

## NEWS RELEASE

21 October 2010

**Anglo American plc  
Interim Management Statement  
Production Report for the third quarter ended 30 September 2010**

### Overview

- Platinum refined production increased by 11% to 697,000 ounces and expect to achieve full year target of 2.5 million ounces
  - Year to date cash operating costs of R11,647 per equivalent refined platinum ounce
  - Labour productivity increased by 4%
- Copper production decreased by 9% to 153,400 tonnes, mainly due to expected lower grades, ore hardness and scheduled maintenance at Los Bronces
- Nickel<sup>(1)</sup> production increased by 16% to 5,700 tonnes
- Iron ore production was flat at 11.8 million tonnes and showed a 3% increase compared to the second quarter of 2010
- Metallurgical coal production from the Australian operations increased by 26% to 4.0 million tonnes
- Thermal coal production decreased by 2% to 22.2 million tonnes
- Diamond production increased by 15% to 9.0 million carats
- 36,000 tpa Barro Alto nickel project, on schedule to more than double nickel production, was 98% complete at the end of Q3 2010. First production is expected in Q1 2011
- Further strengthening of balance sheet through US\$1.25 billion bond issue
  - US\$750 million 2.150% Senior Notes Due 2013
  - US\$500 million 4.450% Senior Notes Due 2020

Preliminary Results for the full year to 31 December 2010 will be announced on 17 February 2011.

This report forms Anglo American plc's Interim Management Statement for the purpose of the UK Listing Authority's Disclosure and Transparency Rules.

<sup>(1)</sup> Nickel production from the Nickel Business Unit

### Anglo American plc

20 Carlton House Terrace London SW1Y 5AN United Kingdom

Tel: +44 (0)20 7968 8888 Fax: +44 (0)20 7968 8500

Registered office as above. Incorporated in England and Wales under the Companies Act 1985. Registered Number 3564138

<b>Platinum</b>		Q3 2010	Q3 2009	Q3 2010 vs. Q3 2009	Q2 2010	Q3 2010 vs. Q2 2010
<b>Refined</b>						
Platinum	000 oz	697	629	11%	554	26%
Palladium	000 oz	405	338	20%	294	38%
Rhodium	000 oz	89	92	-3%	67	33%
Nickel	t	4,300	5,500	-22%	4,800	-10%
<b>Equivalent refined</b>						
Platinum	000 oz	648	617	5%	601	8%

**Platinum** – Refined production increased to 697,000 ounces, 11% higher than Q3 2009 and 26% higher than the prior quarter, largely driven by an increase in own mines' production, most notably at Mogalakwena, Thembelani and Tumela. Processing performance was in line with expectations during the quarter. Platinum remains confident that it will meet its full year production target of 2.5 million ounces of refined platinum.

Equivalent refined platinum ounces from mining and purchase activities amounted to 648,000 ounces, 5% higher than Q3 2009 and 8% higher than the prior quarter, mainly due to an increase in own mines' production, partly offset by lower purchases from third parties. The Q3 2009 production results included some 12,000 ounces from higher cost operations that were placed on care and maintenance during August 2009.

**Palladium, Rhodium & Nickel** – Refined production of palladium increased by 20%, while rhodium and nickel decreased by 3% and 22% respectively. The variations are due to a different ore mix from operations and different pipeline processing times per metal.

<b>Copper</b>		Q3 2010	Q3 2009	Q3 2010 vs. Q3 2009	Q2 2010	Q3 2010 vs. Q2 2010
Copper	t	153,400	168,100	-9%	154,700	-1%

**Copper** – Production decreased by 9% to 153,400 tonnes mainly as a result of lower grades, ore hardness and scheduled maintenance in the mill at Los Bronces. Collahuasi's production was also marginally lower due to lower grades and planned maintenance in the concentrator plant, although mostly offset by higher throughput.

Production was 1% lower compared to Q2 2010, principally due to the consequence of lower ore grades and scheduled maintenance at Los Bronces.

<b>Nickel</b>		Q3 2010	Q3 2009	Q3 2010 vs. Q3 2009	Q2 2010	Q3 2010 vs. Q2 2010
Nickel	t	5,700	4,900	16%	5,300	8%

**Nickel** – Production increased by 16% compared to Q3 2009, when production was impacted by a metal run-out from Loma de Niquel's EF2 furnace. The furnace, which was shut down in May 2009, resumed operations in the first quarter of 2010. However, production of 660 tonnes was lost in the third quarter of 2010 as a result of electricity rationing imposed by the Venezuelan government.

Production at Codemin has been stable and is in line with Q3 2009. Planned furnace relining is expected to stop production for approximately 75 days in the fourth quarter of 2010.

The 36,000 tpa Barro Alto nickel project, which will more than double Anglo American's nickel production, was 98% complete at the end of September and is on schedule for first production in Q1 2011.

<b>Iron Ore and Manganese</b>		Q3 2010	Q3 2009	Q3 2010 vs. Q3 2009	Q2 2010	Q3 2010 vs. Q2 2010
Iron ore	000 t	11,819	11,861	-	11,458	3%
Manganese Ore	000 t	849	462	84%	674	26%
Manganese Alloys	000 t	80	25	220%	87	-8%

**Iron ore** – Total production of 11.8 Mt was flat compared with Q3 2009 and 3% higher than Q2 2010.

Sishen Mine's production was 10.1 Mt, a decrease of 0.6 Mt compared to Q3 2009, as a result of decreased production from the DMS plant, due to unplanned primary crusher maintenance and the shut down of the plant due to full finished product stockpiles. Production from the Jig plant increased by 20% or 0.6 Mt compared to Q3 2009 and by 13% or 0.4 Mt compared to Q2 2010. The ramp up of the Jig plant to produce 12.5-13 Mt during 2010 continues as planned. The 3.5 Mt produced by the Jig plant in Q3 2010 accounted for 35% of Sishen Mine's production.

Production from Thabazimbi Mine increased by 84% compared to Q2 2010, to 0.7 Mt, in line with increased demand from ArcelorMittal SA.

Production also increased at Amapá, which entered commercial production at the start of 2010.

Demand for iron ore continues to be strong in China, as well as Kumba Iron Ore's traditional markets of Europe, Japan and South Korea. However, Kumba Iron Ore's export sales in the quarter were 8.3 Mt, a decrease of 12% compared to Q3 2009 and 13% compared to the prior quarter, largely as a result of lower volumes shipped due to rail logistics difficulties. During the quarter, three separate derailments occurred on the Sishen/Saldanha freight line operated by Transnet and annual maintenance was carried out on the line in August.

**Manganese Ore** – Production increased by 84% as market conditions continued to recover during the quarter. Samancor is operating at close to full capacity.

**Manganese Alloys** – Production increased by 220% as market conditions continued to recover during the quarter.

<b>Metallurgical Coal</b>		Q3 2010	Q3 2009	Q3 2010 vs. Q3 2009	Q2 2010	Q3 2010 vs. Q2 2010
<b>Production</b>						
Export metallurgical	000 t	3,971	3,148	26%	3,798	5%
Thermal	000 t	3,413	3,614	-6%	3,970	-14%
<b>Weighted average achieved FOB prices</b>						
Export metallurgical	US\$/t	205	124	65%	162	27%
Export thermal	US\$/t	91	72	26%	85	7%
Domestic thermal	US\$/t	30	26	15%	29	3%
<b>Attributable sales volumes</b>						
Export metallurgical	000 t	4,102	3,119	32%	4,087	-
Export thermal	000 t	1,600	1,527	5%	1,865	-14%
Domestic thermal	000 t	1,824	2,233	-18%	2,318	-21%

**Metallurgical Coal** – Production of metallurgical coal from the Group's Australian operations increased by 26% with export metallurgical sales increasing by 32%. Production was negatively affected by the highest September rainfall on record which disrupted production at open cut operations in Queensland. Production from the underground operations increased as a result of asset optimisation programmes focused on improving longwall performance. This enabled the business to respond to continuing strong demand in the metallurgical coal market.

Thermal coal production from the Group's Australian operations decreased by 6%, principally due to lower domestic demand. Export thermal sales volumes increased by 5% as result of entry to new markets.

<b>Thermal Coal</b>		Q3 2010	Q3 2009	Q3 2010 vs. Q3 2009	Q2 2010	Q3 2010 vs. Q2 2010
<b>Production</b>						
Thermal <sup>(1)</sup>	000 t	8,240	8,432	-2%	7,813	5%
Eskom <sup>(1)</sup>	000 t	10,431	10,400	-	8,275	26%
Metallurgical	000 t	112	224	-50%	110	2%
<b>Weighted average achieved FOB prices</b>						
RSA export thermal	US\$/t	83	62	34%	85	-2%
RSA domestic thermal	US\$/t	17	14	21%	19	-11%
South American export thermal	US\$/t	74	70	6%	68	9%
<b>Attributable sales volumes</b>						
RSA export thermal <sup>(1)</sup>	000 t	4,303	4,157	4%	3,755	15%
RSA domestic thermal <sup>(1)</sup>	000 t	11,946	11,989	-	9,588	25%
South American export thermal	000 t	2,763	2,335	18%	2,601	6%

<sup>(1)</sup> Includes Zibulo mine

**Thermal Coal** – Production of export and non-Eskom domestic thermal coal from the Group's South African and Colombian operations was marginally lower, mainly due to adverse geological conditions at Goedehoop and above average rainfall in Colombia that hampered open-cast operations, partly offset by production from the ramp up at Zibulo.

The Thermal Coal business unit achieved export sales volume growth from both South Africa (4%) and Colombia (18%), driven by a recovery in the American and European markets, as well as trade into the Asian market. Realised prices for export sales also increased compared to Q3 2009 as a result of stronger price indices and a reduced share of fixed prices sales in the contract portfolio.

<b>Diamonds</b>		Q3 2010	Q3 2009	Q3 2010 vs. Q3 2009	Q2 2010	Q3 2010 vs. Q2 2010
Total	000 Carats	9,033	7,885	15%	8,420	7%

**Diamonds** – Production increased to 9 million carats in response to market demand in advance of the holiday retail seasons, which run from Thanksgiving through to Christmas, and include Diwali.

Production was higher, mainly due to improved recoveries by the operations in Botswana and South Africa, partly offset by lower recoveries from Namibia and Canada.

## Production summary

The figures below include the entire output of consolidated entities and the Group's attributable share of joint ventures, joint arrangements and associates where applicable, except for De Beers which is quoted on a 100% basis.

	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	% Change	
						Q3 2010 vs Q2 2010	Q3 2010 vs Q3 2009
<b>Platinum segment</b>							
Platinum (troy ounces)	697,000	553,800	446,700	766,000	629,200	26%	11%
Palladium (troy ounces)	404,500	294,400	247,000	426,300	337,500	38%	20%
Rhodium (troy ounces)	88,600	67,300	61,600	93,900	92,100	33%	-3%
Nickel (tonnes)	4,300	4,800	4,400	5,300	5,500	-10%	-22%
Equivalent refined Platinum (troy ounces) <sup>(1)</sup>	648,300	601,000	594,700	603,900	616,500	8%	5%
<b>Diamonds segment (De Beers) (diamonds recovered – 000 carats)</b>							
Diamonds	9,033	8,420	7,012	10,124	7,885	7%	15%
<b>Copper segment (tonnes)<sup>(2)</sup></b>							
	153,400	154,700	160,800	185,900	168,100	-1%	-9%
<b>Nickel segment (tonnes)<sup>(3)</sup></b>							
	5,700	5,300	4,800	4,900	4,900	8%	16%
<b>Iron Ore and Manganese segment (tonnes)</b>							
Iron ore <sup>(4)</sup>	11,819,100	11,458,000	12,328,000	12,407,200	11,861,000	3%	-
Manganese ore <sup>(5)</sup>	849,000	674,000	684,000	615,000	462,000	26%	84%
Manganese alloys <sup>(5)(6)</sup>	80,000	87,000	68,100	52,000	25,000	-8%	220%
<b>Metallurgical Coal segment (tonnes)</b>							
Metallurgical	3,971,000	3,797,900	3,281,600	3,805,500	3,147,800	5%	26%
Thermal	3,413,000	3,970,200	3,349,800	3,487,400	3,614,300	-14%	-6%
<b>Thermal Coal segment (tonnes)<sup>(7)</sup></b>							
Thermal	8,240,300	7,813,000	7,418,100	7,785,400	8,431,600	5%	-2%
Eskom	10,431,300	8,275,300	8,212,000	8,448,400	10,400,200	26%	-
Metallurgical	111,700	110,400	111,400	130,500	224,300	2%	-50%
<b>Other Mining and Industrial segment (tonnes)<sup>(8)</sup></b>							
Metallurgical coal	226,400	206,700	194,700	149,900	164,900	10%	37%
Thermal coal	130,000	89,900	173,000	310,200	214,500	45%	-39%
Zinc	93,700	91,000	87,700	86,500	94,000	3%	-
Lead	22,200	15,400	15,400	18,900	18,400	44%	21%
South Africa Steel Products	180,000	197,000	182,000	167,000	183,000	-9%	-2%
International Steel Products	215,000	188,800	190,000	177,000	164,000	14%	31%
<b>Coal production by commodity (tonnes)<sup>(7)</sup></b>							
Metallurgical	4,309,100	4,115,000	3,587,700	4,085,900	3,537,000	5%	22%
Thermal	11,783,300	11,873,100	10,940,900	11,583,000	12,260,400	-1%	-4%
Eskom	10,431,300	8,275,300	8,212,000	8,448,400	10,400,200	26%	-

<sup>(1)</sup> Equivalent refined platinum production.

<sup>(2)</sup> Excludes Platinum and Black Mountain mine copper production.

<sup>(3)</sup> Excludes Platinum nickel production.

<sup>(4)</sup> At 31 December 2009, Amapá was not in commercial production and therefore to this date all revenue and related costs were capitalised. Commercial production commenced on 1 January 2010.

<sup>(5)</sup> Saleable production.

<sup>(6)</sup> Production includes Medium Carbon Ferro Manganese.

<sup>(7)</sup> Includes 475 kt (Q3 2009: nil) of capitalised production from Zibulo (previously Zondagsfontein). The 475 kt includes export thermal coal production of 233 kt (Q3 2009: nil) and Eskom coal production of 242 kt (Q3 2009: nil).

<sup>(8)</sup> Excludes Tarmac, Copebrás and Catalão.

As production figures are sometimes more precise than the rounded numbers shown in this report, small differences may arise throughout the report between the summation of quarters and the year to date totals. The percentage change will reflect the percentage change in the rounded production figures shown in this report.

Due to the portfolio and management structure changes announced in October 2009, the Business Units have changed from those reported at 31 March 2009, 30 June 2009 and 30 September 2009. Comparatives have been reclassified to align with current presentation.

**Forward looking statements:**

This Interim Management Statement contains certain forward looking statements which involve risk and uncertainty because they relate to events and depend on circumstances that occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements.

For further information, please contact:

**United Kingdom**

James Wyatt-Tilby, Media Relations  
Tel: +44 (0)20 7968 8759

Caroline Metcalfe, Investor Relations  
Tel: +44 (0)20 7968 2192

Leisha Wemyss, Investor Relations  
Tel: +44 (0)20 7968 8607

**South Africa**

Pranill Ramchander, Media Relations  
Tel: +27 (0)11 638 2592

Anna Mulholland, Investor Relations  
Tel: +27 (0)11 373 6683

Kgapu Mphahlele, Investor Relations  
Tel: +27 (0)11 373 6239

**Notes to editors:**

Anglo American plc is one of the world's largest mining companies, is headquartered in the UK and listed on the London and Johannesburg stock exchanges. Its portfolio of mining businesses spans precious metals and minerals – in which it is a global leader in both platinum and diamonds; base metals – copper and nickel; and bulk commodities – iron ore, metallurgical coal and thermal coal. Anglo American is committed to the highest standards of safety and responsibility across all its businesses and geographies and to making a sustainable difference in the development of the communities around its operations. The company's mining operations and extensive pipeline of growth projects are located in southern Africa, South America, Australia, North America and Asia.  
[www.angloamerican.com](http://www.angloamerican.com)