

SOUTHERN AFRICA SITE VISIT

21st November 2016



Jwaneng mine

CAUTIONARY STATEMENT

Disclaimer: This presentation has been prepared by Anglo American plc (“Anglo American”) and comprises the written materials/slides for a presentation concerning Anglo American. By attending this presentation and/or reviewing the slides you agree to be bound by the following conditions.

This presentation is for information purposes only and does not constitute an offer to sell or the solicitation of an offer to buy shares in Anglo American. Further, it does not constitute a recommendation by Anglo American or any other party to sell or buy shares in Anglo American or any other securities. All written or oral forward-looking statements attributable to Anglo American or persons acting on their behalf are qualified in their entirety by these cautionary statements.

Forward-Looking Statements

This presentation includes forward-looking statements. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding Anglo American’s financial position, business and acquisition strategy, plans and objectives of management for future operations (including development plans and objectives relating to Anglo American’s products, production forecasts and reserve and resource positions), are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Anglo American, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding Anglo American’s present and future business strategies and the environment in which Anglo American will operate in the future. Important factors that could cause Anglo American’s actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, mineral resource exploration and development capabilities, recovery rates and other operational capabilities, the availability of mining and processing equipment, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, the effects of inflation, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or safety, health, environmental or other types of regulation in the countries where Anglo American operates, conflicts over land and resource ownership rights and such other risk factors identified in Anglo American’s most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this presentation. Anglo American expressly disclaims any obligation or undertaking (except as required by applicable law, the City Code on Takeovers and Mergers (the “Takeover Code”), the UK Listing Rules, the Disclosure and Transparency Rules of the Financial Conduct Authority, the Listings Requirements of the securities exchange of the JSE Limited in South Africa, the SWX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange and any other applicable regulations) to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Anglo American’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Nothing in this presentation should be interpreted to mean that future earnings per share of Anglo American will necessarily match or exceed its historical published earnings per share.

Certain statistical and other information about Anglo American included in this presentation is sourced from publicly available third party sources. As such it presents the views of those third parties, but may not necessarily correspond to the views held by Anglo American.

No Investment Advice

This presentation has been prepared without reference to your particular investment objectives, financial situation, taxation position and particular needs. It is important that you view this presentation in its entirety. If you are in any doubt in relation to these matters, you should consult your stockbroker, bank manager, solicitor, accountant, taxation adviser or other independent financial adviser (where applicable, as authorised under the Financial Services and Markets Act 2000 in the UK, or in South Africa, under the Financial Advisory and Intermediary Services Act 37 of 2002).

WELCOME AND AGENDA

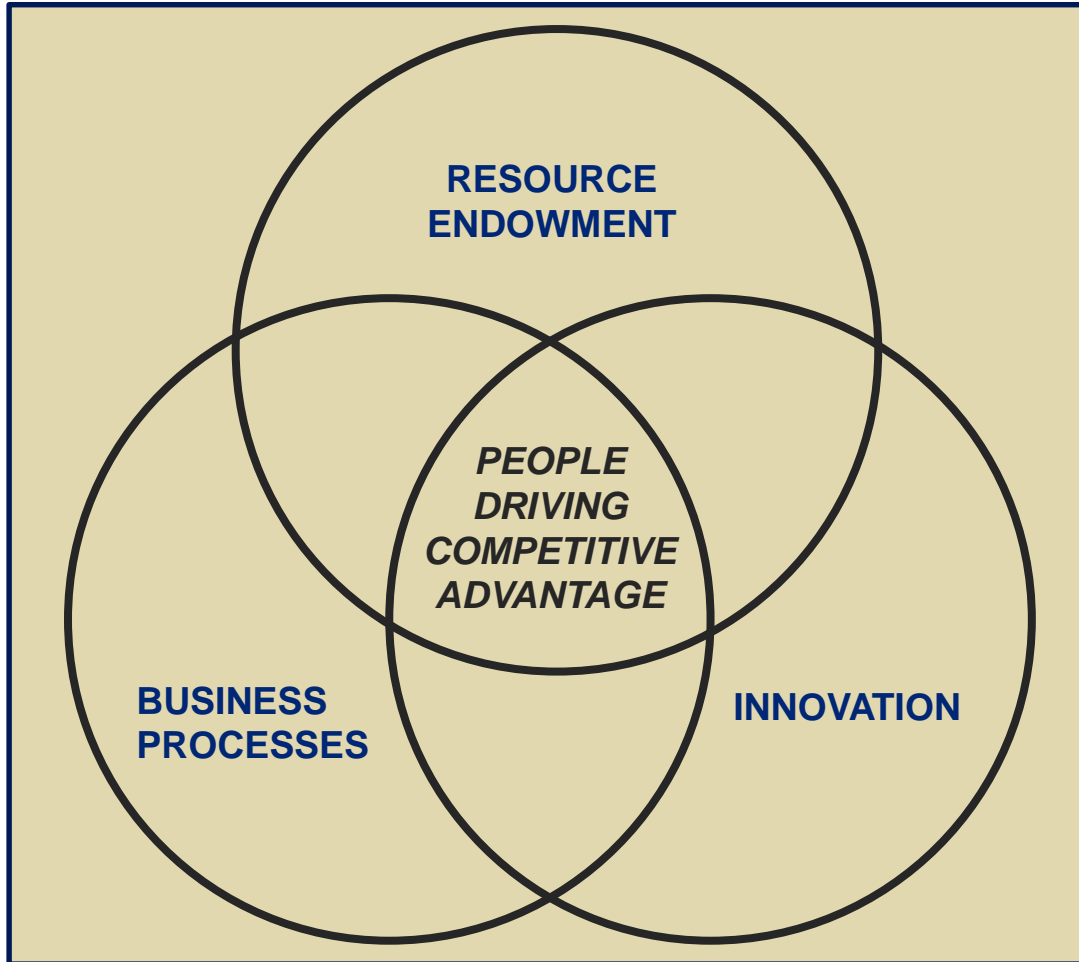
Paul Galloway

- | | |
|----------------------|---|
| - Monday morning | Introduction and business update |
| - Monday afternoon | De Beers Global Sightholder Sales |
| - Monday evening | De Beers management dinner |
| - Tuesday | Jwaneng diamond mine |
| - Tuesday evening | Platinum management dinner |
| - Wednesday | Mogalakwena mine |
| - Wednesday evening | Dinner with local management |
| - Thursday | Platinum marketing /
Polokwane smelter |
| - Thursday afternoon | Depart |



Mogalakwena mine

WHAT YOU WILL SEE THIS WEEK



OUR RESOURCES

- **Jwaneng and Mogalakwena:** World class endowments support the building of world class assets.

OUR BUSINESS PROCESSES

- **Operating Model:** Provides the structure and discipline to build world class operations.

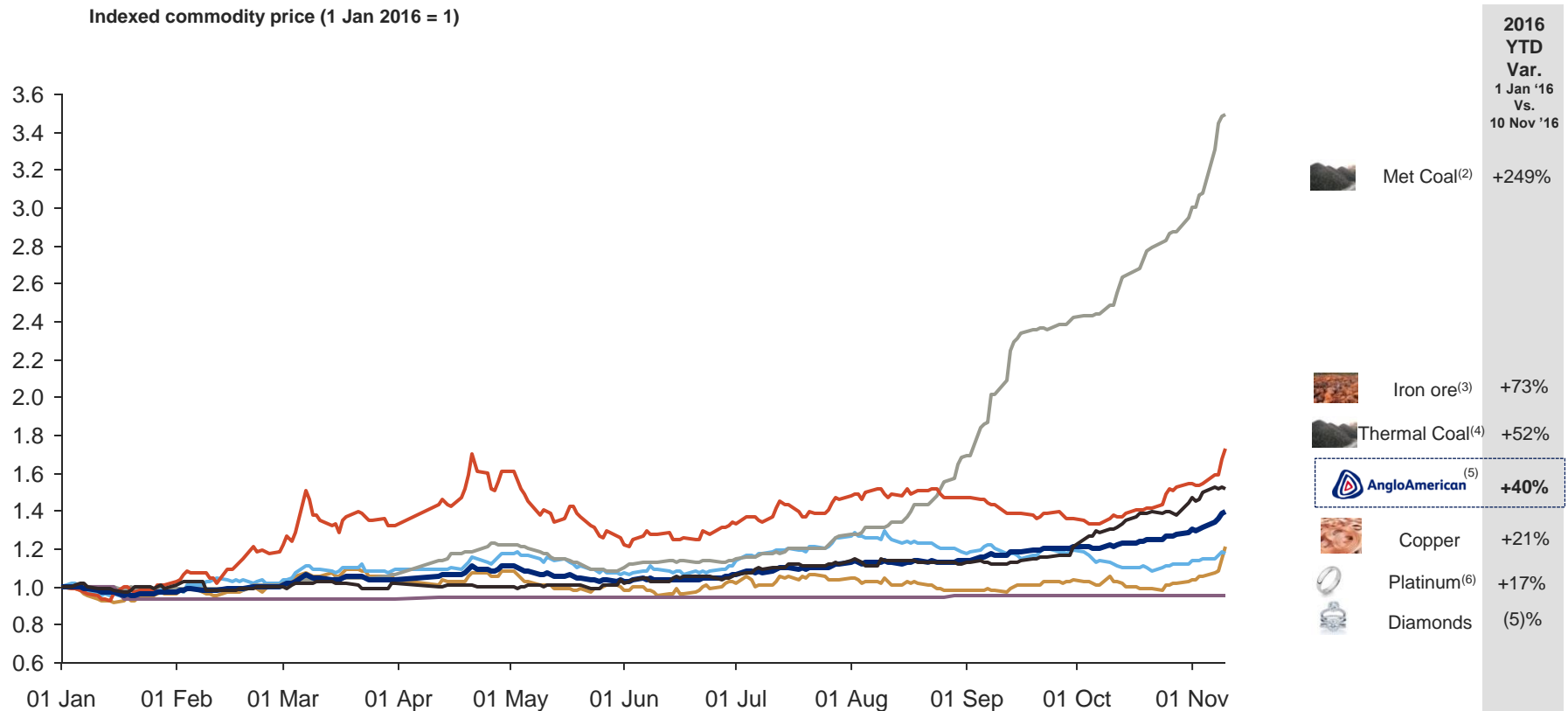
OUR APPROACH TO INNOVATION

- **Building the Future:** Using technology and our innovation tools to drive sustainable performance improvement.

“Our Assets, Our Business Processes and Innovation support People driving competitive advantage”

COMMODITY PRICES

Indexed commodity prices¹ (1 Jan 2016 = 1)



- (1) Price line is equivalent to weighted average daily revenue for Q3 YTD 2016 sales volumes
- (2) Met coal price line based on HCC spot and API6 thermal coal
- (3) Iron ore price line based on CFR China
- (4) Coal RSA and Colombia
- (5) Anglo American excludes Samancor, Niobium, Phosphates, Corporate and OMI. Includes Nickel, not shown on the graph
- (6) Platinum basket price

Source: Thermal Coal - globalCOAL; Diamonds – De Beers Rough Price Index, Platinum, Copper & Nickel - London Metal Exchange; Met Coal - Platts Steel markets daily; Iron Ore – Platts 62% CFR China has been used in this instance as a generic industry benchmark.

IN DELIVERY MODE...

Portfolio

- Focus on **Resource Potential and Asset Quality**.
- Repositioning to focus on **Leading Positions**.
- **Top tier assets** in other commodities support cash flow and returns.

Balance Sheet

- **Deleveraging** to enhance flexibility.
- **Dividend** the priority once balance sheet strength restored.
- Future investments will focus on **quality of margins and returns**.

Business Processes

- **Operating Model** embedding best operating practices.
- **Cost reductions** reflect improving productivities and practices.
- **Marketing Model** delivering improved prices and cash margins.

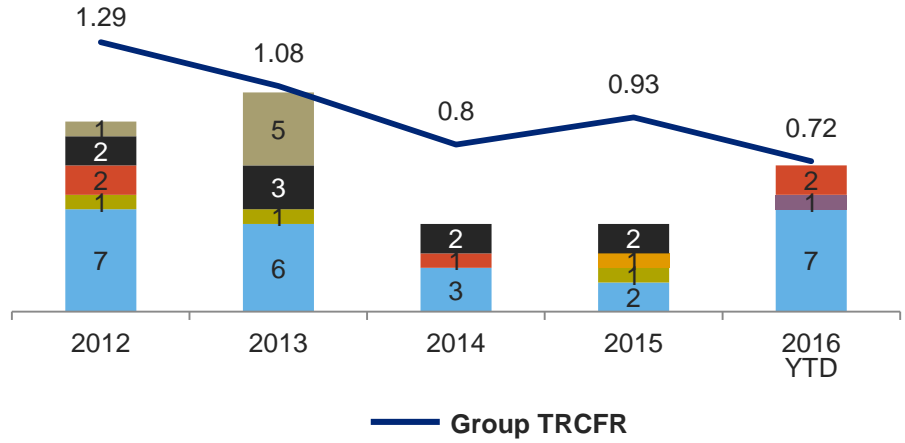
Key Talent and Core Skills

- **Leadership Team** evolving as succession plans implemented.
- **Enhanced Technical Team** to get the best from what we have.
- **Right-sizing** enables speed and effectiveness in change management.

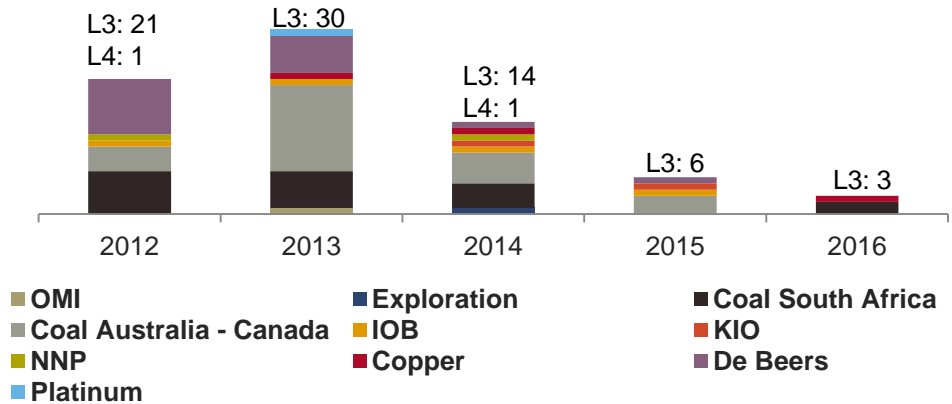
“We have come a long way on the journey – and we still have a long way to go to deliver on our potential.”

SAFETY & ENVIRONMENT

Safety: Loss of life and TRCFR⁽¹⁾



Environmental incidents (levels 3 to 5)⁽²⁾



- OMI
- Coal Australia - Canada
- NNP
- Platinum
- Exploration
- IOB
- Copper
- Coal South Africa
- KIO
- De Beers

SAFETY

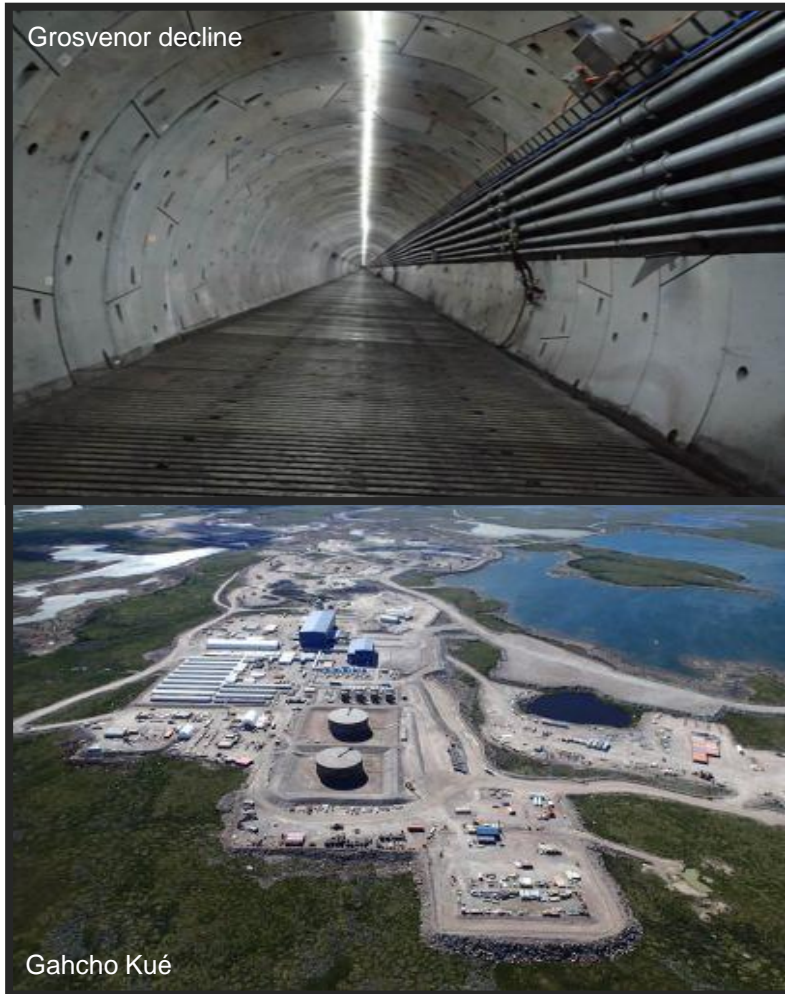
- Regrettably, 10 fatalities at end-October 2016.
- Total recordable injuries rate and lost time injures rate continue to improve – down 23% and 19% respectively when compared to FY 2015.
- All businesses are on the journey of “critical controls management” and focus is on consistent application of safe and efficient operating practices at shop floor level.

ENVIRONMENT

- Significant improvements in operational planning with 50% improvement YTD 2016 compared to FY 2015.
- Lower level incidents also show consistent improvement – better control of unwanted events.
- Focus on step change innovation to reduce water and energy usage supports cost efficiencies.

(1) Total Recordable Cases Frequency Rate.
 (2) Environmental incidents are classified in terms of a 5-level severity rating. Incidents with medium, high and major impacts, as defined by standard internal definitions, are reported as level 3-5 incidents.

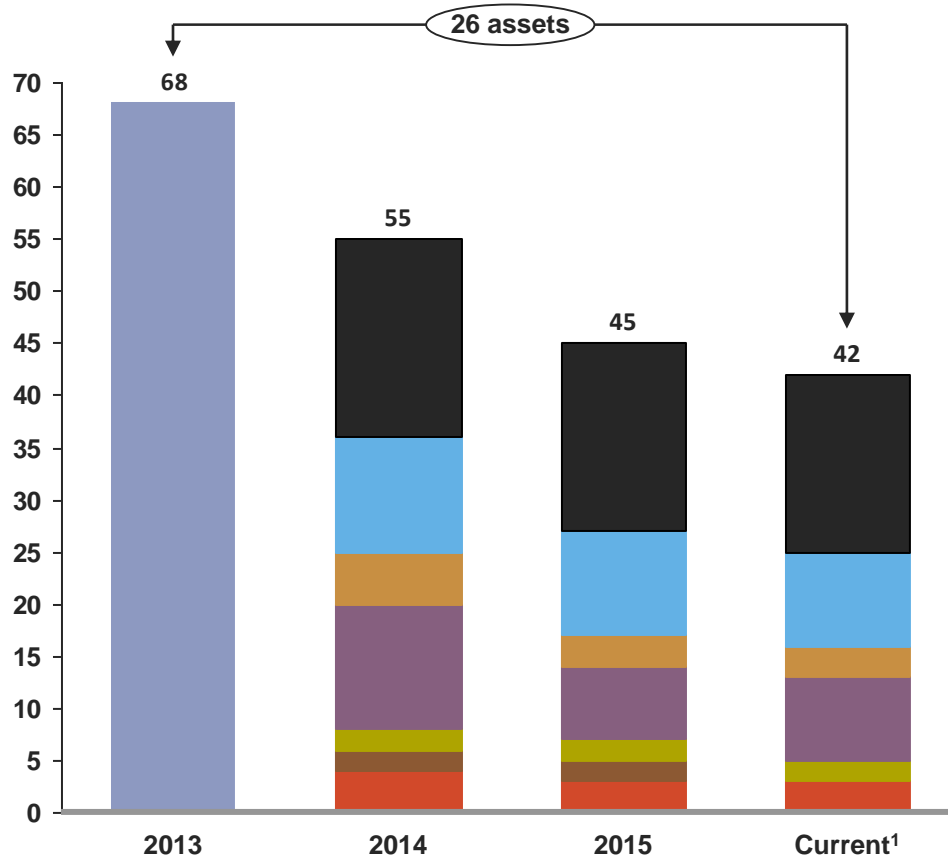
IN DELIVERY MODE...KEY MILESTONES



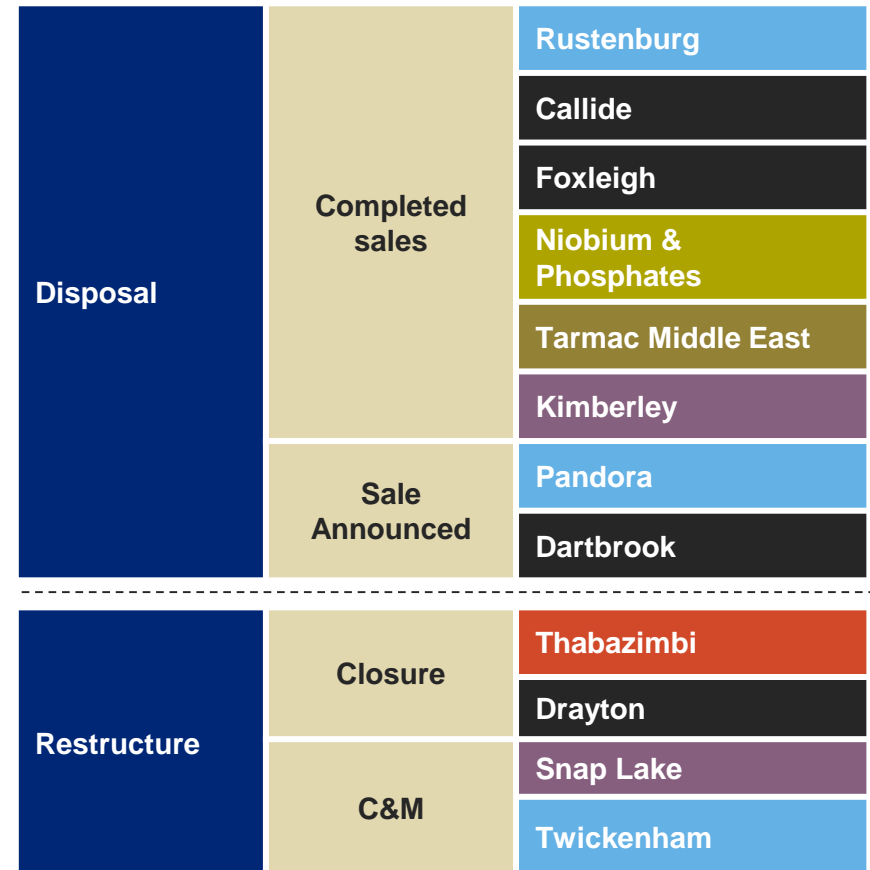
- **GAHCHO KUÉ COMMISSIONING**
 - On time and on budget.
- **BARRO ALTO RAMP-UP COMPLETE**
 - Nameplate capacity achieved in Q3.
- **DELIVERY OF GROSVENOR**
 - Ahead of schedule and under budget.
- **MINAS-RIO RAMP-UP PLAN**
 - Step 2 Licence received.
 - On track for 2016 production delivery.
 - Unit costs – \$25/t FOB.
- **SISHEN**
 - Restructuring complete.
 - 21.4% awarded with “as expected” conditions.

IN DELIVERY MODE...PORTFOLIO RESTRUCTURING

Number of assets



2016 Key Portfolio Changes

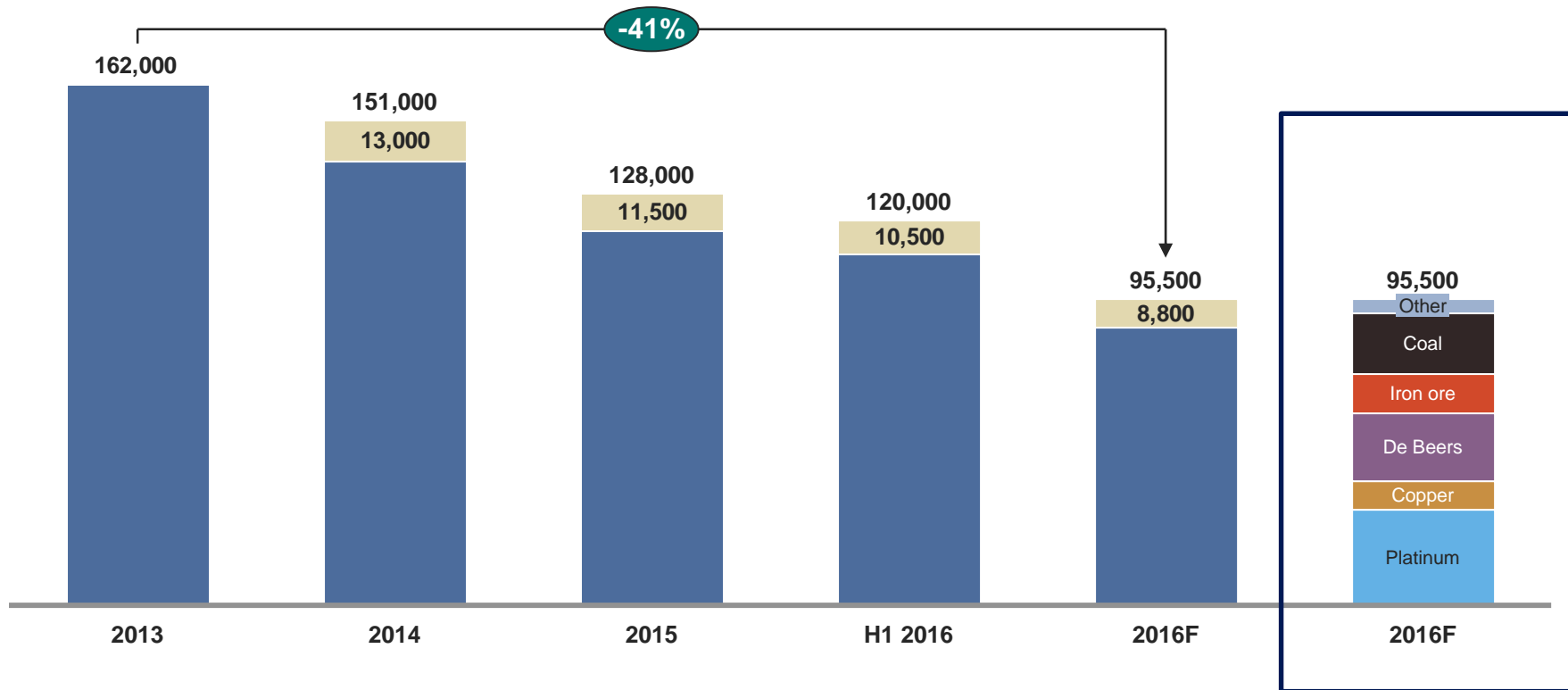


(1) Reflects Niobium & Phosphates, Rustenburg, Foxleigh, Callide and Pandora disposals.

IN DELIVERY MODE...ORGANISATION RESTRUCTURING

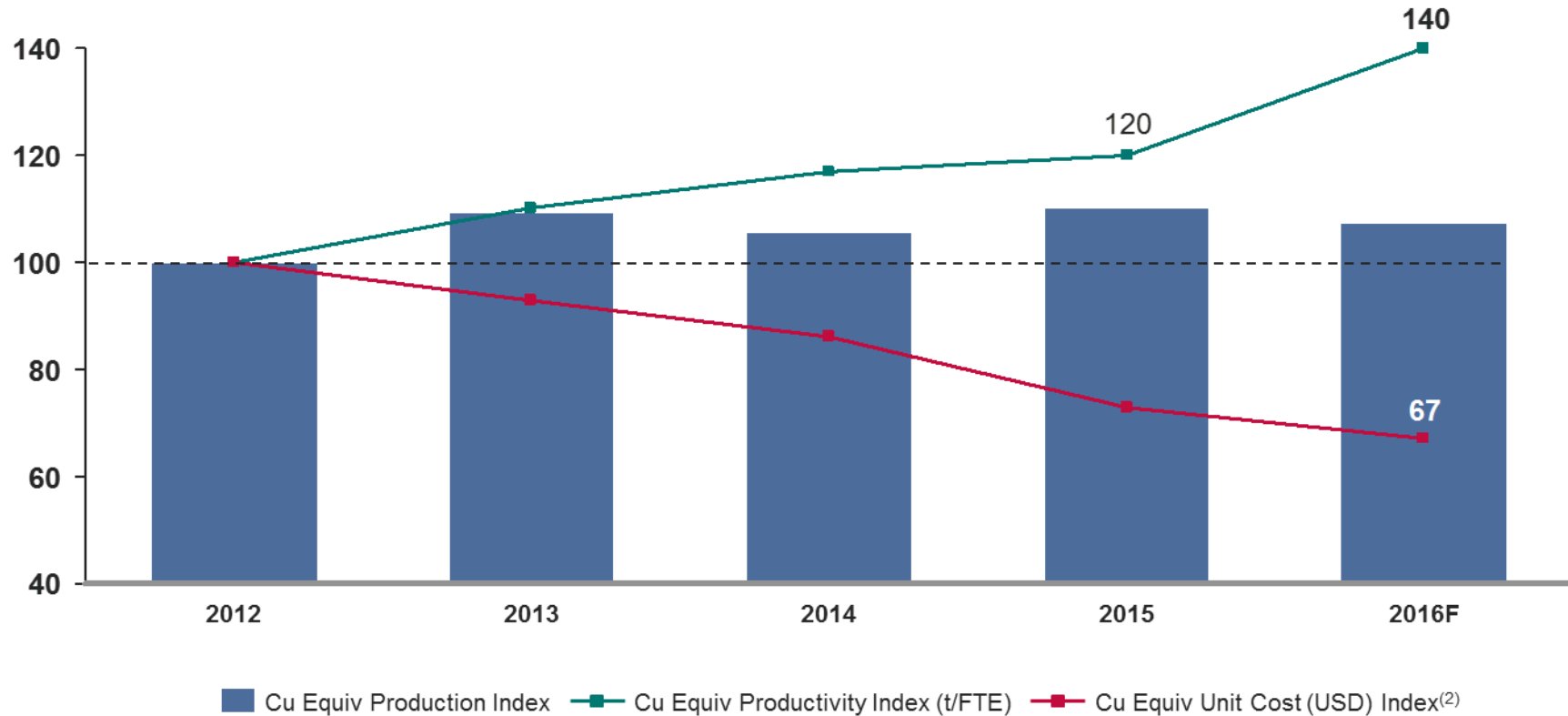
Employee and contractor numbers

Support Operations



IN DELIVERY MODE...THE IMPACT OF CHANGE

Cu Equivalent production, unit cost & productivity



(1) Calculated using long-term consensus parameters. Excludes domestic/cost-plus production. Production shown on a reported basis

(2) Unit cost includes only AA's equity share of De Beers and Platinum. Excludes associates and assets not in commercial production. Calculated using long-term consensus prices.

PORTFOLIO CHOICES DRIVEN BY ASSET POTENTIAL

De Beers		Platinum		Copper		Bulks and Other Minerals	
Botswana	<ul style="list-style-type: none"> ➤ Jwaneng ➤ Orapa 	South Africa	<ul style="list-style-type: none"> ➤ Mogalakwena ➤ Amandelbult 	Chile	<ul style="list-style-type: none"> ➤ Los Bronces ➤ Collahuasi 	Iron ore and manganese	<ul style="list-style-type: none"> • Kumba • Minas-Rio • Samancor
South Africa	<ul style="list-style-type: none"> ➤ Venetia • Voorspoed 		<ul style="list-style-type: none"> • BRPM • Mototolo • Modikwa 		Projects		<ul style="list-style-type: none"> • Quellaveco • Sakatti
Namibia	<ul style="list-style-type: none"> • Debmarine • Namdeb 		Zimbabwe	<ul style="list-style-type: none"> • Unki 		Nickel	<ul style="list-style-type: none"> • Barro Alto
Canada	<ul style="list-style-type: none"> • Gahcho Kué • Victor 						

Our Focus – Leading Positions

- Top priority is **highest quality assets** that will drive returns through the cycle.
- Scalable assets that provide **operational leverage and growth potential**.
- **Global leadership** positions and potential.
- Geographic and commodity **diversification maintained**.
- Portfolio streamlining allows **rightsizing of overhead structures**.

Quality Asset Holdings

- Managed for cash and quality of returns.
- Opportunistic investment to enhance returns.
- Disposed where value accretive.

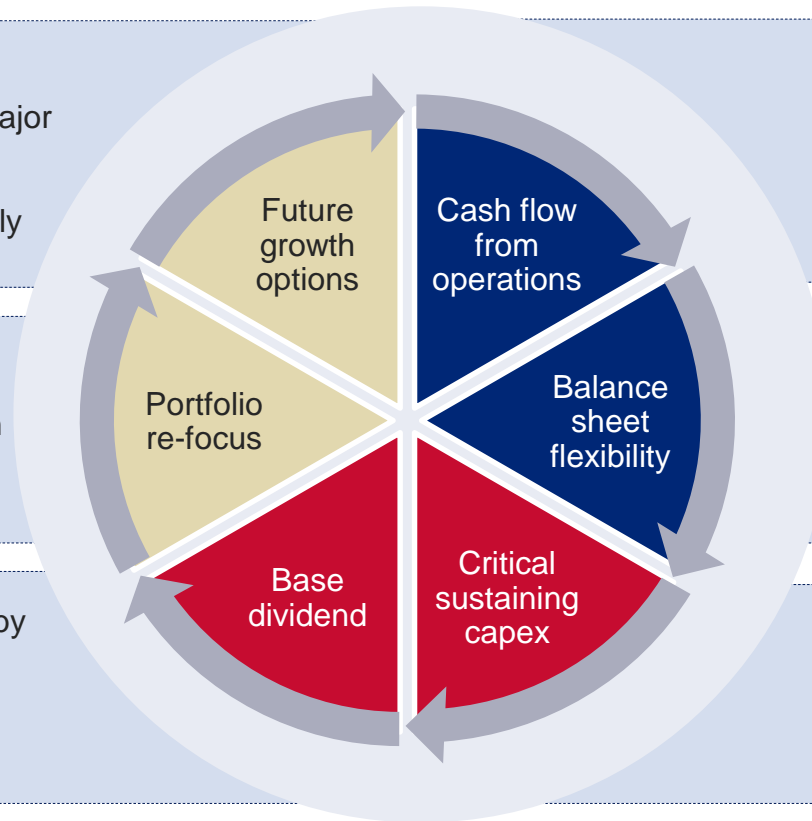
CAPITAL ALLOCATION

“Disciplined capital planning to achieve our balance sheet objectives whilst maximising the value of the business”

- **Strict value criteria** applied.
- **Syndication considered** on major projects.
- **No major project** approval likely before dividend reinstated.

- Disposals must be for **value**.
- Discretionary capital focused on **Leading Positions** (De Beers, Platinum, Copper).

- Target to re-introduce dividend by end 2017 (paid in H1 2018).
- **Payout ratio** to ensure sustainability through the cycle.



- 2016 cost and volume savings of **\$1.6bn** targeted.
- Working capital improvement of \$0.5bn delivered in June.

- 2016 year end net debt **<\$10bn**.
- 2016 year end net debt/EBITDA **<2x**.
- Investment grade rating targeted.

- Total capex **<\$2.5bn in 2017**.
- Sustainable total capex excluding growth ~\$2.5bn.

DELIVERING CHANGE TO UNLOCK OUR POTENTIAL

1

Repositioning Our Portfolio

- **Key project delivery:** Minas-Rio, Barro Alto, Gahcho Kué and Grosvenor.
- **Disposal programme** continues to drive focus on highest priority assets.
- **Restructured with 41% fewer people** and **26 fewer assets** than 2013.

2

Driving Operational Improvement

- **Operating model** roll out is driving operational improvements.
- **Unit costs down by 33%** in CuEq terms since 2012.
- **Capex continues to reduce** as major projects are delivered.

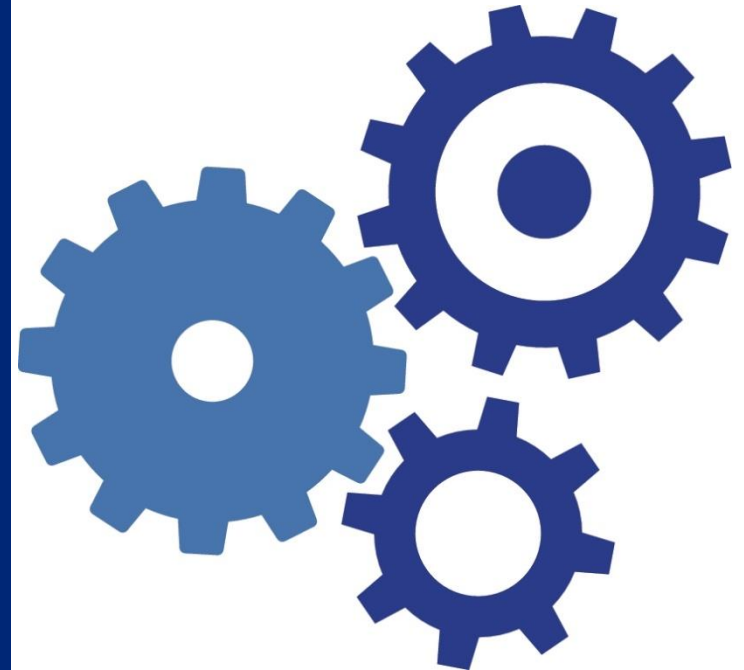
3

Delivering Balance Sheet Flexibility

- **Net debt below \$10bn** by year end.
- **Net debt to EBITDA less than 2x** targeted in 2016.
- **Targeting investment grade rating** and by end 2017 **dividend re-introduction**¹.

(1) Payable in H1 2018. Subject to commodity prices performance.

**REDEFINING MINING
THROUGH OPERATING
BEST PRACTICE AND
INNOVATION**



OPERATING MODEL – THE FOUNDATION

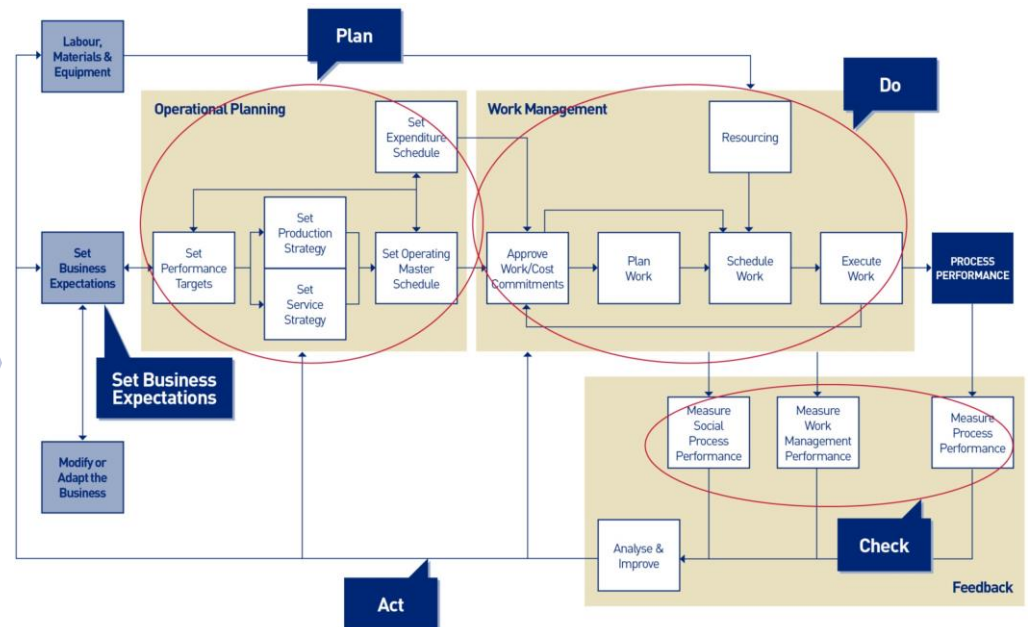
- Operating Model is our **operating and technical platform**
- 3 essential components that are interlinked – initial focus on Work Management but key elements of Operational Planning and Feedback now in place
- Work Management **ensures execution**
- **Applying high capability technical expertise** to better define the operating parameters and practices in the business
- **Analysis and monitoring** to measure and define the next level of improvements – resets the planning parameters

The theory behind the Operating Model

- Doing the **right work** at the **right time** and in the **right way** will deliver the required performance
- Work that is **planned, scheduled** and properly **resourced** ahead of execution will deliver consistently and at lower cost
- An **engaged workforce** will be the most productive

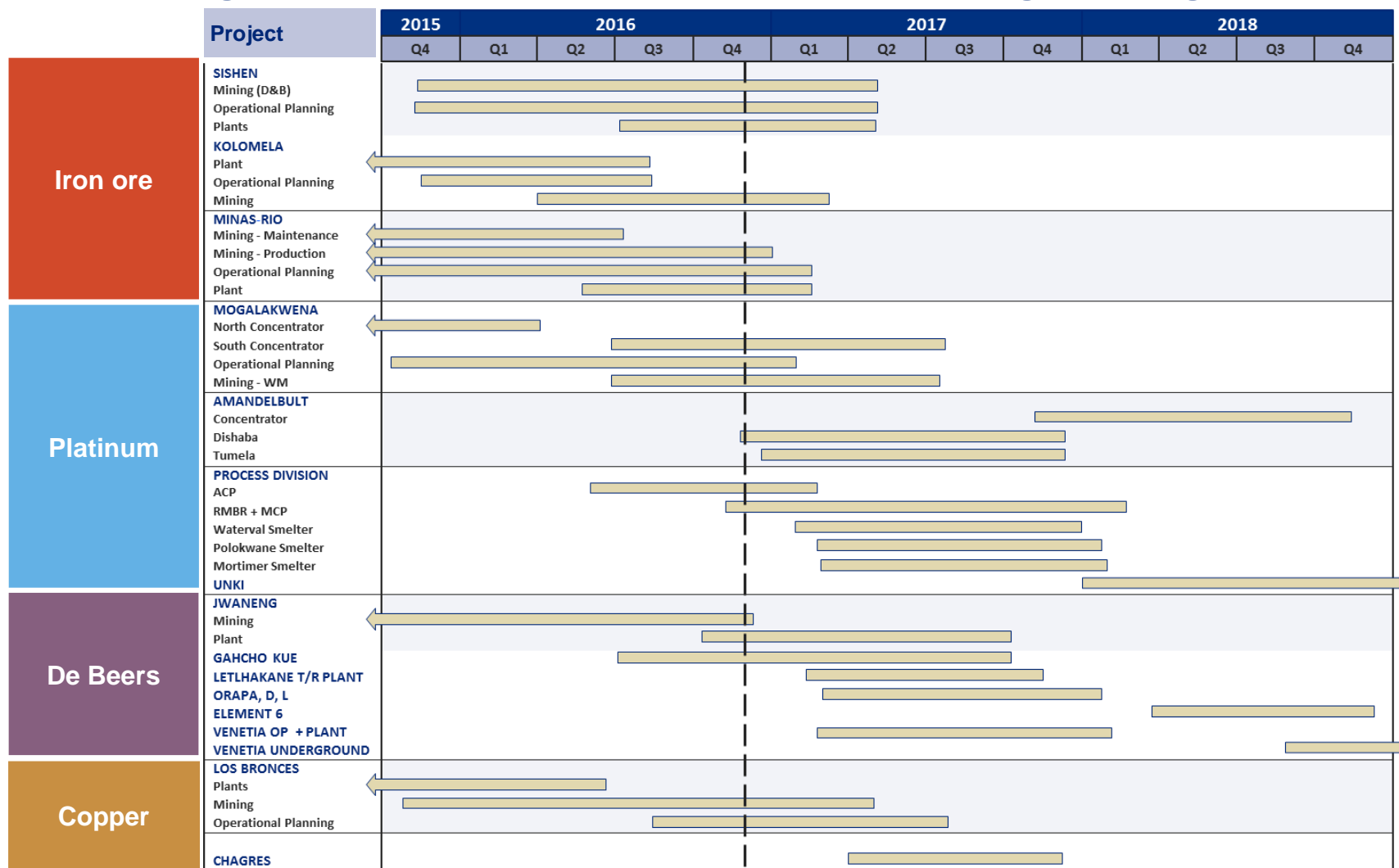
Three basic themes

- 1) Produce process **stability**
- 2) Reduce process **variation**
- 3) Provide **clarity** of purpose, conditions and roles



IMPLEMENTATION WELL UNDER WAY – MULTI-STAGE PROCESS

Work management continues with operational planning ramping up



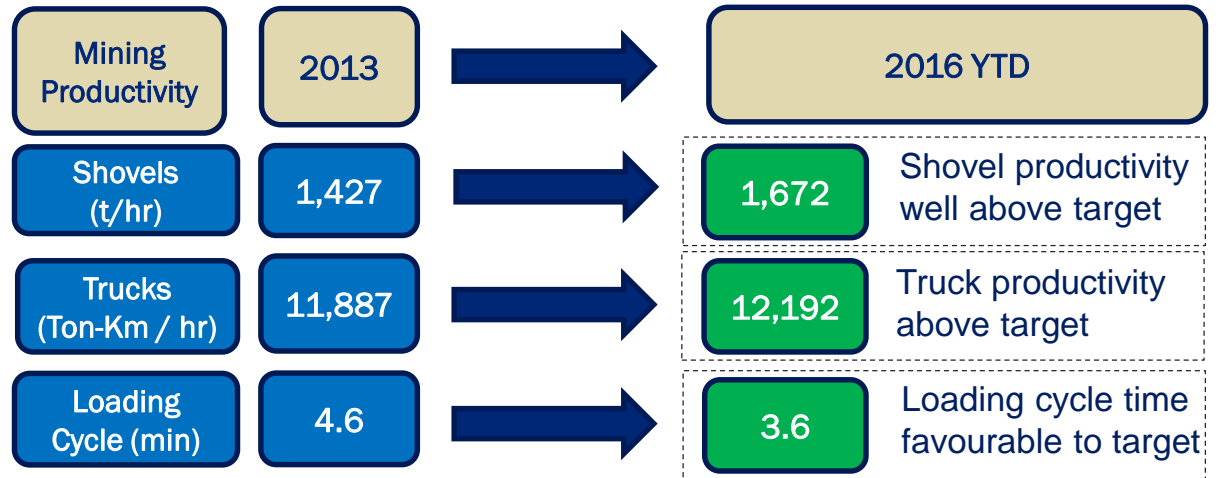
November 2016

*WM = Work Management OP = Operational Planning

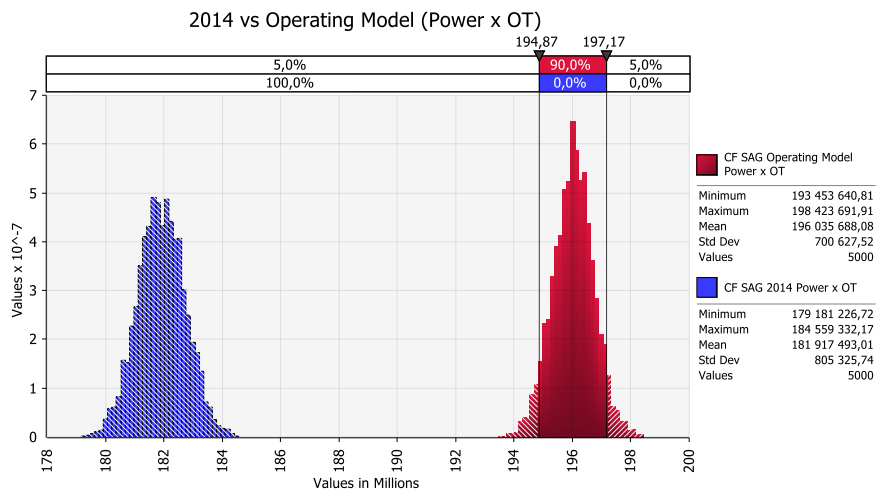
OPERATING MODEL – IMPACT SHOWING IN THE NUMBERS

Jwaneng - live in September 2016

- Mining productivity benefits already being realised through the implementation process
- Additional productivity benefits expected after ramp-up and stabilisation



Los Bronces – Confluencia SAG Power



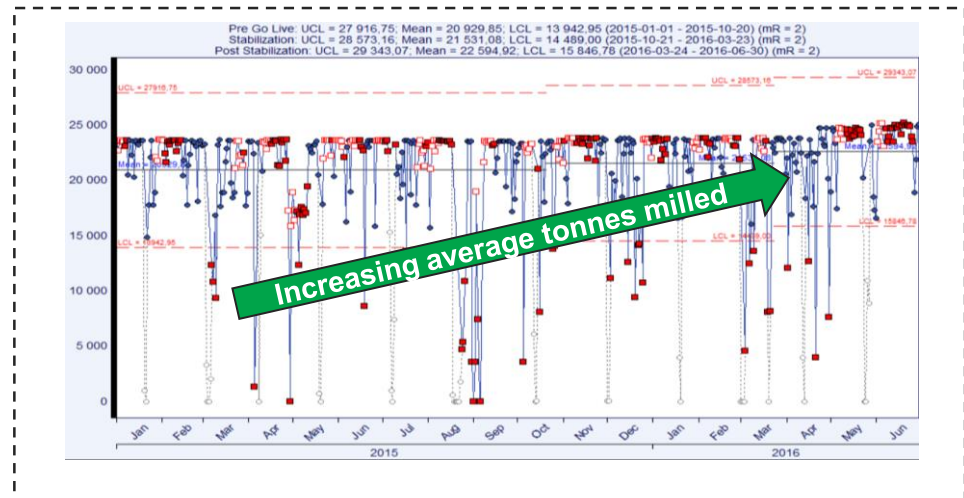
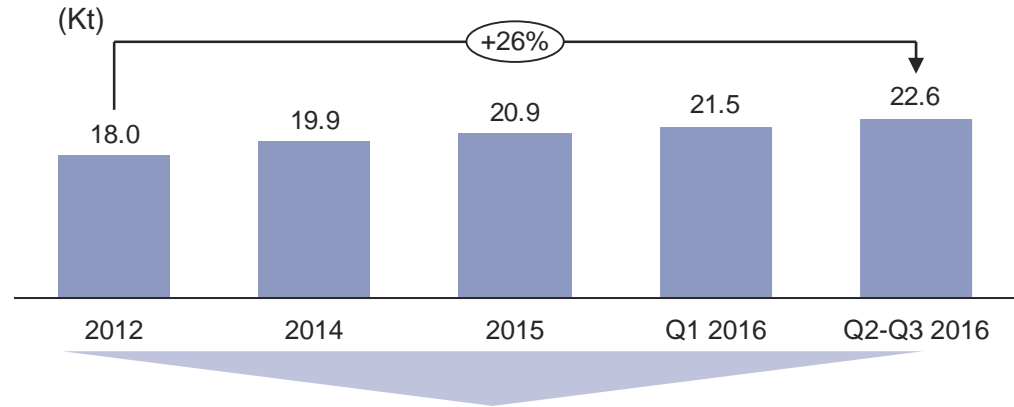
- Implementation provided stability in the process to not only improve capability but also reduce the variation
- Results in increasing power capacity in the SAG mill by 8-10%
- Partial mitigation of the impacts of increasing hardness of ore

MOGALAKWENA NORTH CONCENTRATOR

Technical Expertise combined with the Operating Model Implementation

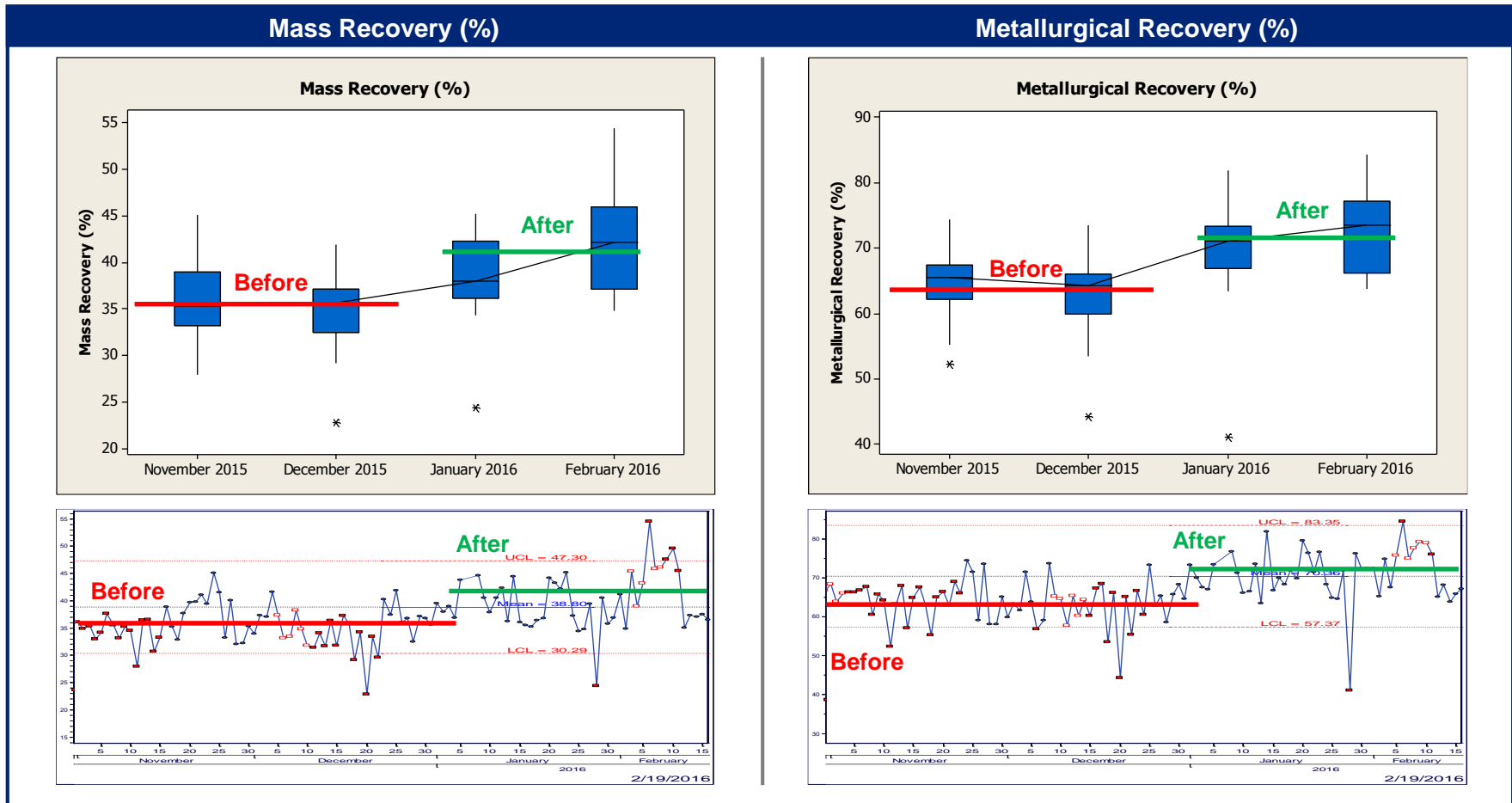
- Operating Model live in December 2015
- To date it delivered:
 - 26% increase in tonnage throughput from 2013
 - 40koz increase in platinum produced from 2014 without an adverse effect on recovery
- Avoided ~\$200m in capital for De-Bottlenecking project:
 - Resets the parameters for any future expansion

Tonnes Milled (daily average)



MINAS-RIO – BENEFITS OF STABILITY & ORE CONTROL

- Stability of processing plant and proper ore blending have led to recovery improvements
- Defining the operating parameters, work management and monitoring have delivered the benefits



FOCUS – CASH GENERATION

Delivering our targets

Jwaneng mine



OPERATING PERFORMANCE

In 2014 we highlighted “What good looks like”

Mining	“What good looks like”	
Drill & blast	➤ Mine-to-Plan compliance >90%	✓
Load & haul	➤ Payloads consistently at 95-100% of design	✓
Fleet utilisation	➤ Shift changeover of <30mins	✓
Fragmentation	➤ <2% of unloadable oversized material	✓

Processing	“What good looks like”	
Processing stability	➤ Adaptive processing to ensure stability	✓
Recovery optimisation	➤ Systems optimised to metallurgical response	✓

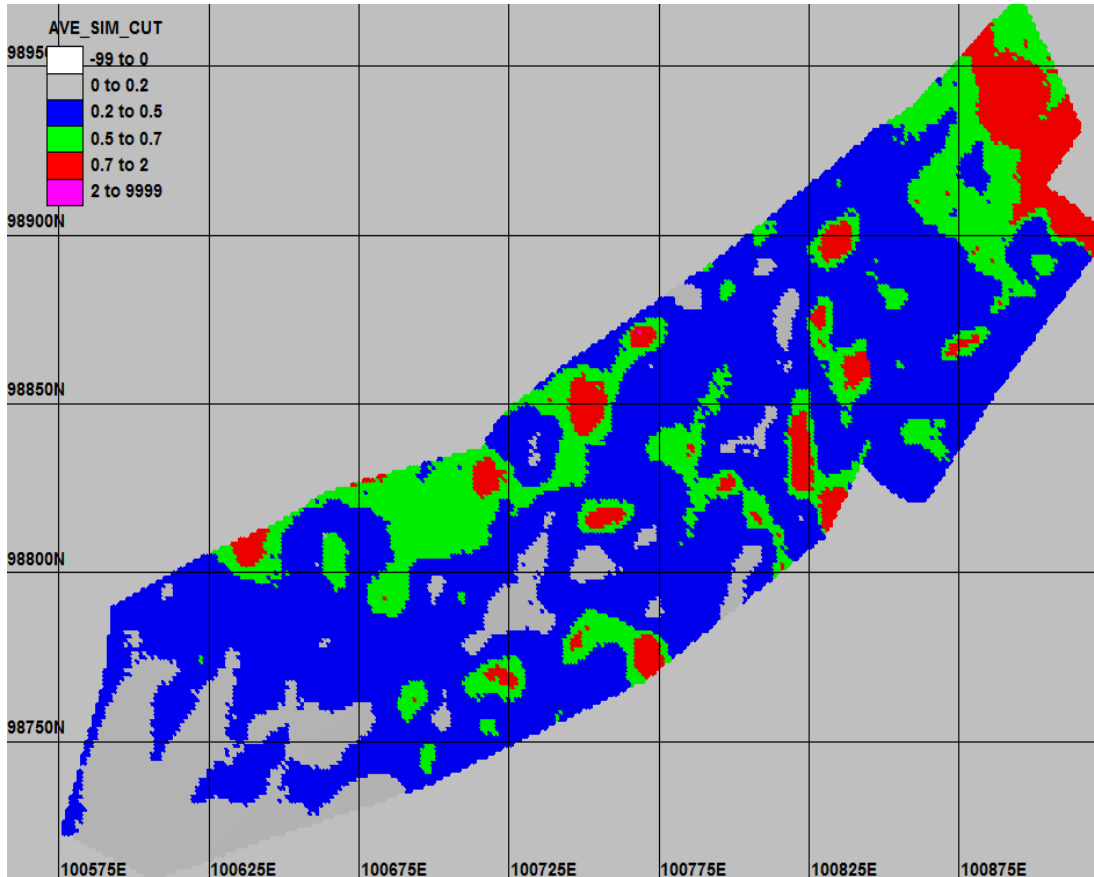
Asset Strategy	“What good looks like”	
Delivering design OEE*	➤ Plant OEEs of 90-95%	✓
Maintenance	➤ Active defect elimination process	✓
Fuel efficiency	➤ Fuel consumption reduced by 3-7%	✓

Geosciences	“What good looks like”	
Grade control and reconciliation	➤ Fully-integrated grade control system at all operations	✓
End-value estimation approach	➤ Recovered value rather than metal content	✓

* OEE = Overall Equipment Efficiency = availability x utilisation x appropriate performance factor

LOS BRONCES – END-VALUE ESTIMATION

Moving beyond 'grade only' to value based ore selection (VBOC)



Overview

- Ore control determines ore destination (flotation, leach, stockpile, waste)
- Traditional grade control has been based on copper grade only
- Additional value now realised by taking into account Molybdenum content, flotation and leach recovery

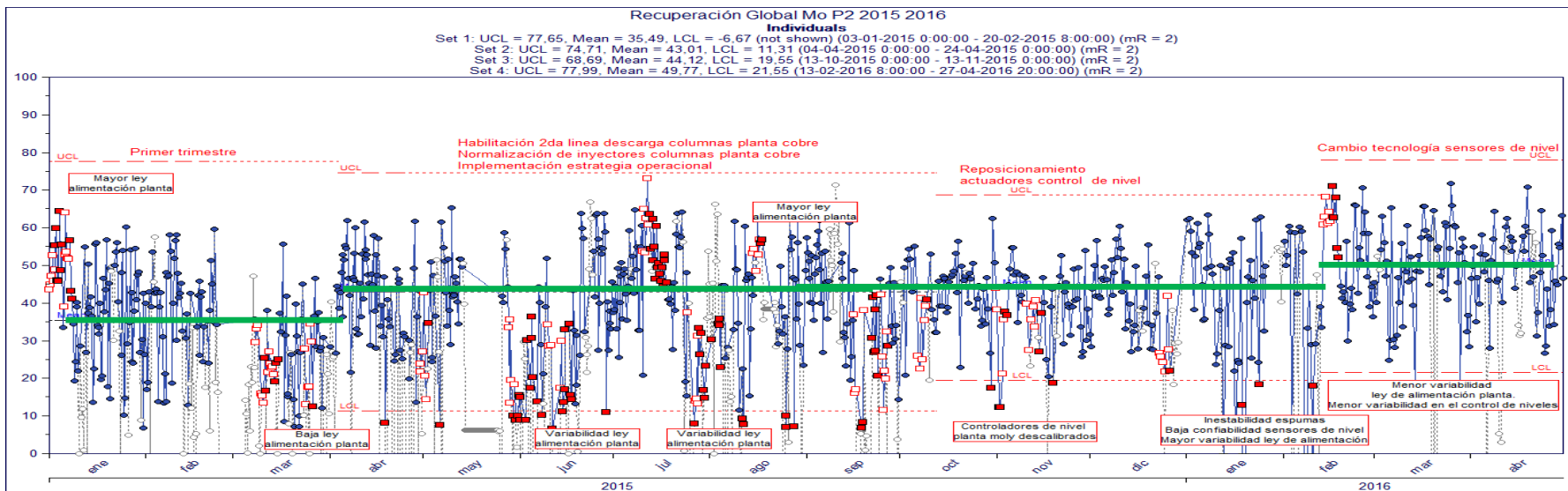
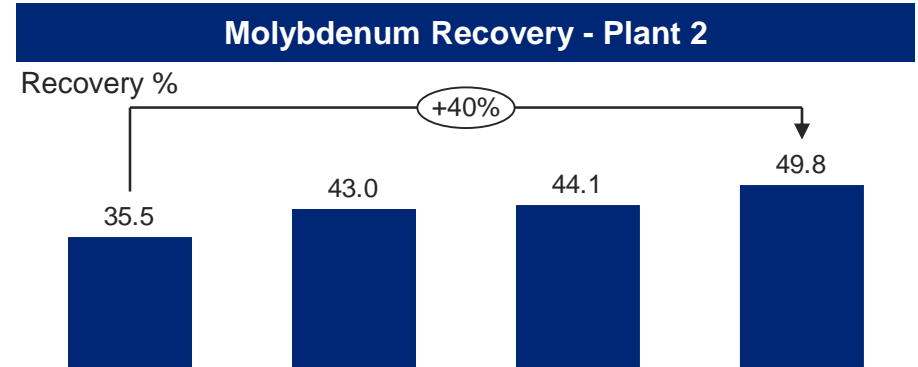
Outcomes

- The right minerals are sent to the right processing destination
- In 2015 an additional 25,000 tonnes of copper added to leach
- Estimated 2016/17 \$20–60m in additional value will be generated
- No capex requirement

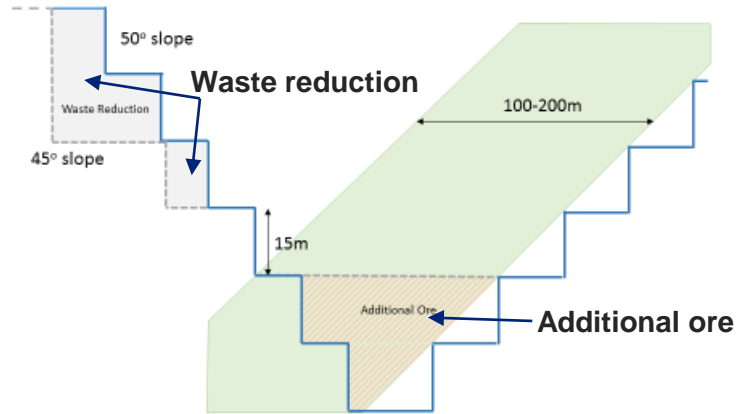
COPPER IMPROVEMENT – RECOVERY OPTIMISATION

➤ Over 40% improvement in molybdenum recovery with a ‘back to good technical basics’ approach, focussing on:

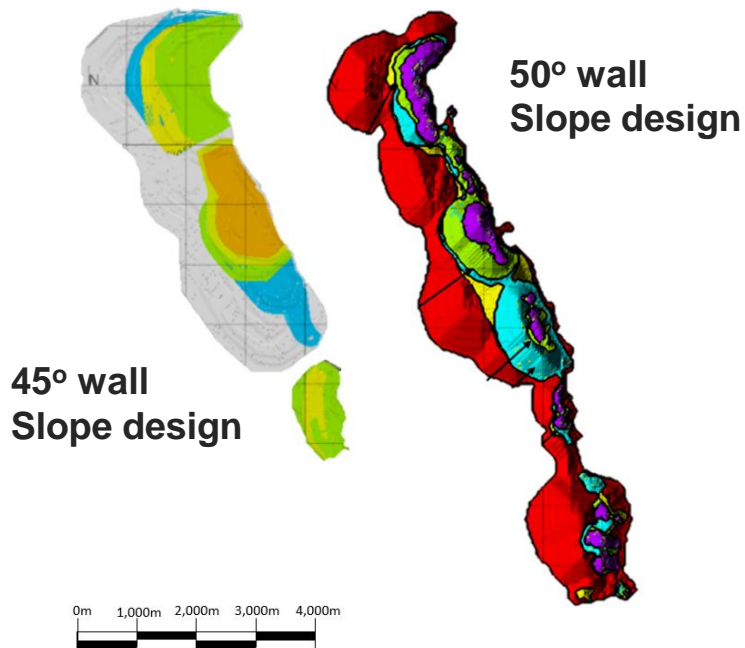
- Process Optimisation
- Process Efficiency



PIT SLOPE OPTIMISATION – MOGALAKWENA MINE



- \$700M increase in Discounted Cash Flow (+22%) over 15 years
- Phase 1 Project increased wall angles from 45 to 50 degrees
- 5 million tonnes less waste in 2017, and 15% reduction over next 15 years
- Waste to Ore stripping ratio reduced from 6.0 to 4.7
- Allows pit designs for mine extensions and deeper mining



WHAT DOES THE FUTURE LOOK LIKE

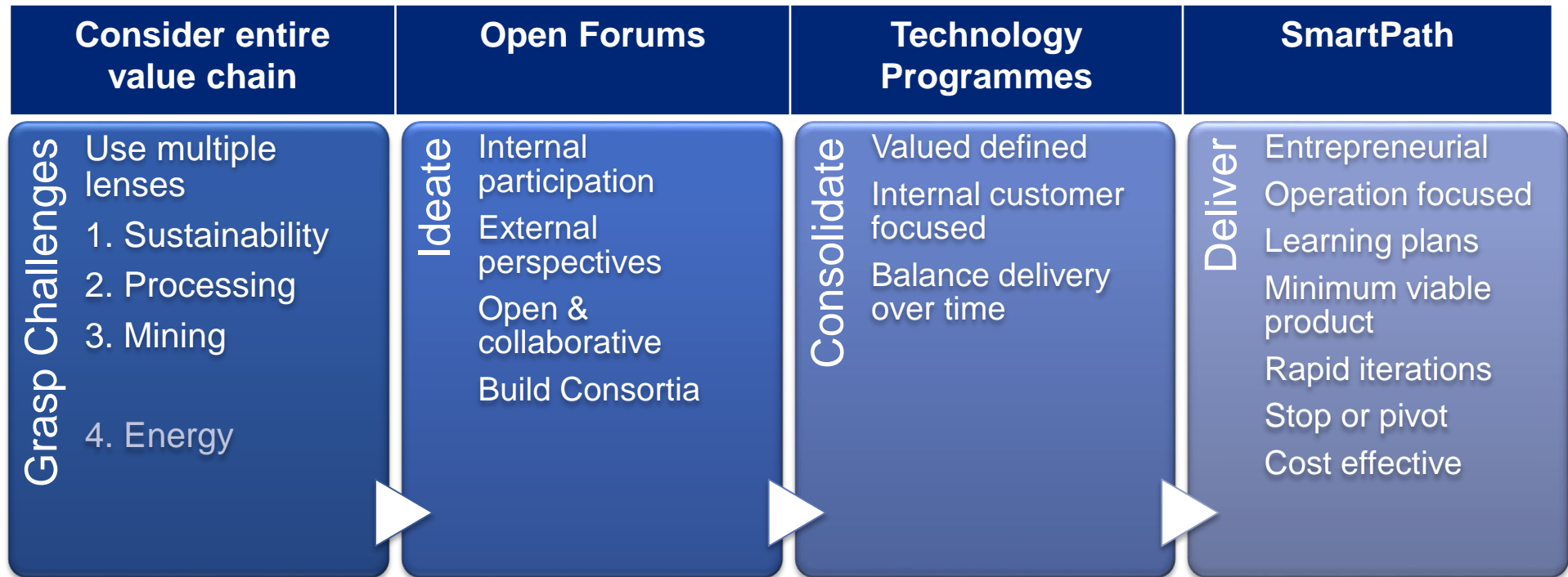
Redefining Mining



Polokwane smelter robotics

REDEFINING MINING INNOVATION – A FRESH APPROACH

Our opportunity is to aggressively move to leading edge performance with rapid adoption of current / near technologies...



'I can't understand why people are frightened of new ideas. I'm frightened of the old ones.'

John Cage

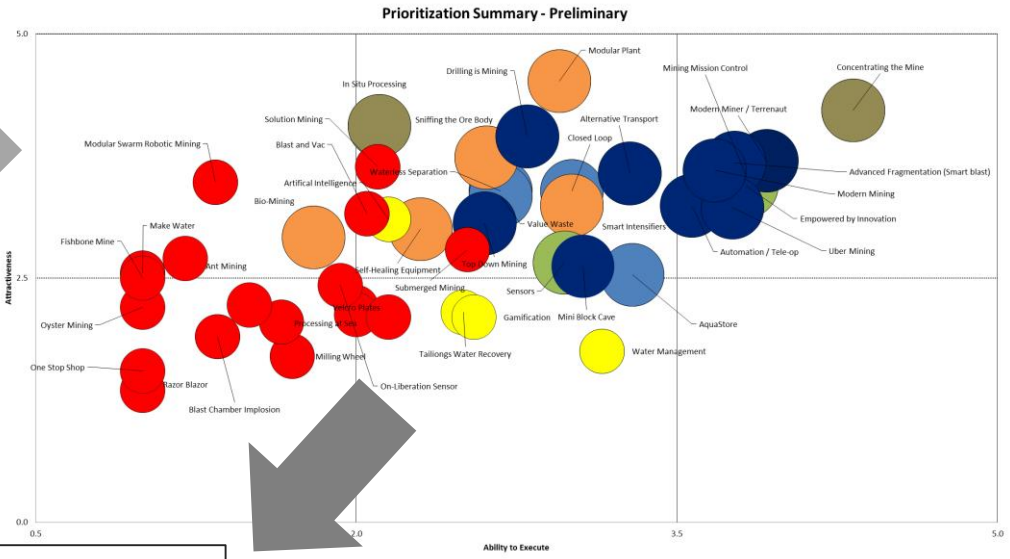
OUR OPEN FORUM – COLLABORATIVE IDEATION



~4500 ideas...



~50 themes



9 Programmes

Sustainability (Water)

- Closed loop water system
- Waterless Separation

Processing

Concentrating the mine

- Modular Plant
- Smart Intensifiers

Mining

- Alternate Transport
- Modern Mine
- Swarm Robotic Mining

System-Wide Enablers

Mining Mission Control: Big data, data science and machine learning

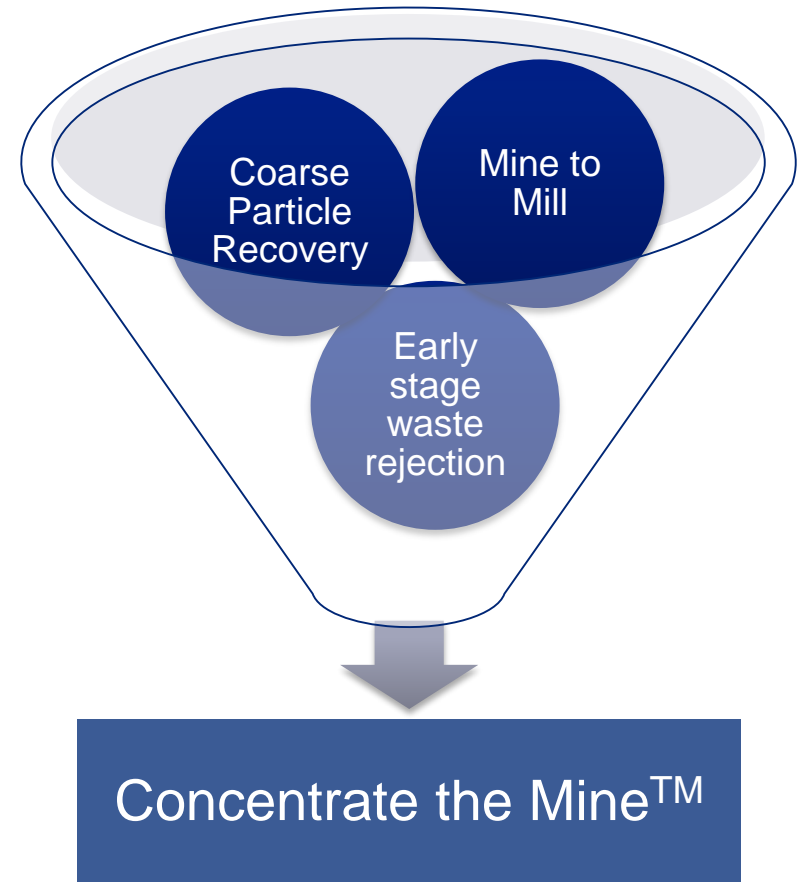
STEP CHANGE IN CAPITAL EFFICIENCY - CONCENTRATE THE MINE

Objective and approach

- Increase plant throughput by improved ore fragmentation
- Increase the effective head grade - early stage waste rejection
- Incorporate coarse particle recovery

Possible outcomes

- Reduced cut-off grade
- Reduced tailings waste generation
- Reduced water usage and energy intensity
- Increased productivity



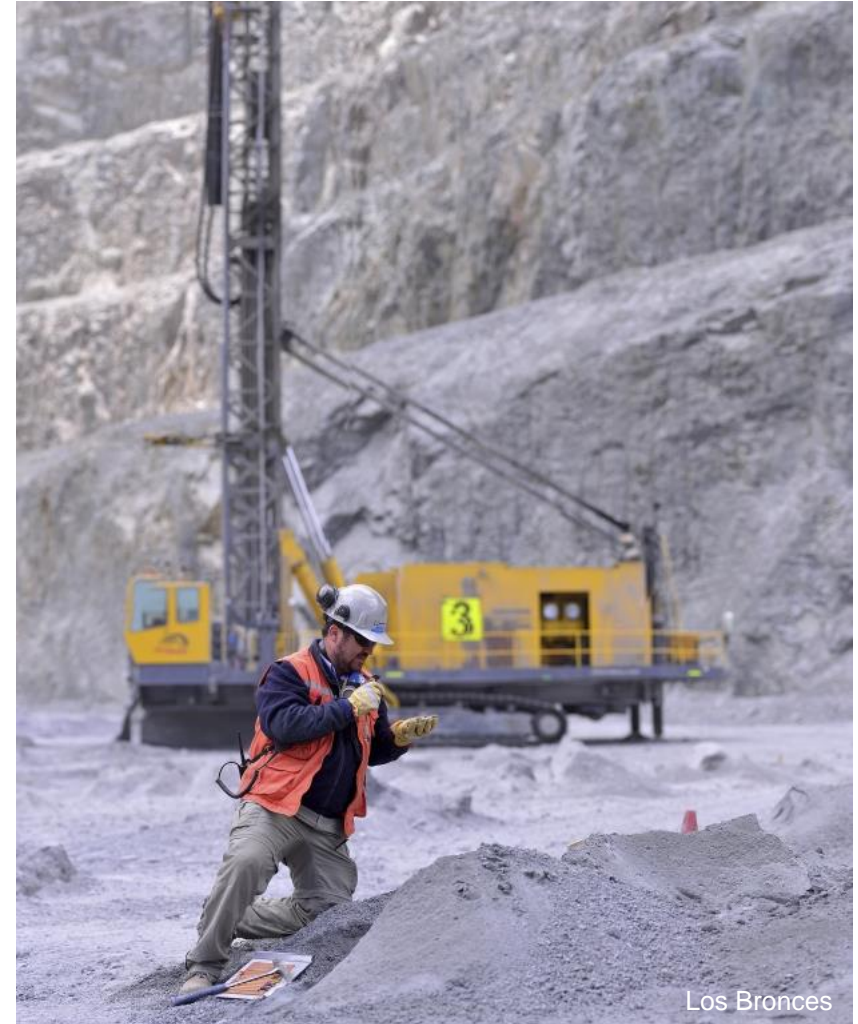
CONCENTRATE THE MINE – ADVANCED MINE TO MILL

Approach

- Applying advanced blasting techniques
 - High energy explosives (VOD ~6000 m/s)
 - Short inter-hole delay timing to increase explosive energy interaction
 - Detailed timing sequence to encapsulate blast volume and buffer vibration levels
 - 25% improved energy distribution

Early Results

- 7% increase in throughput for hard ores
- 84% reduction in blast vibrations
- 38% reduction in fragmentation distribution



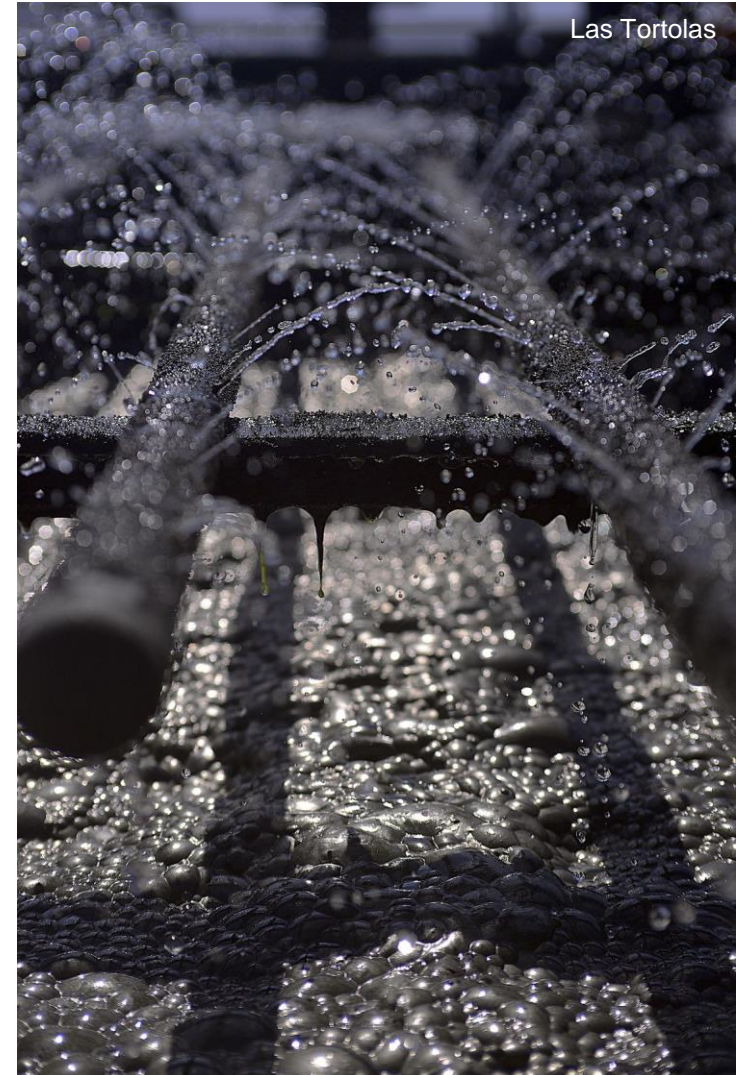
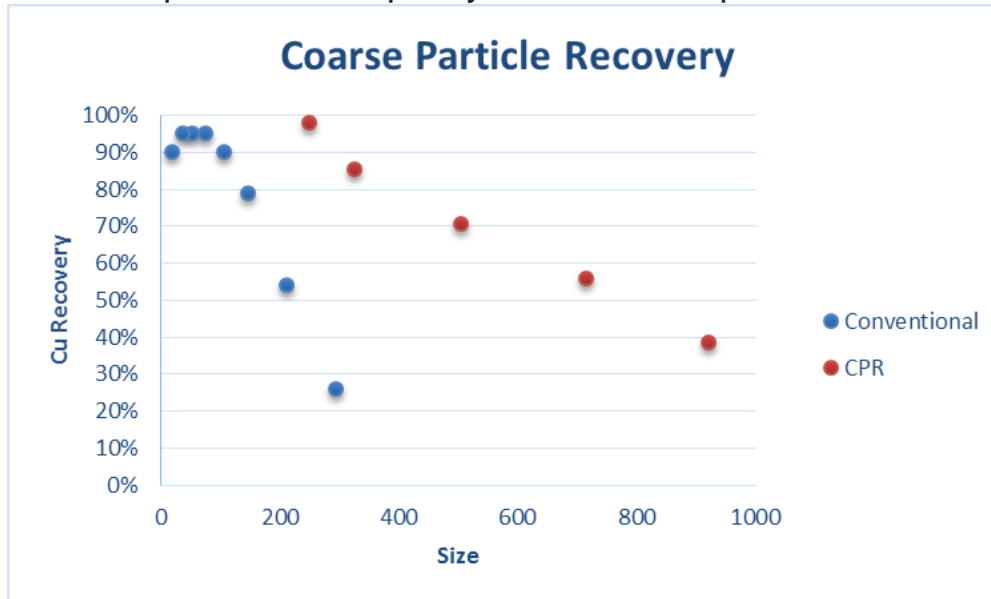
CONCENTRATE THE MINE – COARSE PARTICLE RECOVERY

Approach

- Employing new technology to coarsen the grind size while maintaining recovery

Indicative results of modified process

- Reduce grinding energy by 20-30%
- Reduce conventional tailings volume to 20% and water make up to 30%
- Unlock production capacity at reduced capital



OUR ASPIRATION – TOWARDS DRY TAILINGS

Water efficiency is a step-change opportunity

- Efficiency enables increased throughput
- Improves expansion opportunities to develop new mines in water-stressed areas
- Reduces safety and environmental risks

Two approaches

- 1) Create less fines using coarse particle recovery
- 2) Remove interstitial water

Results

- Increased water recycling
- Ability to dry stack tailings (safer through stability)
- Significant potential for smaller or no tailings dams



QUESTIONS