AngloAmerican

JEFFERIES COPPER & BASE METALS SUMMIT

Ruben Fernandes - Base Metals CEO

Real Mining. Real People. Real Difference.

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Throughout this presentation a range of financial and non-financial measures are used to assess our performance, including a number of financial measures that are not defined or specified under IFRS (International Financial Reporting Standards), which are termed 'Alternative Performance Measures' (APMs). Management uses these measures to monitor the Group's financial performance alongside IFRS measures to improve the comparability of information between reporting periods and business units. These APMs should be considered in addition to, and not as a substitute for, or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS. APMs are not uniformly defined by all companies, including those in the Group's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies.

ASSET QUALITY FOCUS

Diamonds

World leader

55% mining EBITDA margin

Copper

Quality growth

44% mining EBITDA margin

PGMs

World leader

38% mining EBITDA margin

Bulks

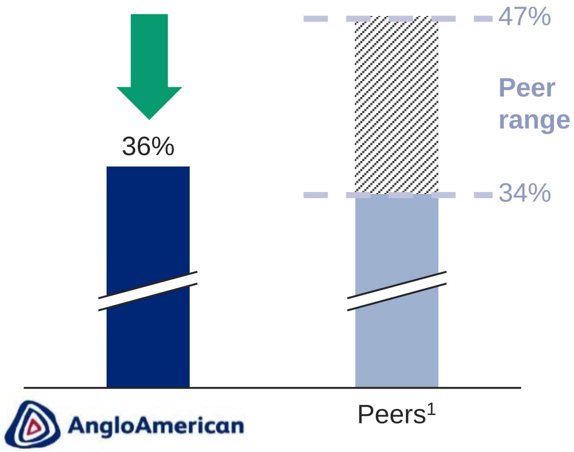
Quality products

47% mining EBITDA margin

WELL POSITIONED FOR OUR NEXT TRANSFORMATION

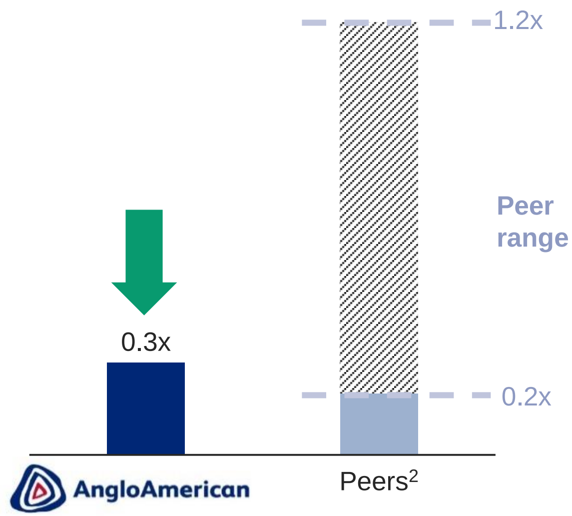
Competitive

Average quality adjusted cost curve position



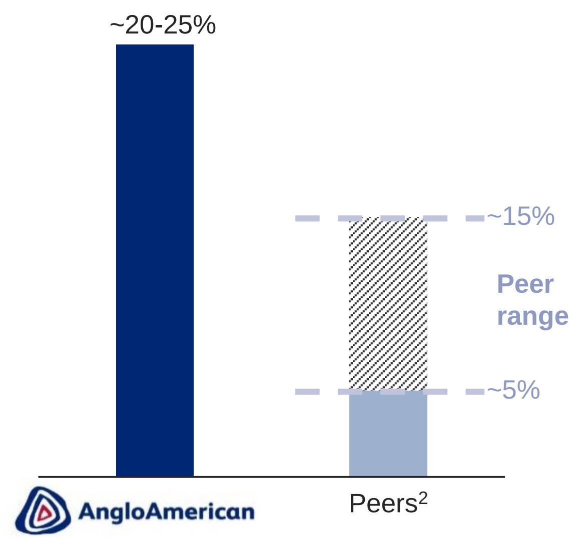
Sustainable

Net debt:EBITDA



Differentiated

Cu Eq growth[3] 2018-2023



A WORLD CLASS COPPER BUSINESS

OUR COPPER PORTFOLIO

Collahuasi	Los Bronces	Quellaveco
		
3rd Largest endowment in the world	**~55Mt** Contained Cu in Mineral Resources[4*]	**Q1** Cost curve position
105c/lb C1 unit cost	**370kt** 2018 production	**30 year** Reserve Life[5]

*Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

A WORLD CLASS COPPER BUSINESS

A transformed business

~630-660kt
2019 production guidance

Q2
C1 unit cost: Lowest since 2010 with more to come…

Portfolio strength

~1Mtpa
Production (post Quellaveco)

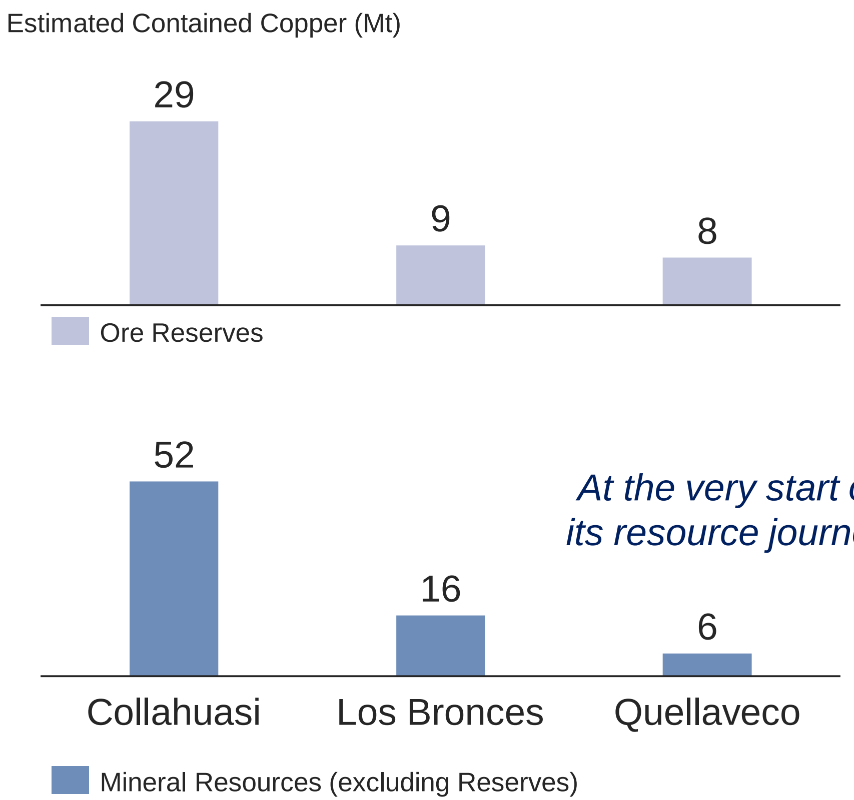
~120c/lb
Future C1 unit cost

Disciplined growth

Organic growth delivered from Quellaveco & optionality at Los Bronces & Collahuasi

A TRANSFORMED BUSINESS OFFERING ORGANIC GROWTH

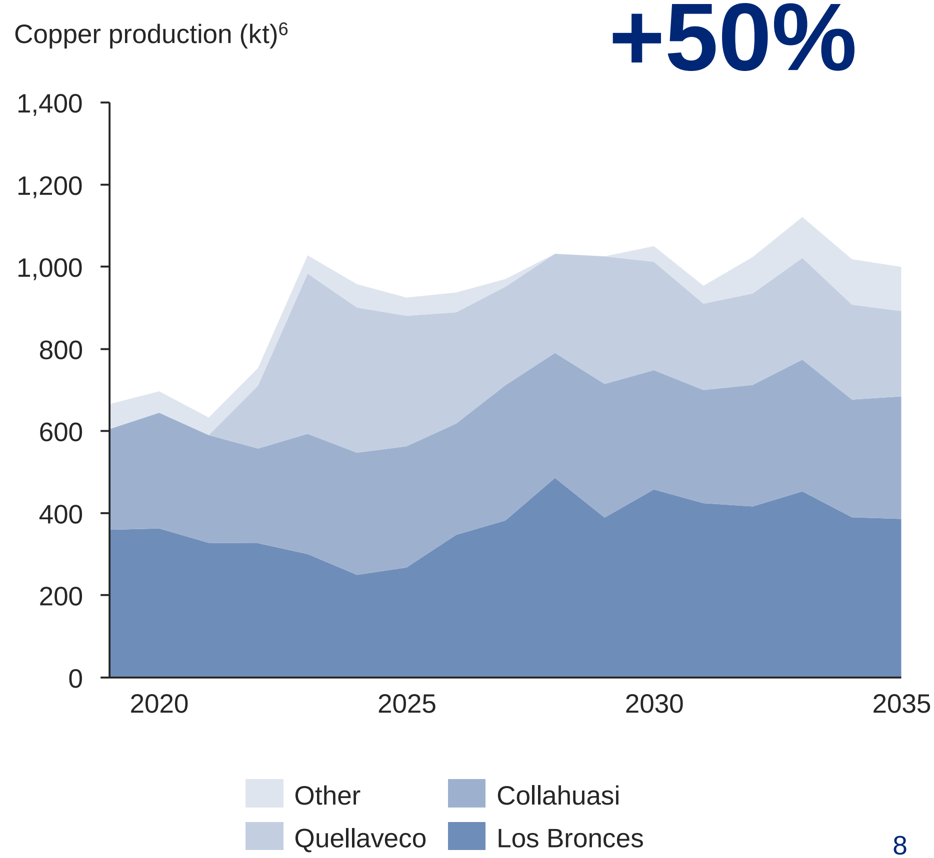
High quality, long life assets[4]



At the very start of its resource journey

Growth in quality volumes

+50%



Please refer to the AA plc Ore Reserves and Mineral Resources Report 2018 for the tonnes, grades and a breakdown of the classification categories.

QUALITY GROWTH

VALUE ACCRETIVE GROWTH FOR OUR SHAREHOLDERS

Growth in...

quality volume → **margins** → **returns**

within disciplined capital allocation framework

QUELLAVECO: A WORLD CLASS COPPER PROJECT

Meaningfully de-risked	Focus on execution	Attractive returns
Successfully syndicated a well understood ore body	**All key permits in place & significant early works**	**Low cost with significant further potential**
Implied NAV **$2.7bn**	**Payback** **4 years** From first production (2022)	**EBITDA margin** **>50%** Average over first 10 years
Grade **~0.84% TCu** In first 5 years	**Dialogue table** **26** Commitments	**ROCE** **> 20%** Average over first 10 years

COLLAHUASI: SIGNIFICANT EXPANSION POTENTIAL

A high quality, long-life asset

Our 44% share:

Incremental production from 2024

+80 ktpa

Capex

$0.9-1.1bn

Margin

>50%

With further expansion optionality

LOS BRONCES UNDERGROUND: SUSTAINABLE GROWTH

Unique design credentials unlocking a significant endowment with competitive returns

~3bn tonnes
Inferred Mineral Resource

Sustainable design

No impact on glaciers

No impact on nature reserve

No increase in water consumption

No increase in tailings dam capacity

Uses existing processing plants

No additional traffic on the G-21 road

~150ktpa
Incremental production[7]

~125c/lb
C1 unit cost[7]

~1.16% TCu
Grade of Inferred Mineral Resources[4]

Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

TECHNOLOGY & INNOVATION

STEP-CHANGE IN PERFORMANCE & SUSTAINABILITY

Operating Model

P101

Exceeding industry best-in-class equipment & process performance

Technical change

FutureSmart Mining™

Game-changing technology; data analytics; sustainability

Incremental improvement | **Step-change**

AngloAmerican

INNOVATING TO DRIVE STEP-CHANGE

Bulk sorting

5% higher grade

25% higher throughput

↓ lower costs & energy

Coarse particle flotation

20% higher throughput

85% more water recovery

↓ lower costs & energy

A COPPER BUSINESS SET FOR THE FUTURE

FutureSmart Mining™

Energy	Water	Costs
Contributing to Group energy targets	**One step closer to a waterless mine**	**Lower operating costs**
Electricity 100% renewables certified from 2021 in Chile	**Bulk ore sorting implementation at Los Bronces**	**Reduction in mine equipment SIB capex**
↓ **>15%** Energy	↓ **>20%** Water consumption	↓ **>30%** C1 unit cost

INVESTMENT PROPOSITION

"Leading capabilities actively improving a world-class asset base to drive sustainable, competitive returns"

Assets	Capabilities	Returns
Focus on quality	Operating Model	Capital discipline
Long life	FutureSmart Mining™ Technology & Sustainability	Dividend payout ratio
Low cost growth optionality	Marketing Model	Strong balance sheet

FOOTNOTES

1. Source: Wood Mackenzie; AAP; De Beers; CRU. Includes non-AA mined commodities (e.g. zinc, bauxite). Excludes non-mining activities (e.g. petroleum, alumina/aluminium processing, marketing).
2. Peer range: leverage based on 2018. Growth based on data from external advisors.
3. Copper equivalent production is calculated using long-term consensus parameters. Excludes domestic / cost-plus production. Production shown on a reported basis. Includes assets sold, closed or placed on care and maintenance.
4. Estimates as at 31 December 2018. Please refer to the AA plc Ore Reserves and Mineral Resources Report 2018 for the tonnes, grades and a breakdown of the classification categories. The ~55Mt Contained Copper quoted as Los Bronces Mineral Resources includes Los Bronces Underground Project.
5. Reserve life from AA plc Ore Reserves and Mineral Resources Report 2018.
6. All figures stated on 100% basis except Collahuasi which is on a 44% basis.
7. First 10 years post full ramp up. Pre-feasibility study 2018.

APPENDIX

COPPER MARKET OUTLOOK

Supply

1 Limited new supply options

- Few new porphyry deposits
- Capital intensity and capital constraints
- Environmental issues and water scarcity
- Permitting
- Technical challenges

2 Geopolitical risk

- Resource nationalism
- Country risk / economic stability

3 Stakeholder management

- Government
- Local communities
- Labour

Short term demand

Market is in ‘risk-off’ mood

- China remains main driver for demand, with economy in major transition – fiscal/monetary policy influence
- Headline news and geopolitical tensions dominate market sentiment – funds are currently net short

Longer term outlook

Potentially attractive

- Copper is closely connected to the global improvement in living standards
- Global GDP growth and urbanization support copper demand
- Green economy presents upside

LOS BRONCES – SIGNIFICANT GROWTH OPTIONALITY

Current state	Growth options		Future state
Production[1] **~370 kt**	**Los Bronces Underground**	• Abundant high grade ore • Permit submitted Q1 2019	**Production** **400-500ktpa**
C1 Cost[1] **~\$1.45 / lb** 3rd quartile	**Synergies with Andina**	• Reduced mine interference • Increased extraction • Mine life extension beyond 2040	**C1 Cost** **~\$1.30 / lb** 2nd / 3rd quartile
Reserve life[1] **30 years**	**Coarse Particle Recovery**	• Utilising technology to increase throughput from existing infrastructure reducing costs & water consumption	**Potential to significantly increase Life of Mine**

1. Based on 2018 actuals.
2. Based on 2018 pre-feasibility study. Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

LONGER TERM GROWTH OPTIONS

Sakatti

- Located in Finnish Lapland, in an established mining district, close to infrastructure
- Smaller high grade ore body
- Pre-feasibility studies in progress

Los Bronces District

- Located adjacent to proven production assets
- Synergies with existing infrastructure
- Attractive mineralisation

West Wall

- Located in strategic centre of Chile
- Close to port infrastructure, 150km from the project

Discovery

- Targeting deposits that can deliver high cash flows & strong returns
- Los Bronces & Quellaveco near-asset projects
- Exciting prospective districts in diversified geographies, including Brazil, Zambia, Australia & Ecuador

PROSPECTIVE DISTRICTS IN DIVERSIFIED GEOGRAPHIES

Brazil Cu-Au

>22,000km^2 granted & under application.

Zambia Cu-Co

>10,000km^2 granted (Zambezi West)

Australia Cu

>10,000km^2 granted & under application (Mt Isa South & Diamantina)

Ecuador Cu-Au

Prime position secured, >600km^2

Angola Cu-Ni-PGE

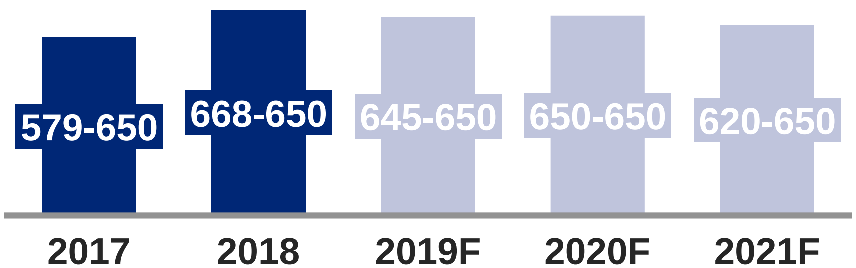
>30,000km^2 under application

High-Priority Near Asset Discovery Projects

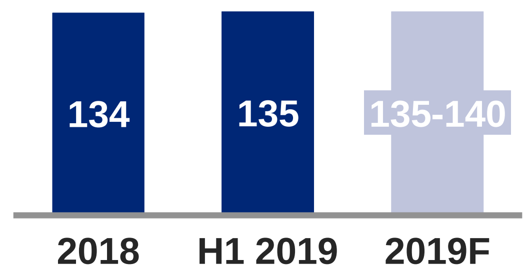
- Mogalakwena/Northern Limb: PGE-Ni-Cu
- Los Bronces District: Cu-Mo
- Quellaveco District: Cu-Mo

GUIDANCE & EARNINGS SENSITIVITIES

Production (kt)[1]



C1 unit costs (c/lb)



Earnings sensitivity (H1 2019[2]) based on 10% movement in price

	30 June spot	Average realised	EBITDA ($m)
Copper (c/lb)[2]	271	280	193
Chilean peso	680	676	34

1. Copper business unit only. On a contained-metal basis.
2. Reflects change on actual results for H1 2019. Includes copper from both the Copper & PGMs Business Units.

QUELLAVECO FINANCIAL MODELLING

Ownership	Anglo American 60%, Mitsubishi 40%
Accounting treatment	Fully consolidated with a 40% minority interest Shareholder loans from minority shareholder to be consolidated in Anglo American Group net debt
Project capex (nominal)	$5.0-5.3 billion (100% basis - Anglo American share 60%, Mitsubishi share 40%)
Construction time / first production	<4 years, from August 2018. First production in 2022
Production (copper equivalent) (ktpa)	~330 average over first five years ~300 average over first 10 years ~240 average over 30 year Reserve Life
By-products	~6ktpa contained molybdenum (average over first 10 years), with silver content
C1 cash cost ($/lb) (real)	0.96 average over first five years 1.05 average over first 10 years 1.24 average over 30 year Reserve Life
Grade (%TCu)	0.84% ROM average over first five years 0.73% ROM average over first 10 years 0.57% average over 30 year Reserve Life
Stay-in-business capex (real)	~$70 million pa
Tax rate	~40%

QUELLAVECO FINANCIAL MODELLING

- Anglo American consolidates 100% of Quellaveco's P&L and Balance Sheet.
- Mitsubishi's 40% share is shown as a non-controlling interest.
- After the initial $0.8bn equity injection by Mitsubishi, the project is expected to be funded 60:40 through shareholder debt.
- Group net debt by the end of the project is expected to include ~$1.7bn debt from Mitsubishi (40% of shareholder debt); which is funded from their 40% of Quellaveco.

Illustrative project spend post approval (mid-point of capex range)

$bn	2018	H1 2019	H2 2019	FY 2020-2022	Total
100% project capex	0.3	0.5	0.9	3.4	5.1
Less: subscription	(0.3)	(0.5)	-	-	(0.8)
Net capex	**-**	**-**	**0.9**	**3.4**	**4.3**
Our 60% share	-	-	0.5	2.1	2.6
Mitsubishi 40% share	-	-	0.4	1.3	1.7

Consolidated net debt (cash funded by Anglo and reported within **growth capex**).

Consolidated net debt (cash funded by Mitsubishi but reported within our **other net debt movements**).

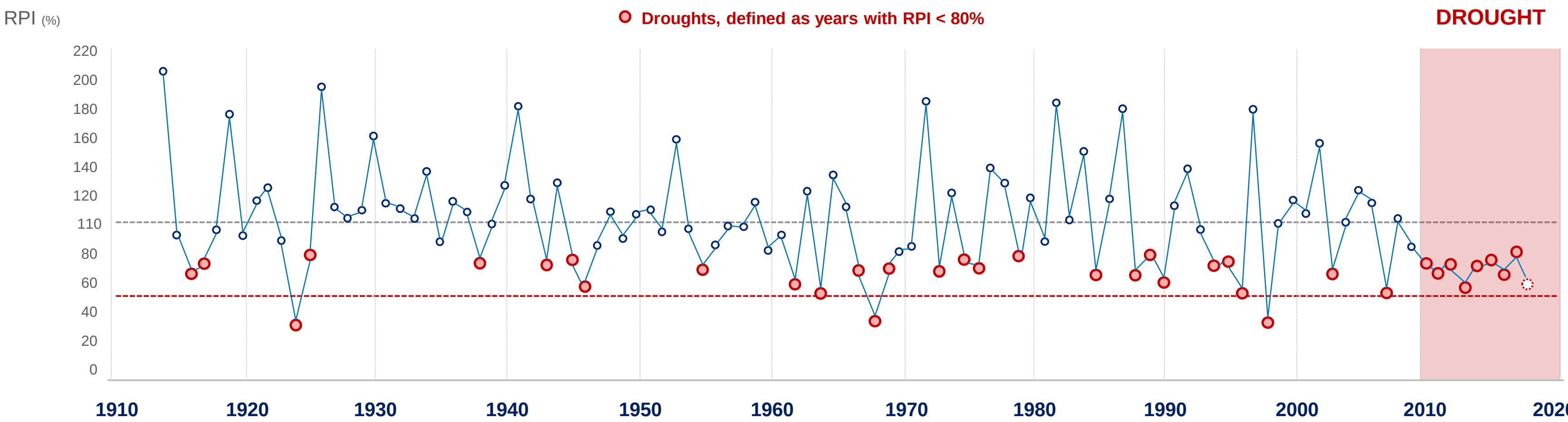
*Reported in '**Other net debt movements**' in 2018 - representing cash received but not spent at 2018 year end.*

*Reverses with $0.5bn outflow in 2019 '**Other net debt movements**' representing pre-funded capex.*

WATER IS A STRATEGIC IMPERATIVE

Recent, intense Chilean droughts ... coupled with water licensing constraints

Annual series of Central Chile regional precipitation index[1]



… are being addressed through innovative, sustainable and integrated water solutions

Water efficiencies & recycling	**Waterless Mining**	**Tailings water efficiency & storage optimisation**
Desalination plants	**Alternative water sources, including reservoirs**	**Pipeline upgrade & contingency plans**

1. Source: wileyonlinelibrary.com/journal/joc © 2019 Royal Meteorological Society