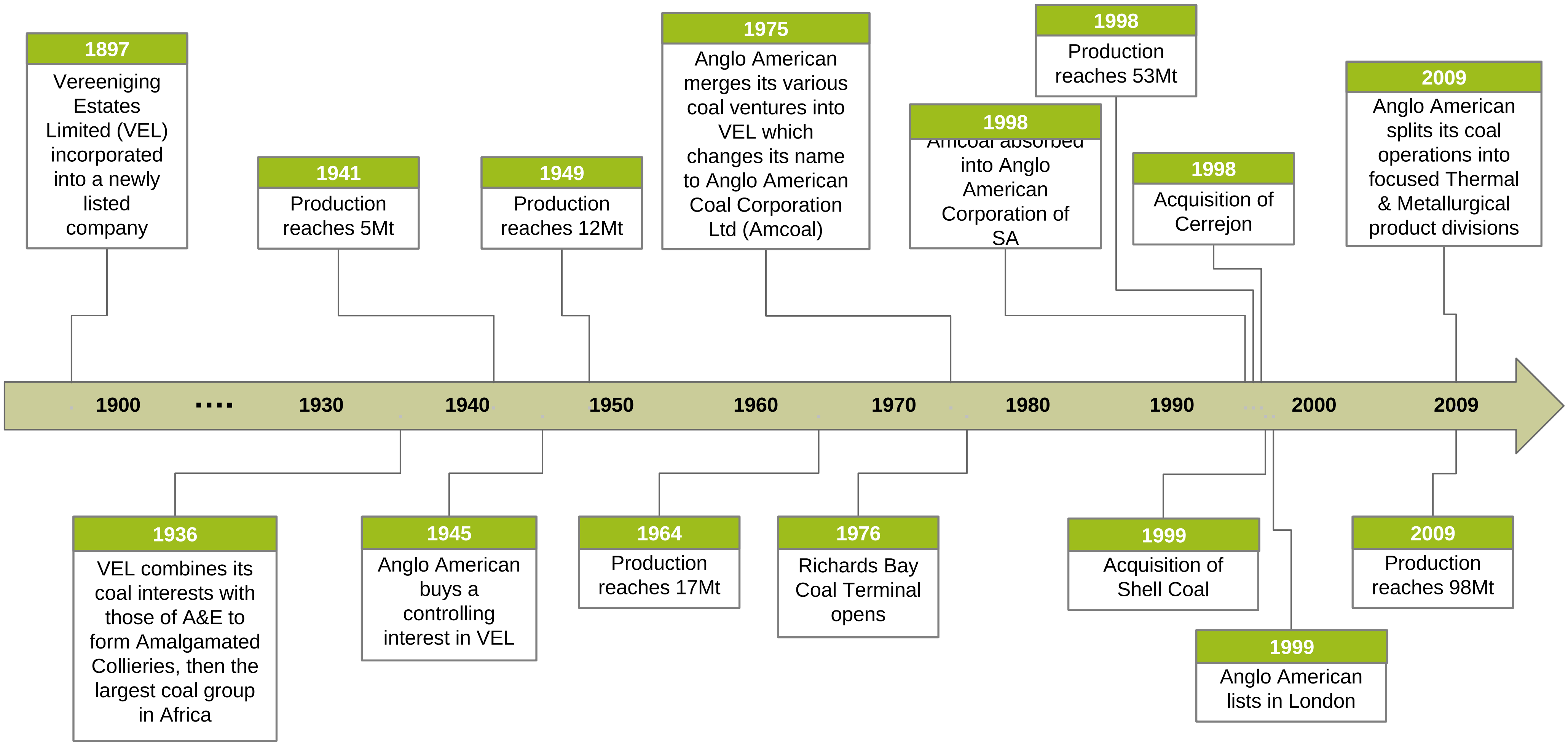
April 2010

Agenda

Agenda

1. Overview of Anglo American Thermal Coal (AATC)
2. Market Overview
3. Strategy & Growth Pipeline

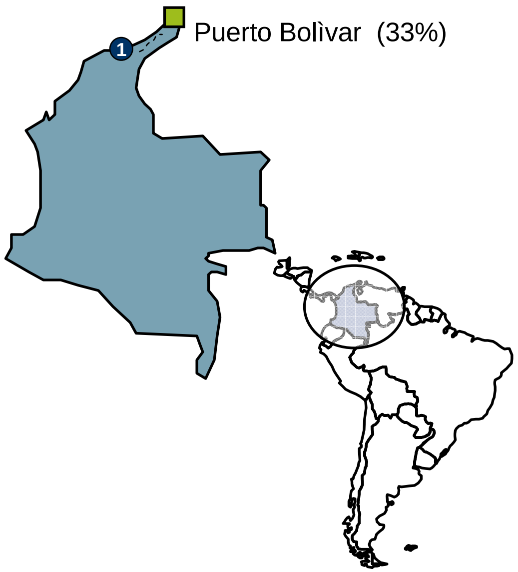
Historical Timeline



Source: Anglo American Thermal Coal

Overview of Anglo American Thermal Coal

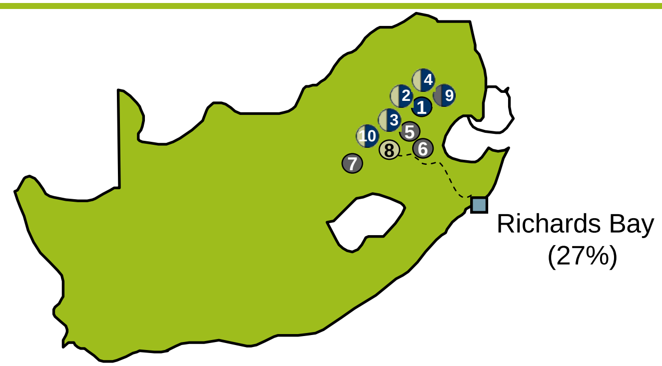
Colombia (2009)



Mine	Holding	Total Attributable production 2009	Export Mt	Domestic Mt	LOM Years
1 Cerrejòn	33%	10.2Mt	10.2	-	23
EBIT (2009)					US$305m

Export
Eskom
Other domestic

South Africa (2009)

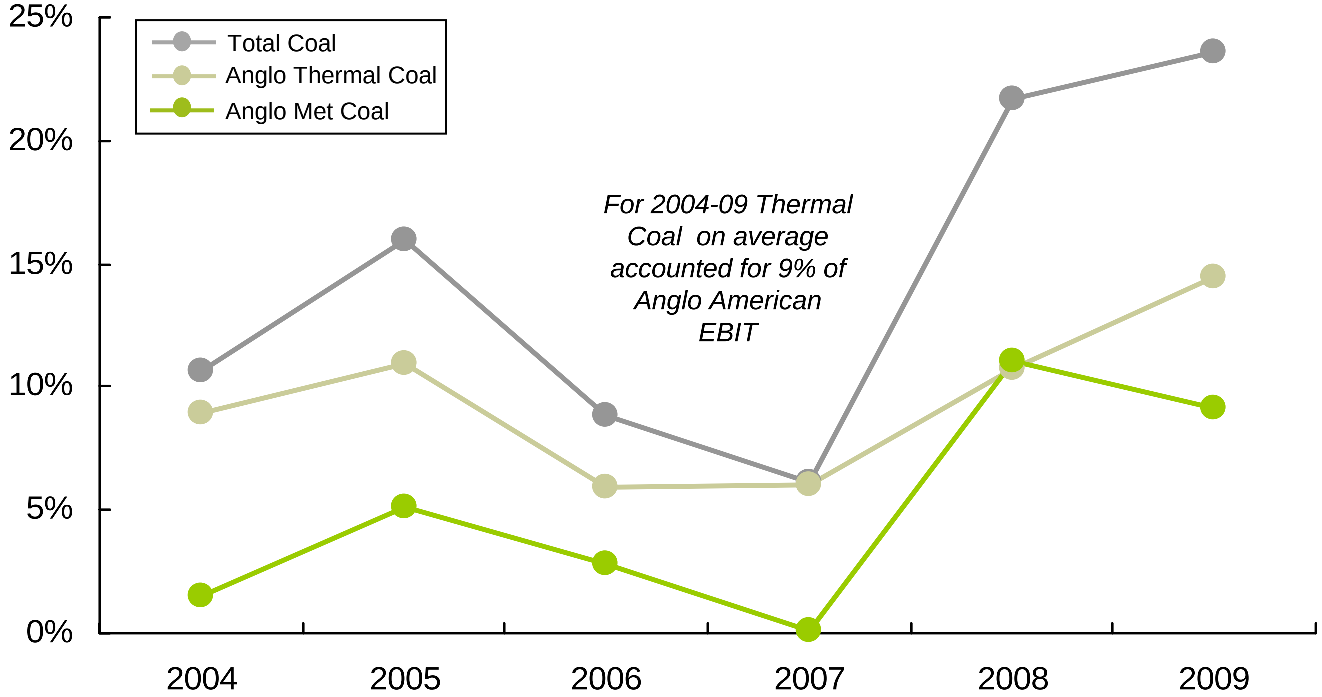


Mine	Holding	Total Attributable production 2009	Export Mt	Domestic Mt	LOM Years
1 Goedehoop	100%	6.9Mt	6.9	-	10
2 Greenside	100%	3.8Mt	3.3	0.5	12
3 Kleinkopje	100%	4.4Mt	2.0	2.4	14
4 Landau	100%	4.2Mt	3.9	0.3	11
5 Kriel	73%	11.2Mt	-	11.2	16
6 New Denmark	100%	3.7Mt	-	3.7	31
7 New Vaal	100%	17.6Mt	-	17.6	18
8 Isibonelo	100%	5.1Mt	-	5.1	17
9 Mafube	50%	2.2Mt	1.2	1.0	20
10 Zibulo[1]	73%	0.1Mt	0.0	0.0	17
Total production		59.2Mt	17.3	41.8	
Employees					14,446
EBIT (2009)					US$439m

Notes: 1. Zibulo was previously known as Zondagsfontein Project. Steady state production will be 6.6Mtpa 2. Production of AIC assets reported at 100%
Source: Anglo American Thermal Coal

A Stable Cash & Earnings Contributor to AA Plc

Coal % Contribution to AA EBIT



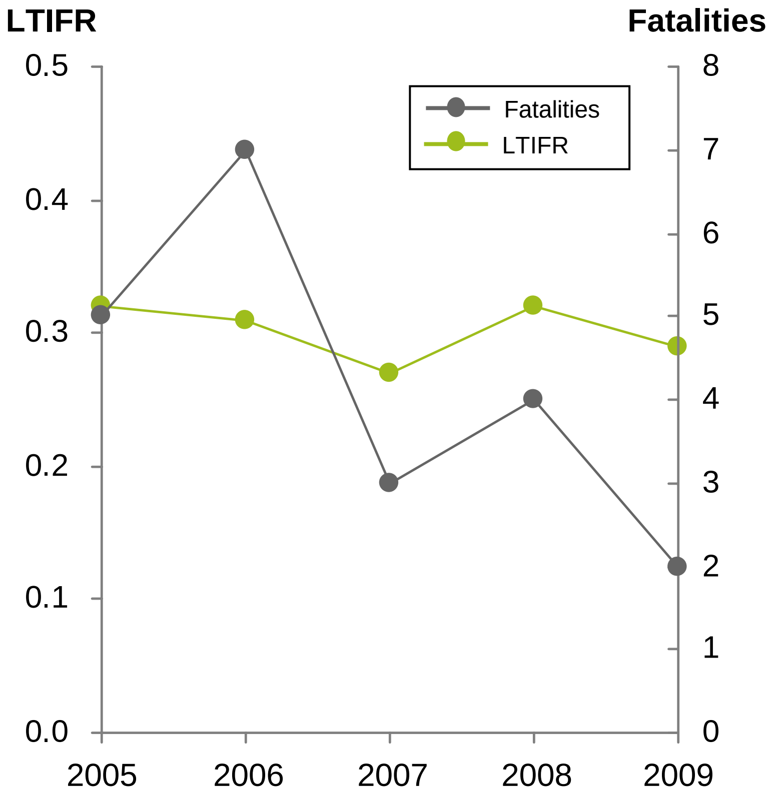
AATC has been a consistent contributor to Anglo American profitability

Source: Anglo American annual financial statements

* For 2004 to 2007 Australia segment previously reported used for Met Coal. Balance of previous Anglo Coal EBIT allocated to Thermal Coal Division

AATC South Africa Safety Performance

AATC South Africa Lost Time Injury Frequency Rate & Fatalities

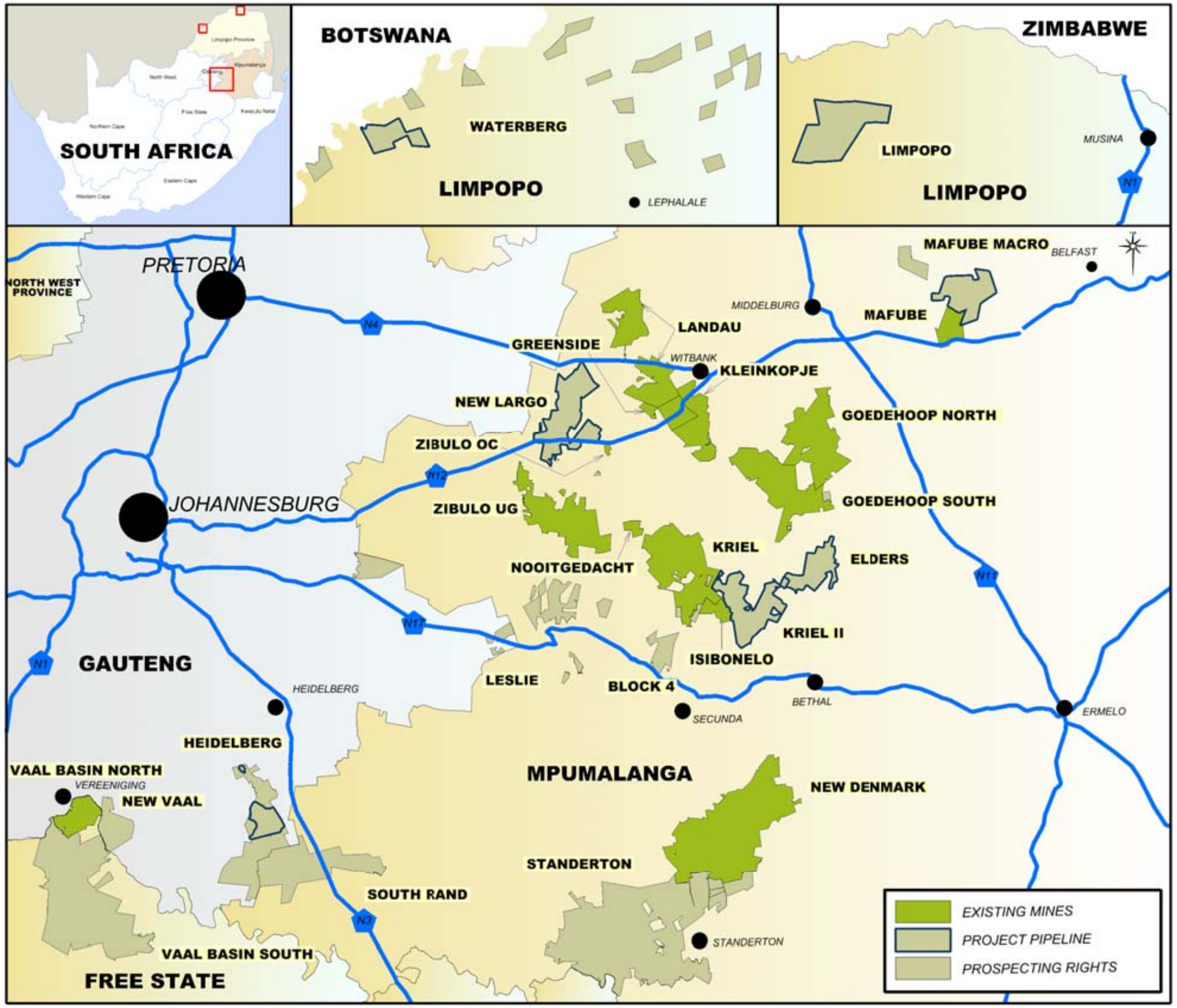


- 2 Fatalities in 2009 vs. 4 in 2008. Zero for 2010 YTD
- LTIFR improvement of 9.4%
- AATC 2009 fatal injury frequency rate was 0.009 compared to 0.05 for the RSA coal industry
- AATC 2009 LTIFR was 0.29 compared to 0.31 for the RSA coal industry
- Isibonelo more than two years LTI free
- Rapid Loading Terminal Zero harm in 2009
- HPI reporting fully implemented

Safety is our No. 1 Priority

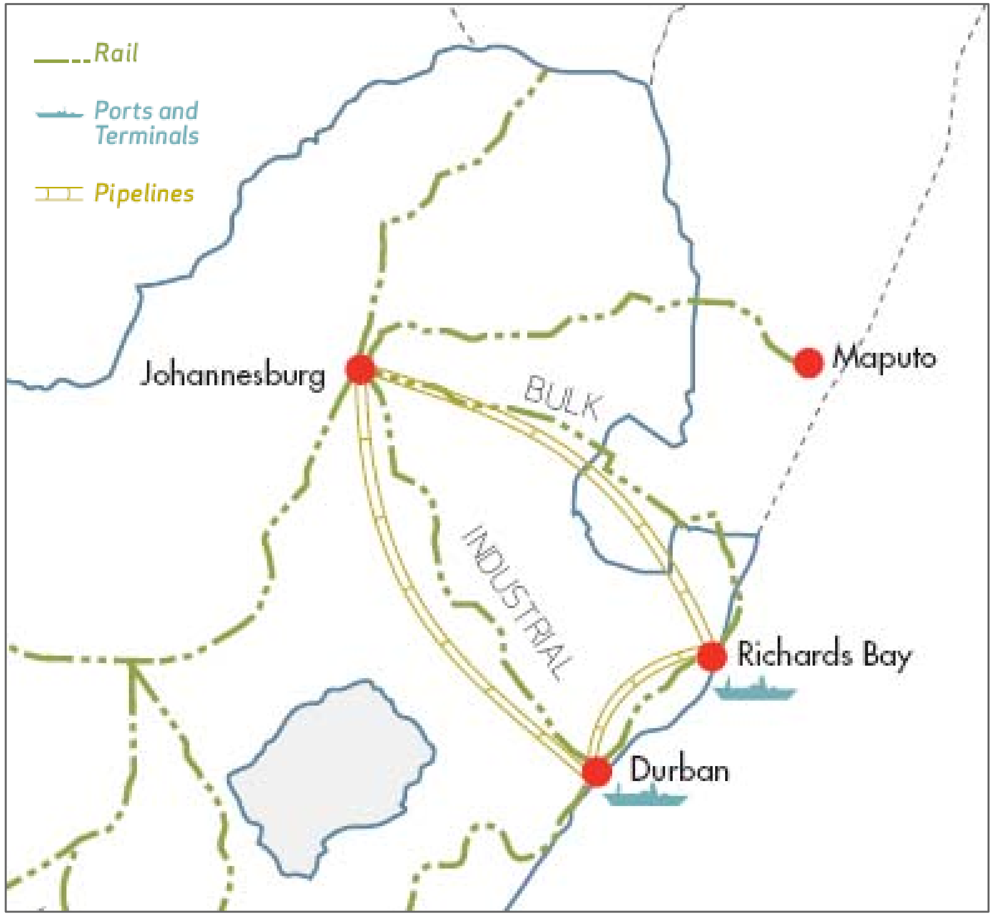
Source: Anglo American Thermal Coal

South African Operations Location



South African Logistics

South Africa coalfields rail & port infrastructure



- Coal railed to Richard Bay Coal Terminal (RBCT) for export
- Coal is railed by Transnet Freight Rail (TFR) - with nominal railing capacity of 72Mtpa
- In 2009 TFR railed only 61Mt – railing volumes are bottleneck to coal exports

- AATC has 27% shareholding in RBCT
- RBCT capacity is 72Mt going to 91Mtpa from 2010 - post Phase V expansion

Mining Methods

A. Surface/Opencast Mining

1. Doze Over Shovel & Truck

- Mafube
- Waterberg

2. Dragline Strip Mining

- Landau
- Kleinkopje
- New Vaal
- Isibonelo
- New Largo

3. Mini Pit Mining

B. Underground Mining

1. Bord & Pillar Mining

- Goedehoop
- Greenside
- Kriel
- Zibulo
- Elders
- Limpopo

2. Longwall Mining

- New Denmark
- Heidelberg

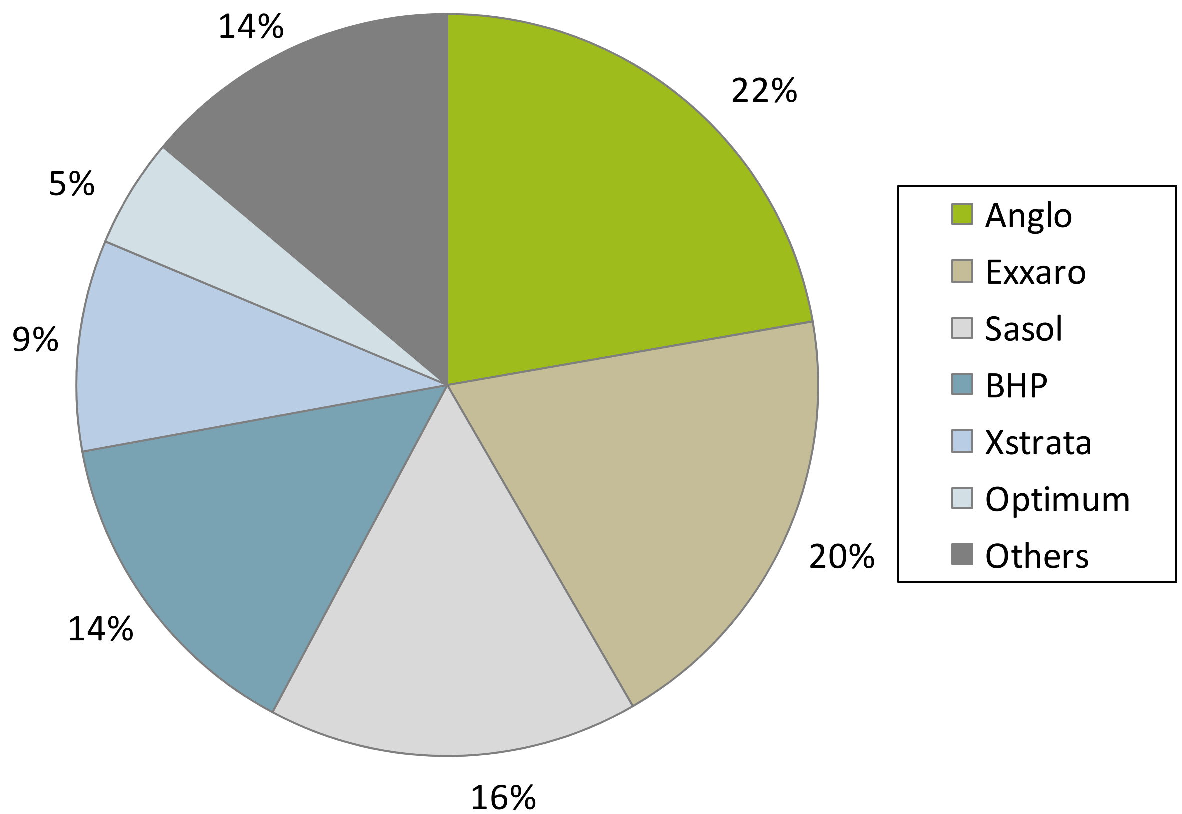
3. Pillar Extraction

Mining method choice critical to reserve extraction optimisation

Source: Anglo American Thermal Coal

AATC South Africa Market Position

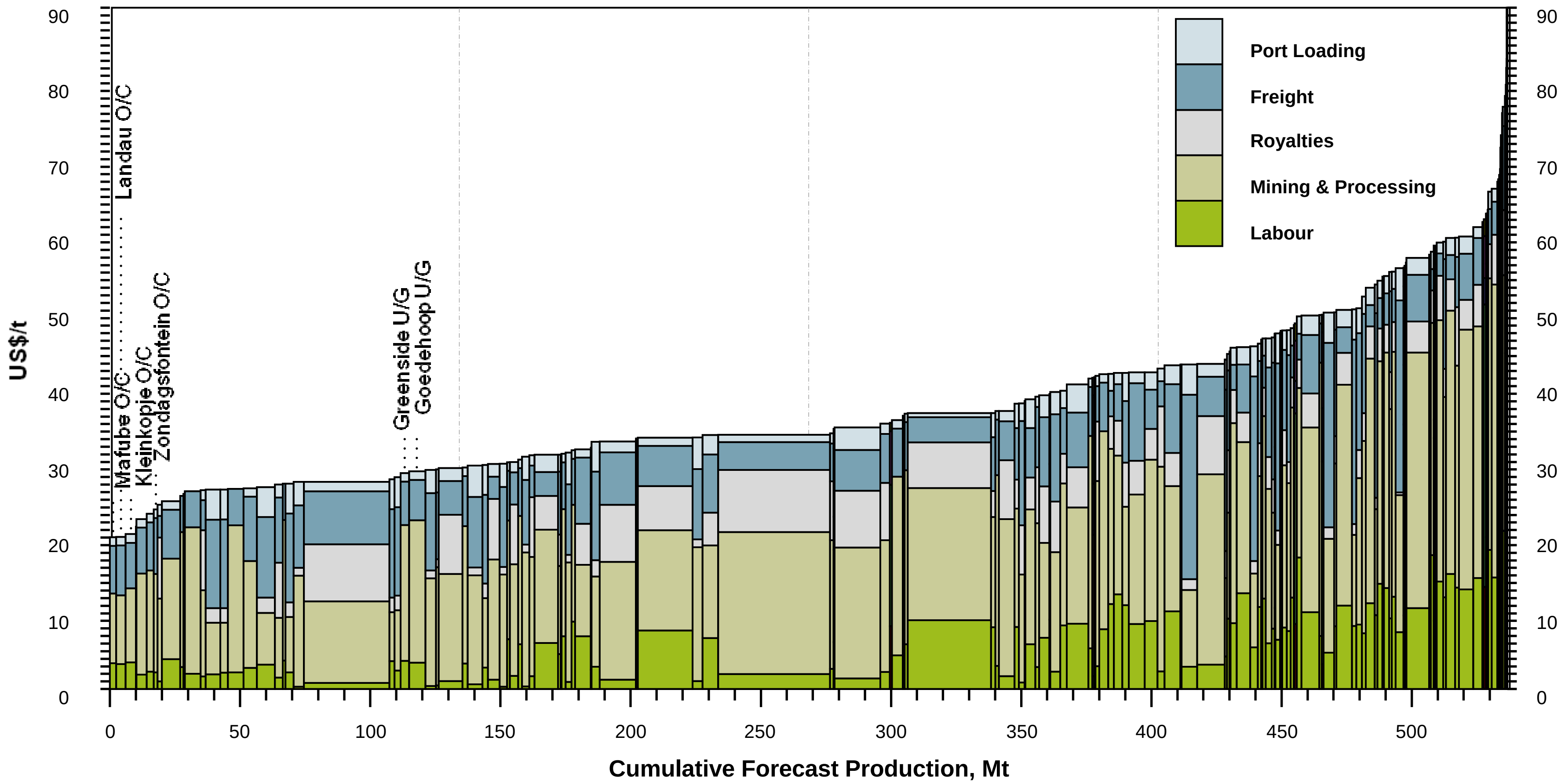
Total South Africa production for 2009 of approximately 260 Mt



AATC is the leading coal producer in South Africa & holds around a quarter of market share

Source: Wood Mackenzie, Company Financial Statements

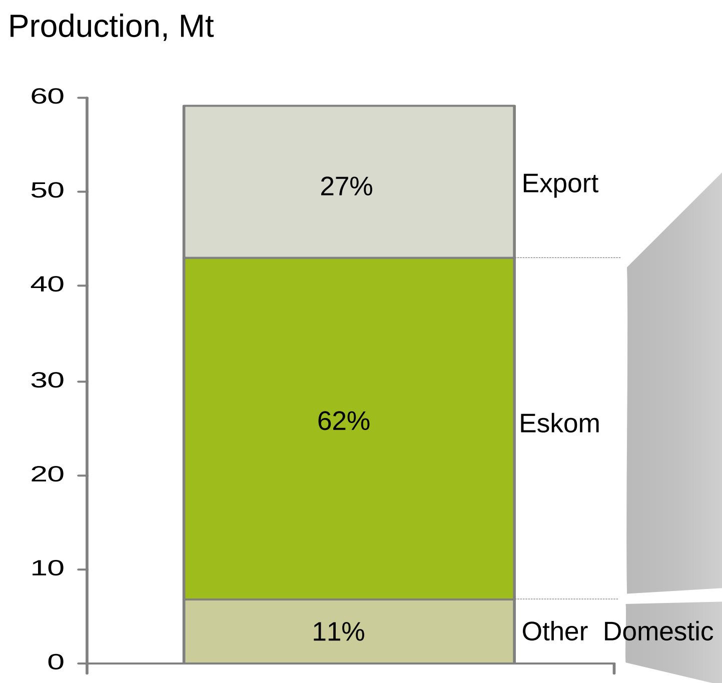
A 1st Cost Quartile Thermal Coal Producer



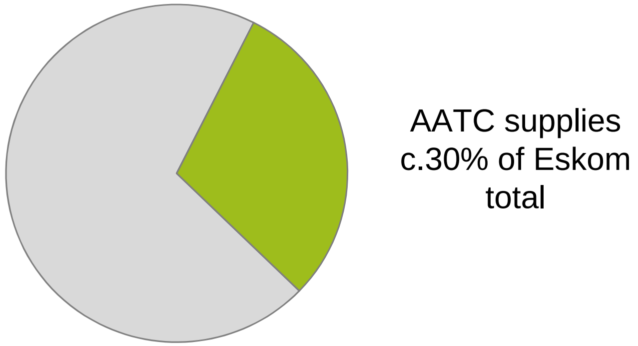
All AATC South African export operations within the 1st cost quartile of the AME 2010 global cost curve…

RSA Domestic Market: Eskom & Other

Domestic production share of total AATC RSA tonnage



Share of total Eskom tonnage



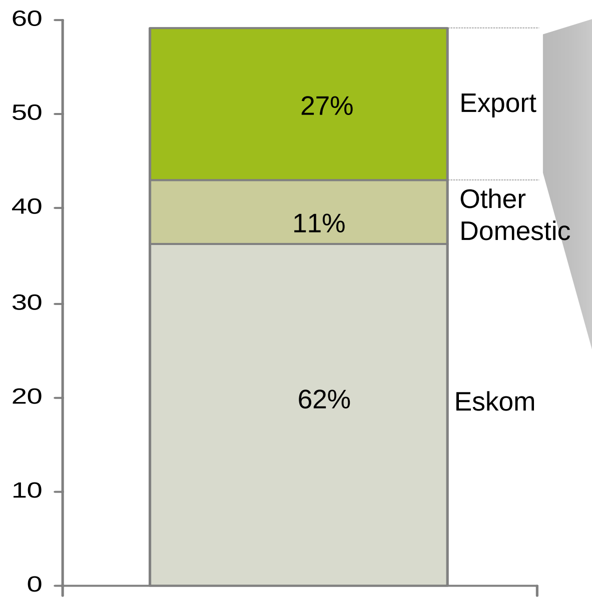
- c. 36Mt to Eskom for power generation
- Eskom average CV (air dried) 4,550kc/kg (19.1MJ/kg)
- Pricing strategy a combination of long term cost-plus arrangements and some at fixed price + escalation
- c. 7Mt of other domestic tonnage including:
  - 5Mt from Isibonelo supplying to Sasol
  - 2Mt to a range of other industrial customers

AATC a major supplier of coal to Eskom – and expected to grow

RSA Export Market

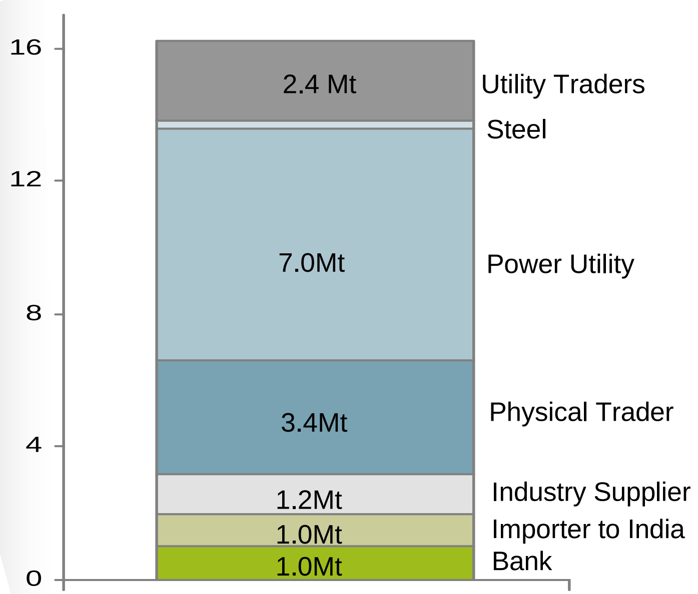
Export production share of total AATC RSA tonnage

Production, Mt



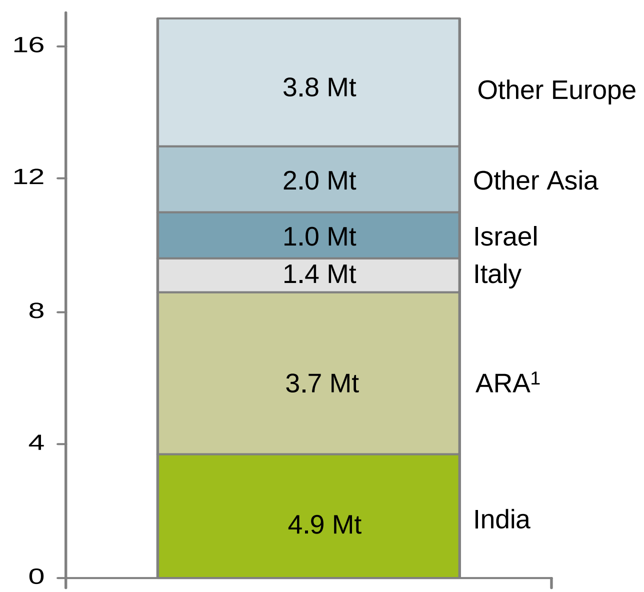
2009 exports by customer type

Export Sales, Mt



2009 exports by destination country/region

Export Sales, Mt

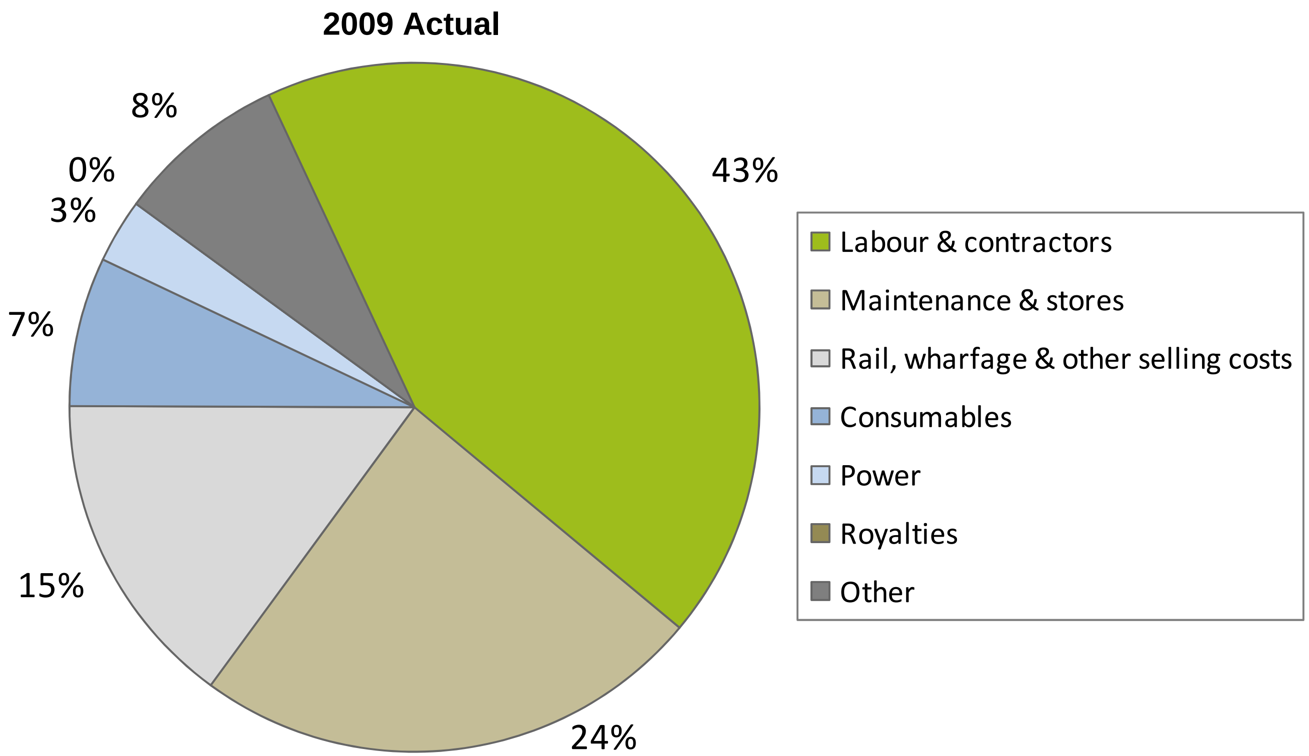


30% of AATC SA's thermal exports to India in 2009

Note: 1. ARA = Amsterdam, Rotterdam, Antwerp
Source: Anglo American Thermal Coal

Cost Breakdown

AATC South Africa cost breakdown

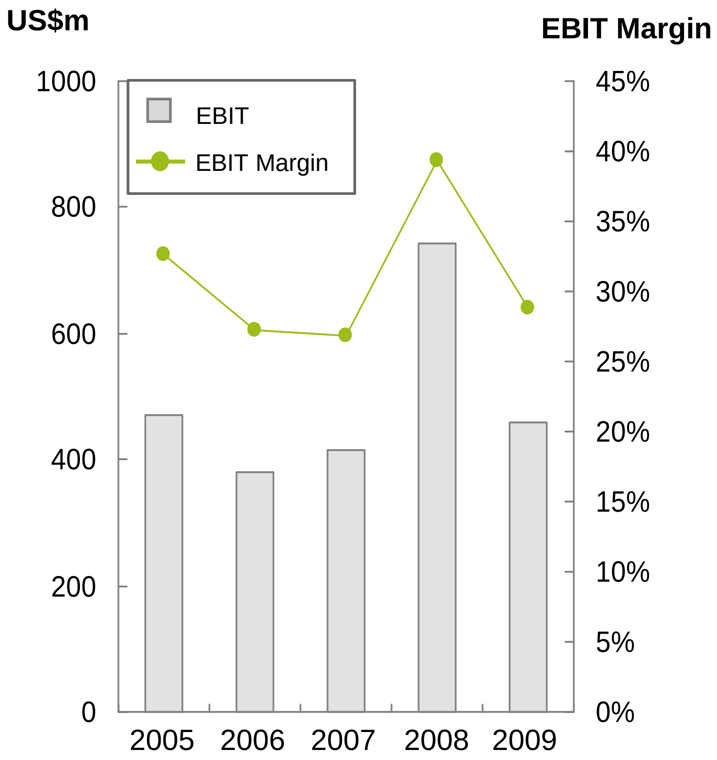


- Royalties will be applicable from 2010 – expected to account for ~1% of costs
- Electricity a relatively small share of total costs: Eskom power price increases will add 1% to overall costs in 2010 - but will continue to rise

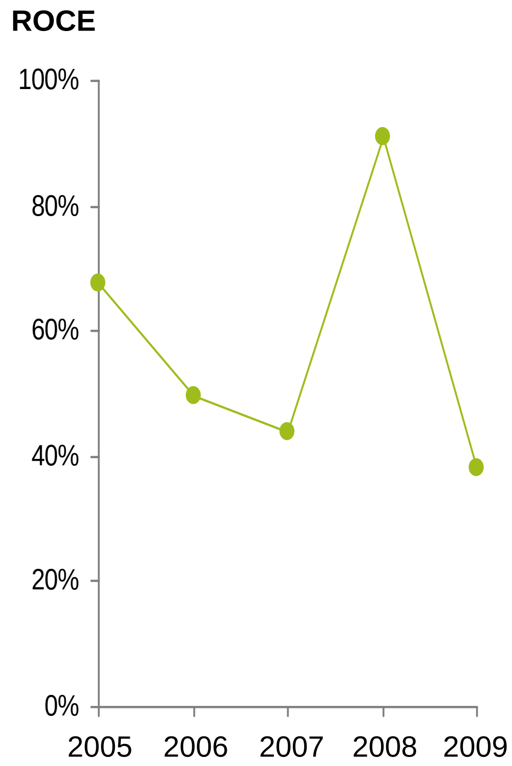
Labour the major cost component showing cost increases of over 9% per annum over the past 3 years

AATC South Africa Margins & ROCE

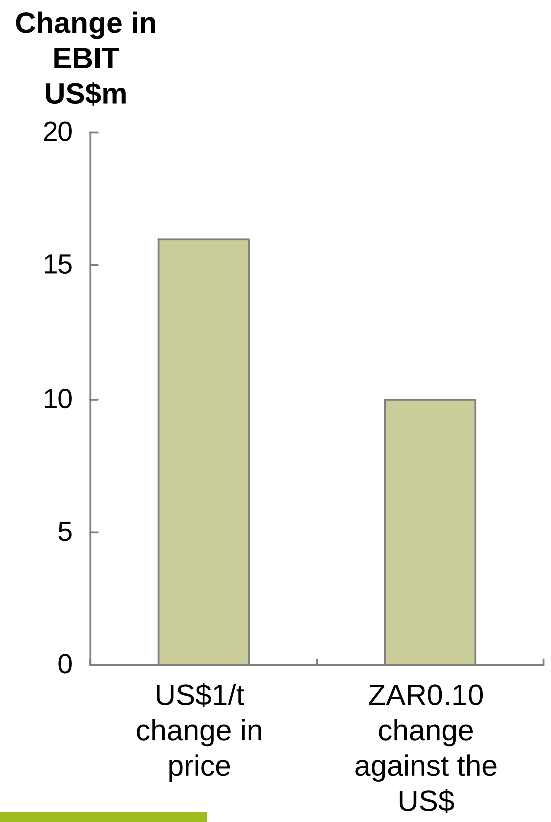
AATC South Africa EBIT margin



Historic adjusted ROCE



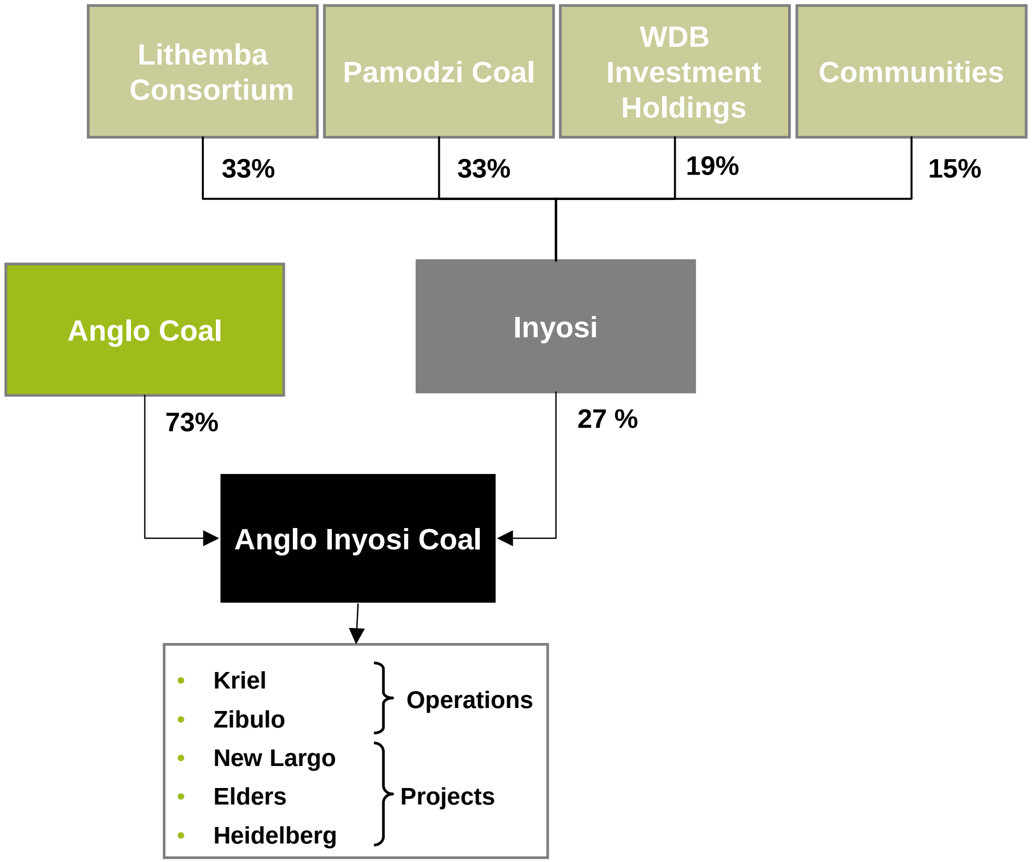
Price & exchange rate sensitivity



Stable margins despite turbulent times

Leadership in BEE Transactions: Eyesizwe and AIC

Anglo Inyosi Coal empowerment transaction



ANGLO INYOSI COAL

- Anglo Inyosi Coal formed in November 2007 for R7bn
- 27% BEE participation from inception
- Resources of 4.1 billion tonnes
- Optimal asset mix (existing operations & projects)
- Stable cashflow stream through Kriel Colliery
- ESOP commitment
- All AATC's SA mineral rights converted

Dynamic consortium partner grouping with strong women & community participation

Source: Anglo American Thermal Coal

Social Responsibility

- Progress against Mining Charter
  - BEE procurement spend 2009: R5.6Bn (56%)
  - HDSA in Management: 45% (target 40%)
  - Women in Mining: 16.5% (target 10%)
  - Women in Management: 17%
  - Women in Technical Occupations: 11%
  - Learnerships in AATC SA: 545 (88% HDSA)

- Focus Areas of Social and Labour Plans (SLP's)
  - Infrastructure
  - Education and Skills Development
  - SMME development
  - Agriculture
  - Environment
  - Sports, Arts and Culture

- Strengthening partnerships with government and NGO's

- Guided by the Anglo Social Way


Winter school classes at Empucukweni Secondary School

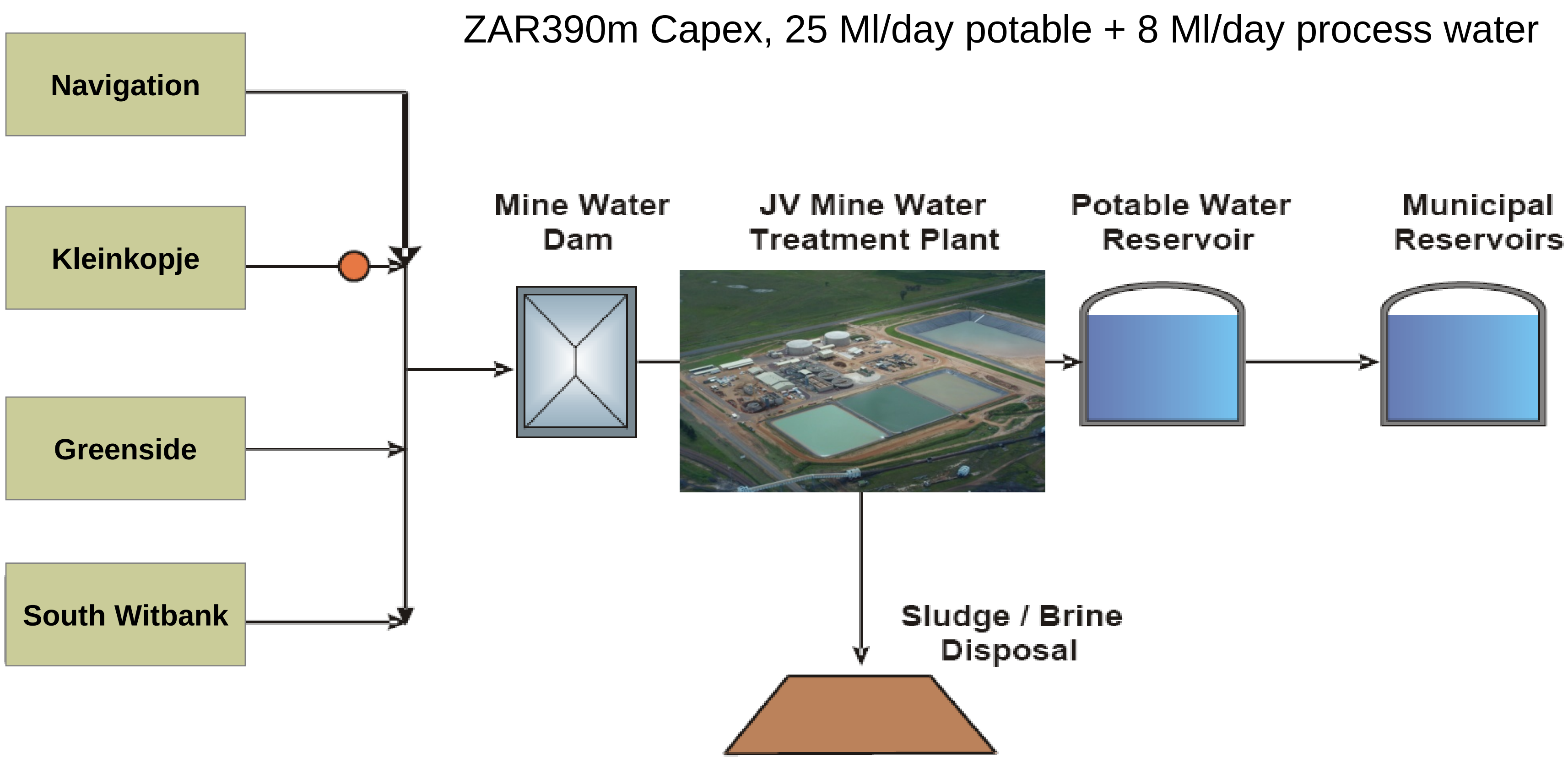

Educator Development Programme


Vegetable garden at Edward Matjeka Primary School

Robust implementation of SLP commitments

Sustainable Development: Water Treatment

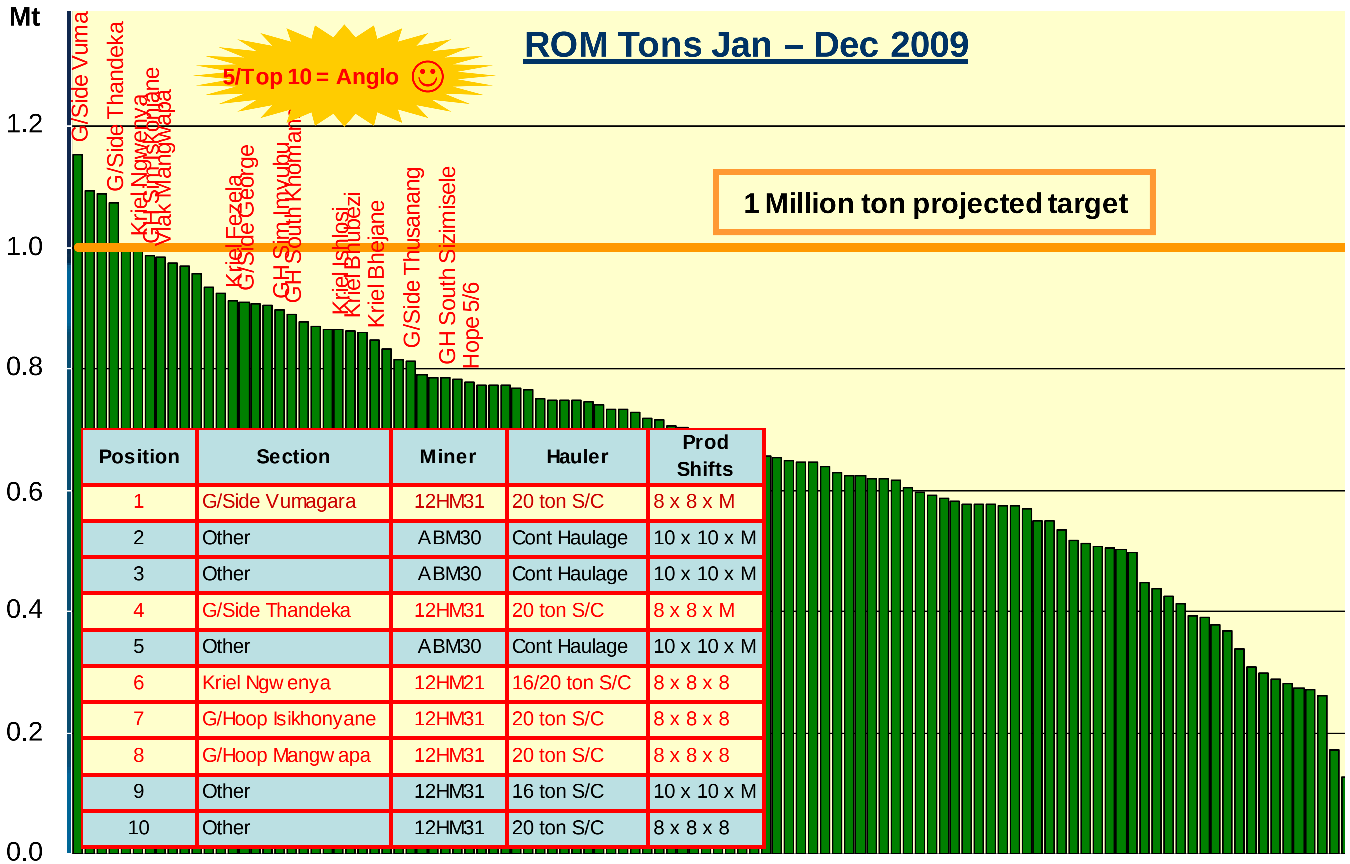
SA's first large-scale mine water treatment plant



Addresses environmental impact of mine water whilst alleviating water shortage in local community of Emalahleni

AATC Asset Optimisation Initiatives

CMIG Project: Benchmarking against 109 continuous miners in SA



Position	Section	Miner	Hauler	Prod Shifts
1	G/Side Vumagara	12HM31	20 ton S/C	8 x 8 x M
2	Other	ABM30	Cont Haulage	10 x 10 x M
3	Other	ABM30	Cont Haulage	10 x 10 x M
4	G/Side Thandeka	12HM31	20 ton S/C	8 x 8 x M
5	Other	ABM30	Cont Haulage	10 x 10 x M
6	Kriel Ngw enya	12HM21	16/20 ton S/C	8 x 8 x 8
7	G/Hoop Isikhonyane	12HM31	20 ton S/C	8 x 8 x 8
8	G/Hoop Mangw apa	12HM31	20 ton S/C	8 x 8 x 8
9	Other	12HM31	16 ton S/C	10 x 10 x M
10	Other	12HM31	20 ton S/C	8 x 8 x 8

- Asset optimisation is clearly focused on key mining equipment and supporting activities
- Opencast mines
  - Draglines (“DIG” Initiative)
- Underground mines
  - Continuous miners (“CMIG” initiative)

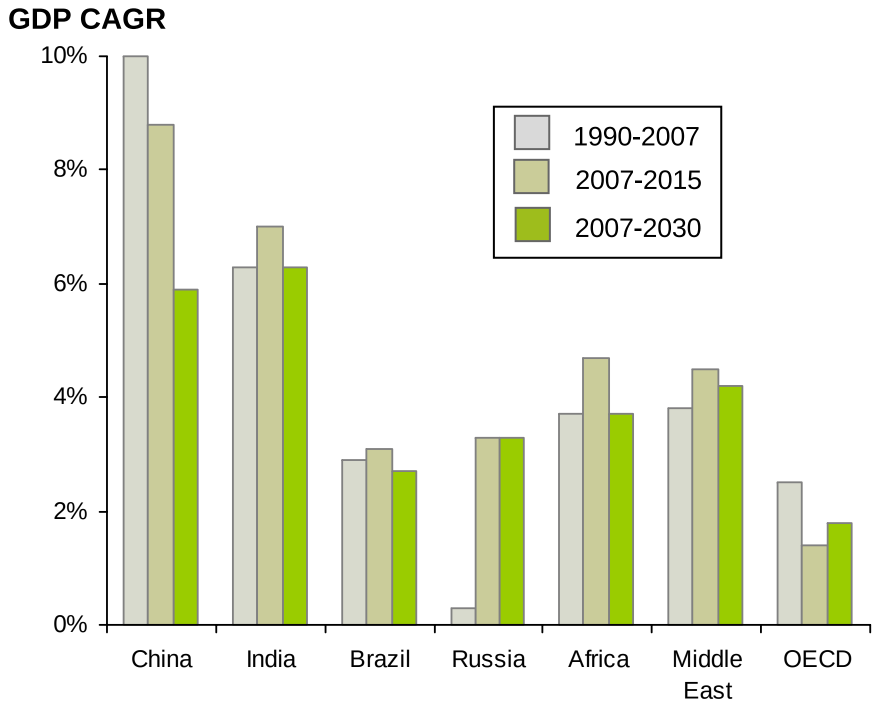
AATC’s mines operate 5 out of the top 10 performing Continuous Miners in South Africa

Agenda

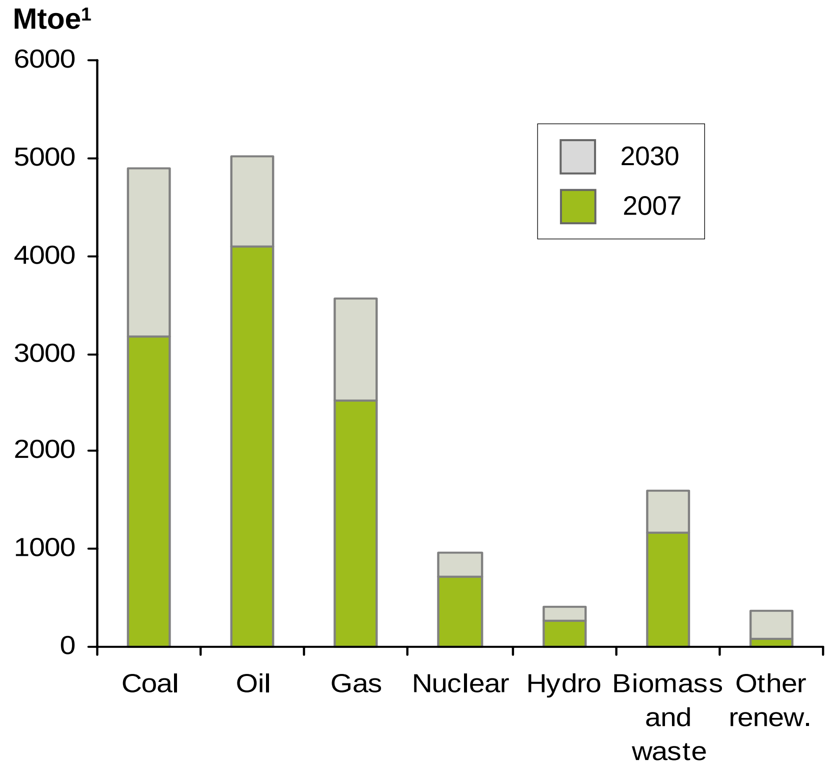
1. Overview of Anglo American Thermal Coal (AATC)
2. **Market Overview**
3. Strategy & Growth Pipeline

Fuel Demand Outlook

GDP growth is the principal driver of growth in demand for energy



Coal is forecast to increase its share of primary energy, due to higher share of power generation

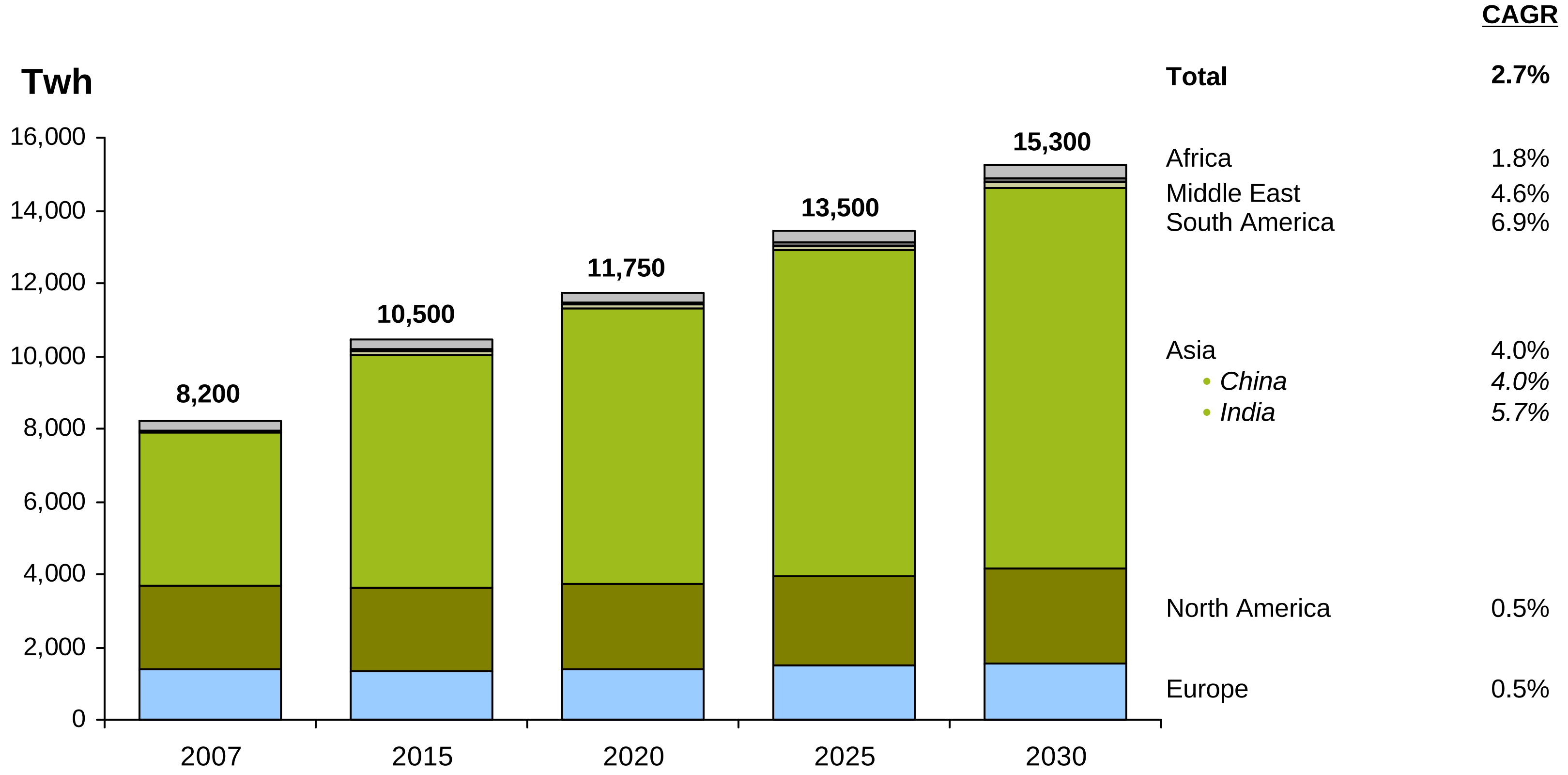


Continued urbanisation & industrialisation in developing countries especially in Asia

1. Million tonnes of oil equivalent
Source: IEA World Energy Outlook 2009 (Reference scenario)

Thermal Coal-Fired Energy Demand

Thermal coal-fired energy demand expected to almost double over the next 20 years, mainly driven by Asian markets

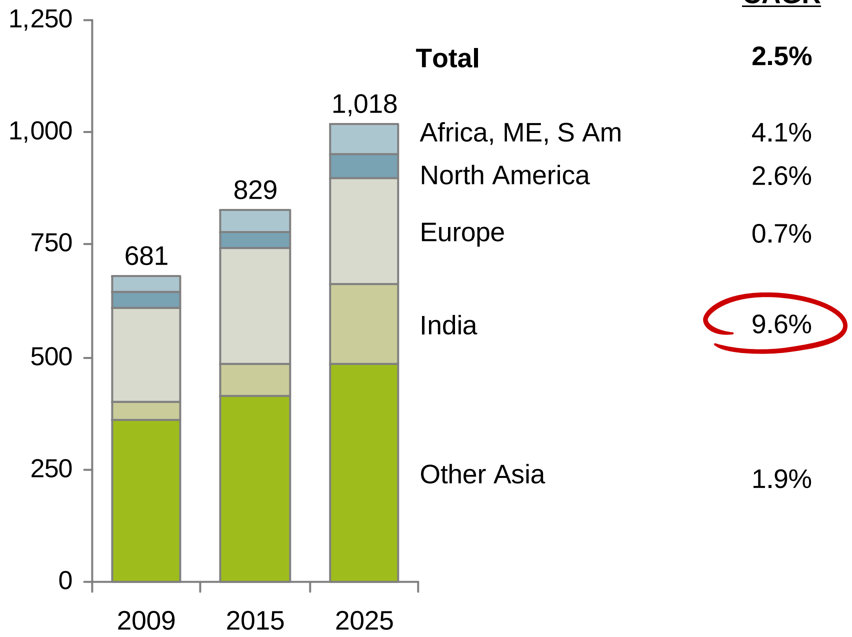


Majority of thermal coal market is domestic, with only ~10%-15% of volume entering the seaborne export market

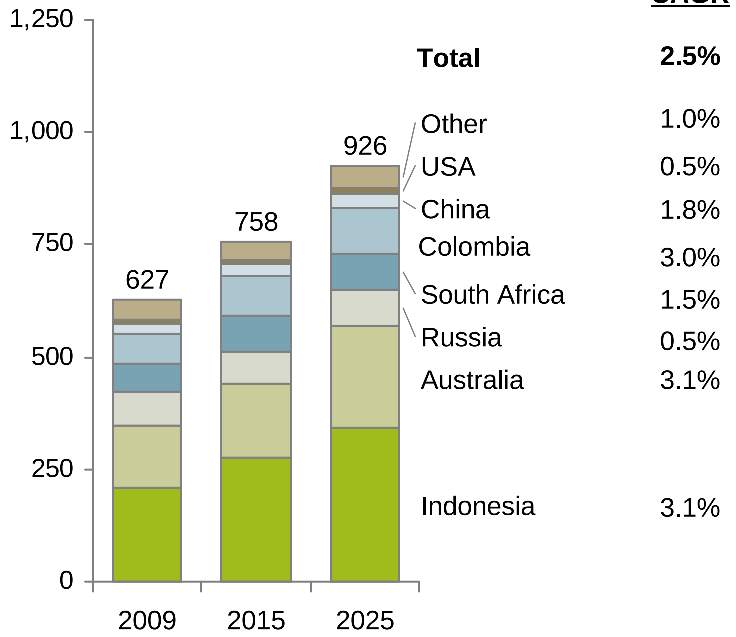
Source: IEA World Energy Outlook 2009 (Reference scenario)

Seaborne Export Supply & Demand

India the key driver of export demand due to high forecast GDP growth & a shortfall in domestic supply



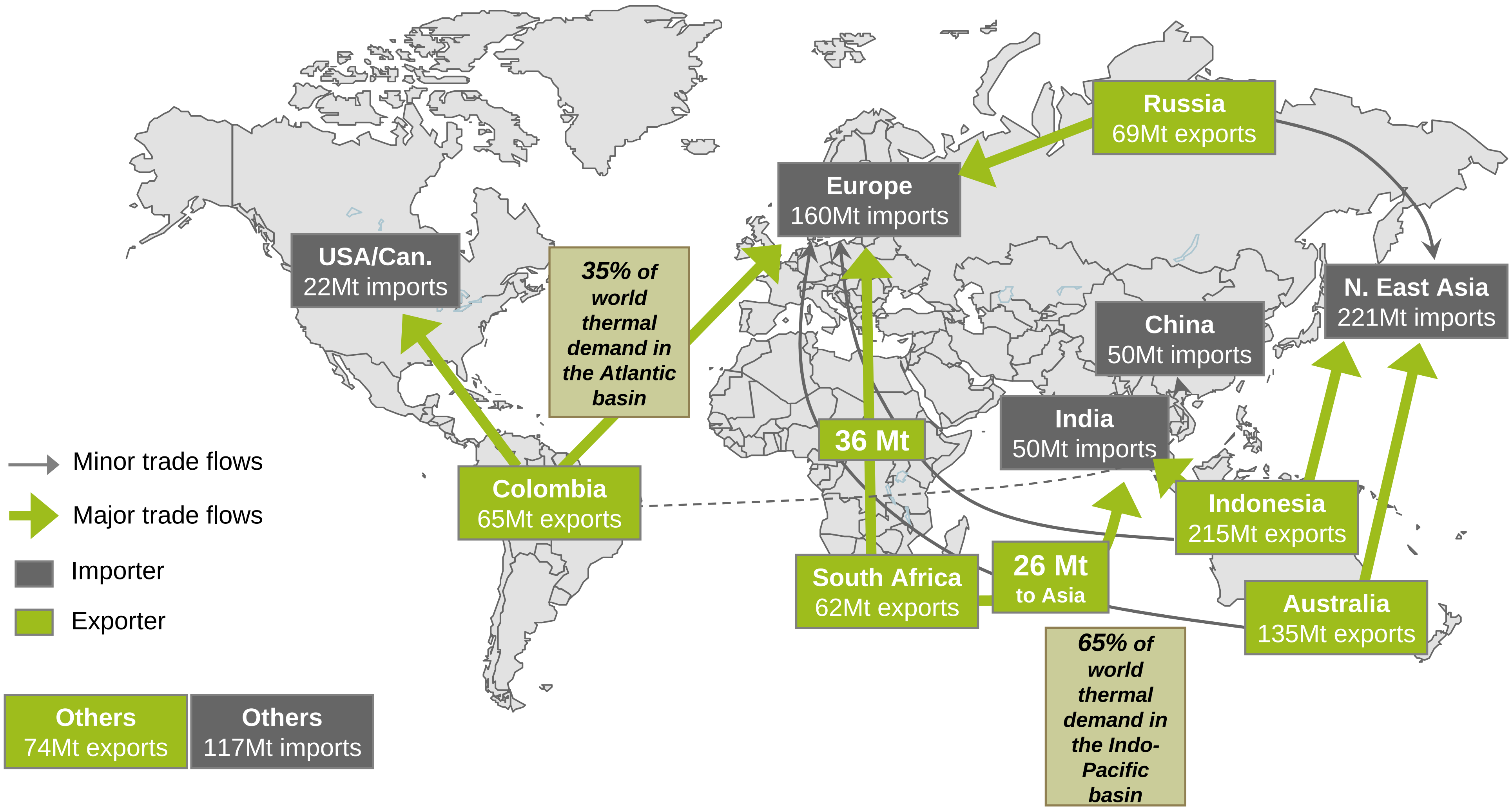
Indonesia, Australia and Colombia with the highest expected supply growth



Seaborne export market trends highlight key supply and demand markets across the globe

Source: Wood Mackenzie

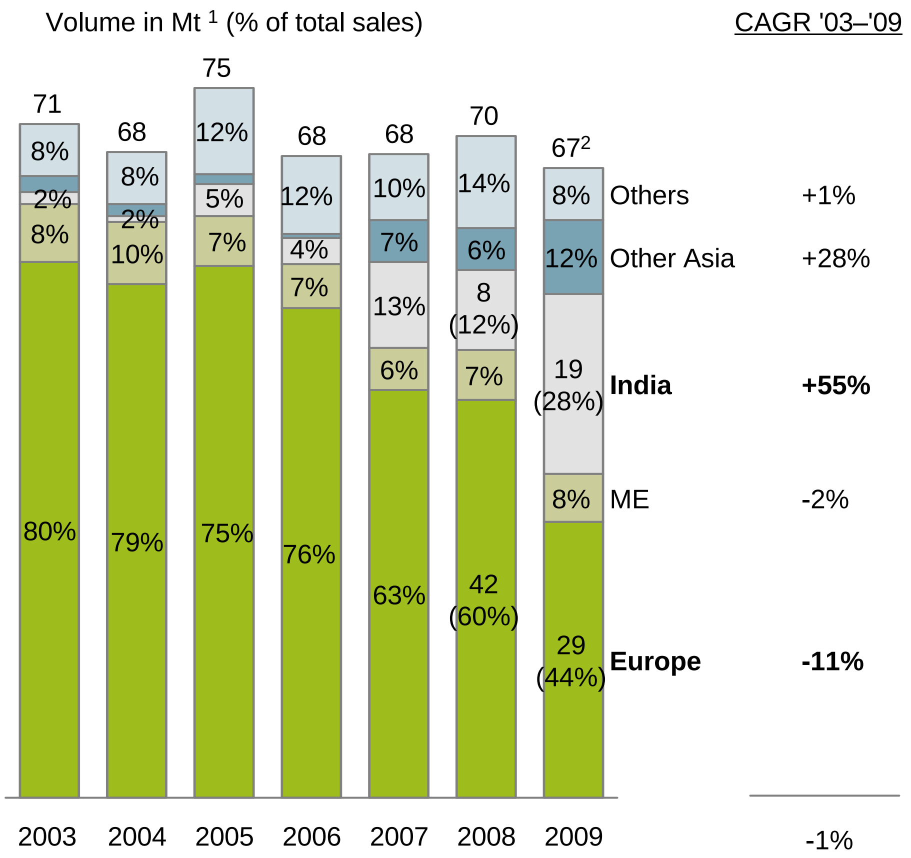
Growth focused on the Indo-Pacific basin



Source: Anglo internal, IEA, McCloskey, Wood Mackenzie Note: Only major trade flows shown; rounded figures, 2009 basis

AATC maintains its position as swing supplier to Atlantic and Indo-Pacific markets

South African exports 2003–2009



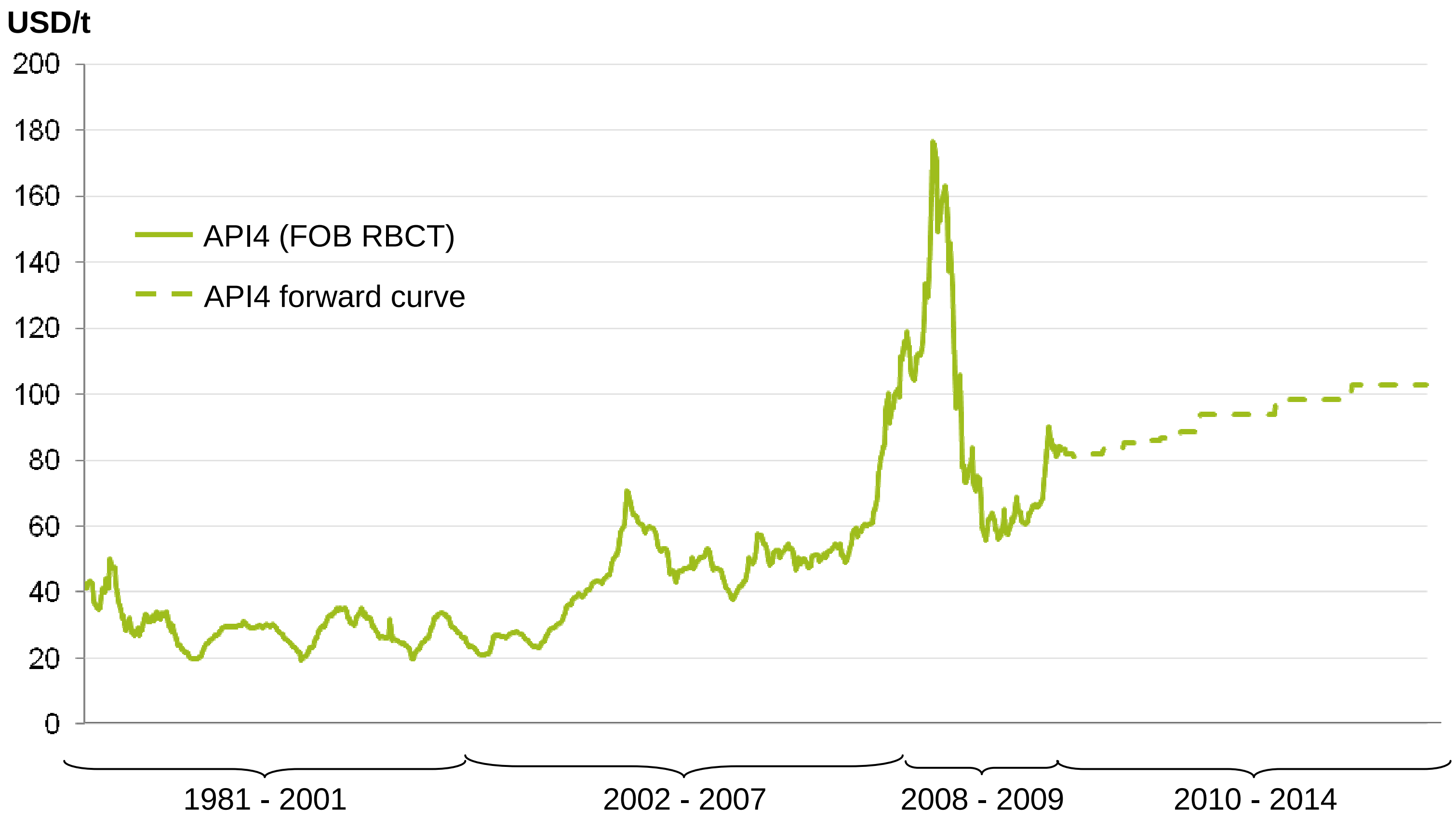
- **Declining volumes to Europe**
  - Overall stagnating market demand due to economic and environmental factors
  - Competition from Colombian coal suppliers and softer gas prices
- **Increasing volumes to India**
  - Strong growth of Indian seaborne demand
  - South Africa geographically favorably positioned to supply India
  - Complementary product properties to lower CV, high moisture Indonesian coal
  - Premium achieved on exports to India compared to Europe

30% of AATC's SA exports supplied to India in 2009

Note: 1. Minor volume of Met Coal included in export figures 2. Including 3 Mt metallurgical coal
Source: McCloskey; AATC analysis

Thermal Coal Pricing Outlook

Export thermal coal prices follow indices – which are expected to remain high going forward



Source: McCloskey

Key market trends and implications for Thermal Coal

Market trend	Thermal Coal implications
Pace of growth in China and India	• Export market growth will be driven by two key markets • Moderate slow-down in Chinese GDP growth and delays to Indian expansion not expected to change structural market shift
Rail and port constraints	• Restricted rail and port facilities in key geographies, particularly Australia and Southern Africa, limit growth • Supply constraints could result in pricing upside
Environmental Regulation and Taxation	• Understand impact in each market and develop appropriate mitigation strategies
Alternative Fuels	• Coal is expected to maintain its share of growing world primary energy to 2030 • Impact of cheaper gas expected to be limited on main growth markets for coal • Important to keep track of impact of - and potential opportunities in - related fields

Source: Anglo American Thermal Coal

ANGLO AMERICAN

Agenda

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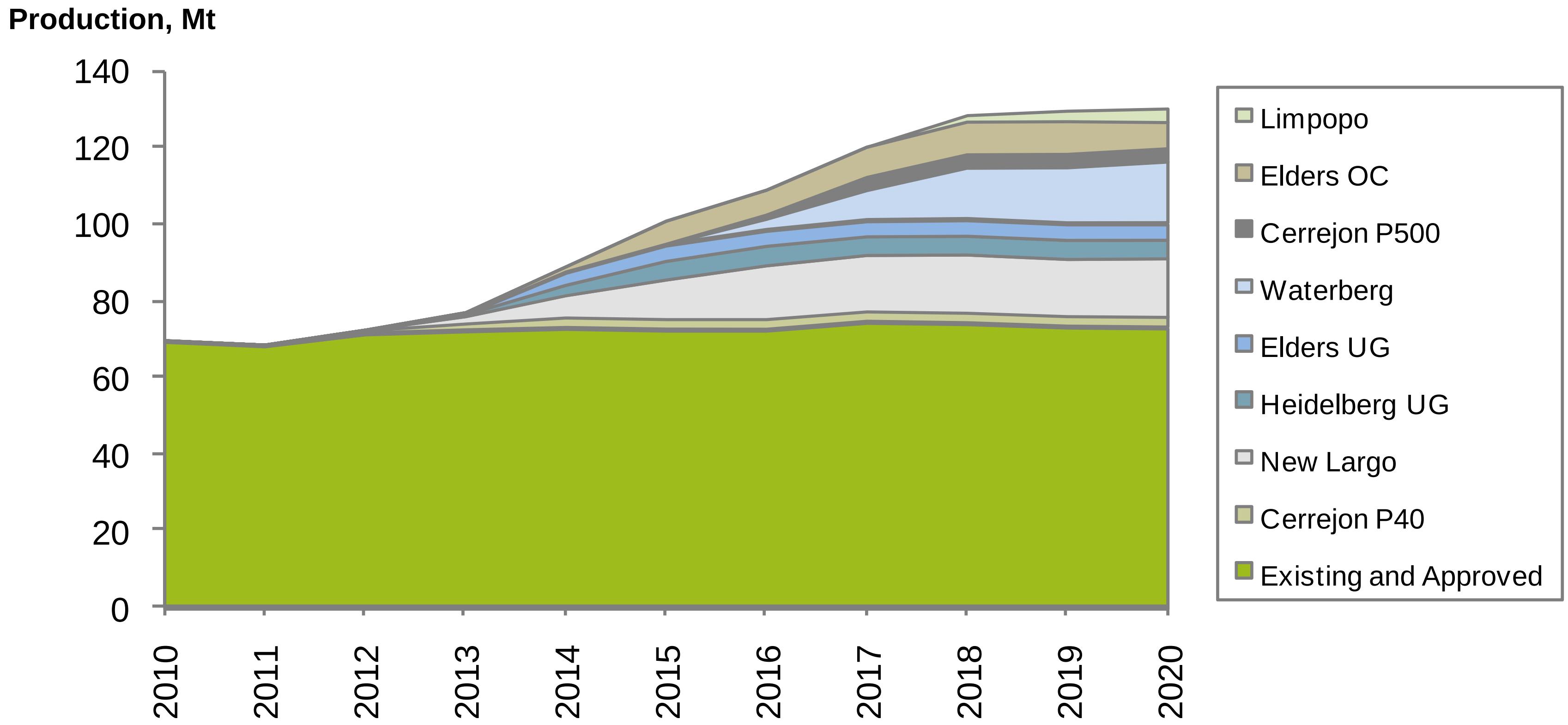
Anglo American Thermal Coal Future Production

Current production levels are sustainable for a number of years.

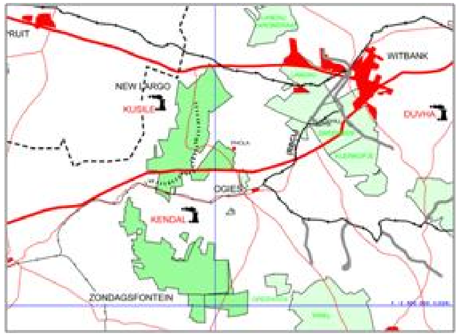


Projects under review could increase production levels significantly

Approved project: Zibulo

Topic	Description
General information	• Approved in Dec. 2007 • Project includes colliery and Phola coal wash plant • Mining started Q4 2009 (0.1Mt) • Full capacity 6.6Mt reached in 2012
Products • Export • Eskom	 • 3.3mtpa • 3.3mtpa
Financials	• Capital expenditure = US$505m
People	• 659 @ full production
Ownership	• 73% Anglo American • 27% Inyosi
Production & reserves	• 20 year life @ 8mtpa ROM • 8 CM production units supported by battery haulers & shuttle cars

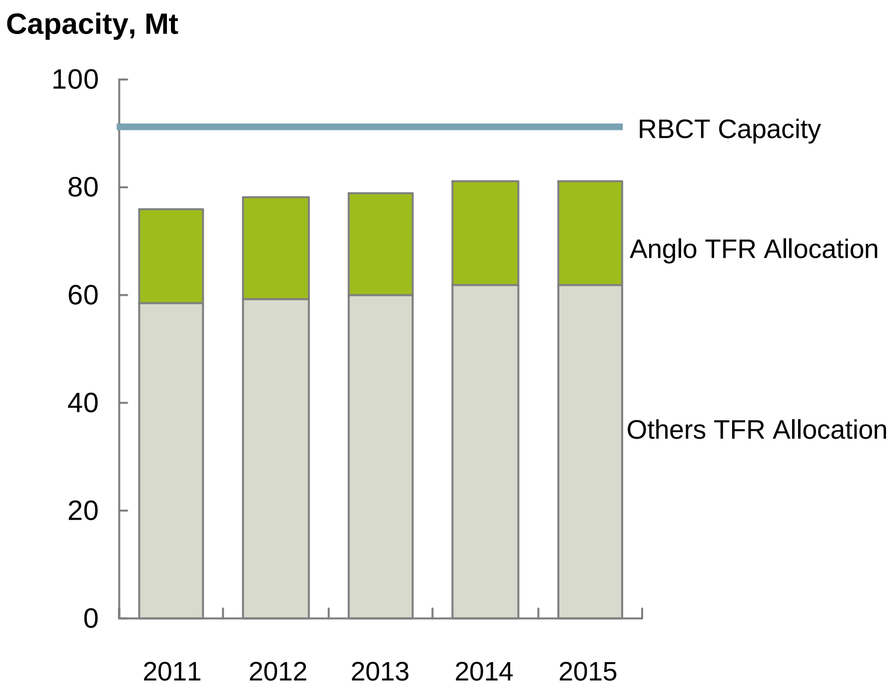
Project: New Largo



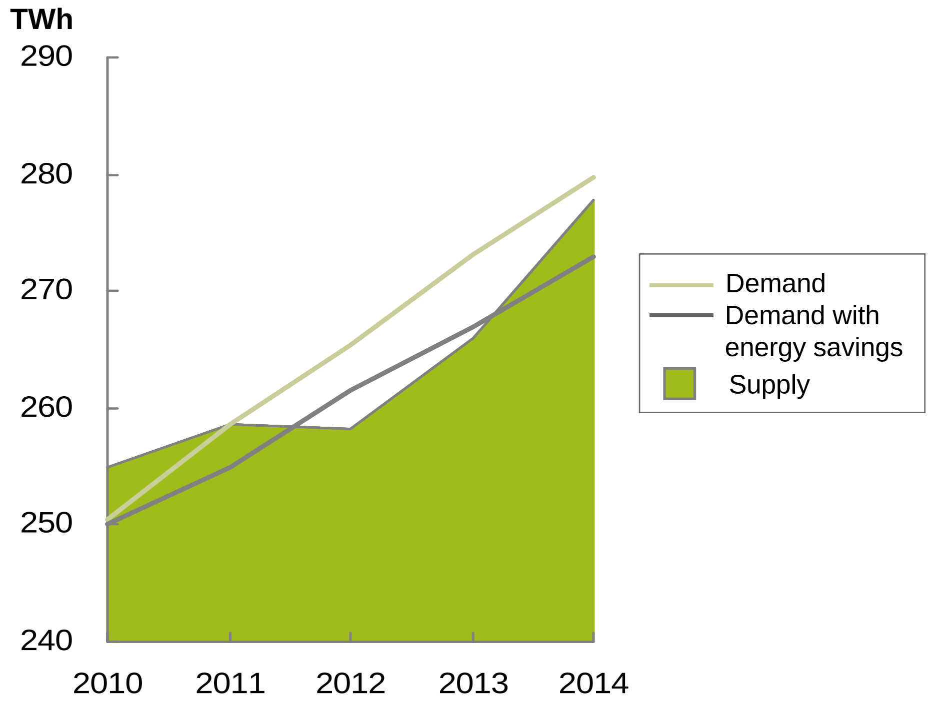
Topic	Description
Timeline	• Feasibility study: 2010 – 2011 • First coal: 2013 • Full capacity: 2017
Products • Eskom	• 14mtpa to Kusile Power Station
Financials	• Estimated capital expenditure = US$1.7Bn
People	• 870 @ full production
Ownership	• 73% Anglo American • 27% Inyosi
Production & reserves	• 50 year life @ 14mtpa ROM • Two 100m^3 draglines

South Africa Infrastructure Constraints

TFR expected railings vs RBCT capacity



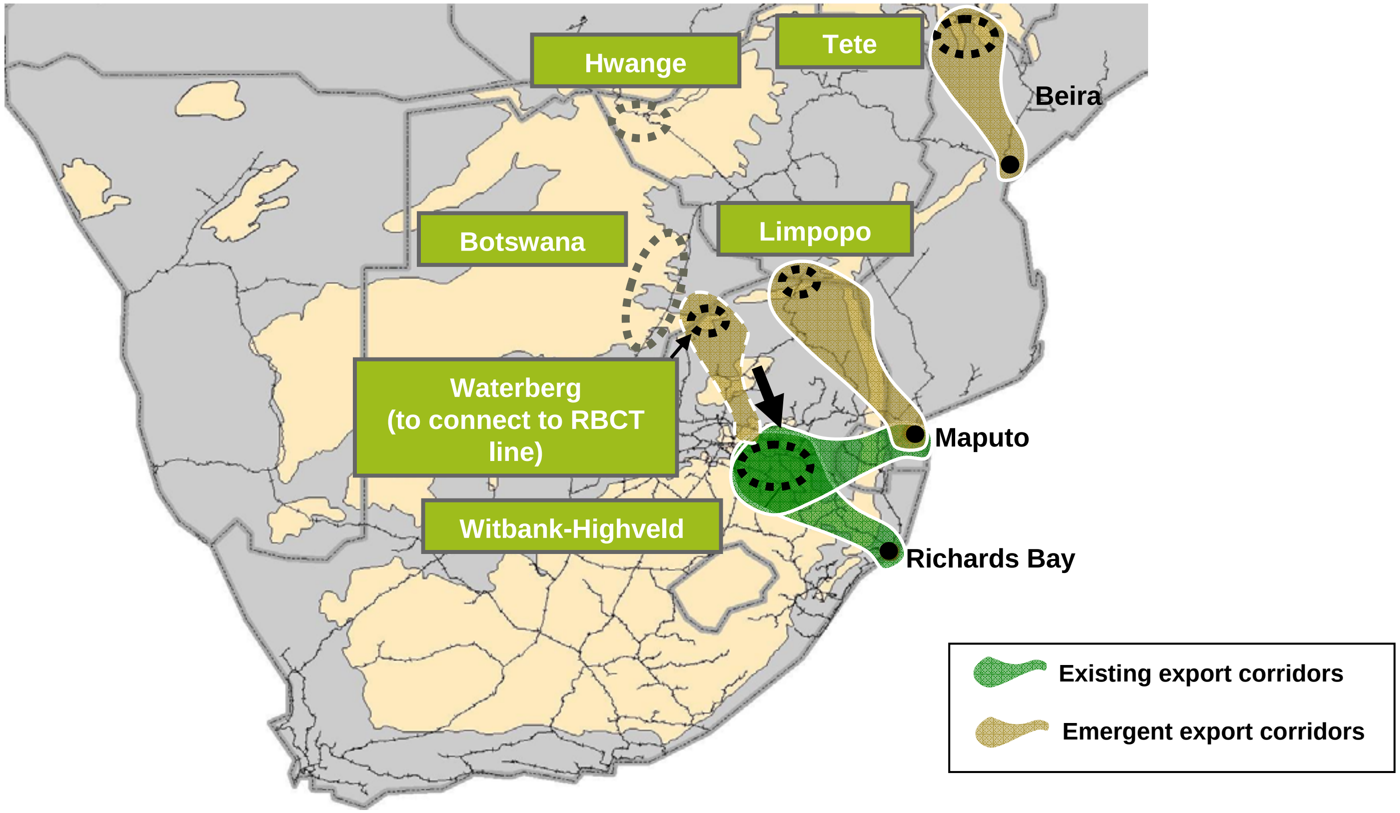
South Africa forecast power supply & demand



SA infrastructure capacity expected to expand but both rail and power supply expected to be limited in medium-term

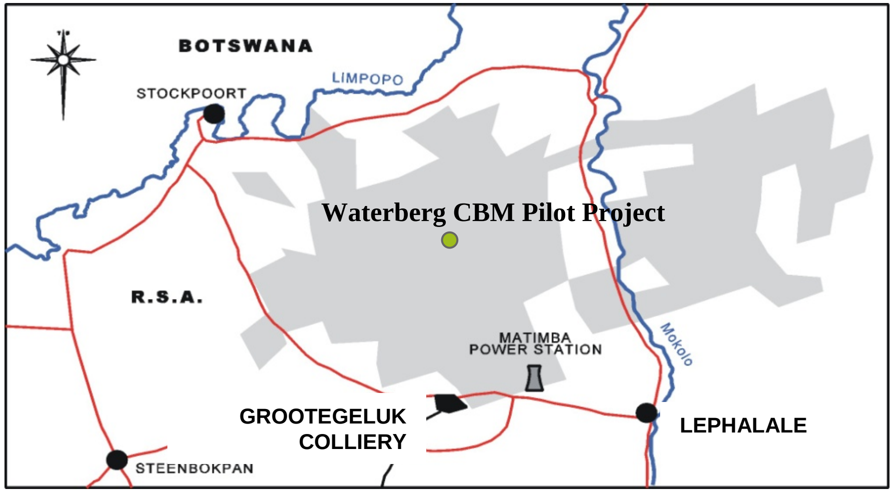
Southern Africa Infrastructure

Emergent coal export corridors – possible medium term scenario



Undeveloped basins will require significant transport infrastructure investment

Coal Bed Methane Gas



CBM exploration and pilot projects

Waterberg

- Waterberg CBM exploration proceeding
- Small-scale production tests ongoing
- Conceptual study in progress

Botswana

- Significant leaseholds in Botswana
- Reconnaissance exploration in progress

Cleaner energy from coal –
leading the exploration of CBM in Southern Africa

Discard Coal-Fired Power Project

Witbank project to utilise waste coal

- Project under evaluation: fluidised bed boiler technology, ~300MW
- Third party ownership – est. capex ~US$600m
- Power for use of Anglo American - could enable growth projects and hedge against future costs of power
- Technical advisers appointed

Reducing environmental impact of waste dumps – and improving SA power supply

Source: Anglo American Thermal Coal

Conclusion

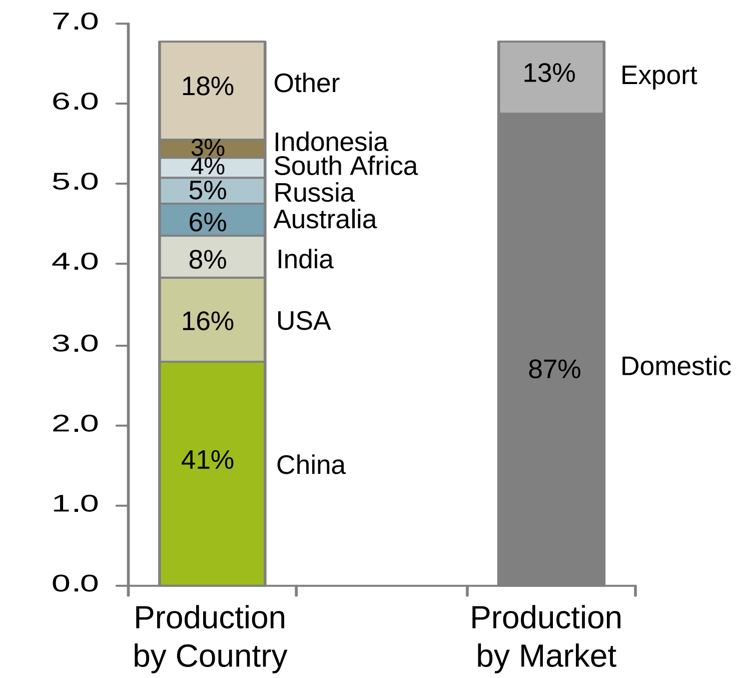
- Stable cash generating business and consistent contributor to AA plc profitability
- Positive market outlook for RSA thermal coal in the medium term driven by export demand in the Indo-Pacific region & domestic South African power demand
- Thermal export prices expected to remain at historically high levels in the medium term
- AATC South African operations in the 1^{st} quartile of the global cost curve
- Strong growth pipeline but infrastructure constraints will need to be resolved
- Strong resource & reserve position with reserves of 1.2 billion saleable tons (proved & probable) & further resources of 1.9 billion MTIS[1] (measured & indicated)
- Global growth opportunities under evaluation

Notes: 1. MTIS = minable tonnage in situ. Reserves & resources include South Africa and Colombia

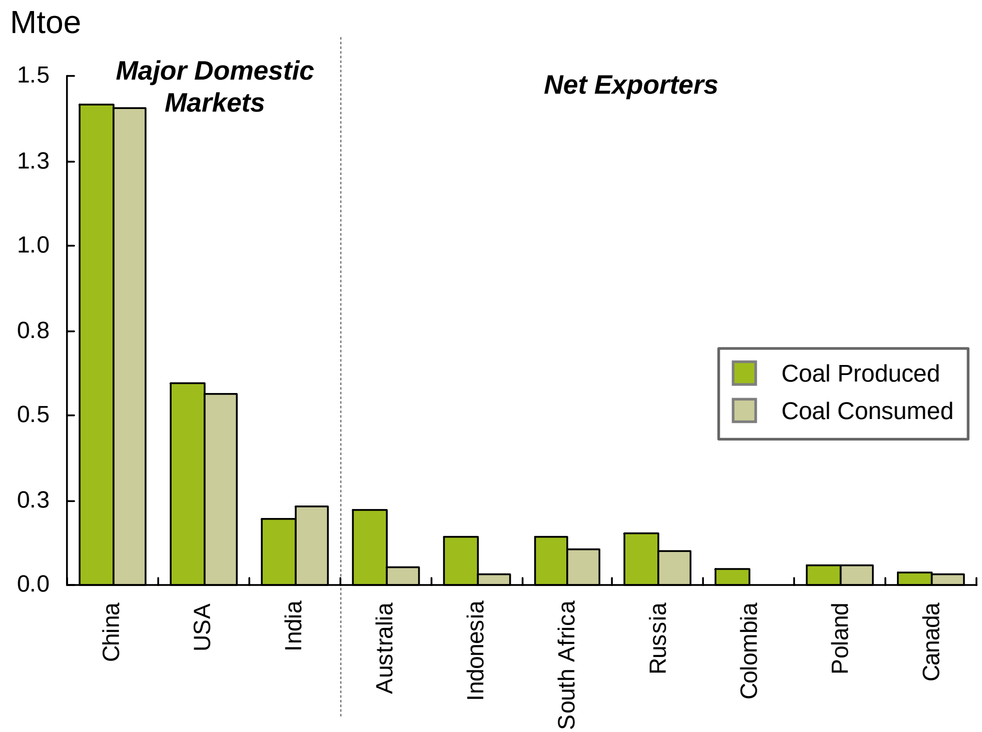
Appendix

Global Coal Production

Total world coal production of 6.8Bt in 2008 concentrated in relatively few countries & principally in domestic markets



Major coal producers & exporters (2008)



Small imbalances in large domestic markets like China & India have a significant impact on the export market

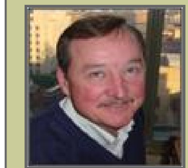
Management Team

CEO
Thermal Coal

N. Mbazima

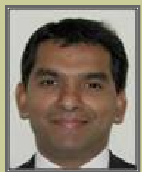
Head of Thermal Operations

D. Haselau



Head of Commercial & Performance

M. Samad



Head of Human Resources

P. Williamson

Head of Marketing & Sales

Z. Docrat*

Manager Comm. & Public Affairs

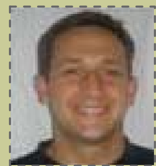
Y. Mfolo

Head of Safety

P. Fourie

Head of Strategy & BD

L. Horne*



Joint Venture Manager Cerrejón

C. Wiggill

Head of Mining Services

A. Johnson

* Acting

AATC building up an integrated management team