

QUALITY DIVERSIFICATION AND DISCIPLINED GROWTH

BofAML 2015 GLOBAL METALS, MINING & STEEL CONFERENCE.
12-14 MAY 2015



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OUR VALUE PROPOSITION

We are creating a business that is emerging from significant restructuring...

➤ **DIVERSIFIED PORTFOLIO**

...mitigating risk with quality development opportunities.

➤ **OPERATING DISCIPLINE**

...building sustainable competitive performance.

➤ **QUALITY ASSET BASE**

...and significant restructuring progressing.

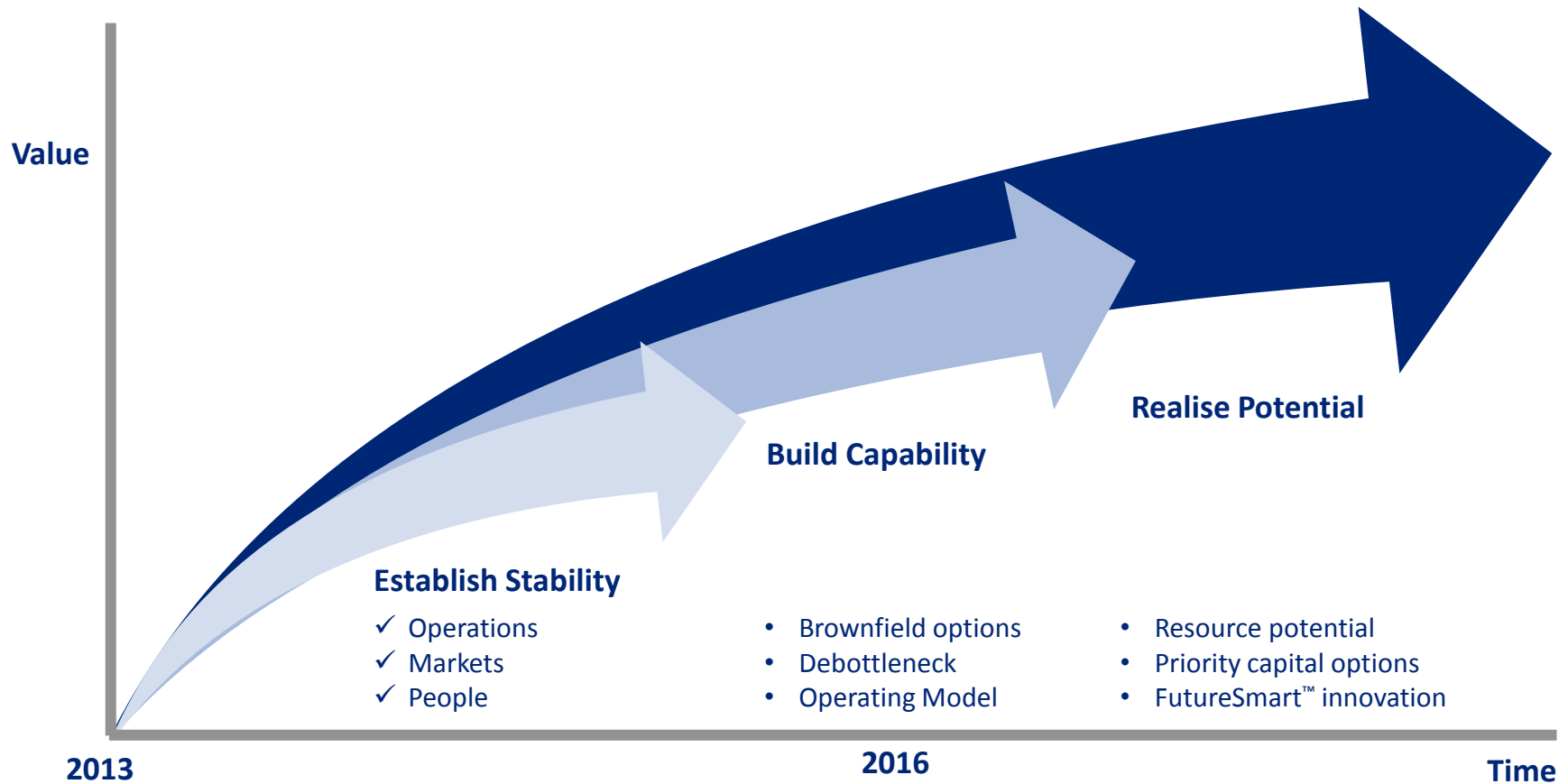
➤ **ORGANIC POTENTIAL**

...value accretive, low risk growth.

...as a unique “self-help” story.

SETTING THE SCENE – ESTABLISH CONTROL

Our approach to building performance is simple...and continuous...

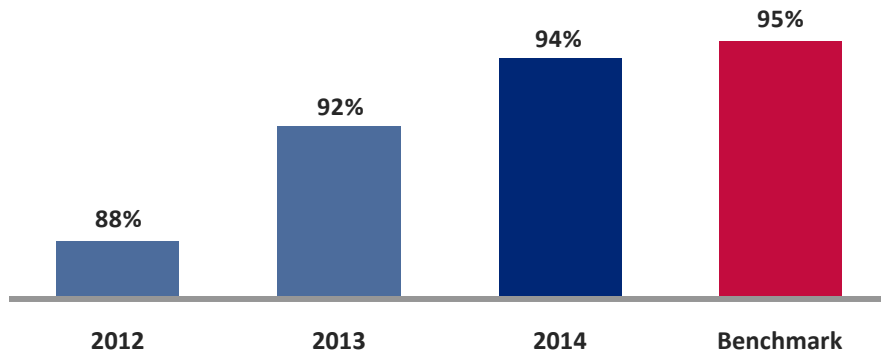


...establish stability...build a foundation for capability...realise potential.

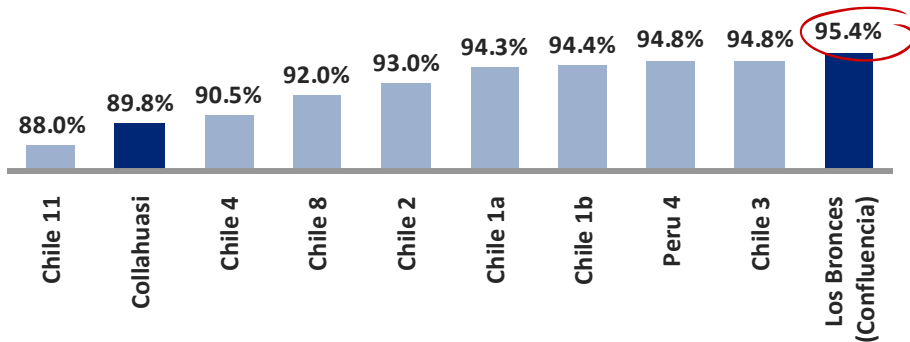
DELIVERY IN ACTION - COPPER

Performance improvement at Los Bronces has been significant...

Los Bronces plant utilisation “approaching benchmark”

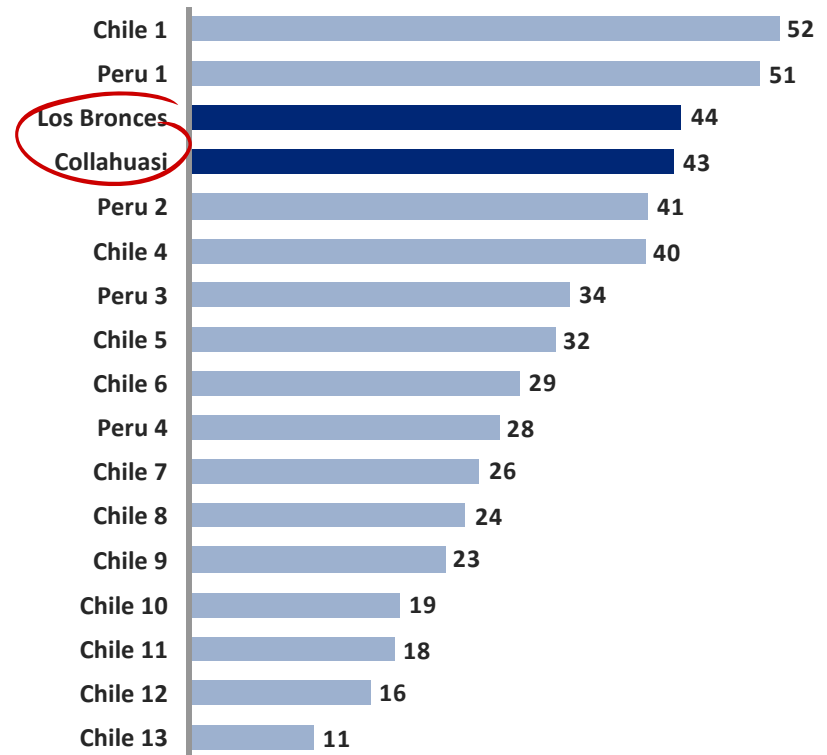


Los Bronces concentrator SAG availability “best in class”



Labour productivity in the top quartile

Tonnes of copper / Person (including contractors)



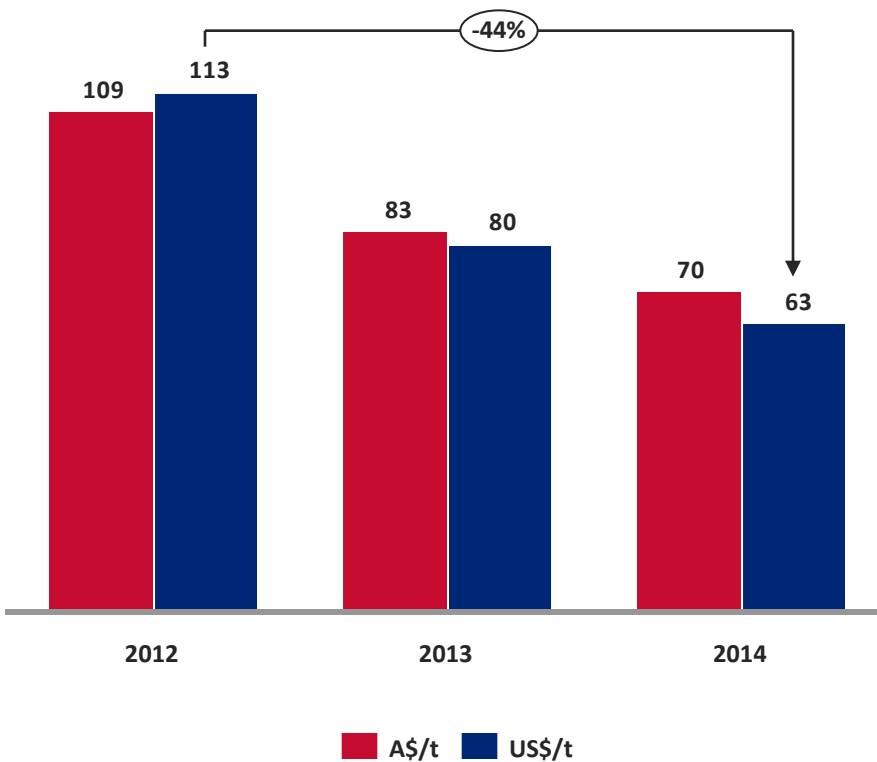
Source: H1 2014 Encare Survey – Chile and Peru major miners. Survey includes Escondida, Cuajone, Antamina, Los Pelambres, Toquepala, Tintaya, Tesoro, Chuqucamata, Radomiro Tomic, Andina, El Teniente, Cerro Colorado and Salvador.

...and will be further enhanced by the Operating Model implementation

DELIVERY IN ACTION - METALLURGICAL COAL

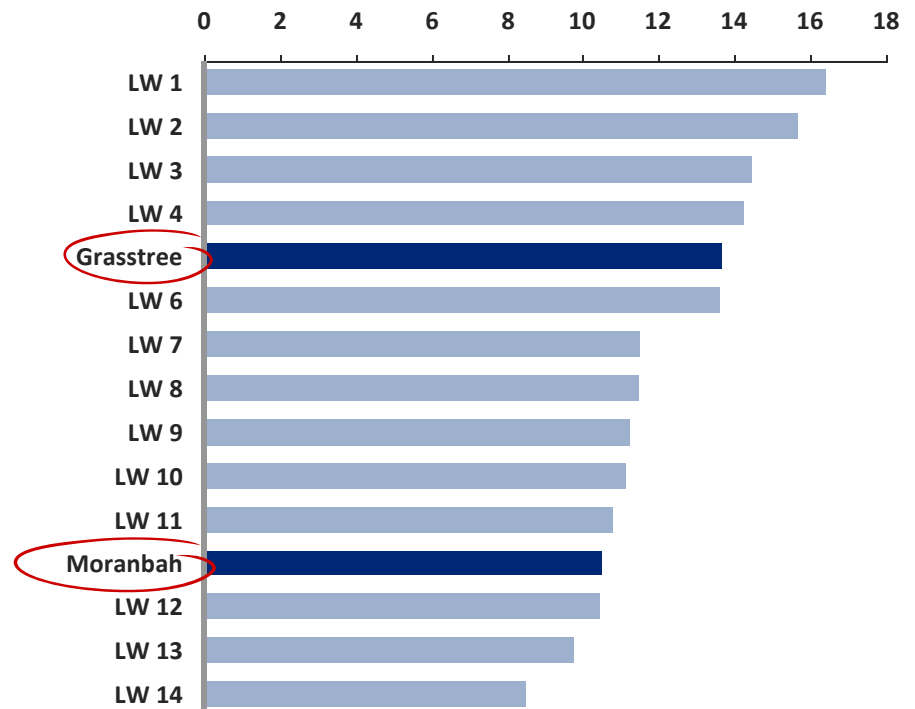
We now have two of the most productive longwalls in Australia...

Underground FOB cash costs (excl. royalty)



Top 15 Australian longwall productivity

2014 ROM tonnes '000 per employee



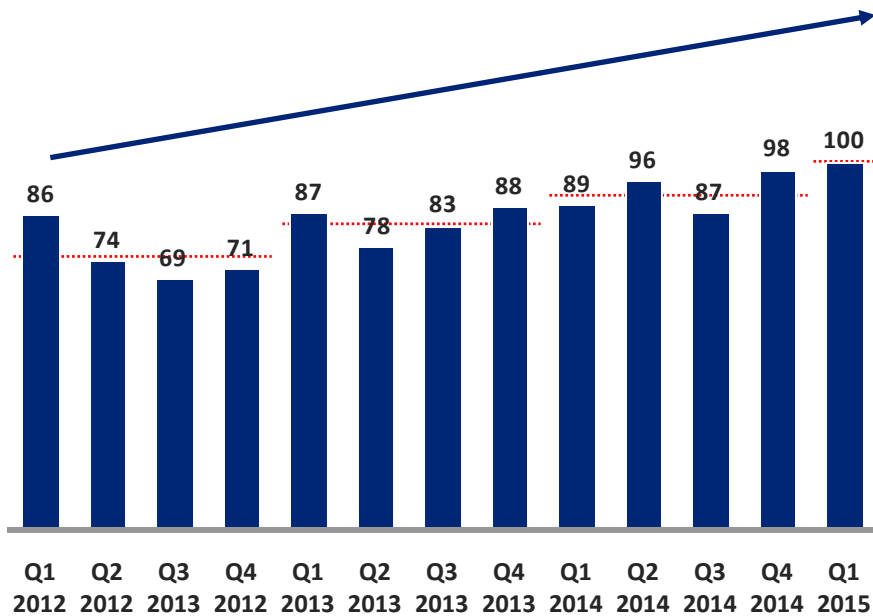
Source: For NSW Mines data comes from Coal Services NSW. For Qld Mines data comes from Queensland Department of Natural Resources and Mines. Survey includes Bulga UG, Narrabri UG, Wambo UG, Ravensworth UG, Newlands Northern, Mandalong UG, Ulan UG, Ashton UG, Springvale UG, Angus Place UG, MNM, Crinum, Oaky North and Oaky Creek No 1

...with further upside to come as we bring Grosvenor on-line.

DELIVERY IN ACTION - PLATINUM

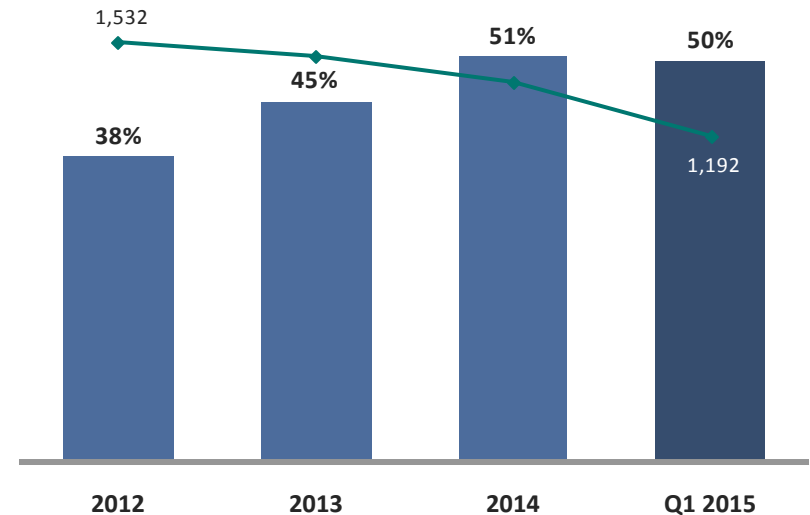
Stabilising and then growing Mogalakwena with minimal capital invested...

Mogalakwena equivalent refined production (Pt koz)



----- Quarterly average

Mogalakwena cash operating margin (%) ⁽¹⁾



◆ Pt price \$/oz

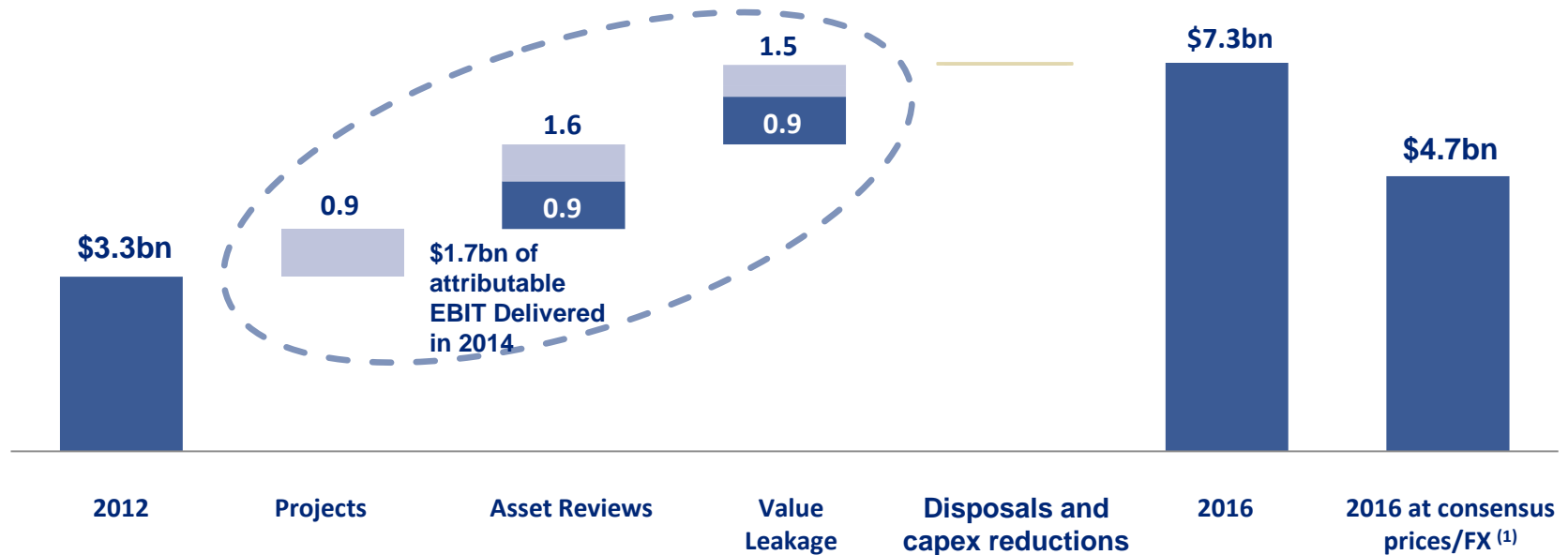
Note: (1) Cash operating margin reflects Mogalakwena net sales revenue less cash operating costs.

...delivers a ~50% cash operating margin, with upside potential.

THE NEAR TERM IMPERATIVE

We are rebuilding our portfolio and our performance engine...

Attributable EBIT \$bn @ 30 June 2013 prices and FX



	2012	Projects	Asset Reviews	Value Leakage	Disposals and capex reductions	2016	2016 at consensus prices/FX ⁽¹⁾
Attributable capital employed	\$35bn		+15		(4)	\$45bn	\$41bn
Attributable ROCE	9%		+6%		+1%	16%	11%

Notes: (1) Consensus from Bloomberg 6th May 2015

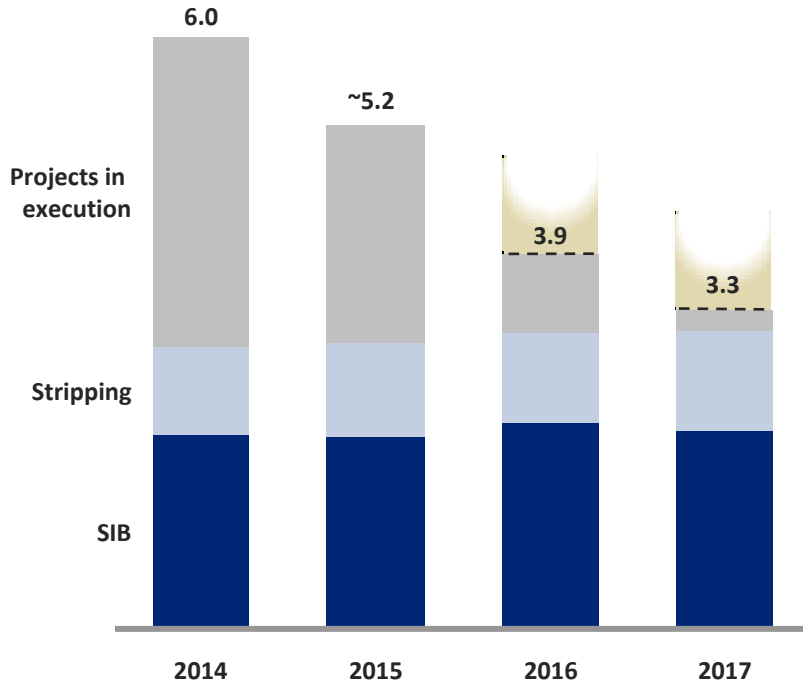
■ Delivered in 2014 ■ Identified Not Delivered

...with \$1.7bn of \$4bn target already delivered by end 2014.

NEAR TERM IMPERATIVE - FINANCIAL POSITION

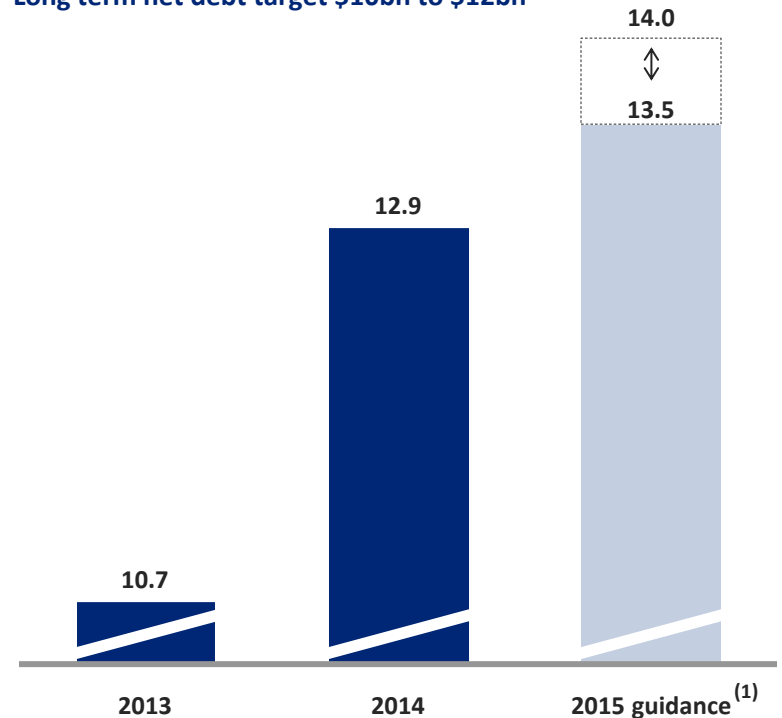
While the pricing environment is deteriorating...

Capex (\$bn)



Net debt profile (\$bn)

Long term net debt target \$10bn to \$12bn



Note: (1) Assumes Tarmac disposal in 2015.

...maintaining financial flexibility...liquidity headroom of ~\$15bn.

PROGRESSING ON OUR DIVESTMENT PROGRAMME

Our strategic intent is on focussing the portfolio...

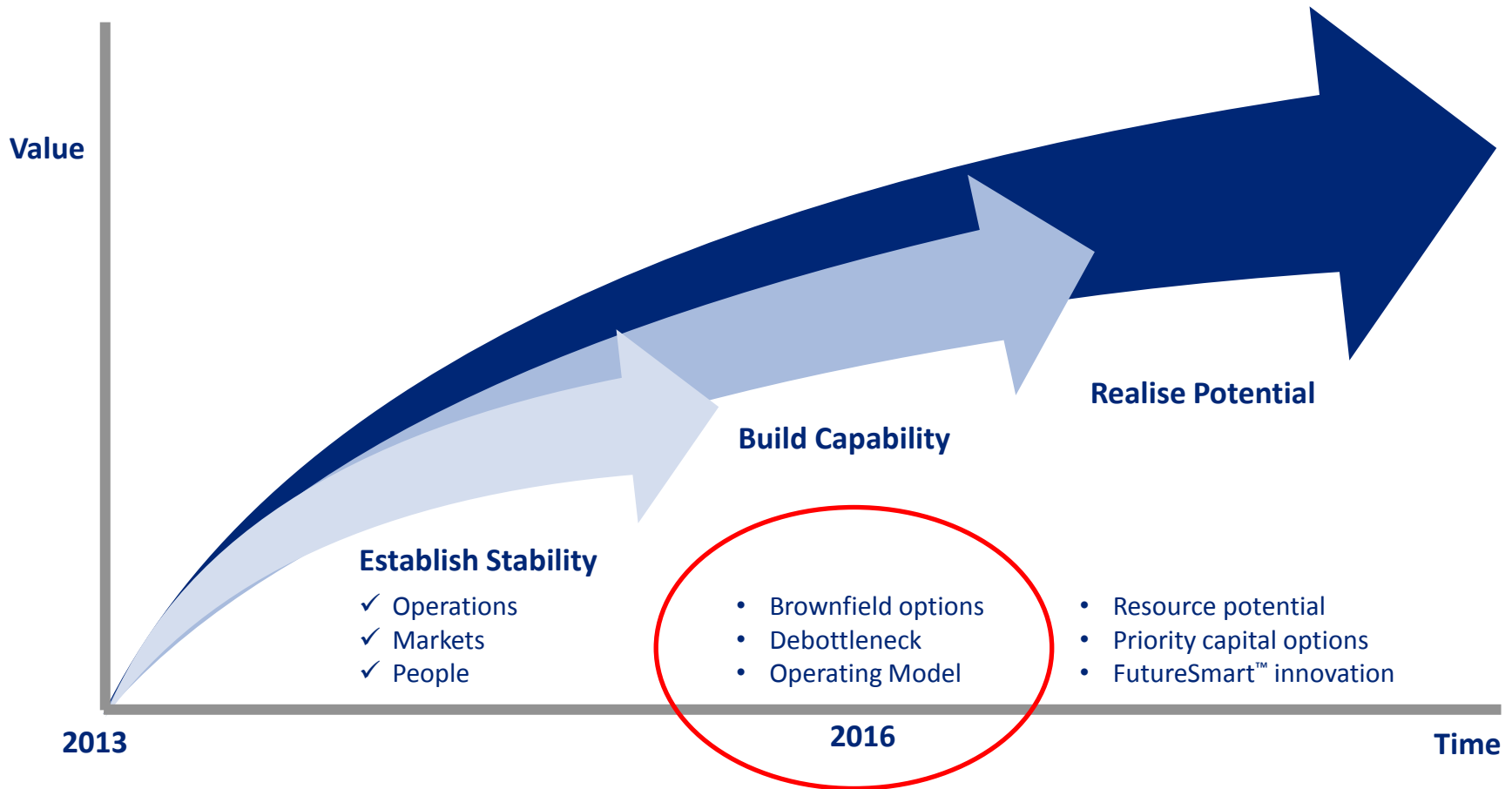
- **Lafarge Tarmac 2015 sale on track (£885m)**
 - Conditional on Holcim/Lafarge merger.
- **Platinum**
 - Union and Rustenburg: progressing on dual-track process.
- **Copper**
 - Mantos Blancos/Mantoverde – sale process underway.
 - El Soldado/Chagres – in consultation with key stakeholders.
- **South Africa domestic coal**
 - Reviewing options to reconfigure domestic business.
- **Australia coal assets**
 - Dawson, Foxleigh, Callide, Dartbrook for sale.



...and proceeds will provide us with balance sheet flexibility.

SETTING THE SCENE – ESTABLISH CONTROL

Our approach to building performance is simple...and continuous...



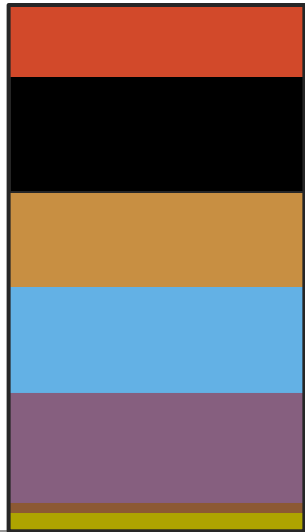
...establish stability...build a foundation for capability...realise potential.

DIVERSIFICATION AND VALUE

Diversification across three primary dimensions...

Commodity

EBIT
(excluding Corporate and Exploration - % of total)



Long term ⁽¹⁾



Geography

EBIT
(excluding Corporate and Exploration - % of total)

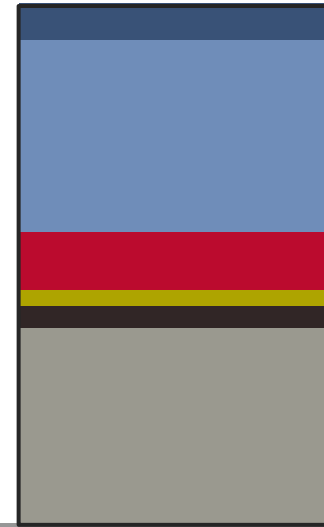


Long term ⁽¹⁾

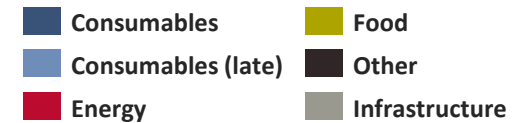


Cycle

EBIT
(excluding Corporate and Exploration - % of total)



Long term ⁽¹⁾



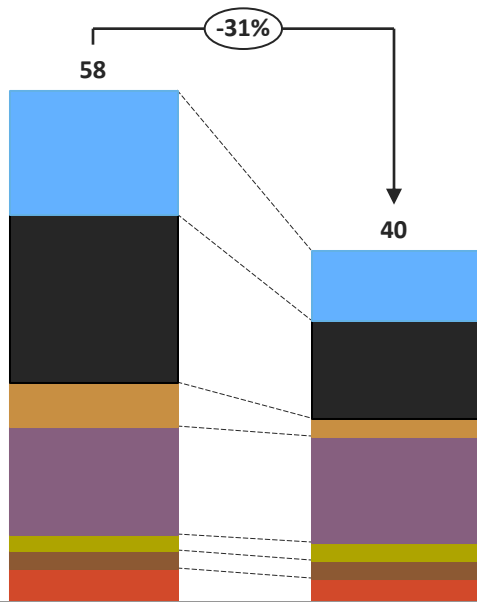
Notes: (1) Long Term relates to 2017 portfolio at Long-Term consensus prices and foreign exchange.

...but with focus on a portfolio of higher quality assets.

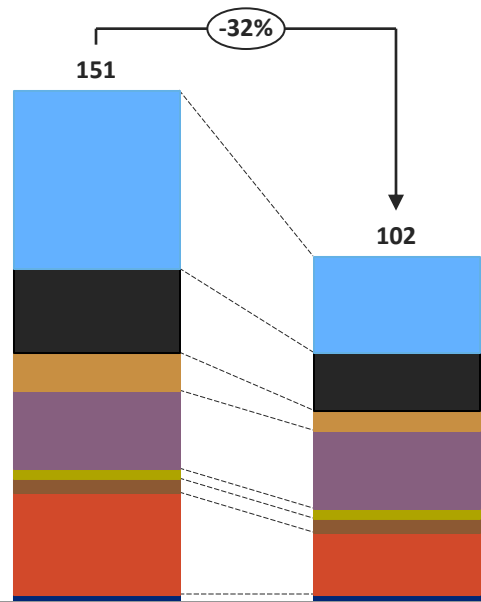
PORTFOLIO...BUILDING ON QUALITY

More focus on Priority assets...with less labour...

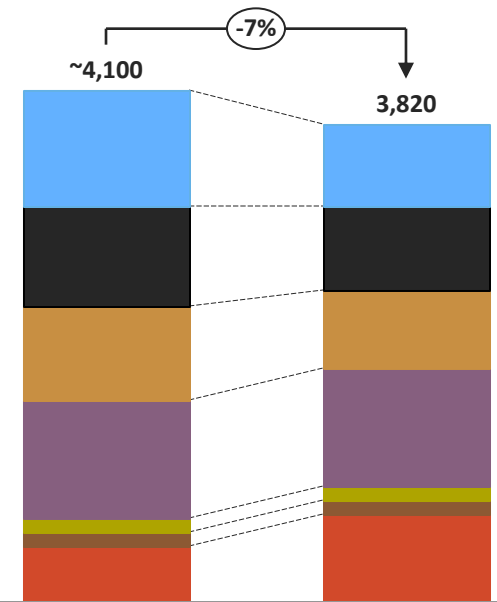
Number of mines⁽¹⁾⁽²⁾



Employees & contractors ('000)⁽¹⁾



Production (Cu eq. tonnes '000)⁽¹⁾⁽³⁾



Before

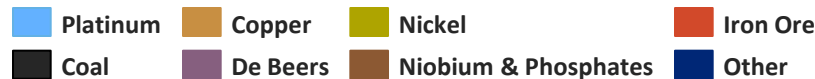
After

Before

After

Before

After

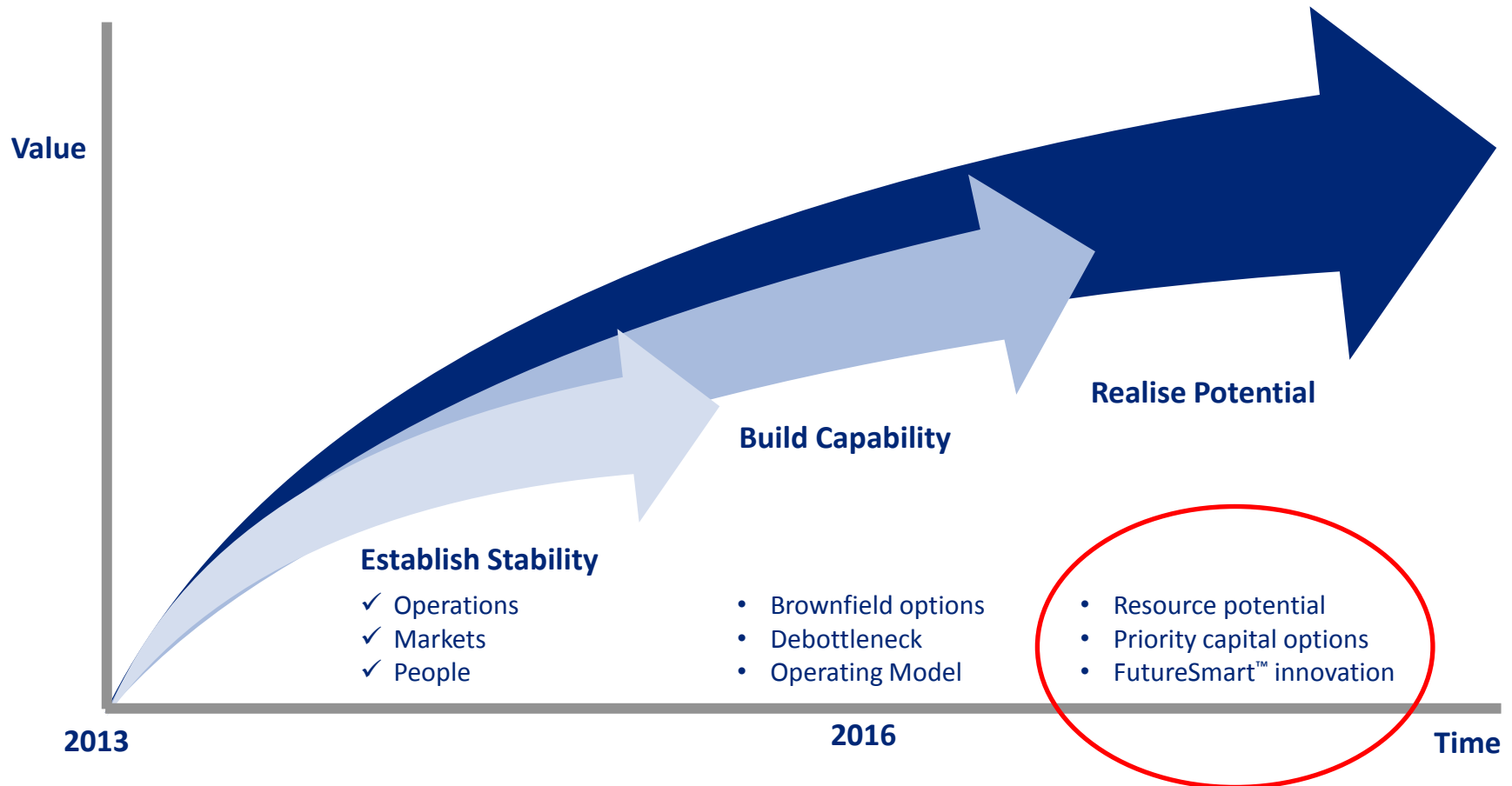


Notes: (1) 2014 baseline used for all analysis. (2) Excludes Grosvenor, Gahcho Kue, Tarmac Lafarge JV and Manganese. (3) For Coal and Iron Ore excludes domestic production. Does not include purchase of concentrate for disposed Platinum assets. Reflects Minas-Rio at 26.5Mtpa.

...supports underlying ~40% productivity improvement.

SETTING THE SCENE – ESTABLISH CONTROL

Our approach to building performance is simple...and continuous...



...establish stability...build a foundation for capability...realise potential.

PORTFOLIO OF ASSETS

Focus on the “best of the best” opportunities...



Jwaneng



Orapa



Los Bronces



Moranbah North



Quellaveco



Venetia



Collahuasi



Minas-Rio



Mogalakwena



Phosphates



Grosvenor

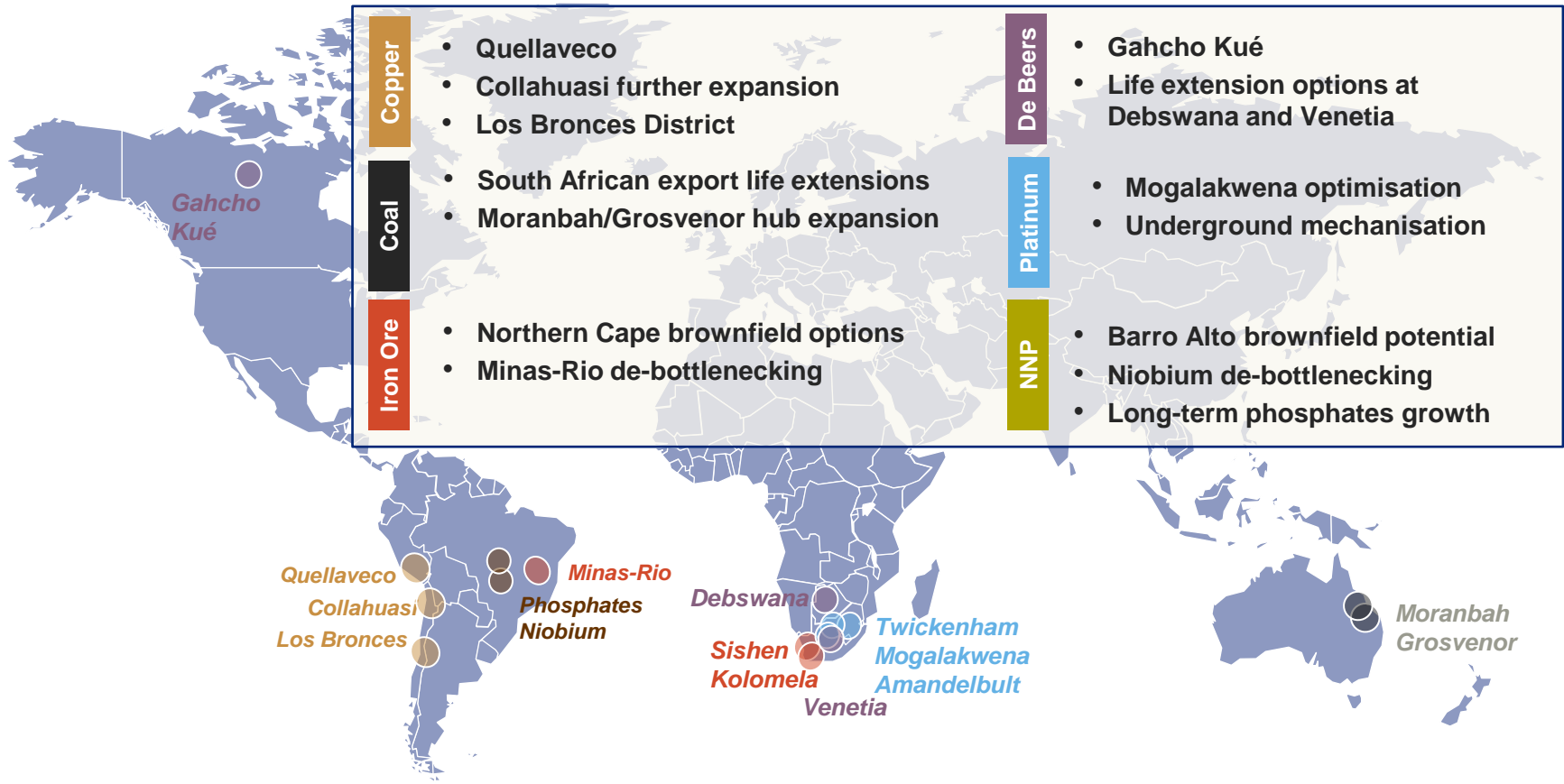


Sishen/Kolomela

...which demand capable leadership and business disciplines.

REALISING POTENTIAL - RESOURCE OPTIONALITY

Scalable resources in our commodities of choice...



...provide a compelling future brownfield opportunity pipeline.

OUR VALUE PROPOSITION

➤ DIVERSIFIED PORTFOLIO

...remains a core pillar of the strategy.

➤ OPERATING DISCIPLINE

...operational turnaround delivering...accelerate from here.

➤ QUALITY ASSET BASE

...further enhanced with disposal/improvement programmes.

➤ ORGANIC POTENTIAL

...realising potential primarily through brownfield growth.

...as a unique “self-help” story.

APPENDIX

PRODUCTION OUTLOOK⁽¹⁾

	2013	2014	2015	2016	2017
Copper ⁽²⁾	775kt	748kt	720-750kt	720-750kt	710-740kt
Nickel ⁽³⁾	34kt	37kt	20-25kt	40-45kt	42-45kt
Iron ore (Kumba) ⁽⁴⁾	42Mt	48Mt	47-48Mt	49-51Mt	49-51Mt
Iron ore (Minas-Rio) ⁽⁵⁾	-	0.7Mt	11-14Mt	24-26.5Mt	26.5Mt
Metallurgical coal	19Mt	21Mt	20-21Mt	21-22Mt	24-25Mt
Thermal coal ⁽⁶⁾	28Mt	29Mt	28-30Mt	28-30Mt	28-30Mt
Platinum ⁽⁷⁾	2.3Moz	1.8Moz	2.3-2.4Moz	2.4-2.5Moz ⁽⁸⁾	2.5-2.6Moz ⁽⁸⁾
Diamonds	31.2Mct	32.6Mct	30-32Mct Previously 32-34Mct	-	-

(1) All numbers are stated before impact of potential disposals

(2) Copper business unit only

(3) Nickel business unit excluding Loma de Níquel in 2012

(4) Excluding Thabazimbi

(5) Minas-Rio 2016 guidance is dependent on the 18 to 20 month ramp-up schedule

(6) Export South Africa and Colombia

(7) Equivalent refined production

(8) Reflects additional production from JVs and third parties