

ANGLO AMERICAN COPPER MITSUBISHI ANALYSTS VISIT

9 – 10 March 2015



Los Bronces mine

AGENDA

| | | | |
|---|-------------------|---------------------|----|
| Our strategy | Hennie Faul | CEO | 3 |
| Overview of the Copper business, Performance and Outlook | Craig Fish | CFO | 9 |
| Focus on Los Bronces | Juan Carlos Roman | VP – Operations Sur | 16 |
| Quellaveco | Hennie Faul | CEO | 24 |
| Key risks and Sustainability issues | Hennie Faul | CEO | 26 |
| Summary and Outlook | Hennie Faul | CEO | 29 |

OUR STRATEGY

THE DIVERSIFIED MINER

Our strategy and its component parts

The Diversified Miner that takes a *values-based approach* to business by *together, creating sustainable value that makes a real difference* to become *partners in the future*

Double our 2014 operating profit by 2020 by:

- Focusing on core mining assets with long-term value creation
- Maintaining a highly competitive mind-set, with innovation and delivery at the forefront
- Developing critical core skills to improve our returns

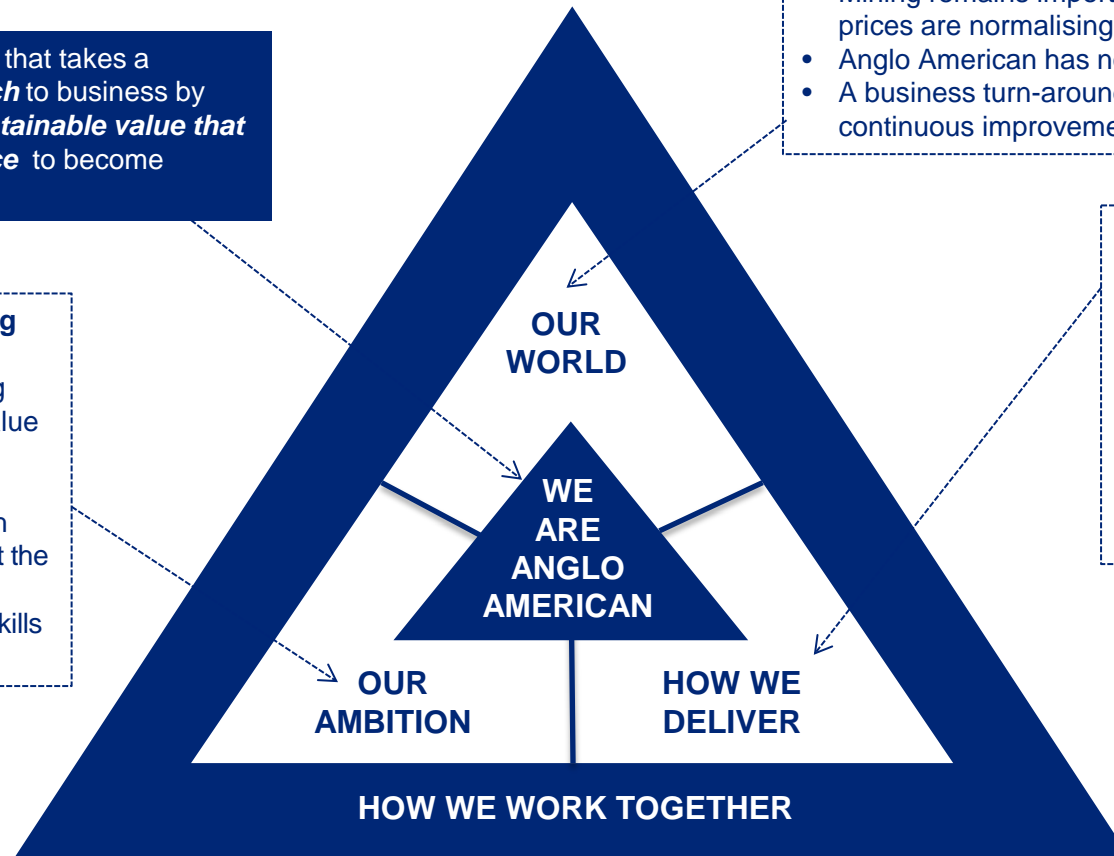
Responding to a changing world in which:

- Mining remains important, but demand growth and prices are normalising
- Anglo American has not delivered on its potential
- A business turn-around is needed alongside long-term continuous improvement and profitable growth

Four strategic imperatives:

- Deliver Driving Value
- Focus the portfolio
- Develop core business processes
- Create a high performance culture

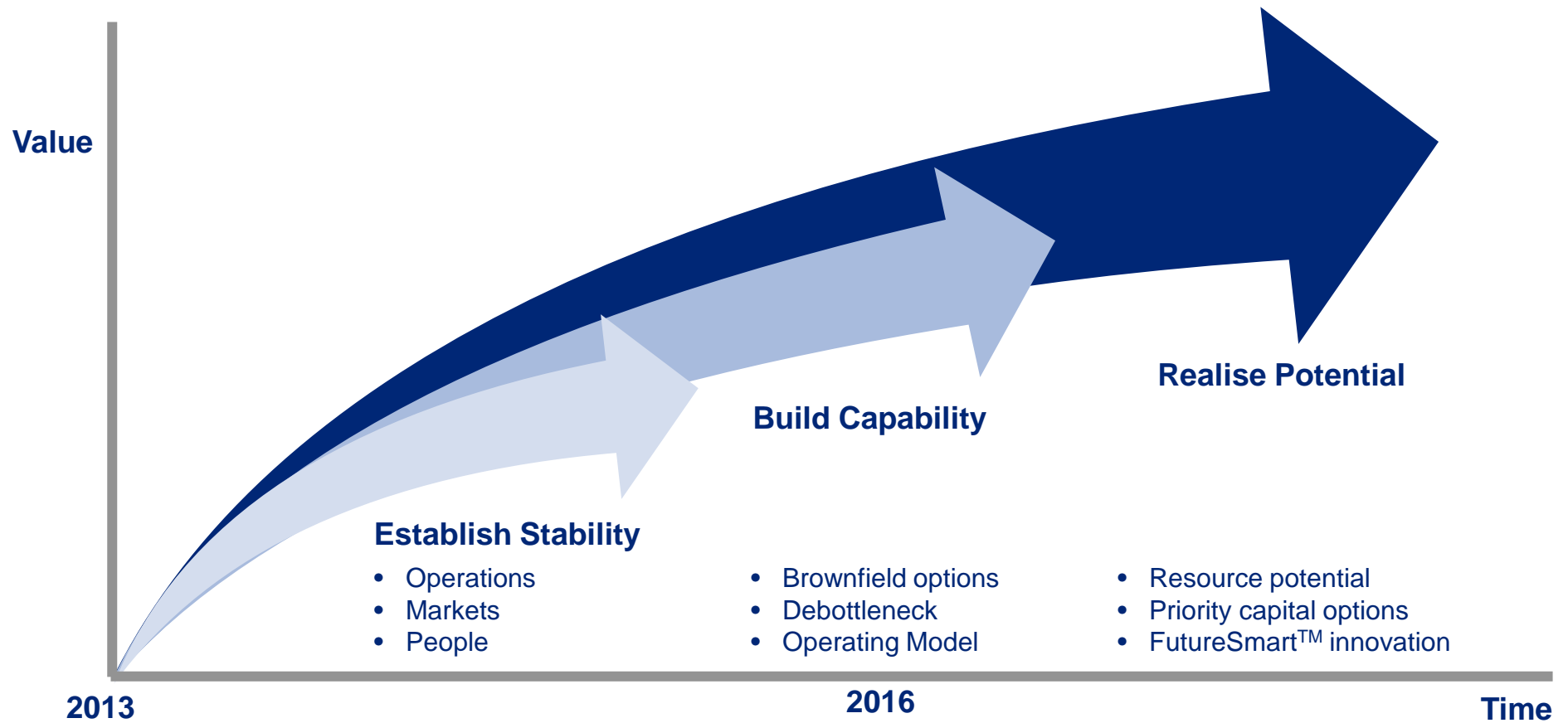
Measure progress through a holistic Business Scorecard



The right people in the right roles doing the right work (organisation model) and our structured approach for how we **set targets, plan, execute and improve work** (operating model)

STRATEGY

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



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

PORTFOLIO AND RESOURCE OPTIONALITY

We have focused on “Priority 1” opportunities to reshape the portfolio...

Priority growth options

- Los Bronces District
- Quellaveco
- Collahuasi further expansion

Portfolio optimisation

- Mantos Blancos/Mantoverde – Sale process to commence in H1 2015
- El Soldado/Chagres – in consultation with key stakeholders

Quellaveco

Collahuasi

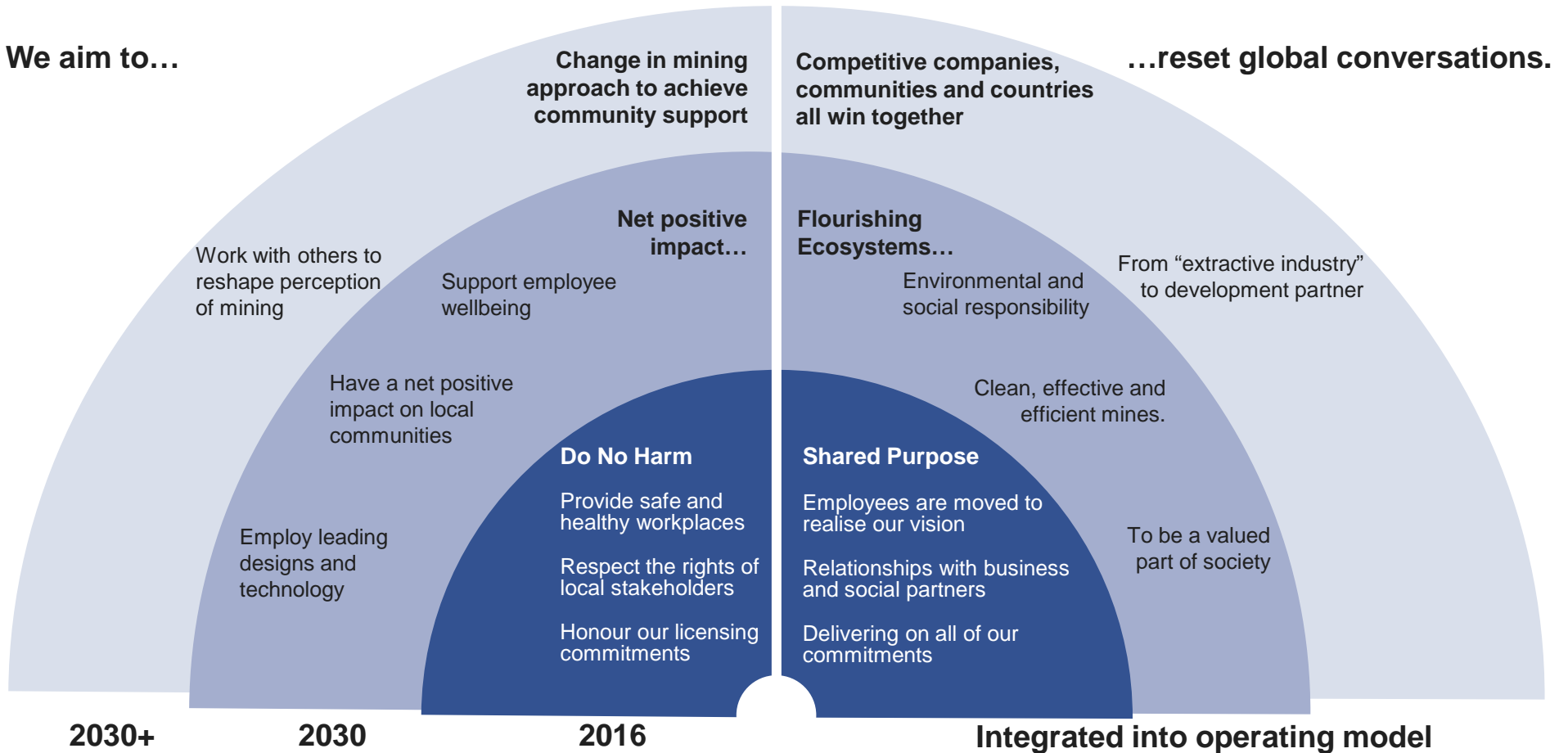
Los Bronces

...and we are prioritising our opportunity pipeline.

A STEP CHANGE IN SUSTAINABILITY PERFORMANCE

Our ambition is spread across three time horizons...

We aim to...

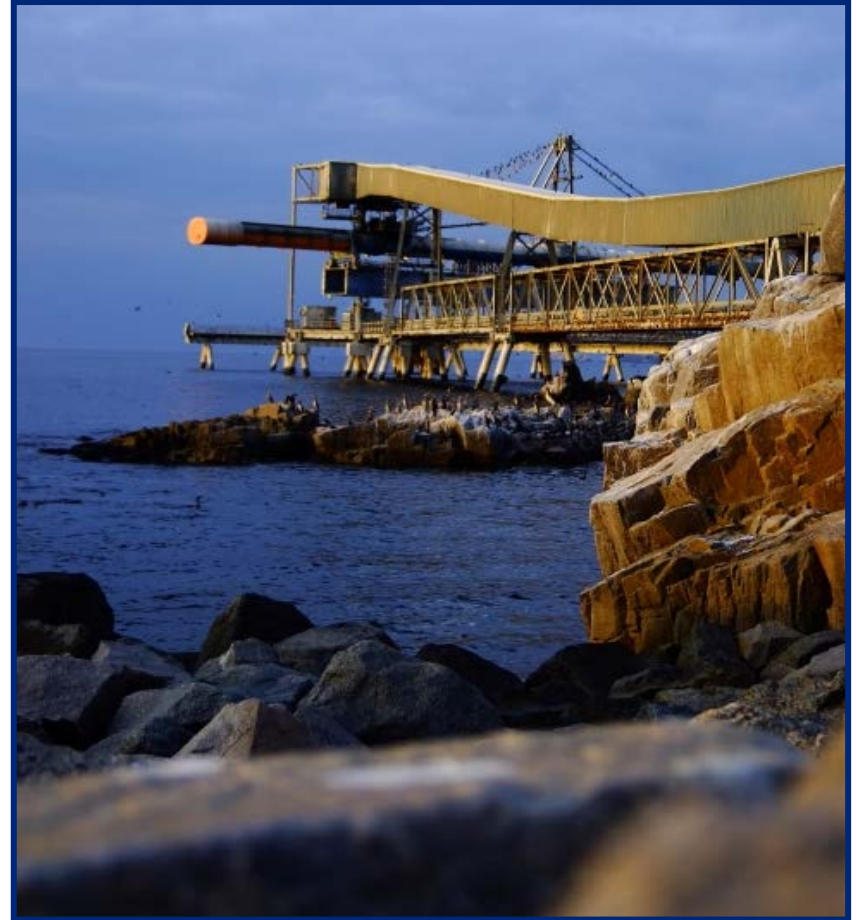


...as we believe this work is "Mission Critical" in our industry.

KEY CHALLENGES

In looking forward the key challenges are...

- **External environment**
 - Prices reverting to marginal costs more quickly than expected
...places focus on **asset quality**.
- **Operating performance**
 - Continuing positive performance improvements
...accelerating the pace of the **operating model** roll-out.
- **Capital management**
 - Cash flow and balance sheet pressure
...intense focus on **capital discipline** is key.
- **Restructuring**
 - Refocusing the portfolio
...to **dedicate time and capital** to priority assets.



...managing short-term priorities; delivering long-term value potential.

OVERVIEW OF THE COPPER BUSINESS, PERFORMANCE AND OUTLOOK

OUR COPPER ASSETS



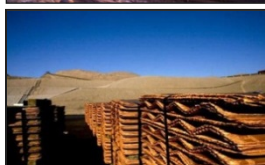
| | |
|----------|--|
| Q | Quellaveco project AA ownership: 81.9% |
|----------|--|



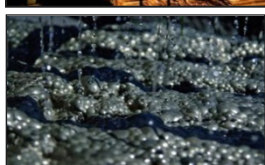
| | |
|----------|---|
| 1 | Collahuasi AA ownership: 44% 2014 Cu production (44%): 207kt |
|----------|---|



| | |
|----------|---|
| 5 | Mantos Blancos AA ownership: 100% 2014 Cu production: 52kt |
|----------|---|



| | |
|----------|---|
| 6 | Mantoverde AA ownership: 100% 2014 Cu production: 52kt |
|----------|---|



| | |
|----------|--|
| 3 | El Soldado AA ownership: 50.1% 2014 Cu production: 32kt |
|----------|--|



| | |
|----------|---|
| 4 | Chagres (smelter) AA ownership: 50.1% 2014 anode production: 128kt |
|----------|---|



| | |
|----------|--|
| 2 | Los Bronces AA ownership: 50.1% 2014 Cu production: 405kt |
|----------|--|

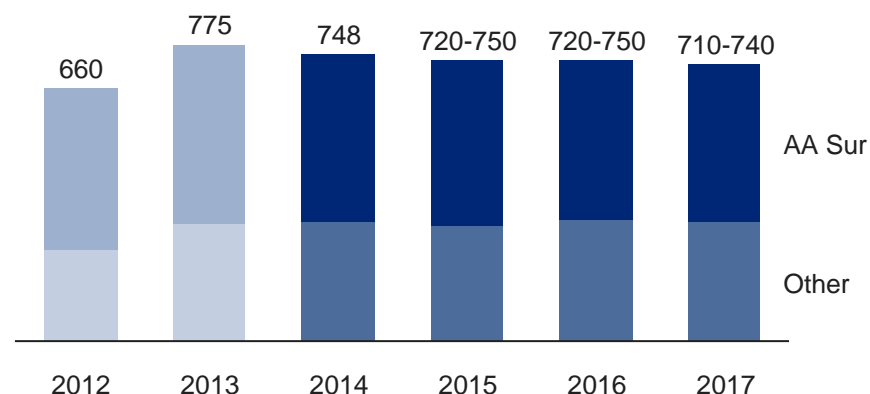


COPPER RESULTS SUMMARY

Copper turnaround since 2012...

| US\$ million | FY2012 | FY2013 | FY 2014 |
|---|--------|--------|---------|
| Revenue | 5,122 | 5,392 | 4,827 |
| EBITDA | 2,288 | 2,402 | 1,902 |
| EBIT | 1,736 | 1,739 | 1,193 |
| Underlying earnings | 941 | 803 | 493 |
| Capex – SIB ⁽¹⁾⁽²⁾ | 854 | 695 | 572 |
| Capex – Growth ⁽²⁾ | 360 | 264 | 156 |
| Attributable ROCE | 29% | 25% | 18% |
| Realised price (c/lb) | 364 | 326 | 300 |
| C1 unit cash cost ⁽³⁾ (c/lb) | 171 | 162 | 169 |

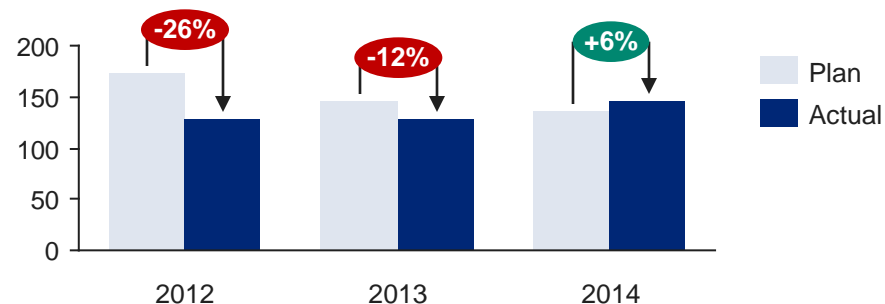
Production (kt)



Driving value delivering results

- Primary focus is first on stabilising, then optimising the operations
- Los Bronces has stabilised the mine and plant, having caught up on waste backlogs from previous years. 2016 Asset Review targets already met, including:
 - Record material mined in 2014 of 145Mt vs. 129Mt in 2012
 - Continuous ore feed from mine to plant, increasing plant throughput
 - Greater residence time in flotation plant leading to higher recoveries
- Collahuasi mine has been stabilised, with the focus now shifting to the plant

Los Bronces material mined turnaround (Mt)



...has delivered excellent results.

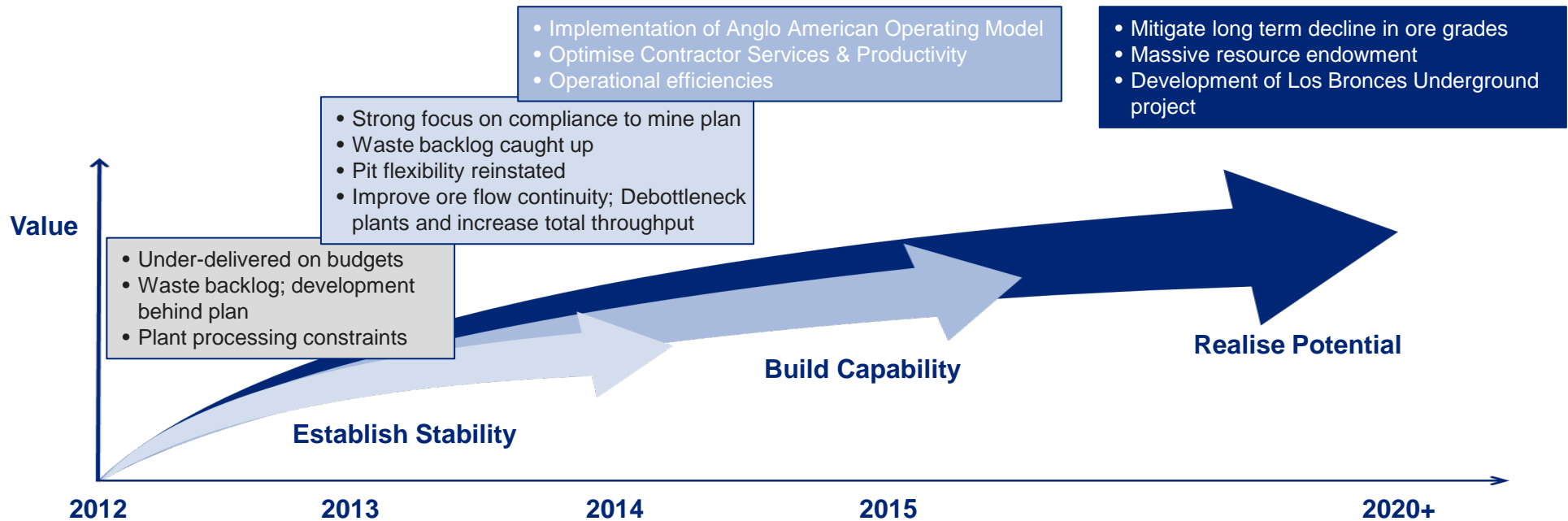
(1) SIB includes development and stripping capex

(2) Capital expenditure on PPE, net of proceeds from disposal of PPE and net of capital expenditure funded directly by non-controlling interests on a cash basis

(3) Unit costs presented on a nominal basis

STRATEGY IN ACTION – LOS BRONCES CASE STUDY

The business turnaround since 2012 has established stability in 2014...



We transformed Los Bronces from this in 2010...



To this in 2014...

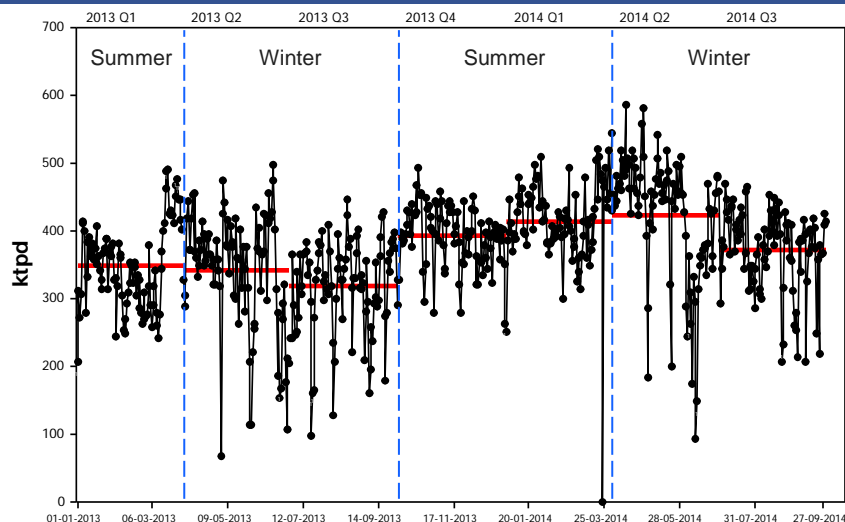


...as we move to building capability and efficiency in 2015.

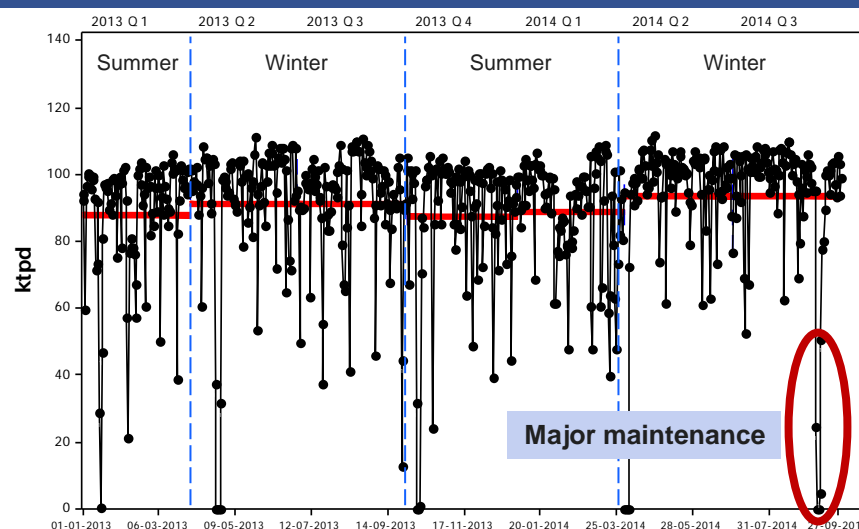
LOS BRONCES OPERATIONAL PERFORMANCE

Performance at the Los Bronces mine and plants has significantly improved...

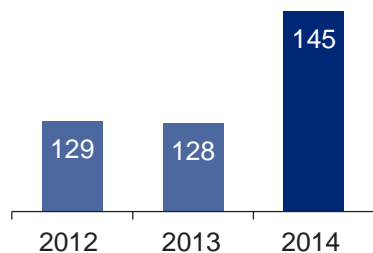
Mine extraction (ktpd)



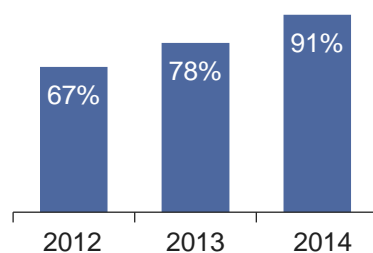
Confluencia Plant Feed (ktpd)



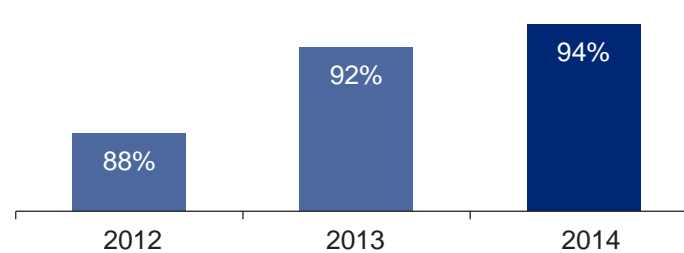
Material mined (Mt)



Mine compliance to plan



Confluencia plant operating time (%)

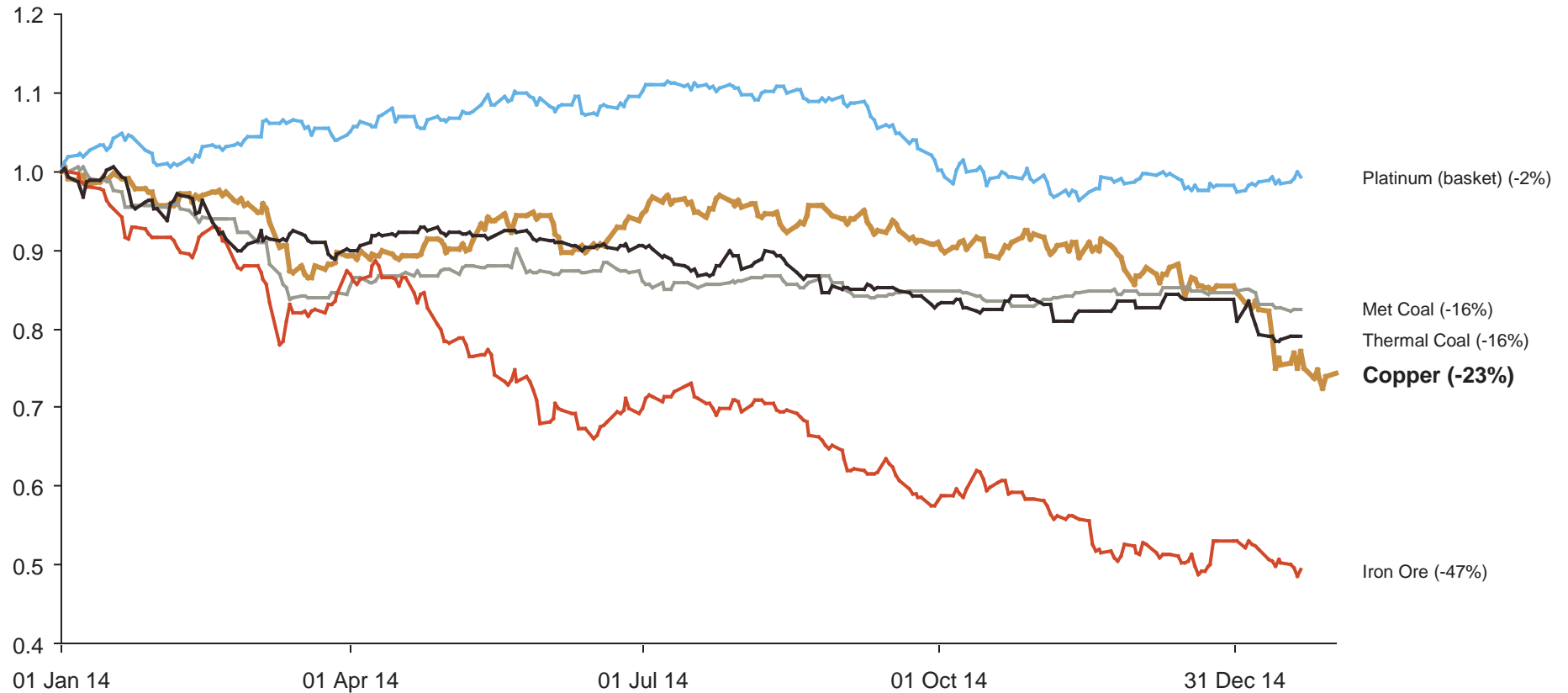


...waste stripping is now back on schedule and mine flexibility has been reinstated.

COMMODITY PRICES

The near-term pressure induced by lower Copper prices...

Indexed commodity price (1st Jan 2014 = 1)



...gives further impetus to our imperative to optimise for the long-term.

RESPONSE TO WEAKENING MACRO ENVIRONMENT

Our portfolio, operating and capital management strategies...

Operating Model

- Mining process changes improve asset capability
- Planning supports consistent delivery
- Stability improves product recoveries
- Technical focus on core business processes supports capability delivery

Capital Management

- Operating model improvements supports reduced capital spending
- Improved planning requires less capital in mine developed inventory
- Lower return projects are being deferred for re-work
- Projects outside scope on marginal assets are cut

Managing Margins

- Operating model focuses improving labour productivity and waste cost
- Reducing overhead and indirect costs improve cost base
- Supply focus on strategic buyers reduces major OEM costs

The Portfolio

- Sale of smaller-scale copper assets
- Capital redeployed into Priority 1 asset developments

...are contributing to the delivery of a more competitive business.

FOCUS ON LOS BRONCES

SUMMARY

One of the world's largest copper mines...

- Location: The Cordillera of the Andes, 3,500m above sea level and 65km east of Santiago
- Type: Open pit mine with 2 processing plants, plus Las Tórtolas flotation plant
Copper concentrate and Cathodes production, plus molybdenum and other by-products
- Production 2014: 404.5kt fine copper
- Employees: c.6,000 (own employees and contractors)
- Ownership %: 50.1% Anglo American
20.4% Mitsubishi Corporation
20.0% Codelco
9.5% Mitsui



| LB Reserves and Resources (2013) | | Tonnes (Mt) | Grade (%TCu) | Contained Metal (kt) |
|----------------------------------|---------------------------------|----------------|--------------|----------------------|
| Sulphide (flotation) | Proved | 721.4 | 0.69 | 4,977 |
| | Probable | 724.1 | 0.53 | 3,838 |
| | Total Ore Reserves | 1,445.4 | 0.61 | 8,815 |
| | Measured & Indicated | 1,211.1 | 0.40 | 4,860 |
| | Total Inferred | 3,576.9 | 0.37 | 13,101 |
| Sulphide (dump leach) | Proved | 439.1 | 0.32 | 1,405 |
| | Probable | 158.5 | 0.29 | 460 |
| | Total Ore Reserves | 597.6 | 0.31 | 1,865 |
| | Total Inferred | 175.0 | 0.28 | 490 |
| Los Sulfatos | Inferred | 1,200.0 | 1.46 | 17,520 |
| San Enrique Monolito | Inferred | 900.0 | 0.81 | 7,290 |

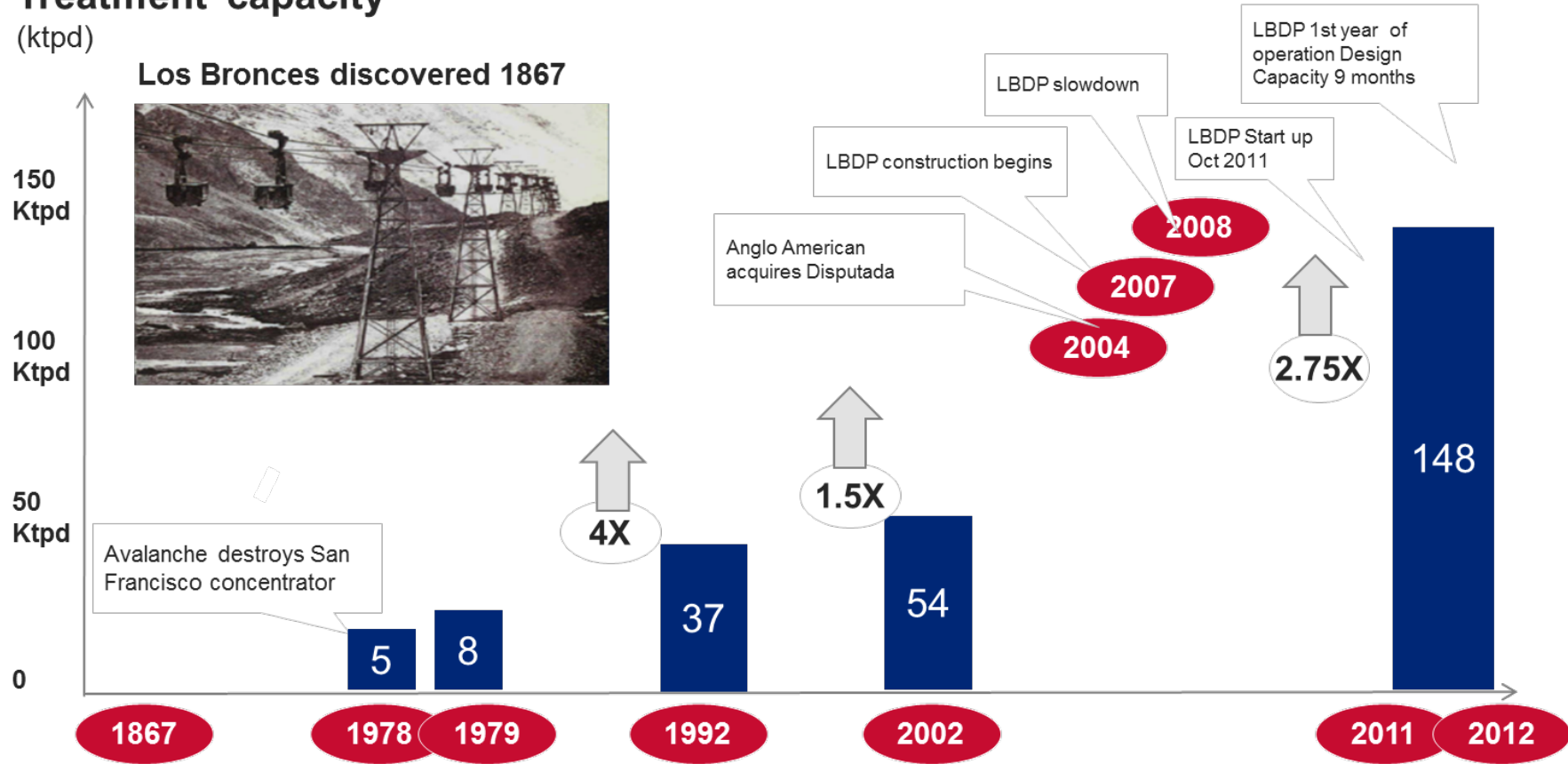
...with significant further potential.

RECENT HISTORY

Is punctuated by a series of quantum capacity expansions...

Treatment capacity

(ktpd)

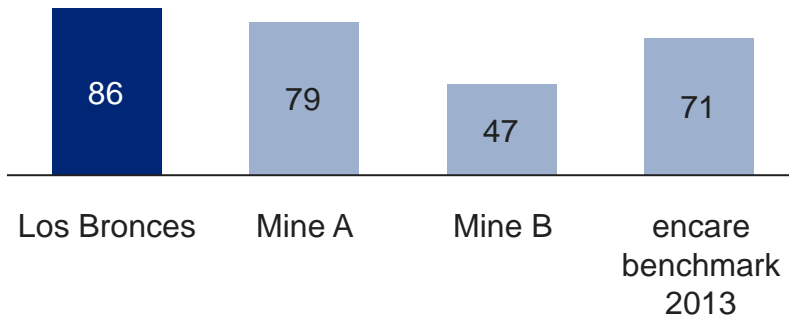


...most recently with the Confluencia plant (LBDP) coming online in 2011.

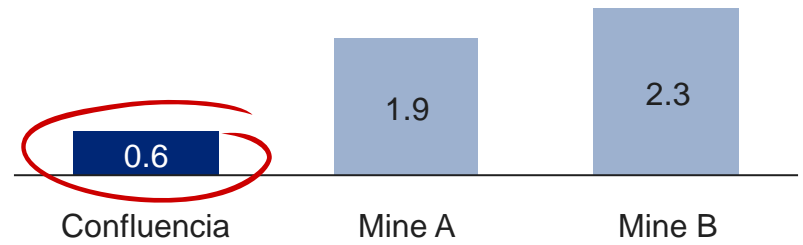
LOS BRONCES PERFORMANCE VS. PEERS

Benchmarking Confluencia's Sag Mill 40'

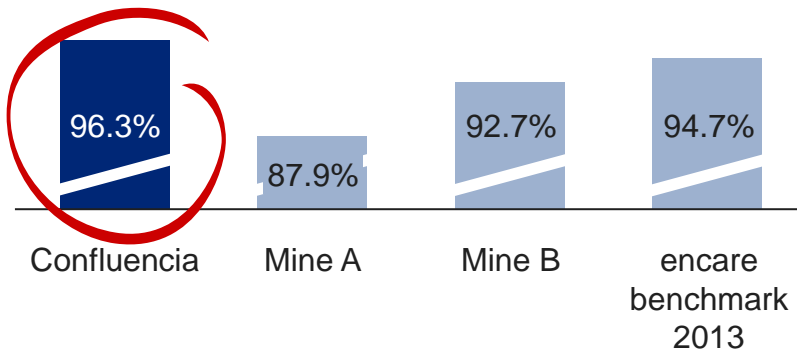
Total Los Bronces productivity (2013; cu t/person)



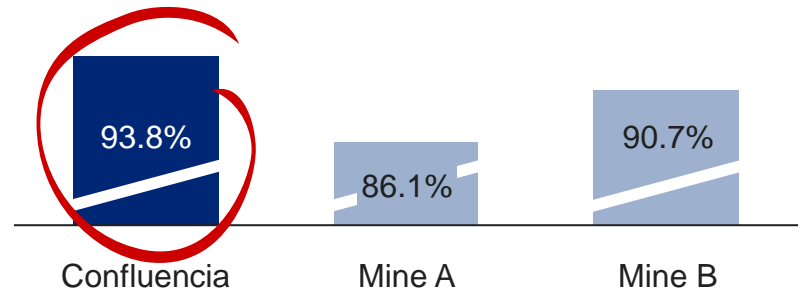
Mean time to repair (hr)



Availability (%)



Operating time (%)



...shows its class-leading performance vs. peers.

IMPLEMENTATION OF ANGLO AMERICAN OPERATING MODEL

Anglo American Operating Model to be rolled out in 2015 at Los Bronces, going live in December

2014

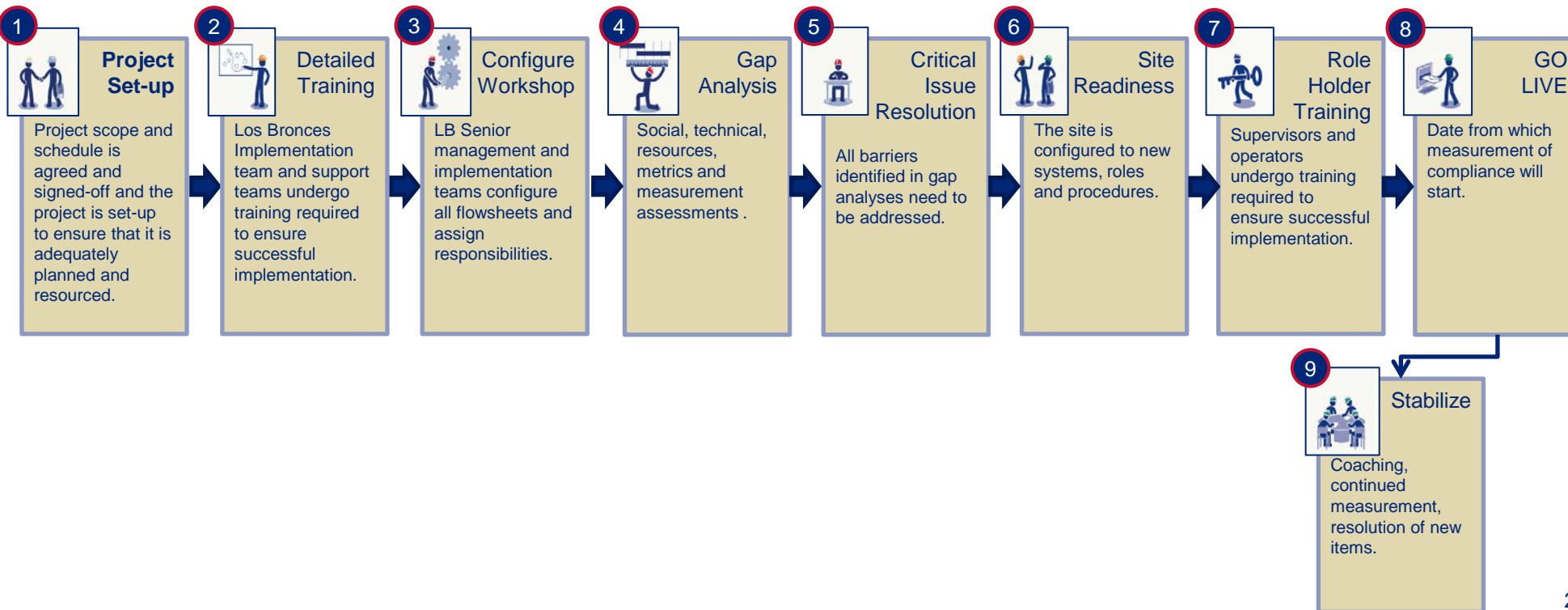
2015

2016

2017

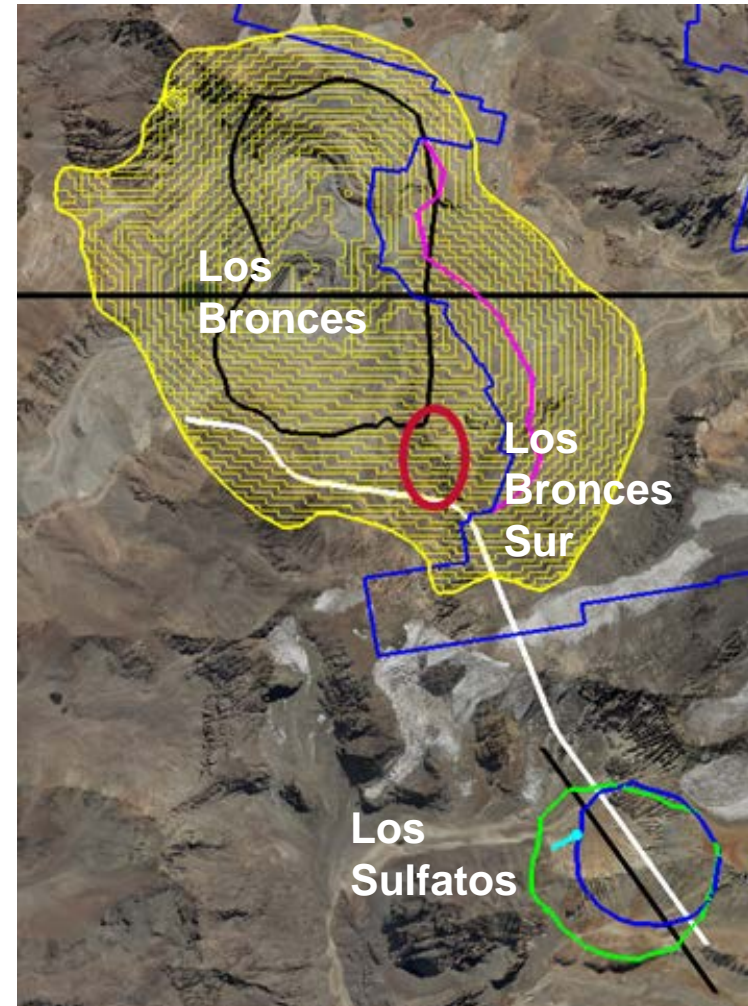
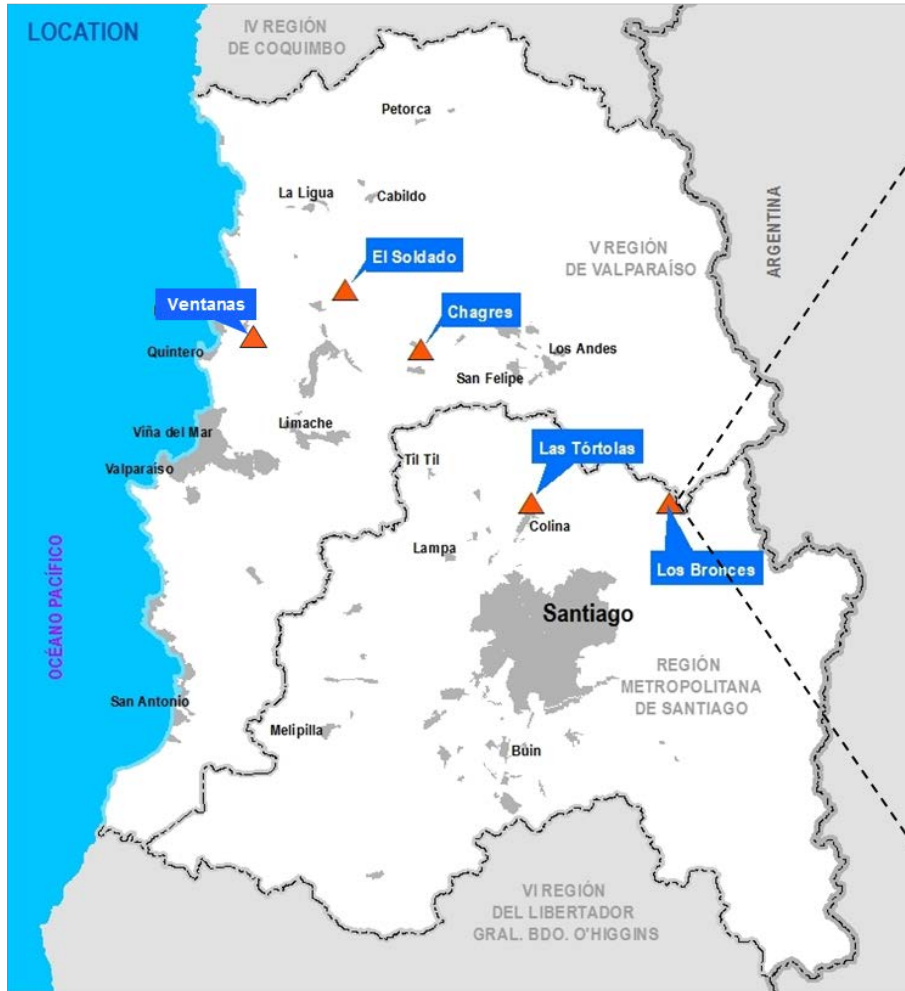
2018

Los Bronces



LOS BRONCES IS A WORLD-CLASS ASSET

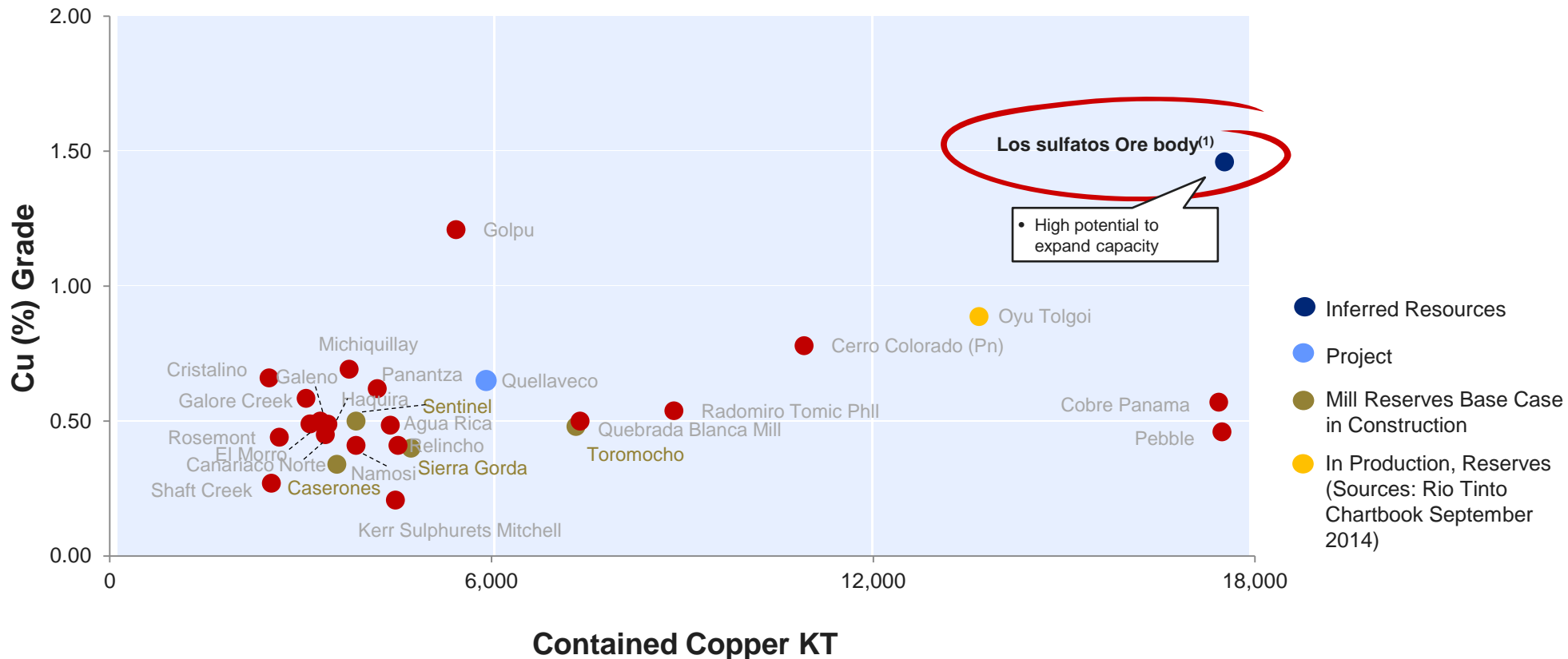
With over 8BT of mineral reserves and resources, 65km from Chile's capital



RESERVES AND RESOURCES

Los Bronces is one of the largest copper deposits in the world...

Top-20 copper project deposits by contained copper in Mill Reserves (Highly probable, possible, probable)



...and is well positioned for the future vs. its peers.

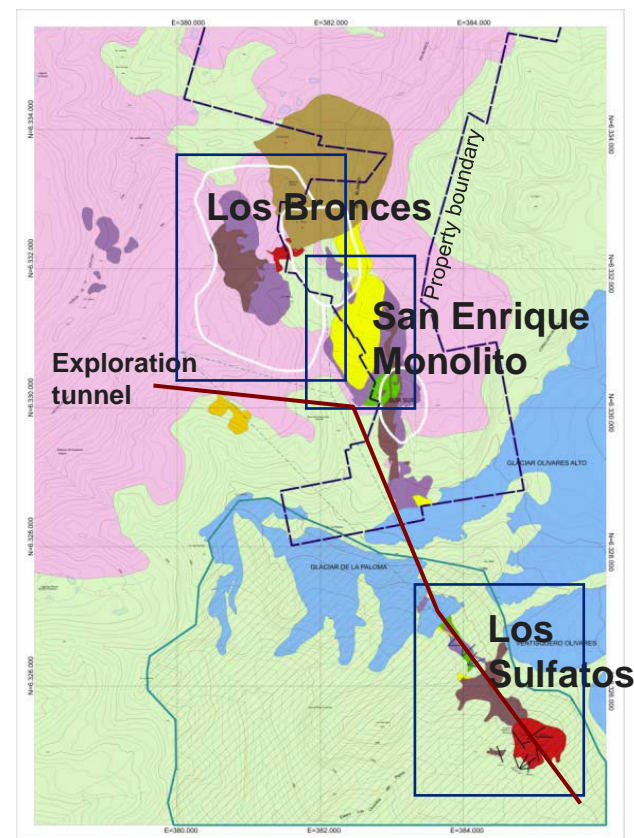
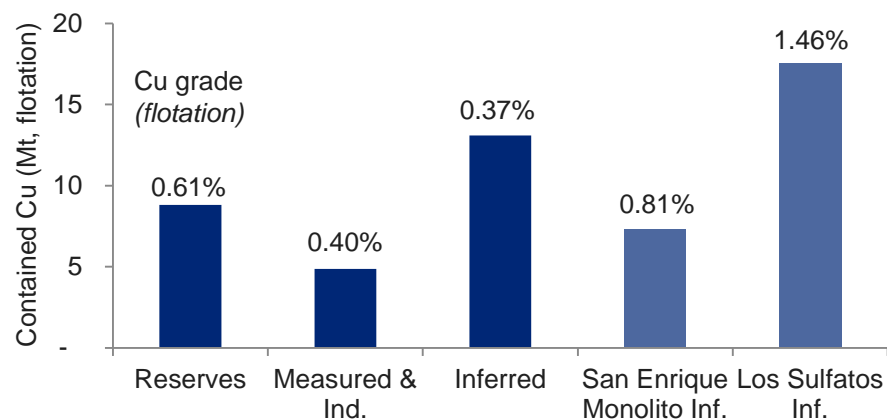
Source: R&R database of Woodmac based on 2013 publicly available information. ⁽¹⁾ Includes only inferred resources (1.2BT@1.46%)

Details of the Reserve and Resource estimates appear in the Anglo American Annual Report - 31 December 2013. Due to the uncertainty associated with some Inferred resources it cannot be assumed that all or part of the Inferred Mineral Resources will necessarily be upgraded to Indicated or Measured Resources with continued exploration.

LOS BRONCES DISTRICT

Significant resources to sustain production with expansion potential...

- Main development focus is on the Los Sulfatos orebody, which is one of the largest untapped high-grade deposits in the world
 - Principally replacement ore for the current mine plan, to maintain copper production as grades decline
 - Initial studies indicate high grade underground mining possible
 - 8km exploration tunnel completed in 2012 to provide access
 - 15,000m of exploration drilling planned for 2015 and 84,000m by 2019
- A number of other options in the district show promising results



...with studies being advanced for execution post-2020.

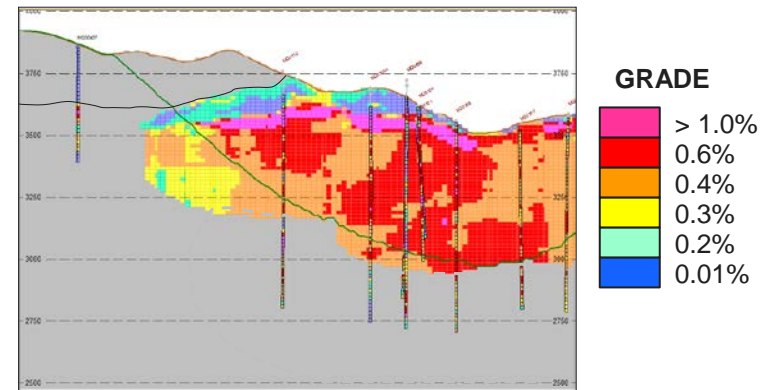
QUELLAVECO

QUELLAVECO PROJECT

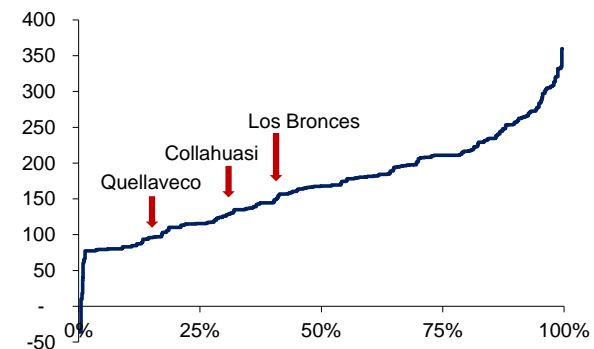
A significant orebody with attractive grades...

- Located in southern Peru, at >3,500 metres in an established mining district - strong social/political support
- An attractive cost curve position with CuEq grades over 0.90% in initial years
- Reserves of 916Mt at 0.65% Cu, 0.019% Mo plus Ag and a 28 year LOM with production of ~220ktpa (~315ktpa in initial years)
- Construction early works commenced in 2012 and the Feasibility Study is on schedule for completion in 2015
- Construction would result in a copper portfolio consisting of three major mines in the lower half of the cost curve
- Given the magnitude of the project, Anglo American will look to syndicate the capital exposure

Quellaveco cross section



Cost curve positioning (2020)










...Quellaveco complements our quality re-shaped copper portfolio.

KEY RISKS AND SUSTAINABILITY ISSUES

APPROACH TO SUSTAINABILITY

Together, we create sustainable value that makes a real difference

| Pillars of Value | | KPI |
|---|--|---------------------------------|
|  Safety and Health | | FIFR ⁽¹⁾ |
| | | NCOD ⁽¹⁾ |
| | | TRCFR ⁽¹⁾ |
|  Environment | | Energy consumption |
| | | GHG ⁽²⁾ emissions |
| | | Total new water consumed |
|  Socio-political | | Corp. social investment |
| | | Enterprise development |
|  People | | Voluntary labour t/o |
| | | Gender diversity |
|  Production | | Production volume |
|  Cost | | C1 unit cash cost of production |
|  Financial | | Attributable ROCE |

(1) FIFR: Work-related fatal injury frequency rate; NCOD: New cases of occupational disease; TRCFR: Total recordable case frequency rate. Managed operations only

(2) GHG: Greenhouse gas

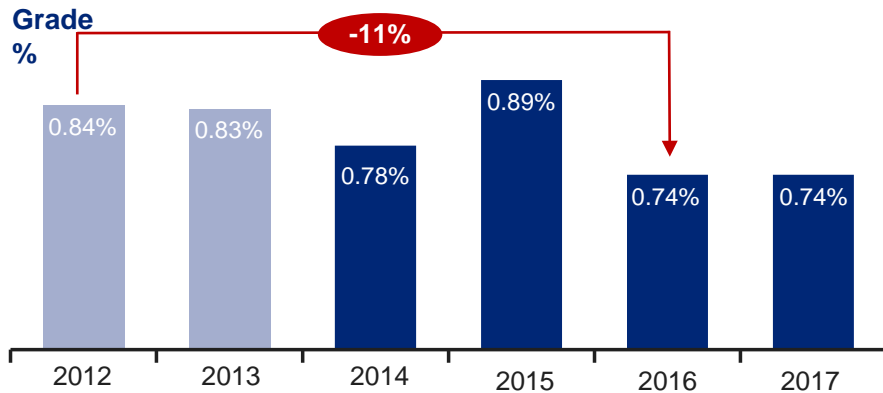
- We will lead the industry in resource development, mining and operational innovation to drive margins that support the delivery of exceptional returns from our assets.
- Our employees ‘are’ the business and we partner with our customers and our broader stakeholders across society to together, **deliver sustainable value** that makes a **real difference**.
- Key risks to achieve sustainable value for Copper:
 - **Environment** (legislation and regulation reform)
 - **Water** (water security and extreme weather)
 - **People** (labour reforms and negotiations)

...but recognise we have some key risks to address along the way.

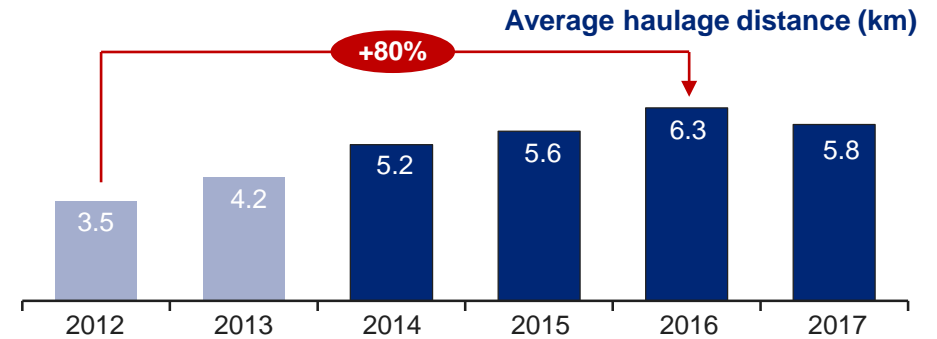
STRUCTURAL HEADWINDS A CHALLENGE AT LOS BRONCES

Plans are in place to mitigate the impact...

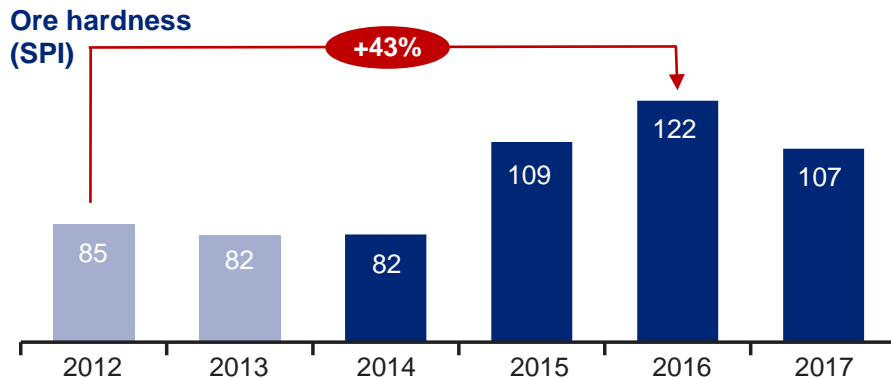
Grades are variable and declining



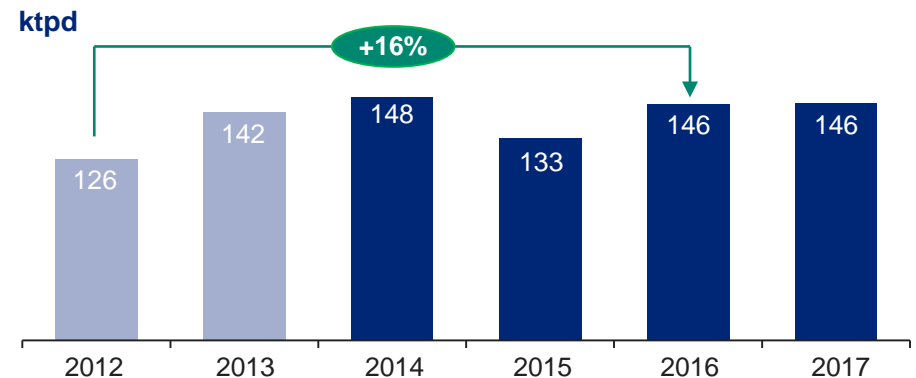
Average haulage distance increase 80% from 2012 to 2016



Ore hardness is increasing



Despite this, plant throughput levels will be maintained



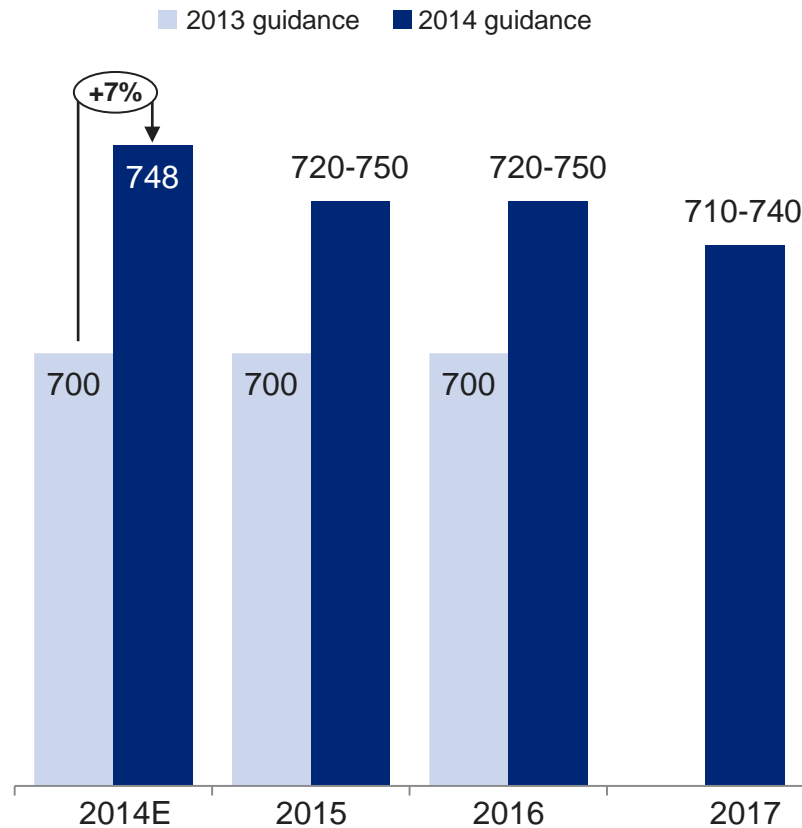
...offset by productivity gains and grade in 2015.

SUMMARY AND OUTLOOK

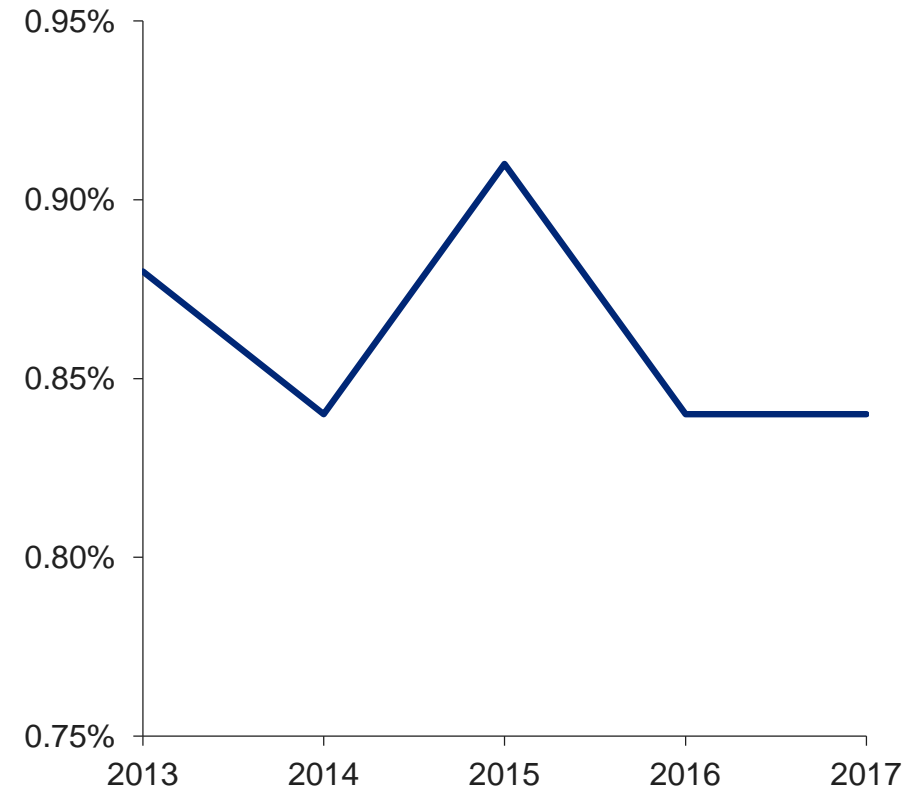
OPERATIONAL IMPROVEMENTS HAVE BEEN EMBEDDED

Increased production versus prior forecasts...

Copper production increased to 2017



Variable copper grades (% Cu)⁽¹⁾

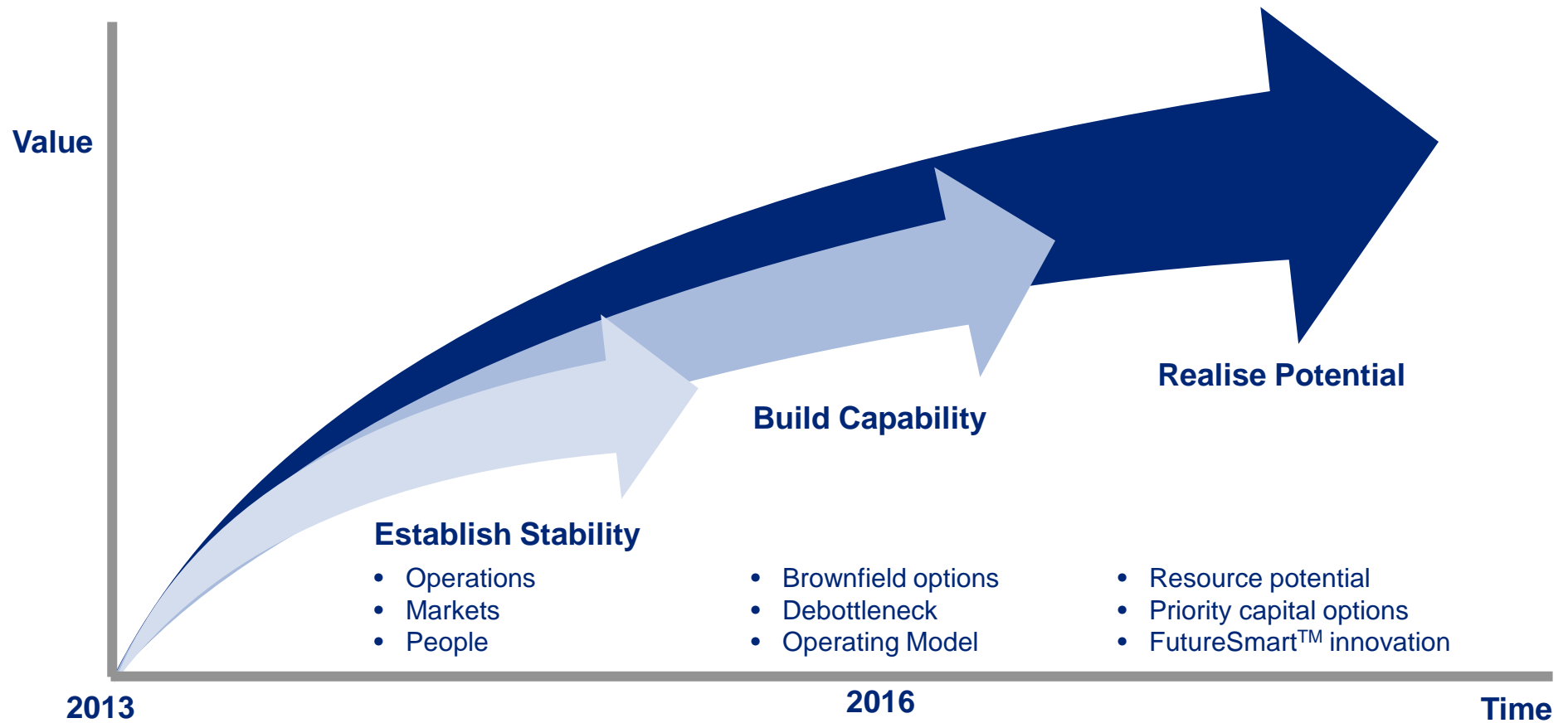


...although grade variability remains.

(1) Grade shown is the weighted average grade for sulphide flotation across all assets

STRATEGY

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



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