OFFERING MEMORANDUM

US$1,250,000,000

Anglo American Capital plc
US$750,000,000 2.150% Senior Notes due 2013
US$500,000,000 4.450% Senior Notes due 2020
Guaranteed by Anglo American plc

Anglo American Capital plc (the "Issuer") is offering US$750 million of its 2.150% Senior Notes due 2013 (the "2013 Notes") and US$500 million of its 4.450% Senior Notes due 2020 (the "2020 Notes" and, together with the 2013 Notes, the "Notes"), with such Notes to be guaranteed (the "Guarantees") by Anglo American plc (the "Company" or "Anglo American" and together with the Company's subsidiaries, joint ventures and associates, "Anglo American Group", the "Group", "we", "us" or "our"). Interest will be paid on the Notes semi-annually and in arrears on March 27 and September 27 of each year, commencing on March 27, 2011. The 2013 Notes and the 2020 Notes will mature on September 27, 2013 and September 27, 2020, respectively.

We have the option to redeem all or a portion of each series of the Notes at any time at the redemption prices set forth in this Offering Memorandum.

The Notes will be unsecured senior obligations of the Issuer and will rank equally with all of its other existing and future unsubordinated indebtedness.

For a more detailed description of the Notes, see "Description of the Notes and the Guarantees" beginning on page 162.

An investment in the Notes involves risks. See "Risk Factors" beginning on page 12.

Offering Price for the 2013 Notes: 99.916% plus accrued interest, if any, from September 27, 2010

Offering Price for the 2020 Notes: 99.976% plus accrued interest, if any, from September 27, 2010

Application has been made to the Financial Services Authority in its capacity as competent authority pursuant to Part VI of the Financial Services and Markets Act 2000 (the "UK Listing Authority") for each series of the Notes to be admitted to the official list of the UK Listing Authority (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for each series of the Notes to be admitted to trading on the London Stock Exchange's Regulated Market. References in this Offering Memorandum to the Notes being listed (and all related references) shall mean that the Notes have been admitted to trading on the London Stock Exchange's Regulated Market and have been admitted to the Official List. The London Stock Exchange's Regulated Market is a regulated market for purposes of Directive 2004/39/EC (the "Directive on Markets in Financial Instruments"). **The securities offered by this Offering Memorandum have not been recommended by the United States Securities and Exchange Commission (the "SEC") or any other US federal or state securities commission or regulatory authority nor have such authorities confirmed the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense in the United States.**

The Notes and the Guarantees have not been registered, and we do not intend to register the Notes or the Guarantees, under the US Securities Act of 1933, as amended (the "Securities Act"), or any securities laws of any other jurisdiction. Accordingly, the Notes are being offered and sold in the United States only to qualified institutional buyers in accordance with Rule 144A under the Securities Act ("Rule 144A") and outside the United States to certain non-US persons in accordance with Regulation S under the Securities Act. Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the Notes and the related Guarantees may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For further details about eligible offerees and transfer restrictions, see "Plan of Distribution" and "Transfer Restrictions".

Banc of America Securities LLC, Barclays Capital Inc., Citigroup Global Markets Inc. and Mizuho Securities USA Inc. (collectively, the "Joint Bookrunners" or the "Initial Purchasers") expect to deliver the Notes to purchasers on or about September 27, 2010 through the facilities of The Depository Trust Company including its participants Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme.

Joint Bookrunners

BofA Merrill Lynch **Barclays Capital** **Citi** **Mizuho**

Offering Memorandum dated September 21, 2010

TABLE OF CONTENTS

NOTICE TO INVESTORS	ii
MISCELLANEOUS INFORMATION	iii
PRESENTATION OF FINANCIAL INFORMATION	x
NON-IFRS FINANCIAL MEASURES	xii
OVERVIEW	1
RISK FACTORS	12
CAPITALIZATION	20
USE OF PROCEEDS	21
BUSINESS DESCRIPTION	22
ORE RESERVES	61
SELECTED FINANCIAL INFORMATION	73
OPERATING AND FINANCIAL REVIEW	74
REGULATION	133
SUSTAINABLE DEVELOPMENT (INCLUDING SAFETY, HEALTH AND ENVIRONMENT)	137
MANAGEMENT OF ANGLO AMERICAN PLC	142
MAJOR SHAREHOLDER INFORMATION	159
RELATED PARTY TRANSACTIONS	160
DESCRIPTION OF THE NOTES AND THE GUARANTEES	162
BOOK-ENTRY SETTLEMENT AND CLEARANCE	182
UK TAX CONSIDERATIONS	184
MATERIAL US FEDERAL TAX CONSIDERATIONS	187
PLAN OF DISTRIBUTION	190
TRANSFER RESTRICTIONS	194
LEGAL MATTERS	197
INDEPENDENT AUDITORS	197
DESCRIPTION OF ANGLO AMERICAN CAPITAL PLC	198
GENERAL INFORMATION	199

In connection with the issue of the Notes, any one of Banc of America Securities LLC or Barclays Capital Inc. (the "Stabilizing Managers") or any person acting on behalf of a Stabilizing Manager may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, the Stabilizing Managers or person acting on their behalf is not under any obligation to do this. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Such stabilization shall be in accordance with all applicable laws, regulations and rules.

NOTICE TO INVESTORS

This Offering Memorandum is a confidential document that we are providing only to prospective purchasers of the Notes. You should read this Offering Memorandum before making a decision whether to purchase any Notes. You must not use this Offering Memorandum for any other purpose, make copies of any part of this Offering Memorandum or give a copy of it to any other person, or disclose any information in this Offering Memorandum to any other person.

We have prepared this Offering Memorandum and we are responsible for its contents. You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the Notes.

You should rely only on the information contained in and incorporated by reference into this Offering Memorandum. We have not authorized anyone to provide you with information, whether orally or in writing, either different from that contained in this Offering Memorandum or not set forth in this Offering Memorandum, and if you believe that there is any other information upon which you wish to rely that is either different from or not set forth in this Offering Memorandum, you should request that such information be included in a supplement to this Offering Memorandum, and, if not so included, you should not rely on it at all. We are offering to sell the Notes only where offers and sales are permitted. The information contained in this Offering Memorandum is accurate only as of the date of this Offering Memorandum, regardless of the time of delivery of this Offering Memorandum or any resale of the Notes.

By purchasing any Notes, you will be deemed to have acknowledged that (1) you have reviewed this Offering Memorandum; (2) you have had an opportunity to review all information considered by you to be necessary to make your investment decision and to verify the accuracy of, or to supplement, the information contained in this Offering Memorandum; (3) you have not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with your investigation of the accuracy of such information or your investment decision; (4) the Initial Purchasers are not responsible for, and are not making any representation to you concerning, our future performance or the accuracy or completeness of this Offering Memorandum; and (5) no person has been authorized to give any information or to make any representation concerning us or the Notes, other than as contained in this Offering Memorandum. If given or made, any such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

In making any investment decision, you must rely on your own examination of the Issuer and the Company and the terms of this offering, including the merits and risks involved. You should not construe anything in this Offering Memorandum as legal, business, tax or other advice. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to purchase the Notes.

You must comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this Offering Memorandum and the purchase, offer or sale of the Notes, and you must obtain any required consent, approval or permission for the purchase, offer or sale by you of the Notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or

in which you make such purchases, offers or sales. Neither we nor the Initial Purchasers are responsible for your compliance with these legal requirements.

We are offering the Notes and the Guarantees in reliance on exemptions from the registration requirements of the Securities Act. These exemptions apply to offers and sales of securities that do not involve a public offering.

The Notes are subject to restrictions on resale and transfer as described under "Transfer Restrictions". By purchasing any Notes, you will be deemed to have made certain acknowledgments, representations and agreements as described in that section of this Offering Memorandum. You may be required to bear the financial risks of investing in the Notes for an indefinite period of time.

The Initial Purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Offering Memorandum. Nothing contained in this Offering Memorandum is, or should be relied upon as, a promise or representation by the Initial Purchasers as to the past or future. The Initial Purchasers have not independently verified any of the information contained herein (financial, legal or otherwise) and assume no responsibility for the accuracy or completeness of any such information.

MISCELLANEOUS INFORMATION

This Offering Memorandum comprises a prospectus for the purposes of Art. 5.4 of the Prospectus Directive (2003/71/EC) and has been filed with, and approved by, the Financial Services Authority and has been made available to the public in accordance with requirements of the Prospectus Directive as implemented in the UK.

The Issuer and the Company accept responsibility for the information contained in this Offering Memorandum. To the best of the knowledge of the Issuer and the Company (each having taken all reasonable care to ensure that such is the case) the information contained in this Offering Memorandum is in accordance with the facts and contains no omission likely to affect its import. Where the information in this Offering Memorandum has been sourced from a third party, such information has been accurately reproduced and so far as the Issuer and the Company are aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The distribution of this Offering Memorandum and the offering and sale of the Notes in certain jurisdictions may be restricted by law. The Issuer, the Company and the Initial Purchasers require persons in possession of this Offering Memorandum to inform themselves about and to observe any such restrictions. This Offering Memorandum does not constitute an offer of, or an invitation to purchase, any of the Notes in any jurisdiction in which such offer or invitation would be unlawful.

Notwithstanding anything herein to the contrary, investors may disclose to any and all persons, without limitation of any kind, the US federal, state or local income tax treatment and tax structure of the offering and all materials of any kind (including opinions or other tax analyses) that are provided to the investors relating to such tax treatment and tax structure. However, any information relating to the US federal, state or local income tax treatment or tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable any person to comply with applicable securities laws. For this purpose, "tax structure" means any facts relevant to the US federal, state or local income tax treatment of the offering but does not include information relating to the identity of the issuer of the securities, the issuer of any assets underlying the securities, or any of their respective affiliates that are offering the securities.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955, AS AMENDED ("RSA 421-B"), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

MARKET AND INDUSTRY DATA

Market data and certain industry data and forecasts used throughout this Offering Memorandum were obtained from internal Group surveys, market research, consultant surveys, publicly available information, reports of governmental agencies and industry publications and surveys. Industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified any of the data from third-party sources, nor have we ascertained the underlying economic assumptions relied upon therein. Similarly, internal Group surveys, industry forecasts and market research, which we believe to be reliable based upon the Group's management's knowledge of the industry, have not been independently verified. Forecasts are particularly likely to be inaccurate, especially over long periods of time. In addition, we do not necessarily know what assumptions regarding general economic growth were used in preparing the forecasts we cite. We do not make any representation as to the accuracy of information described in this paragraph. Statements as to the Group's market position are based on the most currently available data. While we are not aware of any misstatements regarding the Group's industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the heading "Risk Factors" in this Offering Memorandum. Neither we nor the Initial Purchasers can guarantee the accuracy or completeness of any such information contained in this Offering Memorandum. Where the information in this Offering Memorandum has been sourced from a third party, such information has been accurately reproduced and so far as the Issuer and Company are aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum includes "forward-looking information" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including without limitation those concerning the economic outlook for the mining industry; expectations regarding commodity prices, exchange rates, production, cash costs and other operating results; growth prospects and outlook of our operations, individually or in the aggregate, including without limitation the completion and commencement of commercial operations at our exploration and production projects, the amount of projected capital expenditures for such projects and the likelihood of retaining, renewing or obtaining licenses, permits, mining leases and other approvals or concluding joint ventures or other agreements; our liquidity and capital resources and expenditure; our asset optimization program; our restructuring program; and the outcome and consequences of any pending litigation, regulatory or similar proceedings. These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend",

“foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential”, “projected”, “will”, “continue” or other similar words and phrases. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in these forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

The risk factors described in this Offering Memorandum could affect our future results, causing these results to differ materially from those expressed in any forward-looking statements. These factors are not necessarily all the important factors that could cause our actual results to differ materially from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results.

You should review carefully all information, including the financial statements and the notes to the financial statements, which are incorporated by reference into this Offering Memorandum. The forward-looking statements included in this Offering Memorandum are made only as of the last practicable date. Neither we nor the Initial Purchasers undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Offering Memorandum or to reflect the occurrence of unanticipated events. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are qualified by the cautionary statements in this section.

DEFINED TERMS

Defined Term	Definition
"1985 Act"	UK Companies Act 1985
"2006 Act"	UK Companies Act 2006
"2013 Notes"	2.150% Senior Notes due 2013
"2020 Notes"	4.450% Senior Notes due 2020
"AAS"	Anglo American Services (UK) Ltd
"AASA"	Anglo American South Africa Limited (formerly known as Anglo American Corporation of South Africa Limited)
"Amapá"	Anglo Ferrous Amapá Mineração LTDA
"Anglo American", "Company"	Anglo American plc
"Anglo American Group", "Group", "us", "we" and "our"	Anglo American, together with its subsidiaries, joint ventures and associates
"Anglo Platinum"	Anglo Platinum Limited
"AngloGold"	AngloGold Ashanti Limited
"Anooraq"	Anooraq Resources Corporation
"AO"	The Group's Asset Optimization Program
"ArcelorMittal"	ArcelorMittal South Africa Limited
"Australian Dollar", "AUD"	The lawful currency of Australia
"BBBEE"	Broad-Based Black Economic Empowerment
"BBBEE Act"	The South African Broad-Based Black Economic Empowerment Act, 2003
"BEE"	Black Economic Empowerment
"Board"	The Board of Directors of Anglo American
"Brazilian real", "BRL"	The lawful currency of Brazil
"British pound", "GBP"	The lawful currency of the United Kingdom
"BRPM"	Bafokeng-Rasimone platinum mine
"CdG"	Carbones del Guasare S.A.
"Cerrejón"	Carbones del Cerrejón Coal Limited
"Charter"	The Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry
"Chilean Peso", "CLP"	The lawful currency of Chile
"c/lb"	US cents per pound
"DBCM"	De Beers Consolidated Mines Limited
"DBUK"	De Beers UK Limited
"De Beers"	De Beers S.A.
"Deloitte"	Deloitte LLP
"Directive on Markets in Financial Instruments"	Directive 2004/39/EC
"DTC"	Depository Trust Company
"erpo"	Equivalent refined platinum ounce in respect of Platinum's own mines plus its share of joint ventures
"Eskom"	Eskom Holdings Limited (the South African electrical utility operator)
"ESOS"	Executive Share Option Scheme
"EU IFRS"	International Financial Reporting Standards as adopted for use by the European Union

Defined Term	Definition
"Euro", "EUR"	The lawful common currency of the EU member states who have adopted the Euro as their sole national currency
"Exchange Act"	The United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder
"ExCo"	The Executive Committee of the Board of Directors of Anglo American plc
"Exxaro"	Exxaro Resources Limited (formerly known as Kumba Resources Limited)
"FSMA"	The Financial Services and Markets Act 2000
"GEMCO"	Groote Eylandt Mining Company (Proprietary) Limited
"GRB"	The Government of the Republic of Botswana
"GRN"	The Government of the Republic of Namibia
"Group 2008 Financial Statements"	The audited consolidated financial statements of the Anglo American Group and notes prepared in accordance with EU IFRS and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditors' audit report, as at and for the year ended December 31, 2008, together with the other materials referenced in sections (e), (f) and (g) on page xvi hereof
"Group 2009 Financial Statements"	The audited consolidated financial statements of the Anglo American Group and notes prepared in accordance with EU IFRS and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditors' audit report, as at and for the year ended December 31, 2009, together with the other materials referenced in sections (b), (c) and (d) on page xvi hereof
"Group 2010 Condensed Interim Financial Statements"	The unaudited consolidated condensed financial statements of the Anglo American Group and notes prepared in accordance with EU IFRS together with the related independent auditors' review report, as at and for the six months ended June 30, 2010
"HDSAs"	Historically disadvantaged South Africans
"Hulamin"	Hulamin Limited
"H1 2009"	Six months ended June 30, 2009
"H1 2010"	Six months ended June 30, 2010
"Indenture"	The Indenture, dated April 8, 2009, under which each series of the Notes will be issued, among the Issuer, Anglo American and Citibank, N.A.
"Initial Purchasers"	Together, Banc of America Securities LLC, Barclays Capital Inc., Citigroup Global Markets Inc. and Mizuho Securities USA Inc.
"Iron Ore Brazil"	The Minas Rio Project together with Amapá
"Issuer", "Anglo American Capital"	Anglo American Capital plc

Defined Term	Definition
"Issuer 2008 Financial Statements"	The audited consolidated financial statements of Anglo American Capital and notes thereto prepared in accordance with UK GAAP, together with the related independent auditors' audit report, as at and for the year ended December 31, 2008
"Issuer 2009 Financial Statements"	The audited consolidated financial statements of Anglo American Capital and notes thereto prepared in accordance with UK GAAP, together with the related independent auditors' audit report, as at and for the year ended December 31, 2009
"Joint Bookrunners"	Together, Banc of America Securities LLC, Barclays Capital Inc., Citigroup Global Markets Inc. and Mizuho Securities USA Inc.
"JORC Code"	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 edition
"Kumba"	Kumba Iron Ore Limited
"Kumba Resources"	Kumba Resources Limited (which has now changed its name to Exxaro Resources Limited)
"Lb"	Denotes pounds
"LLX Minas Rio"	LLX Minas Rio Logística Comercial Exportadora SA (formerly known as LLX Minas Rio Logística SA)
"MIBAM"	The Venezuelan Ministry of Basic Industries and Mining
"Minas Rio"	Anglo Ferrous Minas Rio Mineração SA
"Minas Rio Project"	Anglo Ferrous Minas Rio Mineração SA together with LLX Minas Rio Logística SA
"Minorco"	Minorco Société Anonyme, a Luxembourg based company
"MLdN"	Minera Loma de Níquel
"Mondi"	Mondi Group
"MPRDA"	The South African Mineral and Petroleum Resources Development Act, 2002
"Mtpa"	Million tonnes per annum
"Mvela"	Mvelaphanda Resources Limited
"Notes"	The 2013 Notes together with the 2020 Notes
"Official List"	The official list of the UK Listing Authority
"'old order' mining or prospecting rights"	Prospecting, mining and mineral rights formerly regulated under the South African Minerals Act 50 of 1991 of the RSA and South African common law
"Oz"	Denotes ounces
"PCI"	Pulverized coal injection
"PGMs"	Platinum group metals
"REACH"	The European Registration, Evaluation and Authorization of Chemicals system
"Reporting Policy"	The Anglo American Policy for the Reporting of Ore Reserves and Mineral Resources
"S&SD"	Safety and Sustainable Development

Defined Term	Definition
"S&SD Committee"	The Safety & Sustainable Development Committee of the Board of Directors of Anglo American plc
"Samancor"	Samancor Holdings (Proprietary) Limited together with Groote Eylandt Mining Company (Proprietary) Limited and Tasmanian Electro Metallurgical Company (Proprietary) Limited
"SAMREC Code"	The South African Code for Reporting of Mineral Resources and Mineral Reserves
"SARB"	South African Reserve Bank
"Scaw Metals"	Scaw Metals International together with Scaw South Africa (Proprietary) Limited
"Schedule II"	Schedule II to the MPRDA
"SEC"	The United States Securities and Exchange Commission
"Securities Act"	The US Securities Act of 1933, as amended
"Shares"	Ordinary shares of Anglo American plc
"SIOC"	Sishen Iron Ore Company (Proprietary) Limited
"South Africa", "RSA"	The Republic of South Africa
"South African rand", "ZAR"	The lawful currency of the Republic of South Africa
"Tarmac"	The group of aggregates and building products companies operating in the UK, Europe and Middle East under the Tarmac brand
"Tongaat Hulett"	Tongaat Hulett Limited
"tonnes"	Metric tonnes (1,000 kilograms)
"tpa"	Tonnes per annum
"Trust Indenture Act"	The US Trust Indenture Act of 1939, as amended
"Trustee"	Citibank, N.A.
"TSR"	Total Shareholder Return
"UK GAAP"	Generally Accepted Accounting Principles in the United Kingdom
"UK Listing Authority"	The Financial Services Authority in its capacity as competent authority pursuant to Part VI of the FSMA
"UOP"	Unit of production
"US GAAP"	Generally Accepted Accounting Principles in the United States
"US$", "US dollar"	The lawful currency of the United States of America

PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise indicated, financial information in this Offering Memorandum has been prepared on the basis of International Financial Reporting Standards as adopted for use by the European Union ("EU IFRS"). The financial information of the Issuer has been prepared on the basis of applicable law and Generally Accepted Accounting Principles in the United Kingdom ("UK GAAP"). The financial information of the guarantor has been prepared on the basis of applicable law and EU IFRS.

The Group 2010 Condensed Interim Financial Statements as at June 30, 2010 and for the six months then ended are incorporated by reference in this Offering Memorandum are unaudited and have been reviewed by Deloitte LLP ("Deloitte"), independent accountants and Registered Auditors and members of the Institute of Chartered Accountants in England and Wales, with an address at 2 New Street Square, London, EC4A 3BZ, as stated in their report appearing therein. The consolidated financial statements of the Group and standalone financial statements of the Issuer as at December 31, 2008 and 2009 and for the years then ended that are incorporated by reference in this Offering Memorandum have been audited by Deloitte, as stated in their reports appearing therein.

The Issuer is not required to, and accordingly does not, produce any financial statements for any interim periods.

The Group announced a major restructuring of its asset base in late 2005 to focus on its five core mining activities and to dispose of non-core businesses accordingly. In October 2009, we announced a further restructuring of our portfolio and management structure. The new business unit structure focuses our portfolio around core commodities which are located in areas of key geographic focus for each commodity. The new core business units include:

- Kumba Iron Ore (South Africa);
- Iron Ore Brazil (Brazil);
- Copper (Chile);
- Platinum (South Africa);
- Thermal Coal (South Africa);
- Metallurgical Coal (Australia); and
- Nickel (Brazil).

Our Group results are reported on a business segment basis in accordance with EU IFRS. Business segments (excluding exploration and corporate) include:

- Iron Ore and Manganese: Comprises Iron Ore Brazil, Kumba Iron Ore and Samancor;
- Copper;
- Platinum;
- Thermal Coal;
- Metallurgical Coal;
- Diamonds;
- Nickel; and
- Other Mining and Industrial: Comprises assets that the Group intends to divest.

Segment results for the six months ended June 30, 2010 and the 2009 comparative period are presented in the Group 2010 Condensed Interim Financial Statements and elsewhere herein on the new business segment basis. Segment results for 2009 and the 2008 comparative year are presented in the Group 2009 Financial Statements and elsewhere herein on the new business segment basis. However, segment results for 2008 and

the 2007 comparative year are presented in the Group 2008 Financial Statements and elsewhere herein on the historic business segment basis. In addition and as mentioned below, Yang Quarry which was reclassified to Coal in 2007, has now been reclassified into Tarmac, which is included within Other Mining and Industrial. See "Operating and Financial Review" for further information.

As a result of transactions during 2007 (see "Business Description — Restructuring"), Mondi Group ("Mondi") and AngloGold Ashanti Limited ("AngloGold") are considered to be discontinued operations. In accordance with EU IFRS, the contribution they made to the Group's profit, together with any profits generated on their disposal, have been separately presented. The contribution of discontinued operations only affects segment results for the year ended December 31, 2007, and this contribution is excluded from measures which are stated as being from continuing operations. For all other periods presented, the contribution from continuing operations represents the contribution from the total Group. In addition, in 2007, Copebrás and Yang Quarry were reclassified from Industrial Minerals to Base Metals and from Industrial Minerals to Coal, respectively (to align with internal management reporting).

As part of the restructuring announced in October 2009, we streamlined our management structure and removed a layer of global management. As a result, certain activities previously performed within divisions are now performed by the corporate center, others are performed within the new business segments and the remaining activities are no longer required. The costs of activities performed at the corporate center that we believe add value to particular business segments are allocated to such business segments. The figure presented externally as Group corporate costs includes only costs associated with parental or direct shareholder related activities. The allocations described in this paragraph have only been made in respect of the segment results for 2009 and the 2008 comparative year as presented in the Group 2009 Financial Statements and elsewhere herein and the segment results for the six months ended June 30, 2010 and the 2009 comparative period as presented in the Group 2010 Condensed Interim Financial Statements and elsewhere herein. See "Operating and Financial Review" for further information.

The financial information included in this Offering Memorandum is not intended to comply with SEC reporting requirements. Compliance with such requirements would require the modification, reformulation or exclusion of certain financial measures. In addition, changes would be required in the presentation of certain other information. In particular, no reconciliation to Generally Accepted Accounting Principles in the United States ("US GAAP") is provided. Each of EU IFRS and UK GAAP differs in certain significant respects from US GAAP. In addition, certain non-IFRS financial measures are included herein. For more information, see "— Non-IFRS Financial Measures".

Some financial and other information in this Offering Memorandum has been rounded and, as a result, the figures shown as totals in this Offering Memorandum may vary slightly from the exact arithmetic aggregation of the figures that precede them.

The Group 2010 Condensed Interim Financial Statements, incorporated by reference herein, contain an independent auditors' review report from Deloitte that contains language purporting to limit the scope of Deloitte's duty of care in relation to such a report and the financial statements to which they relate. The Group 2009 Financial Statements, the Group 2008 Financial Statements, the Issuer 2009 Financial Statements and the Issuer 2008 Financial Statements, each incorporated by reference herein, each contain auditors' reports from Deloitte that contain language purporting to limit the scope of Deloitte's duty of care in relation to such reports and the financial statements to which they relate. See "Independent Auditors" for a description of the independent auditors' review report and auditors' audit reports including language limiting Deloitte's scope of responsibility in relation to such reports and the financial statements to which each relates. If a US court (or any other court) were to give effect to this limiting language, the recourse that investors in the Notes may have against Deloitte based on their report or the aforementioned financial statements to which they relate could be limited. The SEC would not permit such limiting language to be included in a registration statement or a prospectus used in connection with an offering of securities registered under the Securities Act, or in a report filed under the US Securities Exchange Act of 1934 (the "Exchange Act").

The financial information included in this Offering Memorandum (other than the Group 2009 and 2008 Financial Statements which are incorporated by reference) does not constitute the statutory accounts of the

Company or the Issuer within the meaning of Section 240 of the 1985 Act and Section 435 (1) and (2) of the Companies Act 2006 for any period presented. The auditors have made reports under Section 235 of the 1985 Act on the statutory accounts of the Company and the Issuer for the years ended December 31, 2008 and 2009, which were unqualified and did not contain any statement as is described in Section 237(2) or (3) of the 1985 Act. The auditors have made reports under Chapter 3 of Part 16 of the Companies Act 2006 of the Company and the Issuer for the year ended December 31, 2009, which were unqualified and did not contain any statement as is described in Sections 498 (2) or (3) of the Companies Act 2006. Statutory accounts of the Company and the Issuer have been delivered to the Registrar of Companies in England and Wales for each of the years ended December 31, 2008 and 2009.

The financial results of the Platinum and Diamonds segments, and Kumba Iron Ore's contribution to the Iron Ore and Manganese segment, reconcile to the financial results of Anglo Platinum Limited, De Beers S.A. and Kumba Iron Ore Limited, respectively, when taking into account certain adjustments, principally consolidation adjustments and corporate cost allocations.

NON-IFRS FINANCIAL MEASURES

The financial information within this Offering Memorandum includes certain measures that are not measures defined by EU IFRS. These include underlying earnings, operating profit before special items and remeasurements, group revenue and operating profit, including that of associates, and net debt. These measures have been included for the reasons described below; however, these measures should not be used instead of, or considered as alternatives to, the Group's historical financial results based on EU IFRS.

Underlying earnings and operating profit

In considering the financial performance of our businesses and segments, we analyze each of our primary financial measures of operating profit from subsidiaries and joint ventures, profit before tax, profit for the period attributable to equity shareholders of the Company and earnings per share into two components, comprising firstly "Before special items and remeasurements" and secondly, "After special items and remeasurements". Special items and remeasurements are excluded from the measures of business performance used by management to monitor financial performance as they are considered to distort the comparability of the Group's financial performance from period to period.

Special items and remeasurements are defined in note 6 of the Group 2010 Condensed Interim Financial Statements (incorporated by reference into this Offering Memorandum) as follows:

- "Special items" are those items of financial performance that the Group believes should be separately disclosed on the face of the income statement to assist in the understanding of the underlying financial performance achieved by the Group. Such items are material by nature or amount to the period's results and require separate disclosure in accordance with IAS 1 (Revised) *Presentation of Financial Statements* paragraph 97. Special items that relate to the operating performance of the Group are classified as operating special items and include impairment charges and reversals and other exceptional items, including restructuring costs. Non-operating special items include profits and losses on disposals of investments and businesses as well as transactions relating to business combinations.
- "Remeasurements" comprise other items which the Group believes should be reported separately to aid an understanding of the underlying performance of the Group. This category includes:
  - Unrealized gains and losses on "non-hedge" derivative instruments open at period end (in respect of future transactions) and the reversal of the historical marked to market value of such instruments settled in the period. The full realized gains or losses are recorded in underlying earnings in the same period as the underlying transaction for which such instruments provide an economic, but not formally designated, hedge (if the underlying transaction is recorded in the balance sheet, for example, capital expenditure, the realized amount remains in remeasurements

on settlement of the derivative). Such amounts are classified in the income statement as financing when the underlying exposure is in respect of net debt and otherwise as operating;

- Foreign exchange gains and losses arising on the retranslation of dollar denominated De Beers S.A. (“De Beers”) preference shares held by a rand functional currency subsidiary of the Group. This is classified as financing; and
- Foreign exchange impact arising in US dollar functional currency entities where tax calculations are generated based on local currency financial information (and hence deferred tax is susceptible to currency fluctuations). Such amounts are included within income tax expense.

“Underlying earnings” is defined as profit for the financial period before special items and remeasurements attributable to equity shareholders of the Company.

“Operating profit before special items and remeasurements” is defined as operating profit from subsidiaries and joint ventures before special items and remeasurements.

These measures are reconciled to “Profit for the financial period attributable to equity shareholders of the Company” and “Operating profit”, respectively, in notes 9 and 4 of the Group 2010 Condensed Interim Financial Statements and notes 12 and 3 of the Group 2009 Financial Statements and (on a continuing basis) to “Profit for the financial period attributable to equity shareholders of the Company — continuing operations” and “Operating profit — continuing operations”, respectively, in notes 12 and 3 of the Group 2009 and 2008 Financial Statements, incorporated by reference into this Offering Memorandum.

We believe that separately presenting financial performance in two components facilitates reading and interpreting financial performance between periods, as underlying earnings and operating profit measures are more comparable because they exclude the distorting effect of special items and remeasurements, and special items and remeasurements are more clearly understood if separately identified and analyzed. The presentation of these components of financial performance is additional to, and not a substitute for, the comparable profit measures presented in accordance with EU IFRS.

Management uses these adjusted profit measures as the basis for monitoring financial performance and in communicating financial performance to investors in external presentations and announcements of financial results. Internal financial reports, budgets and forecasts are also principally prepared on the basis of these adjusted profit measures. Management compensates for the limitations inherent in the use of these adjusted profit measures through the separate monitoring and disclosure of special items and remeasurements as a component of the Group’s overall financial performance.

Group revenue (including associates) and Operating profit (including associates)

“Group Revenue (including associates)” and “Operating profit (including associates)” are defined as Group Revenue and operating profit before special items and remeasurements, respectively, together with the Group’s attributable share of revenue and operating profit (as appropriate) from our associates. These measures are reconciled to “Group Revenue” and “Operating profit”, respectively, in note 3 of the Group 2010 Condensed Interim Financial Statements and note 2 of the Group 2009 Financial Statements, and (on a continuing basis) to “Group Revenue — continuing operations” and “Operating profit — continuing operations”, respectively, in note 2 of the Group 2008 Financial Statements, incorporated by reference into this Offering Memorandum.

For the “Segment Discussion” section of the Operating and Financial Review, “Revenue” and “Operating profit” are defined to include the Group’s share of revenue and operating profit from associates and exclude special items and remeasurements, unless otherwise stated.

We believe that these measures are important to monitor, as they represent revenue and operating profit from all operations which we control, jointly control or significantly influence. As with the adjusted measures previously noted, management uses these measures in both internal analysis of results and external presentation of results to investors. The presentation of these components of financial performance is additional to, and not a substitute for, the comparable revenue and profit measures presented in accordance with EU IFRS.

Net debt

"Net debt" is defined as total borrowings less cash, cash equivalents and current financial asset investments (including derivatives which provide an economic hedge of debt and including the net debt of disposal groups). A reconciliation of net debt to amounts included in the balance sheet is set forth in note 12(b) and 12(c) of the Group 2010 Condensed Interim Financial Statements and note 30(b) and 30(c) of the Group 2009 and 2008 Financial Statements incorporated by reference into this Offering Memorandum. The Group uses net debt as a part of our internal debt analysis. We believe that net debt is a useful measure, as it indicates the level of borrowings after taking account of the liquid financial assets within our business that could be utilized to pay down the outstanding borrowings and incorporating the fair value of derivative instruments which provide an economic hedge of asset and liabilities included within net debt. In addition, the net debt balance provides an indication of the net debt on which we are required to pay interest.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Company and the Issuer are incorporated under the laws of England and Wales. Most of the directors and executive officers of the Company and all the directors of the Issuer live outside the United States. Most of the assets of the Company's and the Issuer's directors and executive officers and substantially all the Company's and the Issuer's assets are located outside the United States. As a result, although each of the Company and the Issuer has appointed an agent for service of process under the instruments governing the Notes, it may be difficult for you to serve process on those persons or the Company or the Issuer in the United States or to enforce judgments obtained in US courts against them based on civil liability provisions of the securities laws of the United States.

There is doubt as to enforceability in England, in original actions or in actions for enforcement of judgments of United States courts, of liabilities predicated upon US federal securities laws. There is no treaty in effect between the United States and England providing for such enforcement and there are grounds upon which the English courts may choose not to enforce judgments of US courts.

AVAILABLE INFORMATION

For so long as the Issuer and the Company, respectively, is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Issuer and the Company, respectively, will furnish to the holder of any Notes and to each prospective purchaser designated by any such holder, upon the request of such holder or prospective purchaser, the information required to be delivered pursuant to Rule 144A(d)(4) under the Exchange Act. Any such request may be made to us at 20 Carlton House Terrace, London, SW1Y 5AN, England. As of the date hereof, the Company is exempt from such reporting obligations under Rule 12g3-2(b) under the Exchange Act.

EXCHANGE RATE DATA

The following table shows the high, low, period-end and period-average buying rates taken from Bloomberg composite pricing in London, expressed as the relevant currency per US dollar, for the periods presented:

	Year ended December 31, 2007	Year ended December 31, 2008	Year ended December 31, 2009	Six months ended June 30, 2009	Six months ended June 30, 2010	Eight months ended August 31, 2010
South African rand ("ZAR")						
High for period	7.59	11.57	10.61	10.61	8.02	8.02
Low for period	6.48	6.74	7.26	7.75	7.24	7.19
End of period	6.84	9.30	7.38	7.74	7.65	7.40
Average for period	7.05	8.27	8.41	9.20	7.53	7.50
Euro ("EUR")						
High for period	0.77	0.80	0.80	0.80	0.84	0.84
Low for period	0.67	0.63	0.66	0.70	0.69	0.69
End of period	0.68	0.72	0.70	0.71	0.82	0.79
Average for period	0.73	0.68	0.72	0.75	0.75	0.76
Chilean peso ("CLP")						
High for period	549.63	682.75	641.10	641.10	547.4	547.4
Low for period	493.25	429.55	491.75	529.67	488.8	488.8
End of period	497.95	637.25	507.25	531.56	547.10	500.48
Average for period	522.16	523.53	558.79	586.49	524.73	523.38
Australian dollar ("AUD")						
High for period	1.30	1.66	1.58	1.58	1.23	1.23
Low for period	1.07	1.02	1.07	1.22	1.07	1.07
End of period	1.14	1.44	1.11	1.24	1.18	1.12
Average for period	1.19	1.17	1.26	1.40	1.12	1.12
British pound ("GBP")						
High for period	0.52	0.69	0.73	0.73	0.70	0.70
Low for period	0.47	0.49	0.59	0.60	0.61	0.61
End of period	0.50	0.69	0.62	0.61	0.67	0.65
Average for period	0.50	0.54	0.64	0.67	0.66	0.65
Brazilian real ("BRL")						
High for period	2.15	2.51	2.43	2.44	1.89	1.89
Low for period	1.74	1.56	1.70	1.92	1.72	1.72
End of period	1.78	2.33	1.74	1.96	1.80	1.76
Average for period	1.95	1.84	2.00	2.19	1.80	1.79

The closing rates as at September 16, 2010, expressed as the relevant currency per US dollar, were as follows:

South African rand	7.16
Euro	0.76
Chilean peso	497.6
Australian dollar	1.07
British pound	0.64
Brazilian real	1.72

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

We are incorporating by reference certain information into this Offering Memorandum, which means we are disclosing important information to you by referring you to such information. The information being incorporated by reference is an important part of this Offering Memorandum and should be reviewed before deciding whether or not to purchase the Notes described herein.

Subject to the limitations and exclusions described in the paragraphs below, the following documents, which have previously been published and have been filed with the Financial Services Authority, shall be incorporated by reference into this Offering Memorandum:

(a) the auditors' review report and condensed consolidated interim financial statements for the six months ended June 30, 2010 of Anglo American plc as included in the 2010 Half Year Financial Report of the Company, on pages 35 to 63 thereof;

(b) the auditors' report and audited consolidated annual financial statements for the financial year ended December 31, 2009 of Anglo American plc as included in the 2009 Annual Report of the Company, on pages 92 to 147 thereof;

(c) the critical accounting judgments and key sources of estimation uncertainty as included in the 2009 Annual Report of the Company, on pages 66 and 67 thereof, which are incorporated by reference into the notes of the annual financial statements for the year ended December 31, 2009;

(d) director remuneration detailed in Section 10 (Remuneration outcomes for 2009) and Section 11 (Sums paid to third parties in respect of director services) of the Remuneration Report as included in the 2009 Annual Report of the Company, on pages 86 to 88 thereof, which are referred to in the notes of the annual financial statements for the year ended December 31, 2009 of the Company (the information referred to in paragraphs (b) and (c) and this paragraph (d), together, the "Group 2009 Financial Statements");

(e) the auditors' report and audited consolidated annual financial statements for the financial year ended December 31, 2008 of Anglo American plc as included in the 2008 Annual Report of the Company, on pages 80 to 135 thereof;

(f) the critical accounting judgments and key sources of estimation uncertainty as included in the 2008 Annual Report of the Company, on pages 56 and 57 thereof, which are incorporated by reference into the notes of the annual financial statements for the year ended December 31, 2008;

(g) director remuneration detailed in Section 10 (Remuneration outcomes for 2008) and Section 11 (Sums paid to third parties in respect of director services) of the Remuneration Report as included in the 2008 Annual Report of the Company, on pages 74 to 76 thereof, which are referred to in the notes of the annual financial statements for the year ended December 31, 2008 of the Company (the information referred to in paragraphs (e) and (f) and this paragraph (g), together, the "Group 2008 Financial Statements");

(h) the auditors' report and audited non-consolidated annual financial statements for the year ended December 31, 2009 of Anglo American Capital plc (such information, the "Issuer 2009 Financial Statements") as included in the 2009 Report and Financial Statements of the Issuer, on pages 4 to 20 thereof; and

(i) the auditors' report and audited non-consolidated annual financial statements for the year ended December 31, 2008 of Anglo American Capital plc (such information, the "Issuer 2008 Financial Statements") as included in the 2008 Report and Financial Statements of the Issuer, on pages 4 to 20 thereof.

Except as expressly stated above, no part of the 2010 Half Year Financial Report of the Company, the 2009 Annual Report of the Company, the 2008 Annual Report of the Company, the 2009 Report and Financial Statements of the Issuer or the 2008 Report and Financial Statements of the Issuer or any other document referred to in the documents listed above is incorporated by reference herein. Any such other parts or other documents referred to in the documents listed above should be disregarded for the purposes of this Offering Memorandum.

The documents which have been incorporated by reference into this Offering Memorandum may be accessed at http://www.angloamerican.com/specialinformation2 (the "special purpose website"). The special purpose website contains only the foregoing information and is not part of our website. The content of our website does not form any part of this Offering Memorandum. You may also obtain copies of this information by telephoning +44 (0) 20 7968 8888.

OVERVIEW

This overview highlights certain information contained in this Offering Memorandum. This overview does not contain all the information you should consider before investing in the Notes. You should read this entire Offering Memorandum carefully, including the sections entitled "Miscellaneous Information — Forward-Looking Statements", "Risk Factors", "Business Description", and "Operating and Financial Review" included elsewhere in this Offering Memorandum and the financial information and the notes thereto incorporated by reference as outlined in the section entitled "Incorporation of Certain Information by Reference." Other than under "Description of the Notes and the Guarantees" or where the context indicates otherwise, references herein to "us", "we", "our" and similar terms are to the Group.

The Anglo American Group

Anglo American plc is the holding company of the Group, a global leader in mining, whether measured by market capitalization, revenue or net income. The Group has a range of high quality, core mining businesses with balanced participation across precious, base and bulk commodities. The Group is geographically diverse with operations in 39 countries. Anglo American is a public limited company incorporated in terms of the laws of England and Wales under the name "Anglo American plc".

The Group's profit attributable to equity shareholders of the Company (on a total Group basis) was US$2,061 million and US$2,970 million for the six months ended June 30, 2010 ("H1 2010") and June 30, 2009 ("H1 2009"), respectively, and US$2,425 million, US$5,215 million and US$7,304 million for the years 2009, 2008 and 2007, respectively. The Group's underlying earnings (on a total Group basis) were US$2,212 million and US$1,096 million for H1 2010 and H1 2009, respectively, and US$2,569 million, US$5,237 million and US$5,761 million for the years 2009, 2008 and 2007, respectively.

Due to the portfolio and management structure changes announced in October 2009, the business segments for which segment results are reported under IFRS have changed from those for which segment results were reported for the years ended December 31, 2008 and 2007. In addition, under the new business segment structure, segment results include a further allocation of corporate costs associated with activities which are performed at a corporate center but are believed to be adding value to business segments. See "Presentation of Financial Information". Segment results for H1 2010 and the H1 2009 comparative period are presented in the Group 2010 Condensed Interim Financial Statements and elsewhere herein on the new business segment basis. Segment results for 2009 and the 2008 comparative year are presented in the Group 2009 Financial Statements and elsewhere herein on the new business segment basis. However, segment results for 2008 and the 2007 comparative year are presented in the Group 2008 Financial Statements and elsewhere herein on the historic business segment basis.

Our continuing businesses' (excluding exploration and corporate activities) contribution to operating profit (including associates) before special items and remeasurements in 2007, 2008 and 2009 and for H1 2009 and H1 2010 is summarized in the tables below:

	Year ended December 31,			**Unaudited six months ended June 30,**	
	2007	**2008**	**2009**	**2009**	**2010**
			(US$m)		
Iron Ore and Manganese		2,554	1,489	720	1,628
Copper		1,892	2,010	606	1,185
Platinum		2,169	32	(13)	418
Thermal Coal		1,078	721	388	351
Metallurgical Coal		1,110	451	321	263
Diamonds		508	64	4	261
Nickel		123	2	(11)	68
Other Mining and Industrial		1,082	506	236	290
		10,516	5,275	2,251	4,464

	Year ended December 31,			Unaudited six months ended June 30,	
	2007	2008	2009	2009	2010
			(US$m)		
Ferrous Metals	1,432	2,935			
Coal	614	2,240			
Base Metals	4,338	2,505			
Platinum	2,697	2,226			
Diamonds	484	508			
Industrial Minerals	474	228			
	10,039	10,642			
Divisional costs allocated to corporate		102			
Corporate costs allocated to business segments		(228)			
		10,516			

Business Overview

The core Anglo American business segments are:

Iron Ore and Manganese. At June 30, 2010, this business segment's iron ore operations were represented in South Africa by a controlling interest of 63% (or 65% on July 31, 2010) in Kumba Iron Ore Limited ("Kumba"), a company listed on the Johannesburg Stock Exchange, and in Brazil by a 100% interest in Anglo Ferrous Minas Rio Mineração SA ("Minas Rio"), a 49% interest in LLX Minas Rio Logística Comercial Exportadora SA ("LLX Minas Rio", together with Minas Rio, the "Minas Rio Project"), which owns the port of Açu, and a 70% interest in Anglo Ferrous Amapá Mineração LTDA ("Amapá"). Its manganese operations (manganese ore mining and alloy production) are represented in South Africa and Australia by a 40% shareholding in both Samancor Holdings and Groote Eylandt Mining Company ("GEMCO", together with Samancor Holdings, "Samancor"), respectively.

- ***Copper.*** This business segment consists principally of interests in six operations in Chile, which are the wholly owned Los Bronces, El Soldado, Mantos Blancos and Mantoverde mines, the wholly owned Chagres smelter and a 44% interest in the Collahuasi mine. In addition, the business segment has controlling interests in two projects in Peru (Quellaveco and Michiquillay) and a 50% interest in the Pebble project in Alaska.

- ***Platinum.*** Our listed subsidiary, Anglo Platinum Limited ("Anglo Platinum"), located in South Africa, is the world's largest primary producer of platinum by production volume, accounting for approximately 40% of the global supply in 2009. At June 30, 2010, the Group held a 79.7% interest in Anglo Platinum.

- ***Thermal Coal.*** This business segment has operations in South Africa and South America. In South Africa, Thermal Coal owns and operates eight mines and has a 50% interest in the Mafube colliery, a 50% interest in the Phola washing plant and a 73% interest in Anglo Inyosi Coal which operates the Kriel Colliery and various other projects including Zibulo (formerly Zondagsfontein). This business segment also has a 27% interest in the Richards Bay Coal Terminal through which South African export thermal coal is routed. Its South American operations are represented by a 33% interest in Carbones del Cerrejón Coal Limited ("Cerrejón"), a coal mine located in Colombia.

- ***Metallurgical Coal.*** This business segment is the third largest export metallurgical coal producer in the world. It operates six mines, one wholly owned and five in which it has a controlling interest. These mines are located towards the east coast of Australia, principally in Queensland's Bowen Basin.

- ***Diamonds.*** This business segment has mining operations in Botswana, South Africa, Namibia and Canada through its 45% interest in De Beers S.A. ("De Beers"). De Beers is the world's leading diamond exploration, mining and marketing group. In 2009, De Beers was responsible for approximately 34% of global rough diamond supply by value.

- ***Nickel.*** Operations comprise two ferronickel operations, Codemin in Brazil and Loma de Níquel ("MLdN") in Venezuela, as well as the Barro Alto ferronickel project in Brazil. In addition, the business segment has two notable but unapproved projects in Brazil, namely Jacaré and Morro Sem Boné.

The other Anglo American business segment is:

- ***Other Mining and Industrial.*** This business segment comprises assets that the Group intends to divest, including the quarry materials and building products companies operating under the Tarmac brand ("Tarmac"), international steel products manufacturer Scaw Metals, Brazilian phosphates producer Copebrás and ferroniobium producer Catalão, the Group's portfolio of zinc assets in Ireland and Southern Africa, Peace River Coal in Canada and the Group's share of Carbones del Guasare in Venezuela.

Strategy

We aim to become the leading global mining company. Our ambition is underpinned by three key aims, namely, to be the investment, partner and employer of choice in the industry. Our asset base is represented by seven business segments focused around our core commodities — Iron Ore and Manganese, Copper, Platinum, Thermal Coal, Metallurgical Coal, Diamonds and Nickel.

We concentrate on pursuing mining investments intended to provide low cost and long life exposure to the commodity price cycle. Our principal aim is to ensure that we gain maximum value from our assets through a continual focus on operational efficiencies and growth opportunities. Our drive for extracting maximum operational efficiency from all our assets is supplemented by a Group focus on efficiency through sharing services and infrastructure, the centralization of procurement and back office functions and the streamlining of our management model to reduce bureaucracy and layers of management. We are also moving toward a stronger performance based culture, and we view a sharper focus on safety as paramount.

The Group's US$17 billion pipeline of approved projects is intended to enhance our position with respect to several of our core commodities: platinum, iron ore, copper and nickel. Despite the economic downturn in 2008 and 2009, we decided to continue the development of four key near term strategic growth projects — the Minas Rio and Kolomela (formerly Sishen South) iron ore projects in Brazil and South Africa, respectively, the Barro Alto nickel development in Brazil and the Los Bronces copper expansion in Chile. The four projects are all well placed on their respective industry cost curves, expected to have long lives, and on track to enter production from 2011 onwards. See "Business Description — Major Growth and Replacement Projects".

We have made significant progress with our Asset Optimization ("AO") and procurement programs. The AO program is designed to improve the performance of the Group's asset base through a combination of both cost reduction and productivity improvements. The program involves a thorough review of all activities performed across the full mining value chain, allowing for the identification of constraints and value improvement opportunities at our operations. This process includes setting improvement targets for these identified areas and thereafter in a structured and managed way ensuring that the available value is manifested in operational results. The procurement program delivers value by both leveraging the global scale of our companies' purchasing power and by developing strategic sourcing relationships with key global suppliers and is well integrated with the AO program. For the six months ended June 30, 2010, AO and procurement programs generated a benefit to the Group of approximately US$1 billion from core businesses (excludes Other Mining and Industrial). We are targeting a total combined benefit from core businesses from these programs of US$2 billion by the end of 2011. In response to the global economic downturn, in late 2008 we initiated a substantial rationalization program with a planned headcount reduction of 19,000 in 2009. At December 31, 2009, we had achieved a headcount reduction of 23,400. See "Overview — Developments".

The Group announced a major restructuring of its asset base in late 2005 to dispose of non-core businesses and focus the Group on five core mining activities. In October 2009, we announced a further restructuring of our portfolio and management structure. As a result of this restructuring, the new business units focus our portfolio around core commodities which are located in areas of key geographic focus for each commodity. The reorganization has resulted in a lean corporate center focused on activities that are expected to increase shareholder value.

As part of the restructuring announced in October 2009, businesses were identified for divestment and are now separately reported in the Other Mining and Industrial business segment. We believe we have made good progress with respect to the divestiture of these businesses, as indicated by the major transactions highlighted under "— Restructuring". The announced sales of our zinc portfolio, several of Tarmac's European businesses and five undeveloped coal assets in Australia are expected to generate proceeds in excess of US$2.2 billion. We have and will continue to sell the balance of our divestment portfolio in a manner and on a timetable that aims to maximize value for our shareholders.

Restructuring

We have been actively restructuring the Group in order to focus on our core businesses. We have undertaken several significant transactions since the beginning of 2007 including:

Michiquillay: In April 2007, we successfully tendered for the Michiquillay project in Peru, a copper project still in the exploration phase, for US$403 million, to be paid over a five year period.

Highveld: In May 2007, we completed the disposal of our interest in Highveld for total received consideration of US$650 million.

Tongaat Hulett: In June 2007, the Tongaat Hulett Group Limited (which has been renamed Tongaat Hulett Limited ("Tongaat Hulett")) concluded the demerger and separate listing of Hulett Aluminium (Pty) Limited (which has been renamed Hulamin Limited ("Hulamin")), on the Johannesburg Stock Exchange, and simultaneous introduction of a broad-based BEE equity investment into both companies. In July and August 2009, we disposed of our remaining shareholding in Hulamin and Tongaat Hulett, respectively, for total proceeds of US$671 million (excluding transaction costs).

Mondi: In July 2007, we completed the demerger of Mondi, our integrated paper and packaging group, by means of a demerger structured as a dividend of shares of Mondi to the shareholders of Anglo American.

Pebble: In July 2007, we became a 50% partner in the Pebble copper project in Alaska for a staged cash investment of US$1.4 billion. The project's key assets are its open-pit style Pebble West copper-gold-molybdenum deposit and the adjacent deeper and higher grade Pebble East deposit. The Pebble copper project is one of the world's largest copper-gold-molybdenum deposits in terms of resources.

AngloGold: In October 2007, we sold a 25.0% interest in AngloGold. In the first quarter of 2009, we disposed of our remaining investment in AngloGold for proceeds of US$1,770 million.

Foxleigh: In February 2008, we acquired a 70% interest in the Foxleigh coal mine joint venture in Australia. The total cost of acquisition was US$606 million. The Group has proportionately consolidated its interest from February 29, 2008. For the year ended December 31, 2009, Foxleigh produced 2.3 Million tpa ("Mtpa") (our attributable share 1.6 Mtpa) of pulverized coal injection ("PCI") coal and expects to increase its capacity to 3.3 Mtpa (our attributable share 2.3 Mtpa) once infrastructure projects are completed.

Tarmac Iberia: In August 2008, the sale of Tarmac Iberia, the Spanish operations of Tarmac, to Holcim was announced for consideration of US$186 million.

Minas Rio & Amapá: In August 2008, the Group acquired a 63.3% shareholding in Anglo Ferrous Brazil SA (formerly IronX Mineração SA), which in turn held a 51% interest in Minas Rio and a 70% interest in Amapá. Following subsequent purchases of remaining non-controlling interests, the Group increased its shareholding in Anglo Ferrous Brazil SA to 100%. The total acquisition cost for these interests was US$6.70 billion. These transactions together with an earlier transaction brought the Group's shareholding in Minas Rio to 100%.

Namakwa Sands: In October and November 2008, as part of an option exercised by Exxaro Resources Limited (formerly known as Kumba Resources Limited) ("Exxaro") in January 2007, the Group sold 100% of the assets and business of Namakwa Sands for consideration of US$330 million (including deferred consideration of US$19 million) as well as a 26.0% interest in Black Mountain Mining (Proprietary) Limited, which owns the Black Mountain zinc and lead mine and the Gamsberg zinc project, for US$23 million.

Booysendal: In June 2009 we completed the disposal of our 50% interest in the Booysendal joint venture to Mvelaphanda Resources Limited ("Mvela") for a total consideration of US$275 million (excluding transaction and deal facilitation costs).

Lebowa: In June 2009 we disposed of a 51% interest in Lebowa to Anooraq Resources Corporation ("Anooraq"). The fair value of consideration received was US$247 million (excluding transaction and deal facilitation costs). Since June 30, 2009, the Group has held a 49% interest in Lebowa and commenced equity accounting from that date.

Tarmac's European businesses: During the first quarter of 2010, we signed agreements to sell Tarmac's aggregates businesses in France, Germany, Poland and the Czech Republic and its Polish and French and Belgian concrete products businesses for expected total consideration in excess of US$400 million. The sale of Tarmac's aggregates businesses to Eurovia, part of the Vinci Group, is subject to obtaining the required relevant regulatory approvals. In March 2010, we completed our disposal of the Polish concrete products business, and in May 2010, the sale of our French and Belgian concrete products business for a total consideration of US$65 million and US$86 million, respectively.

Zinc business: In May 2010, we announced the sale of our portfolio of zinc assets to Vedanta for US$1,338 million on an attributable debt and cash free basis. Of the total consideration, US$698 million relates to the Skorpion mine, US$308 million relates to the Lisheen mine and US$332 million relates to our 74% interest in Black Mountain Mining (Proprietary) Limited (which holds 100% of the Black Mountain mine and the Gamsberg project). The customary regulatory approval and competition clearance processes to complete this transaction are under way. Completion of the transaction is expected to be in stages, with separate completion dates for Skorpion, Lisheen and Black Mountain Mining (Proprietary) Limited. The agreed consideration is US$1.3 billion, subject to adjustment for profits and cash flows for the zinc businesses which are for the benefit of the purchaser from January 1, 2010, subject to completion.

Anglo Inyosi: In June 2010, we completed a BEE transaction to dispose of a 27% interest in Anglo Inyosi Coal (Proprietary) Limited (Thermal Coal segment). A BEE charge of US$86 million was recognized on the disposal, principally relating to an IFRS 2 *Share-based Payment* charge.

Undeveloped Coal assets: On July 5, 2010, we announced that we had entered into an agreement with a consortium to sell our interests in five undeveloped coal assets in Australia, with expected proceeds of approximately US$500 million, or AUD580 million. The transaction is subject to satisfaction of certain conditions and is expected to be completed in stages from the fourth quarter of 2010.

Certain of our restructuring transactions in South Africa (including the Tongaat Hulett and Hulamin transactions in June 2007 and the Booysendal and Lebowa transactions in 2009) have been structured with reference to the objectives set forth in the Broad-Based Black Economic Empowerment Act 2003 (the "BBBEE Act") and the ownership element component of the Codes of Good Practice that are issued from time to time by the South African Minister of Trade and Industry pursuant to the BBBEE Act. Others (including the Kumba and Exxaro transactions) have been structured in accordance with the empowerment requirements applicable to entities in the mining sector, as contained in the South African Mineral and Petroleum Resources Development Act 2002 ("MPRDA"), the Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry (the "Charter") and the regulations published under the MPRDA. For a discussion of the BBBEE Act, the MPRDA and the Charter, see "Regulation — South Africa".

Developments

While the first half of 2008 saw a period of continued high commodity prices (including record market prices for copper and platinum) and strong demand, the economic downturn in the second half of 2008 resulted in substantial and rapid declines in both prices and demand across most of our commodities (including base metals, platinum and diamonds).

These weak economic conditions continued into early 2009. However, in the second quarter of 2009, prices in a number of our commodities (including copper, nickel and spot iron ore) recovered to some extent from their low points at the end of 2008, principally driven by demand in China and India. As 2009 progressed, varying degrees of confidence returned to the world markets and the prices across many of our commodities increased, continuing to be driven principally by the emerging economies of China and India. Despite this partial recovery, our 2009 commodity prices realized, with the exception of copper, were on average lower than our commodity prices realized in 2008, particularly for the platinum basket of metals, manganese ore and alloys, iron ore, metallurgical coal, fertilizers and nickel.

Price recovery in the second half of 2009 continued into 2010, however, the near term outlook for the world economy has become more uncertain in recent months. More recently, certain economic indicators, such as the Organization of Economic Development (OECD) composite leading indicators, have indicated less favorable economic conditions. It is expected that there will be some consolidation after the initial rapid improvement, as the positive effects from the stimulus and inventory restocking fade.

Anglo American believes that the fundamentals of its core commodities remain attractive in the medium- to long-term and the Group has a number of long life, low cost growth projects, the continuing development of which is expected to enable the Group to capitalize on the next phase of economic growth.

As a result of the severity of the downturn experienced in the second half of 2008, Anglo American took a series of measures to address the near term pressures to seek to ensure that the Group's operating and cost profiles were appropriate and that its balance sheet and capital structure would have sufficient flexibility through the downturn, while preserving the Group's growth options for the longer term. In 2009, these measures included a more than 50% reduction in capital expenditure (to approximately US$4.5 billion), addressing near term liquidity (raising US$5.9 billion in funding from four major bond transactions, and the sale of our residual shareholding in AngloGold, Tongaat Hulett and Hulamin), production and headcount reductions, further cost cutting across the Group and the suspension of the share buyback program and dividend payments. The stronger economic conditions in the second half of 2009 and recovery of prices in a number of our commodities which continued into 2010 contributed to the reinstatement of our dividend payments in 2010.

In addition, the Group continues its program of AO, designed to improve the performance of the Group's existing long life asset base through cost and productivity improvements. The AO program involves a thorough review of all mining activities and includes benchmarking the performance of all assets and processes, internally and externally, to maximize best practice opportunities. As of June 30, 2010, we estimated that AO and procurement programs would generate a 2010 run rate benefit of approximately US$1 billion from core businesses.

On June 21, 2009, the Board of Anglo American announced that it had received a preliminary proposal from Xstrata plc ("Xstrata") in relation to a potential transaction involving the Group. The Board updated its review of strategic alternatives and concluded that the strategic case for the combination was unattractive for Anglo American shareholders and that irrespective of this lack of strategic merit, the terms proposed by Xstrata were not commercially viable in its view. On June 22, 2009 the Board of Anglo American announced that it unanimously concluded that the proposed combination with Xstrata would not be in the interest of Anglo American shareholders. On October 15, 2009, Xstrata announced that it had no intention of making an offer to Anglo American shareholders.

The Offering

Certain of the terms and conditions described below are subject to important limitations and exceptions. The "Description of the Notes and the Guarantees" section of this Offering Memorandum contains a more detailed description of the terms and conditions of the Notes and the Guarantees. Capitalized terms used but not defined in this section have the meanings set forth in "Description of the Notes and the Guarantees".

The Issuer	Anglo American Capital plc, a public limited company organized under the laws of England and Wales. The Issuer is a wholly-owned subsidiary of Anglo American plc that serves as a financing vehicle through which the Anglo American Group raises funds to support its operations.
The Guarantor of the Notes	Anglo American plc, a public limited company organized under the laws of England and Wales. The Company is the ultimate holding company for the Anglo American Group.
The Notes.	US$750 million principal aggregate amount of 2.150% Senior Notes due September 27, 2013 (the "2013 Notes"); and US$500 million principal aggregate amount of 4.450% Senior Notes due September 27, 2020 (the "2020 Notes", and together with the 2013 Notes, the "Notes"). Each series of the Notes will be issued under the Indenture among the Issuer, the Company and the Trustee. The 2013 Notes and the 2020 Notes will each be treated as a separate class of securities under the Indenture.
The Guarantees	The obligations of the Issuer under the Notes will be unconditionally and irrevocably guaranteed on a senior and unsecured basis by the Company (the "Guarantees") pursuant to the Indenture.
The Offering	The Notes are being offered in the United States to qualified institutional buyers in reliance on Rule 144A under the Securities Act and outside the United States to persons other than US persons in reliance upon Regulation S under the Securities Act.
Issue Price	99.916% for the 2013 Notes; and 99.976% for the 2020 Notes.
Issue Date	September 27, 2010.
Maturity Date..	September 27, 2013 for the 2013 Notes; and September 27, 2020 for the 2020 Notes.
Interest	The 2013 Notes and the 2020 Notes will bear interest from the Issue Date at the rate of 2.150% and 4.450%, respectively, per annum, payable semi-annually in arrears.
Interest Payment Dates	March 27 and September 27 of each year, commencing 2011, until the Maturity Date.
Regular Record Dates	March 15 and September 15 of each year.

Status of the Notes and the Guarantees . . . . The Notes and the Guarantees will be direct, unsecured and unsubordinated obligations of each of the Issuer and the Company, respectively, ranking *pari passu* among themselves and with all other direct, unsecured and unsubordinated obligations (except those obligations preferred by statute or operation of law) of the Issuer and the Company, respectively. The Notes and the Guarantees will be effectively subordinated to any debt or other obligations of any other subsidiary of the Company with respect to the earnings and assets of that subsidiary.

Use of Proceeds . . . . The net proceeds of the offering will be used for our general corporate purposes.

Covenants . . . . The Issuer and the Company have agreed to certain covenants with respect to the Notes and the Guarantees, including limitations on:

- liens;
- sale and leaseback transactions; and
- mergers and consolidations.

Events of Default . . . . The occurrence or existence of certain conditions or events, including the acceleration of certain other indebtedness of the Issuer or the Company, may accelerate the Issuer and the Company's obligations under the Notes.

Optional Redemption . . . . The Issuer may redeem either or both series of Notes, in whole or in part, at its option, at any time and from time to time at a redemption price equal to the greater of (i) 100% of the principal amount of the Notes to be redeemed and (ii) the sum of the present values of the applicable Remaining Scheduled Payments discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus, in the case of the 2013 Notes, 25 basis points and, in the case of the 2020 Notes, 30 basis points, together with, in each case, accrued interest on the principal amount of the Notes to be redeemed to the date of redemption.

Optional Tax Redemption . . . . The Notes are subject to redemption prior to maturity, at the option of the Issuer, in whole but not in part, at their principal amount, plus accrued interest to the date of redemption and any Additional Amounts, in the event of certain changes in tax laws.

Additional Amounts . . . . Subject to certain exceptions and limitations provided for in the Indenture, the Issuer and the Company will pay such Additional Amounts on the Notes (or under the Guarantees in respect thereof) as may be necessary to ensure that the net amounts received by each holder of a Note after all withholding or deductions shall equal the amount of principal and interest which such holder would have received in respect of such Note (or payments under the Guarantees in respect thereof) in the absence of such withholding or deduction.

Change of Control . . . . If a Change of Control Repurchase Event occurs (as defined under "Description of the Notes and the Guarantees"), the Issuer or the Company may be required to repurchase the Notes at a purchase

price equal to 101% of their principal amount, plus any accrued and unpaid interest. See "Description of the Notes and the Guarantees — Change of Control Repurchase Event".

Denomination, Form and Registration of Notes . . . . The Notes will be issued in fully registered form and only in denominations of US$100,000 and integral multiples of US$1,000 in excess thereof. The Notes will be issued initially as Global Notes. The Depository Trust Company will act as depositary for the Notes. Except in limited circumstances, Global Notes will not be exchangeable for certificated notes.

Further Issues . . . . The Issuer may from time to time without the consent of the holders of the Notes issue as many distinct series of debt securities under the Indenture as it wishes. Subject to certain conditions, it may also from time to time without the consent of the holders of the Notes issue additional Notes having the same terms and conditions as the Notes issued hereunder. The period of resale restrictions applicable to any Notes previously offered and sold in reliance on Rule 144A under the Securities Act shall automatically be extended to the last day of the period of any resale restrictions imposed on any such additional Notes.

Trustee, Paying Agent, Registrar and Transfer Agent. . . . . Citibank, N.A., whose address is Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, United Kingdom.

Settlement . . . . The Issuer expects to deliver the Notes on or about September 27, 2010 (the "Settlement Date").

Delayed Settlement Cycle . . . . The Initial Purchasers expect that delivery of the Notes will be made against payment therefore on the Settlement Date, which will be the fifth business day following the pricing date of the offering (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 under the Securities and Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the pricing date or the immediately following business day will be required, by virtue of the fact that the Notes initially will settle on a delayed basis, to agree to a delayed settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisors.

Transfer Restrictions . . . . Neither the Notes nor the Guarantees have been or will be registered under the Securities Act and each is subject to certain restrictions on resale and transfer.

Governing Law . . . . The Indenture, the Notes and the Guarantees will be governed by and construed in accordance with the laws of the State of New York.

Ratings. . . . . It is expected that the Notes will be rated Baa1 (stable outlook) by Moody's Investors Service, Inc. and BBB (positive outlook) by Standard & Poor's, a division of the McGraw-Hill Companies, Inc., subject to confirmation on the Settlement Date.

	A credit rating is not a recommendation to buy or hold securities and may be subject to revisions, suspension or withdrawal at any time by the assigning rating agency.
Listing	The Company expects to make an application for the admission of the Notes to listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Regulated Market, a regulated market for purposes of the Directive on Markets in Financial Instruments.
Risk Factors.	We urge you to consider carefully the risks described in ''Risk Factors'' beginning on page 12 of this Offering Memorandum before making an investment decision.

SUMMARY SELECTED FINANCIAL INFORMATION

The summary selected financial information of the Group set forth below for the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2009 and 2010 has been derived from, and should be read in conjunction with, the consolidated financial statements and notes thereto prepared in accordance with EU IFRS and incorporated by reference in this Offering Memorandum. See "Presentation of Financial Information".

You should regard the summary financial data below only as an introduction and should base your investment decision on a review of the entire Offering Memorandum and the information incorporated by reference therein.

	Year ended December 31,			Unaudited six months ended June 30,	
	2007	2008	2009	2009	2010
	(US$m unless otherwise stated)				
Group revenue — continuing operations	25,470	26,311	20,858	9,292	12,590
Group revenue (including associates)[1] — total Group[2]	35,674	32,964	24,637	11,132	15,015
Operating profit before special items and remeasurements (including operating profit of associates)[1] — total Group[2]	10,116	10,085	4,957	2,136	4,361
Profit for the financial period attributable to equity shareholders of the Company — continuing operations	5,294	5,215	2,425	2,970	2,061
Profit for the financial period attributable to equity shareholders of the Company — total Group[2]	7,304	5,215	2,425	2,970	2,061
Underlying earnings[1] — continuing operations	5,477	5,237	2,569	1,096	2,212
Underlying earnings[1] — total Group[2]	5,761	5,237	2,569	1,096	2,212
Earnings per share — total Group (US$)[2]					
Basic	5.58	4.34	2.02	2.47	1.71
Basic — Underlying[1]	4.40	4.36	2.14	0.91	1.84
Dividends per share (US cents)[3]					
Ordinary	124.0	44.0	—	—	25.0
Special	—	—	—	—	—
Net assets	24,330	21,756	28,069	26,957	30,197
Net debt[1]	(4,851)	(11,340)	(11,280)	(11,602)	(10,930)
Net cash inflows from operating activities — total Group[2]	7,264	8,065	4,087	1,520	2,686

(1) Definitions are set out in the "Non-IFRS financial measures" section.

(2) Total Group relates to continuing and discontinued operations.

(3) Declared in respect of the applicable year ended December 31 or six months ended June 30.

THE COMPANY

Anglo American plc is a public limited company organized under the laws of England and Wales. The principal offices of Anglo American plc are located at 20 Carlton House Terrace, London, SW1Y 5AN, England.

THE ISSUER

Anglo American Capital plc is a public limited company organized under the laws of England and Wales. It was formed for the purpose of securing and providing financing for the Anglo American Group. The principal offices of Anglo American Capital plc are located at 20 Carlton House Terrace, London, SW1Y 5AN, England.

RISK FACTORS

Prospective investors should read and carefully consider the following risk factors and other information in this Offering Memorandum before deciding to invest in the Notes. We believe that the risk factors identified below represent the principal risks inherent in investing in the Notes, but they are not the only risk factors we face. Additional risk factors not presently known to us or that we currently believe to be immaterial also may adversely affect our business, financial condition and results of operations. Should any known or unknown risk factors develop into actual events, these developments could have material adverse effects on our business, financial condition and results of operations.

Unless otherwise specified by reference to Anglo American or Anglo American Capital, the risks apply in the context of the Group and are also applicable to each of Anglo American plc and Anglo American Capital plc.

In this context, the following specific risks have been identified:

Risks related to our business

Our business, results of operations, cash flows and financial condition may be adversely affected by commodity price fluctuations and the continuation of poor economic conditions.

Commodity prices are determined principally by international markets and global supply and demand. Fluctuations in commodity prices give rise to commodity price risk across the Group. Historically, such prices have been subject to substantial variation. As an example, in 2008 there was a very rapid and significant reduction in commodity prices during the second half of the year. See "Operating and Financial Review" for further information on recent commodity price movements. Global economic conditions may exert downward pressure on commodity prices, which could result in material and adverse declines in our revenues, results of operations, cash flows and financial condition.

Adverse and volatile economic conditions can also limit our visibility in terms of anticipated revenues and costs, and can affect our ability to implement planned projects. In 2009, for example, we reduced planned capital expenditures by approximately 50 per cent in response to the adverse economic outlook. In addition, rating agencies and industry analysts are likely to take such conditions into account when assessing our business and creditworthiness, and any adverse determinations, including ratings downgrades, may make it more difficult for us to raise capital in the future and may adversely affect the market price of the Notes.

If the global economic environment remains weak for the medium to long term, our ability to grow or maintain revenues in future years may be adversely affected, and at certain long-term price levels for a given commodity, certain of our extractive operations with respect to that commodity may not be economic. Such developments could have a materially adverse effect on our business, operational results, cash flows and financial condition.

Our business may be adversely affected by liquidity and counterparty risk.

We are exposed to liquidity risk arising from the need to finance our ongoing operations and growth. Global credit markets have been severely constrained in the recent past, and our ability to obtain funding has been and may continue to be significantly reduced. Furthermore, the cost of obtaining funding has increased and may continue to increase significantly.

A downgrade and lowering of our credit rating may have a negative impact on our ability to obtain funding and may increase the cost of financing.

If we are unable to obtain sufficient credit, either due to banking and capital market conditions generally, or due to factors specific to our business, we may not have sufficient cash to develop new projects, fund acquisitions or meet ongoing financing needs, which in turn could materially and adversely affect our revenues, operating results, cash flows and financial condition. Our most significant upcoming maturities are a

GBP300 million eurobond maturing in December 2010, and a US$4.5 billion revolving credit bank facility maturing in June 2011.

In order to meet our debt service obligations, including payments of interest and principal on the Notes, we will need to use proceeds from operating cash flows or disposals of assets, or use alternative funding sources such as our US $3.5 billion revolving credit bank facility. There can be no assurance, however, that such proceeds will be sufficient or that refinancing will be available on commercially viable terms. Any failure to meet our debt service obligations would have a material adverse effect on our financial condition and could result in a loss of all or part of your investment in the Notes.

In addition, we are exposed to counterparty risk from customers or holders of cash that could result in financial losses should those counterparties become unable to meet their obligations to us. Furthermore, the Treasury operations of our joint ventures and associates, including De Beers, are independently managed and may expose us to liquidity, counterparty and other financial risks.

Should our counterparties be unable to meet their obligations to us, or should the treasury operations of our joint ventures or associates incur losses, our operating results, cash flows and financial condition could be materially and adversely affected.

We may be adversely affected by currency exchange rate fluctuations.

Because of the global nature of our business, we are exposed to currency risk principally where transactions are not conducted in US dollars or where assets and liabilities are not US dollar-denominated. The majority of our sales revenue is denominated in US dollars, while the majority of our operating costs are influenced by the currencies of the countries where our operations are located and by the currencies in which the costs of imported equipment and services are denominated. The South African rand, Chilean peso, Brazilian real, Australian dollar, euro, British pound and US dollar are the most important currencies influencing our operating costs and asset valuations. For historical information regarding the exchange rate of each of these non-US dollar currencies for US dollars, see "Exchange Rate Data". Fluctuations in the exchange rates of these currencies may adversely affect our operating results, cash flows or financial condition to a material extent.

Inflation may have an adverse effect on our results of operations and cash flows.

Because we cannot control the market price at which commodities we produce are sold, we may be unable to pass through increased costs of production to our customers. As a result, it is possible that significantly higher future inflation in the countries in which we operate may increase future operational costs without a corresponding increase in the US dollar price of the commodities we produce, or a concurrent depreciation of the local currency against the US dollar.

Cost inflation in the mining sector is more apparent during periods of high commodity prices because demand for mining-related products and services can tend to exceed supply during such periods, although such inflation can occur at any point in the commodity cycle. A lag in the reduction of input costs relative to declining commodity prices will have a similar negative effect on our operations. Any such increased costs or delays in cost reductions may adversely affect our profit margins, cash flows and results of operations, and such effects could be material.

Safety, health and environmental exposures and related regulations may expose us to increased litigation, compliance costs, interruptions to operations, unforeseen environmental remediation expenses and loss of reputation.

Mining is a hazardous industry and is highly regulated by safety, health and environmental laws. Failure to provide a safe and healthy working environment may result in government authorities forcing closure of mines on a temporary or permanent basis or refusing mining right applications. A failure to achieve the

required high levels of safety, health and environmental management can result in harm to our employees, the communities near our operations, and the environment. As a consequence, we could face fines and penalties, liability to employees and third parties for injury, illness or death, statutory liability for environmental remediation, and other financial consequences, which may be significant. We are currently subject to ongoing litigation relating to some of these areas of risk, and may face additional litigation in the future. We could also suffer impairment of our reputation, industrial action or difficulty in recruiting and retaining skilled employees. Any future changes in laws, regulations or community expectations governing our operations could result in increased compliance and remediation costs.

Any of the foregoing developments could have a materially adverse effect on our results of operations, cash flows or financial condition.

Existing and proposed legislation and regulation affecting greenhouse gas emissions may adversely affect certain of our operations.

Anglo American is a large user of energy and one of the key commodities we produce is coal. Various regulatory measures aimed at reducing greenhouse gas emissions and improving energy efficiency may affect our operations and customer demand for our products over time. Policy developments at an international, regional, national and sub-national level, including those related to the 1997 Kyoto Protocol and emissions trading systems, such as the Emissions Trading System of the European Union, could adversely affect the profitability of our greenhouse gas-intensive and energy-intensive assets. See "Sustainable Development (Including Safety, Health and Environment)".

Actions by governments or political instability in the countries in which we operate could adversely affect our business.

Our businesses may be affected by political or regulatory developments in any of the countries and jurisdictions in which we operate. These may include changes to fiscal regimes or other regulatory regimes that may result in restrictions on the export of currency, expropriation of assets, imposition of royalties or new taxes and requirements for local ownership or beneficiation. Political instability can also result in civil unrest or nullification of existing agreements, mining leases, or permits. Any of these risks may materially and adversely affect our results of operations, cash flows and financial condition or deprive us of the economic benefits of ownership of our assets.

Our operations and development projects could be adversely affected by shortages of, as well as lead times to deliver, certain key inputs.

The inability to obtain, in a timely manner, strategic consumables, raw materials, mining and processing equipment could have an adverse impact on our results of operations, development projects and financial condition. The strong commodity cycle witnessed in recent years increased demand for such supplies, resulting in periods when supplies were not always available to meet demand when required or causing costs to increase above normal inflation rates. Any interruption to our supplies or increase in our costs would adversely affect our operating results and cash flows, and such effects could be material.

We may be unable to obtain or renew required licenses, permits and other authorizations and/or such licenses, permits and other authorizations may be suspended, terminated or revoked prior to their expiration.

We currently conduct, and will in the future be required to conduct, our operations (including exploration activities) pursuant to licences, permits and other authorizations. Any delay in obtaining or renewing of a license, permit or other authorization may require a delay in our investment or development of a resource and may have a material adverse effect on our results of operations, cash flows and financial condition. In addition our existing licenses, permits and other authorisations may be suspended, terminated or revoked if we fail to comply with the relevant requirements. If we fail to fulfill the specific terms of any of our licenses, permits

and other authorizations or if we operate our business in a manner that violates applicable law, government regulators may impose fines or suspend or terminate the license, permit or other authorization, any of which could have a material adverse effect on our results of operations, cash flows and financial condition.

The use of mining contractors at certain of our operations may expose those operations to delays or suspensions in mining activities.

Mining contractors are used at a number of our operations to perform various operational tasks, including carrying out mining activities and delivering ore to processing plants. In periods of high commodity prices, demand for contractors may exceed supply resulting in increased costs or lack of availability of key contractors. Disruptions of operations or increased costs also can occur as a result of disputes with contractors or a shortage of contractors with particular capabilities. Additionally, because we do not have the same control over contractors as we do over employees, there is a risk that contractors will not operate in accordance with our safety standards or other policies. To the extent that any of the foregoing risks materialize, our operating results and cash flows could be adversely affected, perhaps materially.

We may have less reserves than our estimates indicate.

Our Mineral Resources and Ore Reserves estimates are stated as of December 31, 2009 and are subject to a number of assumptions, including the price of commodities, production costs and recovery rates. Fluctuations in the variables underlying our estimates may result in material changes to our reserve estimates in the future, and such changes may have a materially adverse impact on our financial condition and prospects.

Failure to discover new reserves, enhance existing reserves or adequately develop new projects could adversely affect our business.

Exploration and development are costly, speculative and often unproductive, but are necessary for our business. Failure to discover new reserves, to maintain our existing mineral rights, to enhance existing reserves or to extract resources from such reserves in sufficient amounts and in a timely manner could materially and adversely affect our results of operations, cash flows, financial condition and prospects. In addition, we may not be able to recover the funds we spend identifying new mining opportunities through our exploration program.

Increasingly stringent requirements relating to regulatory, environmental and social approvals can result in significant delays in construction of our facilities and may adversely affect the economics of new mining projects, the expansion of existing operations and, consequently, our results of operations, cash flows and financial condition, and such effects could be material.

Damage to or breakdown of a physical asset, including due to fire, explosion or natural catastrophe may adversely affect our operating results and result in loss of revenue, loss of cash flow or other losses.

Damage to or breakdown of a physical asset, including as a result of fire, explosion or natural catastrophe, can result in a loss of assets and subsequent financial losses. Our operations and development projects are exposed to natural risks such as earthquake, extreme weather conditions, failure of mining pit slopes and tailing dam walls, and other natural phenomena. Our insurance with respect to catastrophic event risk may not be sufficient to cover our financial loss flowing from an event, and insurance is not available or is unavailable on economically viable terms for many risks we may face. The occurrence of events for which we are not insured, or for which our insurance is insufficient, may materially and adversely affect our revenues, operating results, cash flows and financial condition.

Our operations and development projects could be adversely affected by shortages of appropriately skilled employees, for whom we compete with mining and other companies to recruit, develop and retain.

Our ability to recruit, develop and retain appropriate skills is affected by global competition for skilled labor, particularly in periods of high commodity prices when demand for such personnel typically increases. Any failure to retain skilled employees or to recruit new staff may lead to increased costs, interruptions to existing operations and delay of new projects.

Labor disruptions could have an adverse effect on our results of operations, cash flows and financial condition.

There is a risk that strikes or other types of conflict with unions or employees may occur at any one of our operations, development projects or suppliers of critical goods and services or in any of the geographic regions in which we operate. A significant portion of our workforce is unionized, especially in South Africa and South America. Labor disruptions may be used not only for reasons specific to our business, but also to advocate labor, political or social goals. Any labor disruptions could increase operational costs and decrease revenues, and if such disruptions are material, they could adversely affect, possibly significantly, our results of operations, cash flows and financial condition.

Adverse market conditions could affect our ability to carry out certain transactions that are important to our business.

Beyond the direct impact on our business, falling commodity prices and the lack of available credit markets could prevent us from carrying out certain transactions that are important to our business. In particular, we may be unable to complete black economic empowerment ("BEE") transactions in South Africa because BEE partners may be unable to finance their investments or be required to restructure their investments. We may also face other consequences, such as a reduced ability to find suitable joint venture partners or to find buyers for businesses or assets we may wish to sell. Our inability to carry out important transactions may have an adverse effect on our business and financial condition. In 2009, we announced the sale of certain non-core businesses and adverse market conditions may impact the value we are able to receive or the timing of such sales.

Failure to meet production, construction, delivery and cost targets can adversely affect both operational performance and our ability to implement projects in a timely and efficient manner, resulting in increased costs.

Failure to meet production targets can result in increased unit costs, and such increases may be especially pronounced at operations with higher levels of fixed costs. Unit costs may exceed forecasts, adversely affecting performance and results of operations. In addition, failure to meet project delivery times and costs could have a negative effect on operational performance and lead to increased costs or reductions in revenue and profitability. Such increases could materially and adversely affect the economics of a project, and consequently our results of operations, cash flows and financial condition.

We may not achieve projected benefits of acquisitions.

We have undertaken a number of acquisitions in the recent past, including the Minas-Rio Project in Brazil. See "Business Description — Restructuring". With any such transaction there is the risk that any benefits or synergies identified at the time of acquisition may not be achieved as a result of changing or incorrect assumptions or materially different market conditions, resulting in adverse effects on financial performance, production volumes or product quality. Furthermore, we could be found liable for past acts or omissions of the acquired business without any adequate right of redress.

Restrictions in our ability to access necessary infrastructure services, including utilities and transportation, may adversely affect our operations.

Inadequate supply of the critical infrastructure elements for mining activity could result in reduced production or sales volumes or impact our development projects, which could have a negative effect on our financial performance. Disruptions in the supply of essential utility services, such as water and electricity, can halt our production for the duration of the disruption and, when unexpected, may cause loss of life or damage to our mining equipment or facilities, which may in turn affect our ability to recommence operations on a timely basis. Adequate provision of transportation services, in particular rail services and timely port access, are critical to getting our products to market and disruptions to such services may affect our operations. We are largely dependent on third party providers of utility and transportation services including rail, port and shipping services, and their provision of services, maintenance of networks and expansion and contingency plans are outside our control. In certain instances, our growth plans are reliant on third party rail providers expanding their carrying capacity.

As an example, during 2008, we experienced power outages in several of the regions in which we operate, including most significantly in South Africa, where electrical power supply problems experienced in early 2008 caused substantial disruption to mining operations across the country. At present it is difficult to forecast accurately the impact of any new instances, continuation or exacerbation of power shortages, either in South Africa or in other regions, in the near or long term. However, any such events are likely to affect adversely our production volumes and may increase our costs, which would in turn adversely affect our results of operations and cash flows, and such effects could be material.

Failure to manage relationships with local communities, government and non-government organizations could adversely affect our future growth potential.

As a consequence of public concern about the perceived ill effects of economic globalization, businesses generally and in particular large multinational corporations such as Anglo American face increasing public scrutiny of their activities. In addition, we operate in several countries where ownership of rights in respect of land and resources is uncertain and where disputes in relation to ownership or other community matters may arise. These disputes are not always predictable and may cause disruption to projects or operations. Our operations can also have an impact on local communities, including the need, from time to time, to relocate communities or infrastructure networks such as railways and utility services. See "Sustainable Development (Including Safety, Health and Environment)". Failure to manage relationships with local communities, government and non-government organizations may adversely affect our reputation, as well as our ability to bring projects into production, which could in turn affect our revenues, results of operations and cash flows, potentially in a material manner.

We face certain risks from the high infection rates of HIV/AIDS that may adversely affect our business and the communities in which we operate.

We recognize that the HIV/AIDS epidemic in sub-Saharan Africa is a significant threat to economic growth and development in that region and affects our business. In addition to the costs associated with the provision of anti-retroviral therapy to employees and occupational health services (both of which will increase if the incidence of HIV/AIDS spreads), there is a risk that the recruitment and retention of the skilled personnel needed to maintain and grow our business in southern Africa (and other regions where HIV/AIDS is a major social issue), will not be possible. If this occurs, our business would be adversely affected.

Our non-controlled assets may not comply with our standards.

Some of our operations are controlled and managed by joint venture partners, associates or by other companies. Management of non-controlled assets may not comply with our standards, for example, on safety, health and environmental matters or on financial or other controls and procedures. This may lead to higher costs and lower production and adversely affect our results of operations, cash flows, financial condition or reputation.

Certain factors may affect our ability to support the carrying value of our property, plants and equipment, acquired properties, investments and goodwill on our balance sheet.

We review and test the carrying value of our assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, we prepare estimates of expected future cash flows for each group of assets. Expected future cash flows are inherently uncertain, and could materially change over time. They are significantly affected by reserve and production estimates, together with economic factors such as spot and forward commodity prices, discount rates, currency exchange rates, estimates of costs to produce reserves and future capital expenditure.

If any of these uncertainties occur, either alone or in combination, it could require management to recognize an impairment, which could materially and adversely affect our results of operations or financial condition.

Inaccurate assumptions in respect of critical accounting judgments could adversely affect financial results.

In the course of preparing financial statements, our management necessarily makes judgments and estimates that can have a significant impact on our financial statements. The most critical of these relate to estimation of the useful economic life of assets and ore reserves, impairment of assets, restoration, rehabilitation and environmental costs and retirement benefits and are detailed further under "Operating and Financial Review — Application of Critical Accounting Policies and Estimates". The use of inaccurate assumptions in calculations for any of these estimates could have a significant impact on our results of operations and financial condition.

Risks Relating to the Notes

There is no established trading market for the Notes and one may not develop.

Each series of Notes will be new securities for which there currently is no established trading market. The Notes have not been and will not be registered under the Securities Act and will be subject to significant restrictions on resale. See "Transfer Restrictions". There can be no assurance regarding the future development of a market for either series of the Notes or the ability of holders of the Notes to sell their Notes or the price at which such holders may be able to sell their Notes. If such a market were to develop, the Notes could trade at prices that may be lower than the initial offering prices depending on many factors, including prevailing interest rates, our operating results and the market for similar securities. Therefore, there can be no assurance as to the liquidity of any trading market for either series of the Notes or that active markets for the Notes will develop. We have applied to list the Notes on the London Stock Exchange's regulated market and for admission to the official list. However, our listing and admission may not be approved or, if approved, may not be maintained.

Our holding company structure means that the claims of creditors of subsidiaries of the Company will generally have priority over claims on the guarantee obligations.

Anglo American is a holding company and derives the majority of its operating income and cash flow from its subsidiaries. It must rely upon distributions from its subsidiaries to generate funds necessary to meet its obligations, including any payments under the Guarantees. The obligations of the Issuer under the Notes are unsecured and rank equally in right of payment with all unsecured, unsubordinated obligations of the Issuer. The obligations of Anglo American under the Guarantees are unsecured and rank equally with all unsecured, unsubordinated obligations of Anglo American. These obligations will also be structurally subordinated to the holders of secured and unsecured debt and other creditors of subsidiaries of Anglo American. The Indenture does not place any limitation on the amount of unsecured debt that may be incurred by us or any of our subsidiaries (including the Issuer). As of December 31, 2009, a small proportion of our debt was outstanding at our subsidiaries and joint ventures (on a proportional basis), to which the notes would be structurally subordinated.

The Issuer is a finance vehicle, with no independent business operations.

Anglo American Capital plc is a finance vehicle, the primary business of which is the raising of money for the purpose of on-lending to other members of the Group. Accordingly, substantially all the assets of the Issuer are loans and advances made to other members of the Group. The ability of the Issuer to satisfy its obligations in respect of the Notes depends upon payments being made to it by other members of the Group in respect of loans and advances made by it.

Investors in the Notes may have limited recourse against the independent auditors.

See "Independent Auditors" for a description of the independent auditors' reports, including language limiting the auditors' scope of duty in relation to such reports and the various financial statements to which they relate. In particular, the February 18, 2010 report of Deloitte, with respect to the 2009 Group Financial Statements, in accordance with guidance issued by The Institute of Chartered Accountants in England and Wales, provides as follows: "This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed." The SEC would not permit such limiting language to be included in a registration statement or a prospectus used in connection with an offering of securities registered under the Securities Act or in a report filed under the Exchange Act. If a US court (or any other court) were to give effect to the language quoted above, the recourse that investors in the Notes may have against the independent accountants based on their reports or the consolidated financial statements to which they relate could be limited.

Enforcement of US judgments may be difficult.

The Issuer and the Company are companies organized under the laws of England and Wales, and substantially all their respective assets are, or may be, located in jurisdictions outside the US. Accordingly, it could be difficult for holders of Notes to recover against the Issuer and the Company on judgments of US courts predicated upon civil liabilities under the US federal securities laws. See "Service of Process and Enforcement of Civil Liabilities".

CAPITALIZATION

The following table sets forth the consolidated capitalization of the Group as of June 30, 2010, on an actual basis. You should read the following table together with “Use of Proceeds”, “Operating and Financial Review”, “Description of the Notes and the Guarantees”, the Group 2010 Condensed Interim Financial Statements, the Group 2009 Financial Statements, the Group 2008 Financial Statements and notes thereto incorporated by reference in this Offering Memorandum:

	Unaudited as of June 30, 2010
	(US$m)
Total debt[1][3]	13,197[2]
Equity:	
Called-up share capital	738
Share premium account	2,713
Other reserves	587
Retained earnings	23,324
Equity attributable to equity shareholders of the Company	27,362
Total capitalization	40,559

(1) Including short-term, medium-term and long-term borrowings (excluding total debt of disposal groups, where applicable).

(2) As of June 30, 2010, secured and unsecured debt totaled US$448 million and US$12,749 million, respectively. For more information regarding our secured and unsecured debt, see “Operating and Financial Review”.

(3) Other than the issue of a US$50 million bond under the Group’s EMTN program and of US$1,250 million of Notes proposed to be issued pursuant to this Offering Memorandum, no issues of debt have been made by the Issuer/Guarantor since June 30, 2010, the date of the capitalization table.

USE OF PROCEEDS

We estimate the net proceeds to us from our sale of Notes pursuant to this Offering Memorandum to be approximately US$1,245 million after deducting the underwriting discount and our offering expenses. Anglo American will use the proceeds for general corporate purposes.

BUSINESS DESCRIPTION

Anglo American plc is the holding company of the Group, a global leader in mining, whether measured by market capitalization, revenue or net income. The Group has a range of high quality, core mining businesses with balanced participation across precious, base and bulk commodities. The Group is geographically diverse, with operations in 39 countries.

Anglo American is a public limited company incorporated under the laws of England and Wales under the name "Anglo American plc" and is registered in England and Wales. Anglo American has its primary listing on the London Stock Exchange and is one of the FTSE 100 companies, which comprises the 100 largest UK listed companies by market capitalization. As of September 1, 2010 Anglo American's market capitalization was approximately US$50.1 billion.

Anglo American was incorporated on May 14, 1998 with limited liability under the Companies Act 1985 and registered in England and Wales under the registered number 03564138. The registered office of Anglo American is 20 Carlton House Terrace, London, SW1Y 5AN, England and its telephone number is +44 (0)20 7968 8888.

Strategy

We aim to become the leading global mining company. Our ambition is underpinned by three key aims, namely, to be the investment, partner and employer of choice in the industry. Our asset base is represented by seven business segments focused around our core commodities — Iron Ore and Manganese, Copper, Platinum, Thermal Coal, Metallurgical Coal, Diamonds and Nickel.

We concentrate on pursuing mining investments intended to provide low cost and long life exposure to the commodity price cycle. Our principal aim is to ensure that we gain maximum value from our assets through a continual focus on operational efficiencies and growth opportunities. Our drive for extracting maximum operational efficiency from all our assets is supplemented by a Group focus on efficiency through sharing services and infrastructure, the centralization of procurement and back office functions and the streamlining of our management model to reduce bureaucracy and layers of management. We are also moving toward a stronger performance based culture, and we view a sharper focus on safety as paramount.

The Group's US$17 billion pipeline of approved projects is intended to enhance our position with respect to several of our core commodities: platinum, iron ore, copper and nickel. Despite the economic downturn in 2008 and 2009, we decided to continue the development of four key near term strategic growth projects — the Minas Rio and Kolomela (formerly Sishen South) iron ore projects in Brazil and South Africa, respectively, the Barro Alto nickel development in Brazil and the Los Bronces copper expansion in Chile. The four projects are all well placed on their respective industry cost curves, expected to have long lives, and on track to enter production from 2011 onwards. See "Business Description — Major Growth and Replacement Projects".

We have made significant progress with our Asset Optimization ("AO") and procurement programs. The AO program is designed to improve the performance of the Group's asset base through a combination of both cost reduction and productivity improvements. The program involves a thorough review of all activities performed across the full mining value chain, allowing for the identification of constraints and value improvement opportunities at our operations. This process includes setting improvement targets for these identified areas and thereafter in a structured and managed way ensuring that the available value is manifested in operational results. The procurement program delivers value by both leveraging the global scale of our companies' purchasing power and by developing strategic sourcing relationships with key global suppliers and is well integrated with the AO program. For the six months ended June 30, 2010, AO and procurement programs generated a benefit to the Group of approximately US$1 billion from core businesses (excludes Other Mining and Industrial). We are targeting a total combined benefit from core businesses from these programs of US$2 billion by the end of 2011. In addition to our progress with these programs and in response to the global economic downturn, in late 2008 we initiated a substantial rationalization program with a planned headcount reduction of 19,000 in 2009. At December 31, 2009, we had achieved a headcount reduction of 23,400. See "Overview — Developments".

The Group announced a major restructuring of its asset base in late 2005 to dispose of non-core businesses and focus the Group on five core mining activities. In October 2009, we announced a further restructuring of our portfolio and management structure. As a result of this restructuring, the new business units focus our portfolio around core commodities which are located in areas of key geographic focus for each commodity. The reorganization has resulted in a lean corporate center focused on activities that are expected to increase shareholder value.

As part of the restructuring announced in October 2009, businesses were identified for divestment and are now separately reported in the Other Mining and Industrial business segment. We believe we have made good progress with respect to the divestiture of these businesses, as indicated by the major transactions highlighted under "—Restructuring". The announced sales of our zinc portfolio, several of Tarmac's European businesses and five undeveloped coal assets in Australia are expected to generate proceeds in excess of US$2.2 billion. We have and will continue to sell the balance of our divestment portfolio in a manner and on a timetable that we believe maximizes value for our shareholders.

For details regarding our current principal businesses, see "— Business Overview".

History

Anglo American was incorporated on May 14, 1998 and became a listed public company in May 1999 following the completion of a combination with Anglo American Corporation of South Africa Limited, a public limited company incorporated in South Africa, now known as Anglo American South Africa Limited ("AASA"), and an exchange offer for the shares of Minorco Société Anonyme ("Minorco"). AASA was founded in South Africa in 1917 to exploit gold mining opportunities in the country. In the succeeding decades, AASA became increasingly involved in a wide range of mining and other industries. AASA was involved in pioneering the development of the Zambian Copperbelt, and the successful developments of the Zambian copper mines was one of our first major achievements. The successful simultaneous development in the 1950s of five gold mines in South Africa brought AASA to the forefront of the mining industry internationally.

Beginning in the mid-1960s, AASA developed a range of investments in Europe, North America, Australia and South East Asia. We entered into new markets, including the steel industry through the acquisition of Scaw Metals, the timber, pulp and paper industry with the founding of Mondi, and increased investment in the South African coal industry through the development of a portfolio of eight coal mines and a stake in the Richards Bay Coal Terminal.

By the 1990s, AASA had a wide range of mining, financial and industrial interests both in sub-Saharan Africa and internationally, with the latter largely held through Minorco, which was originally incorporated in the UK in 1928 as Rhodesian Anglo American Limited. The structures of AASA and Minorco had arisen as a result of South Africa's period of political and financial isolation from the international community and had proven increasingly complicated as we sought to develop a focused strategy for the Group. As a result, in 1999, the newly formed Anglo American acquired all the shares of both companies, a combination designed to create focused divisions, to achieve simplicity and transparency of structure and, in the process, to enhance shareholder value.

Business Overview

The Group is a global leader in mining, with profit attributable to equity shareholders of the Company (on a total Group basis) of US$2,061 million for H1 2010 and US$2,425 million in the year ended December 31, 2009. Through our subsidiaries, joint ventures and associates, we are a global leader in the production of platinum and diamonds and have significant interests in metallurgical and thermal coal, copper and iron ore and manganese metals. We also currently have a significant industrial minerals business.

Business Overview

The core Anglo American business segments are:

- ***Iron Ore and Manganese.*** At June 30, 2010, this business segment's iron ore operations were represented in South Africa by a controlling interest of 63% (or 65.3% on July 31, 2010) in Kumba, a company listed on the Johannesburg Stock Exchange, and in Brazil by a 100% interest in Minas Rio, a 49% interest in LLX Minas Rio which owns the port of Açu, and a 70% interest in Amapá. Its manganese operations (manganese ore mining and alloy production) are represented in South Africa and Australia by a 40% shareholding in both Samancor Holdings and Groote Eylandt Mining Company, respectively. Our investments in manganese operations are collectively known as "Samancor".

- ***Copper.*** This business segment consists principally of interests in six operations in Chile, which are the wholly owned Los Bronces, El Soldado, Mantos Blancos and Mantoverde mines, the wholly owned Chagres smelter and a 44% interest in the Collahuasi mine. In addition, the business segment has controlling interests in two projects in Peru (Quellaveco and Michiquillay) and a 50% interest in the Pebble project in Alaska.

- ***Platinum.*** Our listed subsidiary, Anglo Platinum, located in South Africa, is the world's largest primary producer of platinum by production volume, accounting for approximately 40% of the global supply in 2009. At June 30, 2010, the Group held a 79.7% interest in Anglo Platinum.

- ***Thermal Coal.*** This business segment has operations in South Africa and South America. In South Africa, Thermal Coal owns and operates eight mines and has a 50% interest in the Mafube colliery, a 50% interest in the Phola washing plant and a 73% interest in Anglo Inyosi Coal which operates the Kriel Colliery and various other projects including Zibulo. This business segment also has a 27% interest in the Richards Bay Coal Terminal through which South African export thermal coal is routed. Its South American operations are represented by a 33% interest in Cerrejón, a coal mine located in Colombia.

- ***Metallurgical Coal.*** This business segment is the third largest export metallurgical coal producer in the world. It operates six mines, one wholly owned and five in which it has a controlling interest. These mines are located towards the east coast of Australia, principally in Queensland's Bowen Basin.

- ***Diamonds.*** This business segment has mining operations in Botswana, South Africa, Namibia and Canada through its 45% interest in De Beers. De Beers is the world's leading diamond exploration, mining and marketing group. In 2009, De Beers was responsible for approximately 34% of global rough diamond supply by value.

- ***Nickel.*** Operations comprise two ferronickel operations, Codemin in Brazil and MLdN in Venezuela, as well as the Barro Alto ferronickel project in Brazil. In addition, the business segment has two notable but unapproved projects in Brazil, namely Jacaré and Morro Sem Boné.

The other Anglo American business segment is:

- ***Other Mining and Industrial.*** This business segment comprises assets that the Group intends to divest, including Tarmac, international steel products manufacturer Scaw Metals, Brazilian phosphates producer Copebrás and ferroniobium producer Catalão, the Group's portfolio of zinc assets in Ireland and Southern Africa, Peace River Coal in Canada and the Group's share of Carbones del Guasare in Venezuela.

The Group has exploration activities in many parts of the world covering greenfield and brownfield (in the vicinity of an existing mine) exploration, as well as identification of exploration properties for acquisition or company involvement. In H1 2010 and full year 2009, the Group spent US$57 million and US$172 million, respectively, on exploration activities in 21 countries.

RESTRUCTURING

We have been actively restructuring the Group in order to focus on our core businesses. We have undertaken several significant transactions since the beginning of 2007 including:

Michiquillay: In April 2007, we successfully tendered for the Michiquillay project in Peru, a copper project still in the exploration phase, for US$403 million, to be paid over a five year period.

Highveld: In May 2007, we completed the disposal of our interest in Highveld for total received consideration of US$650 million.

Tongaat Hulett: In June 2007, Tongaat Hulett concluded the demerger and separate listing of Hulamin, on the Johannesburg Stock Exchange, and simultaneous introduction of a broad-based BEE equity investment into both companies. In July and August 2009, we disposed of our remaining shareholding in Hulamin and Tongaat Hulett, respectively, for total proceeds of US$671 million (excluding transaction costs).

Mondi: In July 2007, we completed the demerger of Mondi, our integrated paper and packaging group, by means of a demerger structured as a dividend of shares of Mondi to the shareholders of Anglo American.

Pebble: In July 2007, we became a 50% partner in the Pebble copper project in Alaska for a staged cash investment of US$1.4 billion. The project's key assets are its open-pit style Pebble West copper-gold- molybdenum deposit and the adjacent deeper and higher grade Pebble East deposit. The Pebble copper project is one of the world's largest copper-gold-molybdenum deposits in terms of resources.

AngloGold: In October 2007, we sold a 25.0% interest in AngloGold. In the first quarter of 2009, we disposed of our remaining investment in AngloGold for proceeds of US$1,770 million.

Foxleigh: In February 2008, we acquired a 70% interest in the Foxleigh coal mine joint venture in Australia. The total cost of acquisition was US$606 million. The Group has proportionately consolidated its interest from February 29, 2008. For the year ended December 31, 2009, Foxleigh produced 2.3 Mtpa (our attributable share 1.6 Mtpa) of PCI coal and expects to increase its capacity to 3.3 Mtpa (our attributable share 2.3 Mtpa) once infrastructure projects are completed.

Tarmac Iberia: In August 2008, the sale of Tarmac Iberia, the Spanish operations of Tarmac, to Holcim was announced for consideration of US$186 million.

Minas Rio & Amapá: In August 2008, the Group acquired a 63.3% shareholding in Anglo Ferrous Brazil SA (formerly IronX Mineração SA), which in turn held a 51% interest in Minas Rio and a 70% interest in Amapá. Following subsequent purchases of remaining non-controlling interests, the Group increased its shareholding in Anglo Ferrous Brazil SA to 100%. The total acquisition cost for these interests was US$6.70 billion. These transactions together with an earlier transaction brought the Group's shareholding in Minas Rio to 100%.

Namakwa Sands: In October and November 2008, as part of an option exercised by Exxaro in January 2007, the Group sold 100% of the assets and business of Namakwa Sands for consideration of US$330 million (including deferred consideration of US$19 million) as well as a 26.0% interest in Black Mountain Mining (Proprietary) Limited, which owns the Black Mountain zinc and lead mine and the Gamsberg zinc project, for US$23 million.

Booysendal: In June 2009 we completed the disposal of our 50% interest in the Booysendal joint venture to Mvela for a total consideration of US$275 million (excluding transaction and deal facilitation costs).

Lebowa: In June 2009 we disposed of a 51% interest in Lebowa to Anooraq. The fair value of consideration received was US$247 million (excluding transaction and deal facilitation costs). Since June 30, 2009, the Group has held a 49% interest in Lebowa and commenced equity accounting from that date.

Tarmac's European businesses: During the first quarter of 2010, we signed agreements to sell Tarmac's aggregates businesses in France, Germany, Poland and the Czech Republic and its Polish and French and Belgian concrete products businesses for expected total consideration in excess of US$400 million. The sale of Tarmac's aggregates businesses to Eurovia, part of the Vinci Group, is subject to obtaining the required relevant regulatory approvals. In March 2010, we completed our disposal of the Polish concrete products business, and in May 2010, the sale of our French and Belgian concrete products business for a total consideration of US$65 million and US$86 million, respectively.

Zinc business: In May 2010, we announced the sale of our portfolio of zinc assets to Vedanta for US$1,338 million on an attributable debt and cash free basis. Of the total consideration, US$698 million relates to the Skorpion mine US$308 million relates to the Lisheen mine and US$332 million relates to our 74% interest in Black Mountain Mining (Proprietary) Limited (which holds 100% of the Black Mountain mine and the Gamsberg project). The customary regulatory approval and competition clearance processes to complete this transaction are under way. Completion of the transaction is expected to be in stages, with separate completion dates for Skorpion, Lisheen and Black Mountain Mining (Proprietary) Limited. The agreed consideration is US$1.3 billion, subject to adjustment for profits and cash flows for the zinc businesses which are for the benefit of the purchaser from January 1, 2010, subject to completion.

Anglo Inyosi: In June 2010, we completed a BEE transaction to dispose of a 27% interest in Anglo Inyosi Coal (Proprietary) Limited (Thermal Coal segment). A BEE charge of US$86 million was recognized on the disposal, principally relating to an IFRS 2 *Share-based Payment* charge.

Undeveloped Coal assets: On July 5, 2010, we announced that we had entered into an agreement with a consortium to sell our interests in five undeveloped coal assets in Australia, with expected proceeds of approximately US$500 million, or AUD580 million. The transaction is subject to satisfaction of certain conditions and is expected to be completed in stages from the fourth quarter of 2010.

Certain of our restructuring transactions in South Africa (including the Tongaat Hulett, Hulamin, Booysendal and Lebowa transactions in 2009) have been structured with reference to the objectives set forth in the BBBEE Act and the ownership element component of the Codes of Good Practice that are issued from time to time by the South African Minister of Trade and Industry pursuant to the BBBEE Act. Others (including the Kumba and Exxaro transactions) have been structured in accordance with the empowerment requirements applicable to entities in the mining sector, as contained in the MPRDA, the Charter and the regulations published under the MPRDA. For a discussion of the BBBEE Act, the MPRDA and the Charter, see "Regulation — South Africa".

Operating Profit (including Associates) by Segment

Due to the portfolio and management structure changes announced in October 2009, the business segments for which segment results are reported under IFRS have changed from those for which segment results were reported for the years ended December 31, 2008 and 2007. In addition, under the new business segment structure, segment results include a further allocation of corporate costs associated with activities which are performed at a corporate center but are believed to be adding value to business segments. See "Presentation of Financial Information". Segment results for H1 2010 and the H1 2009 comparative period are presented in the Group 2010 Condensed Interim Financial Statements and elsewhere herein on the new business segment basis. Segment results for 2009 and the 2008 comparative year are presented in the Group 2009 Financial Statements and elsewhere herein on the new business segment basis. However, segment results for 2008 and the 2007 comparative year are presented in the Group 2008 Financial Statements and elsewhere herein on the historic business segment basis.

The following table sets forth the Group's operating profit (before special items and remeasurements) for the periods presented on the new business segment basis:

(US$m unless otherwise stated)	Year ended December 31, 2007	% of Continuing	Year ended December 31, 2008	% of Continuing	Year ended December 31, 2009	% of Continuing	Unaudited six months ended June 30, 2009	% of Continuing	Unaudited six months ended June 30, 2010	% of Continuing
Continuing operations										
Subsidiaries and joint ventures										
Iron Ore and Manganese			1,574	15.6	1,346	27.2	641	30.0	1,419	32.5
Copper			1,892	18.8	2,010	40.5	606	28.4	1,185	27.2
Platinum			2,149	21.3	58	1.2	(11)	(0.5)	437	10.0
Thermal Coal			703	7.0	418	8.4	218	10.2	208	4.8
Metallurgical Coal			1,008	10.0	403	8.1	313	14.7	214	4.9
Nickel			123	1.2	2	—	(11)	(0.5)	68	1.6
Other Mining and Industrial			963	9.5	458	9.2	183	8.5	287	6.6
Corporate Activities and Unallocated Costs			(219)	(2.1)	(146)	(2.9)	(45)	(2.1)	(46)	(1.1)
Exploration			(212)	(2.1)	(172)	(3.5)	(70)	(3.3)	(57)	(1.3)
Total			7,981		4,377		1,824		3,715	
Associates										
Iron Ore and Manganese			980	9.7	143	2.9	79	3.7	209	4.8
Platinum			20	0.2	(26)	(0.5)	(2)	(0.1)	(19)	(0.4)
Thermal Coal			375	3.7	303	6.1	170	7.9	143	3.2
Metallurgical Coal			102	1.0	48	1.0	8	0.4	49	1.1
Diamonds			508	5.0	64	1.3	4	0.2	261	6.0
Other Mining and Industrial			119	1.2	48	1.0	53	2.5	3	0.1
Total			2,104		580		312		646	
Total Group operations including operating profit from associates			10,085	100	4,957	100	2,136	100	4,361	100
Continuing operations										
Subsidiaries, joint ventures and attributable share of associates										
Iron Ore and Manganese			2,554	25.3	1,489	30.1	720	33.7	1,628	37.3
Copper			1,892	18.8	2,010	40.5	606	28.4	1,185	27.2
Platinum			2,169	21.5	32	0.7	(13)	(0.6)	418	9.6
Thermal Coal			1,078	10.7	721	14.5	388	18.1	351	8.0
Metallurgical Coal			1,110	11.0	451	9.1	321	15.0	263	6.0
Diamonds			508	5.0	64	1.3	4	0.2	261	6.0
Nickel			123	1.2	2	—	(11)	(0.5)	68	1.6
Other Mining and Industrial			1,082	10.7	506	10.2	236	11.0	290	6.7
Corporate Activities and Unallocated Costs			(219)	(2.1)	(146)	(2.9)	(45)	(2.1)	(46)	(1.1)
Exploration			(212)	(2.1)	(172)	(3.5)	(70)	(3.2)	(57)	(1.3)
Total Group			10,085	100	4,957	100	2,136	100	4,361	100

The following table sets forth the Group's operating profit (before special items and remeasurements) for the periods presented on a historic business segment basis:

(US$m unless otherwise stated)	Year ended December 31, 2007[(1)]	% of Continuing	Year ended December 31, 2008	% of Continuing	Year ended December 31, 2009	% of Continuing	Unaudited six months ended June 30, 2009	% of Continuing	Unaudited six months ended June 30, 2010	% of Continuing
Continuing operations										
Subsidiaries and joint ventures										
Ferrous Metals	1,155	12.0	1,857	18.4						
Base Metals	4,338	45.2	2,505	24.8						
Coal	365	3.8	1,742	17.3						
Platinum	2,635	27.5	2,206	21.9						
Industrial Minerals	474	4.9	228	2.3						
Exploration	(157)	(1.6)	(212)	(2.1)						
Corporate Activities and Unallocated Costs	(292)	(2.9)	(345)	(3.4)						
Total	8,518		7,981							
Associates										
Ferrous Metals	277	2.9	1,078	10.7						
Coal	249	2.6	498	4.9						
Platinum	62	0.6	20	0.2						
Diamonds	484	5.0	508	5.0						
Total	1,072		2,104							
Total continuing Group operations including operating profit from associates	9,590	100	10,085	100						
Discontinued operations[(2)]	526		—							
Total Group	10,116		10,085							
Continuing operations										
Subsidiaries, joint ventures and attributable share of associates										
Ferrous Metals	1,432	14.9	2,935	29.1						
Base Metals	4,338	45.2	2,505	24.8						
Coal	614	6.4	2,240	22.2						
Platinum	2,697	28.1	2,226	22.1						
Diamonds	484	5.0	508	5.0						
Industrial Minerals	474	4.9	228	2.3						
Exploration	(157)	(1.6)	(212)	(2.1)						
Corporate Activities and Unallocated Costs	(292)	(2.9)	(345)	(3.4)						
Total	9,590	100	10,085	100						
Discontinued operations[(2)]	526		—							
Total Group	10,116		10,085							

(1) In 2007, Copebrás and Yang Quarry were reclassified from Industrial Minerals to Base Metals and from Industrial Minerals to Coal, respectively (to align with internal management reporting). As part of the restructuring announced in 2009, Yang Quarry was reclassified from Coal into Tarmac, which is included within Other Mining and Industrial.

(2) Discontinued operations comprise Mondi (the Paper and Packaging segment) and AngloGold (the Gold segment). The Paper and Packaging segment was demerged from the Group on July 2, 2007. Following a partial disposal on October 2, 2007 (which reduced our shareholding to 17.3%), we ceased to equity account for the Gold segment. (Following a sale of a portion of our interests on April 20, 2006, we previously ceased accounting for Gold as a subsidiary and commenced equity accounting.) In the first quarter of 2009, we disposed of our remaining shareholding in AngloGold. See "Business Description — Restructuring".

The above tables present associates separately from subsidiaries and joint ventures.

- A joint venture is an operation in which the Group holds a long-term interest and shares joint control over the strategic, financial and operating decisions with one or more other venturers under a contractual agreement. The financial results of joint ventures are included in the consolidated financial statements of the Group on a proportional consolidation basis, pro rata to our ownership interest.
- Associates are investments over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee. Typically the Group owns between 20% and 50% of the voting equity of associates. The financial results of associates are accounted for in the consolidated financial statements of the Group using the equity method of accounting.

The following table sets forth the Group's operating profit on a total Group basis (before special items and remeasurements) by geography, allocated by location of our operations, for the periods presented:

	Year ended December 31,						Unaudited six months ended June 30[1],			
(US$m unless otherwise stated)	2007	%	2008	%	2009	%	2009	%	2010	%
Subsidiaries and joint ventures										
South Africa	4,128	40.8	4,468	44.3						
South America	3,697	36.5	2,612	25.9						
Australia and Asia	(20)	(0.2)	1,082	10.7						
Africa outside South Africa	359	3.5	78	0.8						
North America	31	0.3	(33)	(0.3)						
Europe	644	6.4	(226)	(2.2)						
Total	8,839		7,981							
Associates										
South Africa	698	6.9	639	6.3						
South America	441	4.4	373	3.7						
Australia and Asia	335	3.3	656	6.5						
Africa outside South Africa	(231)	(2.2)	389	3.9						
North America	(67)	(0.7)	4	—						
Europe	101	1.0	43	0.4						
Total	1,277		2,104							
Total	10,116	100	10,085	100						
Subsidiaries, joint ventures and attributable share of associates										
South Africa	4,826	47.7	5,107	50.6	2,023	40.8	974	45.6	2,190	50.2
South America	4,138	40.9	2,985	29.6	2,310	46.6	772	36.1	1,452	33.3
Australia and Asia	315	3.1	1,738	17.2	620	12.5	406	19.0	429	9.8
Africa outside South Africa	128	1.3	467	4.7	78	1.6	37	1.7	265	6.1
North America	(36)	(0.4)	(29)	(0.3)	(20)	(0.4)	10	0.5	47	1.1
Europe	745	7.4	(183)	(1.8)	(54)	(1.1)	(63)	(2.9)	(22)	(0.5)
Total	10,116	100	10,085	100	4,957	100	2,136	100	4,361	100

(1) With the adoption of IFRS 8 *Operating Segments* in 2009, the Group discloses geographic information in the table for the six months ended June 30, 2009 and 2008 and year ended December 31, 2009, on a total basis only for subsidiaries, joint ventures and attributable share of associates.

For a description of the average market prices for certain of our key commodities, see "Operating and Financial Review — Overview — Factors Affecting Results of Operations — Commodity Prices".

Business Description by Segment

This section provides background information, an industry overview and information related to strategy and business development for each segment.

Iron Ore and Manganese

Iron Ore and Manganese segment is comprised of the Kumba and Iron Ore Brazil business units, and our 40% associate interest in Samancor. Iron Ore is represented in South Africa by a 65.3% (as of July 27, 2010) shareholding in Kumba and in Brazil by Iron Ore Brazil which has a 100% interest in Minas Rio, a 49% shareholding in LLX Minas Rio, which owns the port of Açu (currently under construction) from which iron ore from the Minas Rio project will be exported, and a 70% interest in Amapá. Its Manganese operations are represented by a 40% shareholding in Samancor.

Kumba. Kumba is listed on the Johannesburg Stock Exchange and operates two mines through its 74% investment in Sishen Iron Ore Company ("SIOC"). The two mines are Sishen in the Northern Cape, which produced 39.4 Mt of iron ore in 2009, and Thabazimbi in Limpopo, which produced 2.5 Mt in 2009. Kumba is a leading supplier of seaborne iron ore, and exported more than 85% of its total iron ore sales volumes in 2009, with 75% of these exports destined for China and the remainder to Europe, Japan and South Korea.

Iron Ore Brazil. We are developing our Minas Rio iron ore operations located in the states of Minas Gerais and Rio de Janeiro which, once fully operational, will include open pit mines and a beneficiation plant in Minas Gerais producing high grade pellet feed. The completion of phase 1 will see transportation of ore through a slurry pipeline more than 500 kilometers to the port of Açu in Rio de Janeiro state. Amapá, located in Amapá state in northern Brazil, commenced commercial production in January 2010, with pellet and sinter feed production of 1.85Mt in the first six months of 2010. Amapá production could increase to a total of 6.5 Mtpa with further capital investment.

Samancor. Manganese comprises a 40% shareholding in Samancor Holdings, which owns Hotazel Manganese Mines and Metalloys, both situated in South Africa, and a 40% shareholding of the Australian-based operation GEMCO and its subsidiary Tasmanian Electro Metallurgical Company ("TEMCO"), with BHP Billiton owning 60% and having management control. Samancor is the world's largest producer of seaborne manganese ore and is among the top three global producers of manganese alloy. Its operations produce a combination of ores, alloys and metal from sites in South Africa and Australia. In July 2009, Samancor sold 26% of Hotazel Manganese Mines in a series of transactions designed to comply with South Africa's black economic empowerment requirements.

Industry Overview

Iron ore. Steel is the most widely used of all metals. According to MEPS, world crude steel production is estimated to increase to 1.39 billion tonnes in 2010. In 2009, despite the world economic slowdown, world crude steel production was 1.2 billion tonnes, a decrease of only 8% as compared to 2008, as China, the world's principal steelmaker, ratcheted up crude steel production as a result of the Chinese government's substantial fiscal stimulus package.

China's crude steel production during the first six months of 2010 increased by 21% compared to the same period in 2009, while iron ore imports into China over the same period increased by 4.1%. The lower increase in iron ore imports relative to the increase in crude steel production was principally due to the re-opening of many domestic iron ore mines in China. These mines re-opened in response to higher iron ore spot prices, higher freight rates and an increasing demand for iron ore in the traditional markets of Europe, Japan and South Korea, which further reduced the seaborne iron ore available to China. Chinese crude steel output for 2009 was 567.8 Mt, an increase of 67.5 Mt or 13.5% compared to 2008.

In response to returning demand, steel producers across the industry began bringing dormant production capacity online in the second half of 2009, with multiple blast furnace restarts being reported in that time

period. Global steel capacity utilization reflected this trend, increasing from a low of 58.3% in December 2008 to 71.5% in December 2009, although still significantly below the peaks of over 90% recorded in early 2008.

In the early part of 2009, Chinese domestic steel production dropped off drastically for a time when spot prices were insufficient to support high cost, low quality iron ore production, but production more than recovered in the second half of 2009 as a result of higher iron ore prices.

Spot iron ore fines prices recovered from their lows of late 2008 and early 2009. Prices reached their highest levels in April 2010 of approximately US$192 per tonne (for cost and freight (CFR) 63.5% Fe delivered China per the Platts index).

Having assessed industry developments, Kumba has begun to implement quarterly pricing for its long term contracts. The majority of its export sales volumes are currently committed to long term contracts and the remainder are sold at index prices, principally to annual customers and as additional volume to long term customers in China. Quarterly benchmark prices for the quarter ended June 30, 2010 were negotiated on the basis of average index prices in the period December 2009 to February 2010, and have increased on average by 100% compared to 2009/2010 iron ore year benchmark prices. However, a pricing mechanism for future quarters is still under negotiation with customers and changing market conditions have led to significant uncertainty in iron ore prices in the short term.

Manganese. Since approximately 96% of manganese ore is smelted to produce manganese ferroalloys (such as ferromanganese and silicomanganese), which are used in steel alloying applications, the performance of the manganese alloy industry is the key determinant of manganese ore demand. The early part of 2009 was characterized by significant demand contraction with underlying demand trends masked by stocking (the process whereby customers seek to mitigate the impact of an expected price increase by increasing their stock levels at current prices) and destocking activities (the process whereby customers seek to benefit from an expected price decrease by delaying restocking thereby limiting purchases at current prices) across the value chain. Market conditions progressively recovered in the later part of 2009 and into the first half of 2010 following an upward trend in global steel production. Manganese ore and alloy prices declined significantly during the first half of 2009, but increased progressively in the second half of 2009 as a result of improved market conditions, combined with customer restocking. Demand from the steel industry for manganese alloy is expected to grow over the next 18 months which is expected to place an upward pressure on prices. However, manganese alloy prices will be influenced by supply responses resulting from latent capacity in the industry, and both ore and alloy prices will be influenced by steel production trends and the stocking and destocking cycles.

Strategy and Business Development

The core strategy of our Iron Ore business is to grow our position in iron ore and to supply premium, high quality iron ore products despite the declining quality of global iron ore supplies. We have a unique iron ore resource footprint, with large, high quality resource bases in South Africa and Brazil.

Kumba produces a leading quality "lump" ore and is well positioned to supply the high growth Asia-Pacific and Middle East markets. It is also geographically well positioned to supply European steel markets in the light of an expected decline in lump supplies from other sources. Minas Rio is expected to capture a significant part of the high growth pellet feed market with its premium product featuring high iron content and low impurities.

Significant future growth is expected to come from the expansion projects at Minas Rio and Kolomela (previously Sishen South). Minas Rio phase 1 is expected to produce 26.5 Mtpa, with first production expected between 27 and 30 months from the date initial approvals in relation to the environmental permitting process are obtained. Minas Rio has the potential to be expanded to up to 80 Mtpa. See "— Major Growth and Replacement Projects". Resources have increased from 1.2 billion tonnes in 2007 to 5.0 billion tonnes (Measured, Indicated and Inferred) in 2009. Studies for the expansion of the project continue to be evaluated. The Kolomela project is expected to produce 9 Mtpa of iron ore, with initial production scheduled for the first half of 2012 and ramping up to full capacity in 2013.

The manganese strategy is to focus on upstream resources businesses, despite their low-cost alloy smelters having been significant contributors to profit in recent years. In addition, alloy smelters add value to the overall manganese business as they enable Samancor to access markets with an optimal mix of ore and alloy, to optimize production to best suit market conditions and provide ongoing information on the performance of their ores in the smelting process.

Other Information

On February 26, 2010, Kumba issued an announcement indicating that its subsidiary, SIOC, had notified ArcelorMittal South Africa Limited ("ArcelorMittal") on February 5, 2010, that it was no longer entitled to receive 6.25 Mtpa of iron ore mined by SIOC at cost plus 3% from Sishen Mine because ArcelorMittal had failed to convert its old order mining rights. The ArcelorMittal entitlement was the result of a contract mining agreement, which became effective in 2001, and was premised on ArcelorMittal owning an undivided 21.4% interest in the mineral rights of Sishen Mine. Because ArcelorMittal failed to convert its old order mining rights and lost its ownership interests in the mineral rights, the contract mining agreement became inoperative in its entirety as of May 1, 2009.

ArcelorMittal has disputed that the contract mining agreement became inoperative and SIOC has referred the dispute to arbitration. SIOC served its statement of claim on April 19, 2010 and ArcelorMittal responded on August 20, 2010.

Kumba's SIOC and ArcelorMittal reached an interim pricing agreement on July 21, 2010 in respect of the supply of iron ore to ArcelorMittal from Sishen Mine. The duration of the interim agreement will be retrospective to March 1, 2010, and will endure until July 31, 2011. ArcelorMittal will pay to SIOC a fixed price of US$50 per tonne of iron ore deliverable to ArcelorMittal's Saldanha Steel plant and US$70 per tonne of iron ore deliverable to ArcelorMittal's inland plants, with prices calculated on a free on rail ex-Sishen Mine gate basis. The Group has recognized revenue at cost plus 3% in preparing the financial results for the period ended June 30, 2010. For the period ended June 30, 2010, the amounts outstanding under the interim arrangement exceed revenue recognized by US$53 million. The amount outstanding was received by SIOC in August 2010.

After ArcelorMittal failed to convert its old order rights, SIOC applied for the residual 21.4% mining right previously held by ArcelorMittal and its application was received by the Department of Mineral Resources ("DMR") on May 4, 2009. A competing application for a prospecting right over the same area was also accepted by the DMR. SIOC objected to this acceptance. Notwithstanding this objection, a prospecting right over the 21.4% interest was granted by the DMR to Imperial Crown Trading 289 (Pty) Limited (ICT). SIOC has lodged an appeal against the grant of the prospecting right by the DMR. SIOC was informed by the Minister of Mineral Resources that she has decided to uphold the decision of the Deputy Director General to grant the application for a prospecting right to ICT and that SIOC's appeal against the grant of the prospecting right to ICT has not been upheld.

In addition, SIOC initiated a review application in the North Gauteng High Court on May 21, 2010, in relation to the decision of the DMR to grant a prospecting right to ICT.

See "Operating and Financial Review" for further information.

Copper

Copper has interests in six operations in Chile. These operations comprise the wholly owned Los Bronces, El Soldado, Mantos Blancos and Mantoverde mines, the wholly owned Chagres smelter and a 44% interest in the Collahuasi mine. The mines also produce associated by-products such as molybdenum and silver. In addition, the business segment has controlling interests in two projects in Peru (Quellaveco and Michiquillay) and a 50% interest in the Pebble project in Alaska.

Industry Overview

The majority of copper produced is used by the wire and cable markets on account of the metal's electrical conductivity and corrosion resistance. Applications that make use of copper's electrical conductivity, such as wires (including wiring used in buildings), cables and electrical connectors (including for use in automobiles), account for the majority of total demand and it is also widely used in the construction industry to produce plumbing pipe and roof sheeting, owing to the metal's corrosion resistant qualities. Copper's thermal conductivity also makes it suitable for use in heat transfer applications such as air conditioning and refrigeration. Other applications include structural and aesthetic uses.

The approximate global market share of the five largest copper producers in 2009 was 38%. Producers are price-takers and there are relatively few opportunities for product differentiation. Access to quality ore bodies is expected to continue to be the key distinguishing factor among competitors. Forecast long term demand is based on expected robust growth in copper's electrical uses, particularly wire and cable in construction, automobiles and electricity infrastructure. The key growth area is expected to continue to be the developing world, led by China and India with their industrialization and urbanization programs, and where per capita copper consumption currently remains substantially lower than that of the US, Japan and Europe.

Copper's fundamentals are also defined by constraints on the supply side, driven by continuing declines in ore grades at both maturing existing operations and new projects in the pipeline, a lack of capital investment and under-exploration in the industry and political and environmental challenges in new copper areas. The industry is capital intensive and is likely to become more so as high grade surface deposits are exhausted and deeper and/or lower grade deposits are developed, requiring greater economies of scale in order to be commercially viable. Scarcity of water in some regions is also necessitating the construction of capital- and energy-intensive desalination plants.

China has increased its share of first use refined metal consumption from 12% in 2000 to an estimated 38% in 2009.

Copper prices increased strongly through 2009, principally as speculative and investment funds moved aggressively into commodities (including copper), which pushed prices higher. Prices were also supported by a cautious but growing confidence in the second half 2009 that the global economy was showing signs of recovery. Strong Chinese imports and numerous incidents of industrial action and production difficulties leading to output losses also helped support the price.

Copper prices increased in the first six months of 2010 in response to improving global economic conditions. However, despite this increase, there was high price volatility in the period as risk aversion increased in the market, most notably in February and then again in late May and into June. This principally followed specific concerns over sovereign debt (especially in Europe), the tightening of Chinese policy to rein in the property sector and the softening of certain economic indicators.

Strategy and Business Development

Copper's strategy is to find or acquire, develop and operate long life, low cost mines in a socially and environmentally responsible manner, with a strong focus on efficient resource allocation, continuous improvement and capital and operating excellence.

We consider the copper industry to have a number of attractive characteristics, with a moderate concentration of customers and suppliers, relatively high barriers to entry and a track record of good profitability over the long term.

We are constantly developing and evaluating growth options from a combination of sources, including greenfield and brownfield projects, acquisitions, exploration, technology development and AO programs. We expect significant future growth to come from approved expansions at Los Bronces, while studies into further growth potential at Quellaveco copper project in Peru and Collahuasi in Chile are in advanced stages. In addition, work continues on evaluating the potential and development options for the resources we acquired in 2007 at Michiquillay in Peru and Pebble in Alaska.

In August 2009, we announced the discoveries of two high quality copper prospects at Los Sulfatos and San Enrique Monolito in Chile. These two prospects together increase the Group's copper resources (excluding reserves) by approximately 50%.

Other Information

Anglo American inherited a 1978 agreement with Codelco, the Chilean state mining company, when it acquired Disputada de Las Condes (since renamed Anglo American Sur) in 2002. The agreement grants Codelco the right, subject to certain conditions and limitations, to acquire up to a 49% non-controlling interest in Anglo American Sur, the wholly owned Group company that owns the Los Bronces and El Soldado copper mines and the Chagres smelter. These conditions include limiting the window for exercising the right to once every three years in the month of January until January 2027. The right was not exercised in 2009. The calculations of the price at which Codelco can exercise its right are complex and confidential but do, amongst other things, take account of company profitability over a five year period.

See "Operating and Financial Review" for further information.

PLATINUM

Platinum is represented by Anglo Platinum, a South African company listed on the Johannesburg Stock Exchange of which we owned a 79.7% interest at June 30, 2010. Platinum is the world's leading primary producer of platinum, accounting for approximately 40% of global output. It mines, processes and refines the entire range of platinum group metals ("PGMs"): platinum, palladium, rhodium, ruthenium, iridium and osmium. In addition to the PGMs, base metals such as nickel, copper and cobalt sulphate are important secondary products and are significant contributors to earnings.

Platinum's operations exploit the world's richest reserve of PGMs, known as the Bushveld Complex, which contains PGM-bearing Merensky, UG2 and Platreef ores. The company's access to an excellent portfolio of ore reserves ensures that it is well placed to maintain its position as the world's largest platinum producer.

Platinum wholly owns nine mining operations currently in production, a tailings re-treatment facility, three smelters, a base metals refinery and a precious metals refinery. It also has 100% ownership of the Unki project in Zimbabwe. Each of its mines operates its own concentrator facilities, with smelting and refining of the output being undertaken at Rustenburg Platinum Mines' metallurgical facilities.

In 2009, we restructured our platinum mining operations into more efficient, stand-alone units, which involved splitting the largest mines into smaller new mining entities so as to ensure a sustainable reduction in the unit cost of production and to extract maximum value from the assets employed. Rustenburg Section was divided into five new mines — Khomanani, Bathopele, Siphumelele, Thembelani and Khuseleka — while Amandelbult Section was split into the Tumela and Dishaba mines. Three high cost shafts, namely Siphumelele 3 and 2 shafts (formerly known as Bleskop and Brakspruit) and Khuseleka 2 shaft (formerly known as Boschfontein), were also placed on care and maintenance. The company's 100% owned mining operations now consist of the five mines at Rustenburg Section and the two mines at Amandelbult Section, as well as Mogalakwena and Twickenham mines. Union Mine is 85% held, with a black economic empowerment (BEE) partner, the Bakgatla-Ba-Kgafela traditional community holding the remainder.

Platinum also has 50:50 joint ventures with: a BEE consortium, led by African Rainbow Minerals, at Modikwa Platinum Mine; BEE partner Royal Bafokeng Resources over the combined Bafokeng-Rasimone platinum mine ("BRPM") and Styldrift properties; and BEE partner XK Platinum Partnership in respect of the Mototolo mine. Platinum also has 50:50 joint ventures with Aquarius Platinum covering the shallow reserves of the Kroondal and Marikana mines and portions of the reserves at Platinum's Thembelani and Khuseleka mines.

During 2009, Platinum successfully completed three BEE transactions:

Mvela: Platinum's 50% interest in the Booysendal project and its 22.4% interest in Northam Platinum Limited were sold to Mvela for a total consideration of R3.7 billion, with the final part of the transaction becoming effective in June 2009.

Anooraq: In June 2009, Platinum sold an effective 51% interest in Lebowa Platinum Mine and 1% interest in the Ga Phasha, Boikgantsho and Kwanda projects to Anooraq. The transaction facilitated Anooraq's strategy of becoming a major historically disadvantaged South African (HDSA) managed and controlled PGM producer and illustrates Platinum's commitment to broad based BEE as a strategic transformation initiative. Anooraq now controls the third largest PGM resource base in South Africa, with a combination of high quality exploration, development and production mineral properties.

On December 7, 2009, the Group exchanged a portion of its direct interest of 17% in the BRPM joint venture for a 25.4% interest in Lisinfo which, subject to market conditions, is expected to list on the Johannesburg Stock Exchange within 24 months. The BRPM restructuring transaction will result in Royal Bafokeng Resources (Proprietary) Limited ("RBR") holding a majority interest in and operating the BRPM joint venture, instead of RBR's current joint control and management with Anglo Platinum. RBR is a wholly owned subsidiary of Lisinfo. However, until listing, Anglo Platinum retains an effective 50% economic interest in BRPM and continues to exert joint control over the operations.

For a discussion of BEE, BBBEE Act and the Charter, see "Regulation — South Africa".

Industry Overview

PGMs have a wide range of industrial and technological applications. Demand for platinum is driven by its use in autocatalysts to control emissions from both petrol and diesel engine vehicles and in jewelry. These uses were responsible for approximately 70% of net total platinum demand in 2009 (according to Johnson Matthey platinum review of May 2010). Platinum, however, also has a wide range of lesser known applications, predominantly in the chemical, electrical, medical, glass and petroleum industries.

PGMs are globally traded commodities. Price discovery is by way of terminal markets and principal to principal over the counter trade between banks, dealers, merchants, producers, recyclers, processors, refiners, agents, investors, fabricators and consumers. Terminal markets exist for platinum and palladium only. Up to the minute prices are carried on information platforms such as Reuters and Bloomberg.

Platinum. The platinum jewelry market requires constant marketing and development. Platinum is the major supporter of Platinum Guild International (PGI), which plays a key role in encouraging demand for platinum and in establishing new platinum jewelry markets. China has been the leading platinum jewelry market since 2000, followed by Japan, North America and Europe.

Industrial applications for platinum are driven by technology and, especially in the case of autocatalysts, by legislation. Because of the rapid spread of exhaust emissions legislation, Platinum estimates that more than 85% of new vehicles now have autocatalysts fitted. Platinum anticipates that increasingly stringent emissions legislation will continue to contribute to PGM demand.

Palladium. Palladium's principal application is in autocatalysts (around 45% of net demand). It is also used in electronic components, in dental alloys and, more recently, as an emerging jewelry metal in markets such as China. Palladium demand is expected to rebound in 2010, together with supply that is expected to increase from recycling of spent autocatalysts.

Rhodium. Rhodium is an important metal in autocatalytic activity, which accounts for more than 80% of net demand. With the global economic slowdown depressing production of new vehicles, demand for rhodium declined in 2009. Declining demand in the autocatalyst sector, coupled with increased supplies from South Africa, is likely to keep the market in surplus in the short to medium term.

Strategy and Business Development

Platinum's objective is to maintain its position as the leading primary producer of platinum. In order to do this, the Company aims to be a highly cost effective producer, to develop the market for PGMs and to expand production.

Platinum has long term (typically five-year) sales contracts with five of the major precious metals fabricators, who together account for the majority of all products that utilize PGMs produced globally. In addition, Platinum also has long term supply contracts with two major Japanese automobile manufacturers. PGM sales are typically made at or close to prevailing market prices. Platinum has appointed a sole agent for all of its non-contractual PGM sales.

In the second half of 2008 and in 2009, in response to the unprecedented rapid decline in PGM prices caused principally by rapidly slowing vehicle sales in North America, Europe and Japan, the company implemented a number of initiatives to reduce costs and improve operational productivity and also undertook a critical examination of capital expenditure. Capital expenditure on projects is now directly tied to Platinum's long term ounce requirements and the reduction in the rate of expenditure has resulted in a number of projects being delayed, including Tumela (Amandelbult) 4 Shaft, Twickenham Platinum Mine, the Styldrift Merensky phase 1 project, the Number 2 Slag Cleaning Furnace and the Base Metals Refinery expansion project. However, the Thembelani 2 Shaft (formerly Paardekraal 2), Dishaba (formerly Amandelbult) East Upper UG2 and Khuseleka 1 Shaft (formerly Townlands Ore Replacement) projects are progressing without delay.

Platinum is involved in developing mining activity for PGMs on the Great Dyke of Zimbabwe, the second largest known repository of platinum after the Bushveld Complex. Development and exploration work is focused on new projects in the area, including Unki, as well as establishing extensions to the resource base for future projects.

In February 2010, Anglo Platinum announced a rights offer of R12.5 billion (approximately US$1.6 billion) which was used to repay long term debt, therefore securing future financial and operational flexibility and creating capacity for growth. Anglo American subscribed in full to its entitlement to the rights offer.

See "Operating and Financial Review" for further information.

Thermal Coal

In South Africa, Thermal Coal owns and operates eight mines and has a 50% interest in the Mafube colliery, a joint venture with Exxaro, a 50% interest in the Phola washing plant, a joint venture with BHP Billiton, and a 73% interest in Anglo Inyosi Coal which operates the Kriel Colliery and various projects including Zibulo. Five of the mines together supply 22 Mtpa of thermal coal to both export and local markets. New Vaal, New Denmark and Kriel collieries are domestic product operations supplying 32 Mtpa of thermal coal to Eskom Holdings Limited ("Eskom"), the South African state-owned power utility. Isibonelo mine produces 5 Mtpa of thermal coal for Sasol Synthetic Fuels, a South African coal to liquids producer, under a 20 year supply contract.

Anglo Inyosi Coal, a broad-based black economic empowerment (BBBEE) company, is 73% held by Anglo American, with the remaining 27% held by Inyosi, a BEE consortium led by the Pamodzi and Lithemba consortia (66% holding), with the Women's Development Bank and a community trust holding the remaining equity. Anglo Inyosi Coal, in turn, holds Kriel colliery, the new Zibulo multi-product project (previously known as the Zondagsfontein project) and the greenfield projects of Elders, New Largo and Heidelberg. The outstanding conditions precedent to the Anglo Inyosi Coal BEE transaction were fulfilled in June 2010.

Thermal Coal's South African operations currently route all export thermal coal through the Richards Bay Coal Terminal (RBCT), in which it has a 27% shareholding, to customers throughout the Med-Atlantic and Asia-Pacific regions. Within South Africa, 61% of total sales are made to Eskom on long term (i.e. life of mine) cost-plus contracts. A further 9% is sold to Sasol and 3% to industrial sector consumers. The remaining 27% is exported through RBCT.

In South America, Anglo American has a 33.3% shareholding in Cerrejón, a 32 Mtpa capacity (10.7 Mtpa attributable) opencast operation in Colombia. Cerrejón owns and operates its own rail and deep water port facilities and sells into the export thermal and PCI coal markets.

Industry Overview

Coal is the most abundant source of fossil fuel energy in the world, considerably exceeding known reserves of oil and gas. The bulk of coal produced worldwide is thermal coal, which is principally used as a fuel for power generation and other industries, notably the cement sector. The seaborne thermal coal market comprises nearly 700 Mt and is supplied from a large number of countries, with coal producers operating in a highly competitive global marketplace.

Thermal coal usage is driven by the demand for electricity and is influenced by the price of competing fuels, such as oil and gas and, increasingly, the cost of carbon (the nature of the competition and range of competitors vary by country and region). Global thermal coal demand is also affected by the availability of alternative generating technologies, including gas, nuclear, hydroelectricity and renewables. Thermal coal producers vary considerably in size and operate in a highly competitive market. Most thermal coal is used in the country in which it is produced, the balance of which is traded internationally, principally through the seaborne market. The market for export thermal coal is further affected by the varying degrees of privatization and deregulation in electricity markets, with customers focused on securing the lowest cost fuel supply in order to produce power at a competitive price. This has resulted in a move away from longer term contracts towards shorter term contracts priced against various coal price indices, which has given rise to the development of an increasingly active financial market for hedging and derivative instruments. The extent to which these pricing instruments are used, however, varies from region to region.

Strategy and Business Development

Thermal Coal's strategy is focused on serving the power generation and industrial sectors from large, low cost coal basins. The business segment has a diverse, high quality asset portfolio in South Africa and South America and aims to be a long term, reliable supplier. It also strives to be an industry leader in the pursuit of cleaner coal solutions to the world's energy needs.

Thermal Coal is focused on expanding its strong standing in the export market, while maintaining a significant position in the domestic market in South Africa. We expect this business segment to achieve these goals by utilizing its extensive portfolio of expansion projects, supported by targeted acquisitions. In addition, Thermal Coal has substantially completed a major program of investment, which includes expansions at Cerrejón and the development of Zibulo. The business segment is in the process of completing its pre-feasibility study on New Largo, which has been identified by Eskom as a primary coal supplier for its Kusile power station which is under construction. Kusile's first units are scheduled to begin operating in 2013.

India is a growing market for South African-sourced coal, with 2009 showing a pronounced swing in demand from the Med-Atlantic to the Asia-Pacific market. In 2010, India is expected to import around 67 Mt of thermal coal, a significant increase from the 57 Mt imported in 2009. The majority of coal imports into India are sourced from Indonesia and South Africa. In the six months ended June 30, 2010, a higher than usual proportion of exports from South Africa were imported into India. In 2009, 29% of South Africa's coal exports, and a similar proportion of Thermal Coal's own exports, through the RBCT were destined for India. Thermal Coal is evaluating opportunities to increase its exports to India by producing lower quality products suitable for the Indian market to supplement the higher grade product currently being sold to the country.

At Cerrejón, the growth strategy encompasses multiple options based on the capital investment for expansion that will be required by the port and logistics chain and thereafter for pit expansion and reserve access. Expansions such as the P40 (targeting 40 Mtpa) and P500 (targeting 50-60 Mtpa) projects are currently under consideration by the operation's shareholders.

Although Thermal Coal continues to develop operations in its existing geographies, it is also continually evaluating potential opportunities in new regions. Following the establishment of an office in Gaborone to

manage its coal bed methane (CBM) exploration program in Botswana in 2008, the business segment spent US$20 million in 2009 on exploration and new business development activities, investigating thermal and coking coal and CBM resources principally in southern Africa.

Thermal Coal continues to pursue business development opportunities on a range of projects that offer potential exposure to the broader energy markets, while building on the business's core capability in coal, namely CBM exploration in South Africa and Botswana. Although these projects remain at an early stage and have demanding economics, their purpose is to ensure that Thermal Coal is equipped with a diverse range of options to meet changing market demands over the long term.

The impact of climate change is an area of focus within the industry and we are active participants in discussions related to climate change. Anglo Coal is a leading member of numerous industry bodies, such as the World Coal Institute and the Coal Industry Advisory Board, and is a founding member of the Global Carbon Capture and Storage Institute, launched in November 2008. Anglo Coal continues to take steps at its own operations to reduce its carbon footprint, including the capture of methane from underground mining operations that is converted into electricity at on site or neighboring power stations.

See "Operating and Financial Review" for further information.

Metallurgical Coal

This business segment is the third largest export metallurgical coal producer in the world. Metallurgical Coal's mines produce both high quality metallurgical coal used for steel production and thermal coal used for power generation and industrial applications.

Metallurgical Coal's operations are based relatively close to Australia's east coast, from where it serves a range of customers throughout Asia and as far as Europe and South America.

Metallurgical Coal operates six mines, one wholly owned and five in which it has a controlling interest. Five of the mines are located in Queensland's Bowen Basin: Moranbah North (metallurgical coal), Capcoal (metallurgical and thermal coal), Foxleigh (metallurgical coal), Dawson (metallurgical and thermal coal) and Callide (thermal coal). Drayton mine (thermal coal) is in the Hunter Valley in New South Wales. We wholly own the Callide mine.

All of the mines are in well established locations and have direct access to rail and port facilities at Dalrymple Bay, Gladstone or Newcastle.

Moranbah North is an underground longwall mining operation with a mining lease covering 100 square kilometers. Coal is mined from the Goonyella Middle Seam, approximately 200 meters below the surface. The mine produced 2.6 Mt (attributable) of high fluidity, hard coking coal for steel manufacturers in 2009. Metallurgical Coal recently commissioned a coal seam methane power station at Moranbah North that will reduce its carbon dioxide (CO_2) emissions by around 1.3 Mtpa.

Capcoal operates two longwall underground operations and an open cut operation. Together, these mines produce around 4.6 Mt (attributable) annually of prime quality hard coking coal, pulverized coal injection (PCI) and thermal coal. Capcoal supplies methane-rich seam gas to Energy Developments Limited's waste coal mine gas power station, eliminating approximately 1 Mt of CO_2 emissions per annum.

Foxleigh is an open cut operation with an annual output exceeding 1.6 Mt (attributable) of high quality PCI coal. Its operations will be debottlenecked to increase production to an expected 2.2 Mtpa (attributable) over the next three years.

Dawson is an open cut operation that produced 7.4 Mt in total (3.8 Mt attributable) of hard and soft coking coal and thermal coal in 2009.

Metallurgical Coal owns an effective 23% interest in the Jellinbah mine in Queensland which produces metallurgical coal.

In 2009, excluding Jellinbah, Metallurgical Coal's mines produced 12.6 Mt (attributable) of metallurgical coal, all of which was exported, and 14.1 Mt (attributable) of thermal coal, of which 42% was exported.

During the six months ended June 30, 2010, Metallurgical Coal increased its high margin metallurgical coal sales by 43% to 7.3 million tonnes through asset optimization initiatives and coal logistics chain management.

Metallurgical Coal's resource base at December 31, 2009, was approximately 3.4 billion tonnes of coal. This amount includes high quality greenfield metallurgical coal reserves that are close to existing infrastructure.

Industry Overview

Metallurgical coal is a key raw material for 70% of the world's steel industry.

Each year, the world produces approximately 6 billion tonnes of hard coal, most of which is used in the country of origin. A small volume is traded across land borders such as those between the US and Canada or between the countries of the former Soviet Union. The international seaborne metallurgical coal market comprises approximately 200 Mt of metallurgical coal per the World Coal Institute.

Produced in a relatively limited number of countries, metallurgical coal is principally used in the steelmaking industry and includes hard coking coal, semi-soft coking coal and PCI coal. The physical and chemical composition of metallurgical coal is fundamental to the steel producers' raw material mix and product quality. The market for metallurgical coal has a higher proportion of long term contracts that are priced on a quarterly basis, though buyers are increasingly adopting short term contracts. Demand in the sector is fundamentally driven by economic, industrial and steel demand growth. Price negotiations between Australian suppliers and Japanese steel producers have traditionally, although not always, set the trend that influences settlements throughout the market. Metallurgical Coal is a significant supplier to virtually all the world's major steel producing groups.

Strategy and Business Development

Metallurgical Coal's strategy is to be a large, low cost, reliable exporter of quality coal to steel producers worldwide from mines in Queensland's well established Bowen Basin.

Operational excellence is driven through a structured program of asset optimization. This program includes comparing key activities which drive business segment performance with similar activities across the group and or externally. Where applicable best practice standards for key activities are identified, then these standards are adopted by the business segment.

Growth is driven both from optimizing output from existing mines and from the ongoing development of a project pipeline underpinned by a comprehensive exploration and planning process.

Key to securing Metallurgical Coal's future is the maintenance of strong relationships and long term contracts with major steel mill customers in order to cultivate a stable market for its products. These relationships proved their worth during a period of uncertain demand in the first half of 2009 when Metallurgical Coal's sales were maintained at near 2008 levels, despite the severe downturn in demand.

An improved global steel outlook, supply constraints due to infrastructure and weather disruptions in Queensland drove a strong metallurgical coal market in the first six months of 2010. World steel production recovered to pre-global financial crisis levels due to higher blast furnace utilization rates, increased production in China and restocking. The metallurgical coal market was underpinned by sustained high demand from India and continued high levels of imports by Chinese mills. Metallurgical coal suppliers appear to have responded strongly to the increased demand and new trade flows emerged, such as significant tonnages of US coal being delivered into China. US seaborne exports increased 26 Mt in the first half of 2010, up 7.5 Mt compared to the previous six month period per the US Department of Commerce.

As the market has transitioned to shorter term pricing, Metallurgical Coal has entered into a number of commercial agreements reflecting such terms. The majority of Metallurgical Coal's sales for 2010 are priced quarterly, although there are some contracts with longer term pricing arrangements.

Metallurgical Coal has also taken an active interest in responding to concerns regarding climate change. For example, Metallurgical Coal recently became a cornerstone investor in Australian based MBD Energy, acquiring a 29% shareholding in the business. MBD Energy is expected to commence trials of its leading-edge carbon capture and conversion technology, using algal synthesizers at three of Australia's largest greenhouse gas emitting, coal fired power plants.

See "Operating and Financial Review" for further information.

Diamonds

Anglo American's diamond interests are represented by its 45% shareholding in De Beers. The other shareholders in De Beers are Central Holdings (owned by the Oppenheimer family) with an effective 40% shareholding and the Government of the Republic of Botswana (GRB) with an effective 15% shareholding.

De Beers is the world's leading diamond business and with its joint venture partners as well as Element Six operates in more than 30 countries across five continents, employing over 16,000 people. De Beers supplies approximately 34% of the world's rough diamonds by value from its mines in Botswana, Canada, Namibia and South Africa.

De Beers holds a 50% interest in Debswana Diamond Company and in Namdeb Diamond Corporation, owned jointly with the GRB and the Government of the Republic of Namibia (GRN) respectively, and an effective 85% shareholding in De Beers Marine Namibia.

In addition, De Beers has a 74% shareholding in South African based De Beers Consolidated Mines Limited, with a BBBEE consortium (the Ponahalo group) holding the balance.

De Beers owns 100% of De Beers UK Limited ("DBUK"), the sales and rough diamonds distribution arm of De Beers. DBUK also has a 50% interest (with the GRB holding the other 50%) in Diamond Trading Company Botswana and a 50% interest (with the GRN's holding the other 50%) in Namibia Diamond Trading Company.

De Beers and Moët Hennessy Louis Vuitton have established a high-end retail jewelry joint venture, through De Beers Diamond Jewelers, with stores in the most fashionable areas of some of the world's great cities, including New York, Los Angeles, London, Paris, Tokyo, Hong Kong and Dubai.

De Beers, through Element Six, is the world's leading supplier of synthetic diamonds and synthetic diamond applications. Element Six operates internationally, with 10 manufacturing sites worldwide and a comprehensive global sales network. Element Six's business activities are organized into four distinct areas — Advanced Materials, Hard Materials, Oil & Gas and Technologies. Each business serves global markets while focusing on specific customer segments and it is a significant player in these markets. Element Six has had a strong H1 2010 with all business lines contributing to the improved performance and profitability.

Industry Overview

In excess of half of the world's natural diamonds by value originate from southern and central Africa, while significant sources have been discovered in Russia, Australia and Canada. Most diamonds come from the mining of kimberlite deposits. Another important source of gem diamonds, however, has been secondary alluvial deposits formed by the weathering of primary kimberlites and the subsequent deposition of released diamonds in rivers and beach gravels. Recent reports from Zimbabwe indicate that it is possible that a significant volume of what are understood to be largely alluvial diamonds have been found in that country. It is unclear what, if any, effect such a find will have on the industry.

Rough or uncut diamonds are broadly classified either as gem or industrial quality diamonds, with gem being overwhelmingly the larger of the two markets by value. Gem diamonds are sold almost exclusively for

adornment in jewelry retail, where aspects such as size, color, shape and clarity have a large impact on valuation.

De Beers, through DBUK and its partners in Botswana, South Africa and Namibia, supplies its clients — known as "Sightholders" — with parcels of rough diamonds that are specifically aligned to their respective cutting and polishing needs.

Strategy and Business Development

During 2009, De Beers, in order to withstand the most severe and prolonged downturn in the diamond industry for decades, took bold action to remain profitable at a far lower level of sales, while remaining in a position to benefit from the eventual recovery. The strategy focused on lowering production levels to match sharply reduced Sightholder demand, identifying cost savings and operating efficiencies across the business, and seeking ways to stimulate consumer demand.

As a consequence, diamond production in 2009 was reduced, predominantly in the first half of the year, by 49%, or 23.5 million carats, in comparison with 2008. This reduction was achieved through a series of production holidays and extended maintenance shifts at the company's mines in Botswana, South Africa, Namibia and Canada through the first half of 2009.

De Beers continued to promote demand for diamonds in 2009 through its marketing campaigns in the US and Asia. In the US, De Beers developed its latest concept, creating a new model in which it launched the *Everlon Diamond Knot Collection*, along with a full scale integrated marketing campaign. For the first time with such a program, funding is also being undertaken with a select set of participating Sightholders and retailers.

During the first six months of 2010, consumer demand improved, and this resulted in De Beers increasing its production by 134%, or 8.8 million carats, in comparison to the first six months of 2009. The global economic climate remains fragile, especially in the core diamond markets of the US, Japan and Europe. With most restocking activity within the industry now largely completed, a period of market stabilization is expected in the second half of 2010. Further demand growth is dependent upon increases in consumer demand, in particular the development of demand in the emerging markets of Asia, particularly China and India.

Other Information

Seven class actions were filed against De Beers in various federal and state courts in the United States alleging violation of federal and state anti-trust laws, violations of consumer protection laws, deceptive trade practices, unfair competition and similar claims. The plaintiffs alleged that the De Beers' group of companies used its alleged market power to wrongfully raise the price of rough diamonds during the class period. In 2005 and 2006, De Beers, without admission of liability, entered into an omnibus agreement to settle all seven class actions outstanding against it in the United States. This agreement was announced in March 2006. Settlement amounts of US$295 million (100 percent, Anglo American's attributable share US$133 million) were paid into an escrow account pending conclusion of the settlement process. The payments and other directly related costs were recorded as special items in the years they arose (2005 to 2009), totaling US$146 million (Anglo American's attributable share). In May 2008, the US Federal District Court in New Jersey approved, in all respects, the settlement of the class actions against De Beers. A number of objectors to the settlement appealed the District Court's approval of the settlement, and the appeal was determined in favor of the objectors by the Third Circuit Court of Appeals in July 2010. The Third Circuit remanded the settlement back to the District Court for further consideration. A further class action complaint against De Beers Consolidated Mines was lodged shortly thereafter in the State of Indiana. In August 2010, following a petition by the plaintiffs, the Third Circuit confirmed that it would allow an *en banc* (full court) review of the earlier decision of the Third Circuit. Timing for the *en banc* review is currently unclear, but a briefing schedule will be determined by the Court in due course.

Following a series of actions at the European Commission and in the courts of Luxembourg relating to De Beers' purchases of rough diamonds from Alrosa, the Russian State producer, De Beers agreed in 2006 by

way of commitments to the European Commission to phase out and, by January 2009, cease altogether purchases of such diamonds from Alrosa. Purchases from Alrosa ceased in 2009 in accordance with such commitments, and a European Court of Justice decision issued in June 2010 finalized the binding nature of De Beers' ongoing commitment not to purchase such diamonds from Alrosa.

In January 2007, the European Commission confirmed that it had rejected all outstanding complaints against De Beers' rough diamond distribution system, Supplier of Choice. Two complainants are appealing the Commission's rejection of complaint decisions to the General Court. Following a supplementary market investigation arising out the court proceedings in respect of the Alrosa commitments, the Commission issued further rejection of complaint decisions, which are also being appealed by the same complainants. All four appeal proceedings are ongoing.

In H1 2010, following a complaint from a former DTC Belgian Sightholder, the deputy auditor of the Belgian Competition Council found, on a preliminary basis, that De Beers distribution system may contravene EU and Belgian competition law and recommended to the President of the Competition Council that he should order interim supply to the complainant. De Beers strongly contested this recommendation and the President's decision is imminent.

During the first half of 2009, the shareholders provided US$500 million in additional loan funding to De Beers (Anglo American's share being US$225 million). Anglo American also reinvested US$24 million of dividends received from De Beers. In February 2010, the shareholders of De Beers, as part of the De Beers group's refinancing subscribed, in proportion to their current shareholding, for US$1 billion of additional equity in De Beers. The Group's share of such additional equity, in line with its equity holding in De Beers, amounted to US$450 million.

De Beers Consolidated Mines Limited is in the process of considering the disposal of certain mining related assets and operations in South Africa.

See "Operating and Financial Review" for further information.

Nickel

Nickel comprises two ferronickel operations, Codemin in Brazil and MLdN in Venezuela, as well as the Barro Alto ferronickel project in Brazil. In addition, within the business segment's portfolio, there are two promising projects, both in Brazil, at the unapproved stage: Jacaré and Morro Sem Boné. These projects have the potential to significantly strengthen Anglo American's position in the worldwide nickel market, and could add 66 ktpa or more to the Group's present annual total nickel production (including Platinum's nickel output) of 39.4 Kt.

Industry Overview

Nickel is the fifth most common element found on earth. It is found in about 20 countries, with known reserves estimated to last around 100 years at the present mining rate. The metal occurs as two main deposits: sulphides that are found underground, and laterites that can be mined by open pit methods.

Nickel is a hard, ductile metal with high resistance to corrosion and oxidation. Nickel's main use is as an alloying metal, along with chromium and other metals, in the production of stainless and heat resistant steel. About 60% of nickel is used to manufacture stainless steel and 20% in other steel and non-ferrous alloys. Primary nickel is used in the form of pure nickel metal, ferronickel, nickel oxide and other chemicals. Nickel is also recycled in many of its applications and large volumes of scrap nickel are used to supply the steel industry.

Over the past decade, primary refined nickel usage has grown as developing nations have increased their pace of industrialization and urbanization. Demand has risen from about 1.1 Mt in 1999 to about 1.3 Mt in 2009, a compound average growth rate of 2% per annum over that period.

This growth, however, has not been uniform, with short-lived peaks typically being followed by extended periods of relative weakness. The nickel market experienced its highest offtake in recent years in 2006 when

global primary refined demand was approximately 1.4 Mt; thereafter, demand declined every year up to and including 2009 to approximately 1.3 Mt. Offtake in the first six months of 2010 was 0.7 Mt and is expected to recover to 1.4Mt for the full year.

On the production side, primary refined nickel output in recent years has been broadly in line with strong world economic growth, with around 1.4 Mt of the metal being produced in 2007. The economic crisis in 2008 led to a production decline to just below 1.4 Mt, with output falling further in 2009 to an estimated 1.3 Mt.

In spite of the overall fall in world production in 2009, China, Norway and the European Union achieved modest increases in output, though declines were experienced in Russia, Australia and New Caledonia.

The supply/demand balance has been affected by the very high levels of Chinese imports during 2009 and also by strikes at Vale-Inco in Canada. Despite continuing strike action, demand from the stainless steel sector has started to weaken and London Metal Exchange ("LME") inventories had risen significantly to a forecast level of around six weeks consumption by the end of 2009. LME inventories peaked at the end of January 2010 but then fell by 25% as of June 30, 2010, principally due to higher underlying physical nickel demand. Nickel supply in the first six months of 2010 remained constrained due to strike action and delays to new supply projects experienced by a number of nickel producers.

Strategy and Business Development

Nickel's strategy is in line with the Group's overall strategy of finding or acquiring, developing and operating world class, low cost mines in a socially and environmentally responsible manner, with an increasing focus on safety and asset optimization.

Although prone to its own price volatility and metal cycle movements generally, nickel's medium and long term demand fundamentals are being driven by the ongoing development of the so-called BRIC nations (Brazil, Russia, India and China).

The restructuring of the Anglo American Group has brought with it the opportunity to have a new management team dedicated to the nickel business. With this team now in place, there is a sharpened focus on optimization initiatives at the operations as well as on the successful execution of the Barro Alto project. Beyond Barro Alto, the business segment has a significant opportunity to develop the Jacaré and Morro Sem Boné projects should conditions support such a move. Development of these projects would make Anglo American a growing player in the nickel market and one that is well positioned on the lower half of the industry cost curve.

See "Operating and Financial Review" for further information.

OTHER MINING AND INDUSTRIAL

This business segment comprises assets that the Group intends to divest, including the quarry materials and building products companies operating under the Tarmac brand ("Tarmac"), international steel products manufacturer Scaw Metals, Brazilian phosphates producer Copebrás and ferroniobium producer Catalão, the Group's portfolio of zinc assets in Ireland and Southern Africa, Peace River Coal in Canada and the Group's share of Carbones del Guasare in Venezuela.

Subject to certain conditions and relevant approvals, we have reached agreements for the sale of several of Tarmac's European businesses and our portfolio of zinc assets. Further information on these disposals is provided below.

In addition, on April 20, 2010, we announced that in order to facilitate the sale of its majority interest in Peace River Coal Limited Partnership ("PRC"), Anglo American had entered into agreements with its minority limited partners, NEMI Northern Energy & Mining Inc. and Hillsborough Resources Limited, to facilitate the sale of up to 100% of PRC.

Preparatory work to separate the remaining businesses for divestment from the Group is under way and the Group will seek to carry out divestments in a manner and on a timetable that aims to maximize value for

Anglo American's shareholders. It is envisaged that there will be a different divestment timetable for each of the businesses.

Tarmac

Tarmac is an international heavy building materials producer, in which we hold a 100% interest. In the UK Tarmac is a market leader in aggregates, asphalt, mortar and ready-mixed concrete and it has significant operations in concrete products, lime and cement. Tarmac's operations in the Middle East are principally involved in the production of aggregates and asphalt.

Tarmac's UK organization underwent significant restructuring in May 2009 and now consists of two business units, Quarry Materials and Building Products, which are supported by a shared service center based in central England. As part of the UK restructuring, the Lime and Cement business, formerly part of Building Products, was combined with the aggregates business and now forms a part of Quarry Materials. Quarry Materials comprises aggregates, asphalt, contracting, recycling, ready-mixed concrete, cement and lime and has a widespread geographic presence, enabling strong local customer focus. Building Products is made up of those businesses that have essentially national markets, including mortar and concrete products.

During the first quarter of 2010, we signed agreements to sell Tarmac's aggregates businesses in France, Germany, Poland and the Czech Republic and its Polish and French and Belgian concrete products businesses, for an expected total consideration in excess of US$400 million. The sale of Tarmac's aggregates businesses to Eurovia, a part of the Vinci Group, is subject to obtaining the required relevant regulatory approvals. In March 2010, we completed our disposal of the Polish concrete products business, and in May 2010, the sale of our French and Belgian concrete products business for a total consideration of US$65 million and US$86 million, respectively. In 2008, Tarmac sold its Spanish operations to Holcim for a total consideration of US$186 million.

Industry Overview

Tarmac's sand and gravel products are used mostly in the production of ready-mixed concrete, but are also used for fills and drainage. Extracted from pits and dredged from coastal waters, the sand and gravel products are washed and graded by Tarmac prior to sale.

Crushed rock is predominantly used for road construction (where it is used both as a foundation and, when heated and mixed with bitumen, as a surfacing material), foundations, drainage, railway ballast and concrete products. Crushed rock may also be used in ready-mixed concrete.

Tarmac's ready-mixed concrete is manufactured at production units located close to its markets and is composed of sand, gravel, crushed rock, water, cement, cement replacements and other components dependent upon the performance required from the resultant mix. Ready-mixed concrete is transported to a specific site in special truck mixers designed to mix the material during transit.

Mortar and screeds consist of sand, cement and various admixtures, depending on the application and performance requirements. Mortar is predominantly used for masonry applications, such as bricklaying, and often contains lime to improve working properties.

Asphalt, which is manufactured by coating graded, crushed rock with bitumen, is the main product used for surfacing roads. Applied hot or cold to road foundations, asphalt is either supplied to a specific site or collected by contractors from strategically located plants.

Tarmac's concrete products sector provides the construction industry with a variety of pre-fabricated products, including blocks for walling, pre-stressed structural flooring and engineered pre-cast elements.

Tarmac's lime and cement, which are produced through the utilization of similar processes, are materials used widely within construction. Lime is also an important product in the environmental and industrial sectors.

The aggregates, asphalt, cement and ready-mix markets in which Tarmac participates are consolidated in the UK, with a small number of large companies accounting for a large percentage of the market. The main

aggregates participants also compete, though to a lesser extent, in the more fragmented concrete products market.

Strategy and Business Development

Tarmac's strategy is to maximize shareholder value by exploiting its core competitive advantage of maintaining reserves and market position in established territories. In January 2008, Tarmac increased its ownership of United Marine Holdings Limited to 100%, which owns a significant UK marine dredged aggregates business. Tarmac continues to focus on its core business activities, pursue further cost reductions and reduce capital expenditure without harming its strong leadership position.

In 2009, Tarmac initiated several programs in the UK designed to deliver improvements in business performance and to lay the foundations of a culture of continuous improvement.

The 2010 outlook in the UK remains weak, but further clarity is expected when government spending plans are set out in the coming months.

Zinc

In May 2010, we announced the sale of our portfolio of zinc assets to Vedanta for US$1,338 million on an attributable, debt and cash free basis. Of the total consideration, US$698 million relates to the Skorpion mine, US$308 million relates to the Lisheen mine and US$332 million relates to our 74% interest in Black Mountain Mining (Proprietary) Limited (which holds 100% of the Black Mountain mine and the Gamsberg project). The customary regulatory approval and competition clearance processes to complete this transaction are under way. Completion of the transaction is expected to be in stages, with separate completion dates for Skorpion, Lisheen and Black Mountain Mining (Proprietary) Limited. The agreed consideration is US $1.3 billion, subject to adjustment for profits and cash flows for the zinc businesses which are for the benefit of the purchaser from January 1, 2010, subject to completion.

Scaw Metals

We own 100% of Scaw Metals International and 74% of Scaw South Africa (Pty) Ltd (together, "Scaw Metals"). Scaw Metals is an international group that manufactures a diverse range of steel products with operations in southern Africa, Chile, Peru, Canada, Australia and Mexico. Scaw Metals principally produces rolled steel products (bar, wire, rod and sections), steel and iron castings, cast alloy iron and forged steel grinding media and steel chain, wire rope and strand products. Scaw Metals' products are used worldwide in the construction, railway, power generation, mining, cement, marine and offshore oil industries. In March 2007, Scaw's South African operation completed a landmark empowerment transaction by including an employee trust and BBBEE consortium as owners in the company.

Discontinued Operations

In accordance with EU IFRS, the following operations were considered to be discontinued and their profits and cash flows are presented separately from the rest of the Group, under the historic business segment presentation.

Gold

On October 2, 2007 we concluded the sale of 67.1 million shares of AngloGold (a global gold mining company), reducing our shareholding from 41.6% to 17.3%. Following that sale we ceased to account for AngloGold as an associate. At December 31, 2008 the Group's shareholding was 16.2%; this remaining investment was accounted for as a financial asset investment (recorded at the fair value of the shares held).

During the first quarter of 2009, we disposed of our remaining shares in AngloGold (see "— Restructuring"). The Group has no other gold operations and therefore no longer reflects a Gold segment.

See "Operating and Financial Review" for further information.

Paper and Packaging

Mondi (a European and South African based paper and packaging group) was fully demerged from the Group on July 2, 2007, with the demerger structured as a dividend of shares of Mondi Limited and Mondi plc to Anglo American's shareholders.

The Group has no other paper and packaging operations and therefore no longer reflects a paper and packaging segment.

See "Operating and Financial Review" for further information.

Major Growth and Replacement Projects

The Group's US$17 billion pipeline of approved projects spans its core commodities and is expected to deliver significant organic production growth by 2013. Despite the economic downturn in 2008 and 2009, we decided to continue the development of four near term strategic growth projects, namely the Barro Alto nickel project, the Los Bronces copper expansion project and Kumba's Kolomela (formerly Sishen South) and the Minas Rio iron ore projects. The four projects are all well placed on their respective industry cost curves, expected to have long resource lives and, as outlined below, expected to enter production in the near term in what is expected to be a growing commodity demand environment.

In addition to these projects, we are progressing towards approval decisions in relation to the development of two further growth projects — the 225Ktpa Quellaveco copper project in Peru and the 4.3Mtpa Grosvenor metallurgical coal project in Australia. Submission to the Board for approval is expected for the Quellaveco project in the second half of 2010 and for the Grosvenor project in the second half of 2011.

Details of major approved projects are provided (based on estimates at June 30, 2010), by business segment, are as follows:

Iron Ore and Manganese

The development of Kumba's 9Mtpa Kolomela Mine continues and overall project progress remains on budget and is expected to deliver initial production during the first half of 2012. For the six months ended June 30, 2010, 8.2 Mt of waste material has been moved and key deliverables and major construction elements are in advanced stages. Of the total expected capital expenditure of approximately US$1.1 billion, US$478 million has been incurred since the commencement of development to June 30, 2010.

Development of the 26.5Mtpa Minas Rio iron ore project continues to progress on those areas of the project where the necessary approvals have been secured. The development of the port at Açu, for example, is ahead of schedule and the installation of the pipeline from the mine site to the port is under way and is expected to be completed by August 2012. However, a number of key approvals remain outstanding, principally the award of the second part of the Installation license, which would enable the construction of the beneficiation plant to begin, the land clearance permit for a section of the pipeline and land access permits for certain areas around the mine site and at specific sections along the pipeline route.

The environmental permitting processes and standards in Brazil have become increasingly rigorous and more complex in recent years. We have deployed considerable resources to resolve these issues and are engaged in ongoing constructive high level dialogue with local and federal authorities in Brazil.

Given the stage of development that the project has reached, the grant of the approvals affects the critical path of the project towards the delivery of first ore. Following a review of the project, Anglo American estimates that from the date of securing the remaining initial approvals, it is expected to take between 27 and 30 months to construct and commission the mine and plant, complete the project and deliver the first ore on ship.

Attributable capital expenditure to June 30, 2010, amounts to US$1.4 billion. Due to the inherent uncertainty around the timing of the award of key licenses and permits, it is not possible at this stage to forecast an accurate final capital expenditure figure for the project. However, it is expected that there will be

an increase in cost to the project relating to changes in scope and licensing conditions of US$210 million. In addition, based on a range of potential outcomes, it is currently estimated that on the basis of initial approvals being awarded within a nine month period from June 2010, increased schedule-related costs to the project will be incurred, equivalent to a quarterly amount of approximately US$180 million. As further clarity on licensing is achieved, an updated capital expenditure figure and final completion date will be published, in line with normal practice.

On August 17, 2010, the Brazilian Ministry of Mines and Energy awarded the "portaria de lavra" (or mining permit), which gives Anglo American exploitation rights in Serra do Sapo, in Conceição do Mato Dentro. This is an important permit in Minas Rio's permit and licensing process.

Studies related to potential expansion of the Minas Rio project continued during the first half of 2010. The latest resource statement resulting from geological work provides a total resource volume estimate (Measured, Indicated and Inferred) of 5.0 billion tonnes, with further upside potential supporting the envisaged expansion of the project.

Copper

Construction of the US$2.5 billion Los Bronces expansion project remains on schedule for commissioning in the fourth quarter of 2011 despite delays caused by the Chilean earthquake. Capital expenditure to June 30, 2010, amounts to US$1.3 billion. Engineering design was substantially completed by the end of 2009 and construction work on the various sites is on schedule. A significant milestone, the opening of the Los Bronces section of the conveyor tunnel from the mine to the grinding plant at Confluencia, was achieved in November 2009. Production at Los Bronces is scheduled to increase to 490Ktpa by the end of the first three years of full production (an average production of over 400 ktpa is expected over the first 10 years). At peak production levels, Los Bronces is expected to be the fifth largest copper mine in the world in terms of production, with relatively low cash operating costs and reserves that support a mine life of 30 years. Resource and mineralization studies carried out by Anglo American's technical teams support further potential expansion.

At Collahuasi, construction continues on an expansion project to increase sulphide processing capacity to 150Kt throughput per day by early 2011. Collahuasi has announced the increase of its copper reserves and resources (combined) by 40%, or by more than 2 billion tonnes, to 7.094 billion tonnes at 0.82% copper. A concept study to evaluate the next phases of expansion at Collahuasi, to ultimately increase production to at least 1Mtpa of copper, is expected to be completed in the first quarter of 2011.

At Mantos Blancos, studies to evaluate an extension to the life of the operation continue.

In Peru, work continues on the feasibility study for the Quellaveco project and it is expected that the project will be submitted to the Board for approval in the second half of 2010. The Engineering Procurement and Construction Management contract negotiation is in progress, as well as preparations for works to commence, to ensure that the expected project completion date of the second half of 2014 is maintained.

Early stage work continues at the Michiquillay project, also in Peru. Field activities are on hold pending resolution of certain social agreement issues under discussion with the local communities. The discussions are intended to help the project find common ground with local communities on various key issues. Although the timing is uncertain given the internal community decision-making processes, resolution of these issues is expected before the 2010 year end.

Activity at the Pebble project in Alaska has continued in 2010, with the focus on engineering work to advance towards a pre-feasibility study, further environmental study work to enable completion of an environmental baseline document, and additional geological exploration drilling.

Platinum

We announced in 2009 the delay of the following projects as a result of the global economic downturn: the Tumela (Amandelbult) Number 4 Shaft, the Twickenham Platinum Mine, the Styldrift Merensky Phase 1 project, the Number 2 Slag Cleaning Furnace and the Base Metals Refinery expansion project.

The first phase of the US$80 million MC Plant capacity expansion, which is expected to increase the current MC Plant capacity from 64Ktpa Waterval Converter Matte to 75Ktpa, was commissioned during the first half of 2010 and the Unki mine in Zimbabwe is expected to be commissioned in the third quarter of 2010. Both the US$224 million Dishaba East Upper UG2 project and the US$316 million Thembelani 2 shaft replacement project are expected to be completed on time and within budget.

Thermal Coal

In South Africa, the US$512 million, 6.6 Mtpa Zibulo project is under construction, including the building of a 50:50 joint venture coal washing plant with BHP Billiton Energy Coal South Africa. First coal was produced during the third quarter of 2009 and ramp up is in progress with full production expected in 2012.

In Colombia, the US$130 million expansion at Cerrejón to 32 Mtpa was completed and full production was achieved early in 2009. Feasibility studies are under way to expand the operation to around 40 Mtpa.

Metallurgical Coal

Production from the brownfield expansion projects at Dawson and Capcoal (Lake Lindsay) mines is expected to continue to increase over the next two to three years as equipment productivity is raised to benchmark standards. Significant greenfield projects continue to be studied at Grosvenor, Moranbah South, Dartbrook and Drayton South. It is expected that a Board approval decision in relation to the development of the 4.3 Mtpa Grosvenor metallurgical coal project in Australia will be taken in late 2011.

Diamonds

Debswana's Cut-8, the major expansion project at Jwaneng mine, commenced in the first half of 2010. This project is expected to extend the mine life to 2025. Debswana is expected to invest US$500 million in initial capital expenditure over the next four years, while the estimated total project cost is US$3 billion (capital and operating) over the next 15 years. At its peak, the project is expected to create more than 1,000 jobs and create access to a further 95 million carats.

The Group continues to focus its exploration activities on highly prospective target areas in Angola and Canada, while reconnaissance prospecting for new kimberlite discoveries in Botswana and India is ongoing.

Nickel

The Barro Alto project was 94% complete at the end of the first half of 2010 with first production expected in the first quarter of 2011 and full production expected in the second half of 2012. Capital expenditure to June 30, 2010, amounts to US$1.4 billion. This project makes use of an existing operation and proven technology and is expected to produce an average 36Ktpa of nickel in full production (41Ktpa over the first five years), with a cost position in the lower half of the curve. Barro Alto has an approved life of mine of more than 25 years from its extensive resource base. When Barro Alto reaches full production (expected in 2012), Anglo American's nickel production (excluding nickel production from Platinum) is expected to reach approximately 61 ktpa.

Additional projects in the pipeline could increase nickel production up to 120 Ktpa, with further upside possible because of the Group's considerable nickel laterite technical expertise. A conceptual study began on the unapproved Jacaré project during the first half of 2010 and a pre-feasibility study of the unapproved Morro Sem Boné project is expected to begin in the second half of 2010. These two projects have the potential to significantly further strengthen Anglo American's position in the nickel market, with the potential to add at least 66 ktpa to nickel production.

Project summary

The tables that follow provide information on a selection of completed, approved and future unapproved projects as at December 31, 2009. Further information on these projects is included within business segment discussions in this offering memorandum.

Projects completed from 2007 to 2009

The table below sets forth selected major new or expansion projects that were completed from January 1, 2007 to December 31, 2009. No major projects have been completed since December 31, 2009.

Sector	Project	Country	Completion Date	Capital Expenditure (US$m)(1)	Estimated Production Volume(2)	Type of Mine
Copper	Collahuasi debottlenecking	Chile	2008	66	31kt copper(3)	Open pit
	El Soldado	Chile	2007	73	17-year life extension copper	Open pit
Metallurgical Coal	Lake Lindsay	Australia	2009	726	4.0 Mt coking and semi-soft	Open pit
	Dawson	Australia	2008	839	5.7 Mt coking, semi-soft and thermal	Open pit
	Bundoora	Australia	2007	90	Replace 2.6 Mt coking over life of mine	Underground
Thermal Coal	Mafube	South Africa	2009	230	5.4 Mt thermal	Open pit
	Goedehoop Fines	South Africa	2008	20	0.4 Mt thermal	Open pit
	MacWest	South Africa	2009	49	2.7 Mt thermal	Open pit
	Navigation West	South Africa	2009	32	1.2 Mt thermal	Open pit
	Cerrejón	Colombia	2009	130	3.0 Mt (2nd stage) thermal	Open pit
Iron Ore and Manganese	Sishen Expansion	South Africa	2009	657	13.0 Mt iron ore	Open pit
Diamonds	Snap Lake	Canada	2008	796	1.6 million carats	Underground
	Victor	Canada	2008	834	0.6 million carats	Open pit
	Voorspoed	South Africa	2008	185	0.7 million carats	Open pit
	South African Sea Areas	South Africa	2007	159	0.2 million carats	Marine

(1) Shown on 100% basis in nominal terms unless otherwise stated.

(2) Production represents a forecast of 100% of incremental or replacement production, at full production from the project on an annual basis, unless otherwise stated. Figures are estimates and subject to change.

(3) Will produce molybdenum and silver by-products.

Approved projects

The table below sets forth major new or expansion projects that have been approved but are not yet completed. The figures and dates contained within are estimates and subject to change. The below information, as well as all other estimates regarding future capital expenditure, production, reserves and similar information in this Business Description or elsewhere in this Offering Memorandum are forward-looking information and should be read in conjunction with "Forward-Looking Statements". This information is as at December 31, 2009. No major projects have been approved since December 31, 2009.

Sector	Project	Country	Full Production Targeted	Estimated Capital Expenditure (US$m)[(1)]	Estimated Production Volume[(2)]	Type of Mine
Platinum	MC plant capacity expansion-phase 1	South Africa	2010	80	11 kt waterval converter matte	n/a
	Mogalakwena North (previously PPRust)	South Africa	2012	922	350-400 koz refined platinum	Open pit
	Mainstream inert grind projects	South Africa	2010	188	Improved process recoveries	n/a
	Bokoni (previously Lebowa Brakfontein Merensky)	South Africa	2011	179	Replace 108 koz refined platinum	Underground
	Base metals refinery expansion	South Africa	2012	279	11 kt nickel	n/a
	Dishaba (previously Amandelbult) East Upper UG2	South Africa	2012	224	100 koz refined Pt	Underground
	Thembelani 2 Shaft (previously Paardekraal)	South Africa	2015	316	Replace 120 koz refined Pt	Underground
	Twickenham	South Africa	2018	800	180 koz refined Pt	Underground
	Styldrift Merensky phase 1	South Africa	2018	1,621	245 koz refined Pt	Underground
	Unki Mine	Zimbabwe	2013	457	65 koz refined platinum	Underground
Diamonds	Jwaneng — Cut — 8	Botswana	2024	500[(3)]	11 million carats	Open pit
Copper	Los Bronces expansion	Chile	2012	2,300 — 2,500	200 kt copper[(4)(5)]	Open pit
	Collahuasi 150ktpd	Chile	2011	92	Expansion to 150ktpd capacity	n/a
Nickel	Barro Alto	Brazil	2012	1,800 — 1,900	36 kt nickel	Open pit
Iron Ore and Manganese	Minas Rio phase 1	Brazil	2013	3,796[(6)]	26.5 Mt iron ore pellet feed (wet base)	Open pit
	Kolomela (previously Sishen South)	South Africa	2013	1,059	9.0 Mt iron ore	Open pit
Thermal Coal	Zibulo (previously Zondagsfontein)	South Africa	2012	512	6.6 Mt thermal	Underground

(1) Shown on 100% basis unless otherwise stated. Figures are estimates as at December 31, 2009, and subject to change.

(2) Production represents 100% of incremental or replacement production from the project on an annual basis, unless otherwise stated. Figures are estimates and subject to change.

(3) Debswana will contribute US$500 million initial capital expenditure investment over the four years of the US$3 billion total real project costs (capital and operating) over the next 15 years.

(4) Will produce molybdenum and silver by-products.

(5) Represents average over the first 10 years of the project. Production over the first three years of the project is expected to average 278 ktpa.

(6) Capital expenditure, post acquisition of Anglo American's shareholding in Minas Rio, for 100% of the mine and pipeline, and 49% share of the port. The aggregate cost of 100% of the mine, pipeline and port and capital expenditure incurred both before and after Anglo American shareholding in Minas Rio has increased from US$3.6 billion to US$5.0 billion. The estimated capital expenditure of US$3.8 billion noted in the table excludes additional costs arising from delays in obtaining key approvals. See "— Iron Ore and Manganese" for further information.

Unapproved projects

The table below sets forth potential major new or expansion projects that have not yet been approved. The below information, as well as all other estimates regarding future capital expenditure, production, reserves and similar information in this Business Description or elsewhere in this Offering Memorandum are forward-looking information and should be read in conjunction with "Forward-Looking Statements". This information is as at December 31, 2009. No new major or expansion projects have been announced since December 31, 2009.

Sector	Project	Country	Estimated Full Production	Estimated Production Volume(1)	Type of Mine
Copper	Quellaveco	Peru	2015	225 kt copper(2)	Open pit
	Collahuasi expansion phase 1	Chile	2012	510 kt copper(2)(3)	Open pit
	Michiquillay	Peru	2018	155 kt copper(2)(4)	Open pit
	Pebble	USA	TBD	350 kt copper(2)	Open pit and Underground
Nickel	Jacaré phase 1	Brazil	2016	34 kt nickel	Open pit
	Morro Sem Boné	Brazil	2016	32 kt nickel	Open pit
Iron Ore and Manganese	Sishen Expansion Project phase 1B	South Africa	2012	0.7 Mt iron ore	Open pit
	Sishen Expansion project 2	South Africa	2019	10.0 Mt iron ore	Open pit
	Sishen Concentrate	South Africa	2018	2.0 Mt iron ore pellets	Open pit
	Minas Rio expansion	Brazil	TBD	Up to 53 Mt iron ore pellet feed (wet basis)	Open pit
Metallurgical Coal	Grosvenor	Australia	2016	4.3 Mt metallurgical	Underground
Thermal Coal	Heidelberg underground	South Africa	2017	4.2 Mt thermal	Underground
	Elders opencast	South Africa	2013	6.4 Mt thermal	Open pit
	Elders underground	South Africa	2017	3.2 Mt thermal	Underground
	New Largo	South Africa	2016	14.7 Mt thermal	Open pit
	Cerrejón P40	Colombia	2014	8.0 Mt thermal	Open pit

(1) Production represents 100% of incremental or replacement production from the project on an annual basis, unless otherwise stated. Figures are estimates and subject to change.

(2) Collahuasi and Quellaveco will produce molybdenum and silver by-products. Pebble will produce molybdenum and gold by-products and Michiquillay will produce molybdenum, gold and silver by-products.

(3) Total production of mine when project has ramped up to full production. Further phased expansions have the potential to increase production to 1 Mtpa.

(4) Expansion potential to 300 ktpa.

Mineral Production

This section provides the entire output of consolidated entities and the Group's share of joint ventures, joint arrangements and associates where applicable, except for Collahuasi in Copper (in which the Group has a 44% interest) and De Beers (in which the Group has a 45% interest) which are quoted on a 100% basis.

Due to the portfolio and management structure changes announced in October 2009, the business segments for which segment results are reported under IFRS have changed from those for which segment results were reported for the years ended December 31, 2008 and 2007. See "Presentation of Financial Information". Mineral production is provided by commodity on the new business segment basis for all periods presented, except where otherwise stated. The linkage of the new business segment basis to the historic business segment basis is provided as additional information.

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
	(tonnes)	*(tonnes)*	*(tonnes)*	*(tonnes)*	*(tonnes)*
Iron Ore and Manganese segment (previously included in the Ferrous Metals segment)					
Kumba					
Lump	19,043,000	22,042,000	25,300,000	11,671,000	13,214,000
Fines	13,357,000	14,657,000	16,643,000	7,476,000	8,720,000
Amapá[1]					
Sinter feed	—	128,000	576,100	191,000	682,000
Pellet feed	—	584,000	2,077,100	990,000	1,170,000
Total iron ore	32,400,000	37,411,000	44,596,000	20,328,000	23,786,000
Samancor[2]					
Manganese ore	2,411,000	2,704,000	1,570,000	493,000	1,358,000
Manganese alloy	310,000	306,000	129,000	52,000	155,100

(1) Production from Amapá is included from its acquisition date on August 5, 2008, with full year 2008 production amounting to 1.2 Mt. Amapá commenced commercial production as from January 1, 2010. Revenue and related costs were capitalized up to this date.

(2) We owned 40% of Samancor for all periods presented.

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
	(tonnes)	*(tonnes)*	*(tonnes)*	*(tonnes)*	*(tonnes)*
Copper segment (previously included in the Base Metals segment)					
Collahuasi[1]	452,000	464,400	535,800	247,900	266,800
Anglo American Sur[2] — Los Bronces mine	231,200	235,800	238,400	110,700	111,200
Anglo American Sur[2] — El Soldado mine	72,800	49,800	41,400	20,900	20,200
Anglo American Sur[2] — Chagres Smelter Copper blister/anodes[3]	164,100	146,100	137,700	63,200	67,600
Anglo American Sur — Chagres Smelter Copper blister/anodes (third party)	—	1,000	2,500	—	—
Anglo American Norte[4] — Mantos Blancos mine	88,900	86,400	90,200	44,700	37,000
Anglo American Norte[4] — Mantoverde mine	61,000	62,500	61,500	30,500	29,700
Total attributable Copper segment copper production[1]	652,800	639,800	669,800	315,900	315,500
Platinum[5] copper production	11,000	8,800	11,200	4,900	5,600
Other Mining and Industrial segment — Black Mountain copper production (previously included in the Base Metals segment)	2,200	2,500	2,200	1,100	1,000
Total attributable copper production	666,000	651,100	683,200	321,900	322,100

(1) Production is quoted on a 100% basis (our share is 44%) for all periods presented. Total attributable Copper segment production represents our attributable share only.

(2) Formerly Minera Sur Andes.

(3) Excluded from total copper production.

(4) Formerly Mantos Blancos.

(5) Includes Platinum's 22.5% share of Northam Platinum Limited's production for the 9 months up to September 30, 2007, at which time Platinum's investment in Northam Platinum was transferred to a disposal group and excluded from production information. Northam Platinum Limited was disposed of on August 20, 2008.

Coal

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
	(tonnes)	*(tonnes)*	*(tonnes)*	*(tonnes)*	*(tonnes)*
Thermal Coal segment (previously included in the Coal segment)					
South Africa					
Bank	51,900	—	—	—	—
Greenside	3,314,900	3,401,100	3,294,600	1,547,900	1,655,100
Goedehoop	8,456,200	7,449,400	6,905,000	3,416,800	2,890,300
Isibonelo	5,001,000	5,152,100	5,061,900	2,453,400	2,040,400
Kriel	11,210,100	10,344,400	11,161,700	5,211,000	4,519,400
Kleinkopje	3,490,700	4,545,600	4,414,000	2,267,100	2,108,000
Landau	4,058,200	4,089,300	4,231,500	2,139,100	1,955,000
New Denmark	5,134,700	5,272,500	3,728,900	1,810,000	2,267,200
New Vaal	17,119,500	17,034,400	17,553,700	8,584,900	7,629,800
Nooitgedacht	565,700	454,600	475,000	249,700	—
Mafube[(1)]	757,200	1,673,400	2,212,800	895,700	1,097,000
Zibulo	—	—	119,000	—	460,200
	59,160,100	59,416,800	59,158,100	28,575,600	26,622,400
South America					
Carbones del Cerrejón[(2)]	9,875,400	10,410,300	10,189,600	5,351,700	5,317,800
Total Thermal Coal segment production	69,035,500	69,827,100	69,347,700	33,927,300	31,940,200
Metallurgical Coal segment (previously included in the Coal segment)					
Australia					
Callide	10,031,100	9,582,700	8,766,400	4,386,500	4,377,900
Drayton	3,902,700	3,711,500	3,630,200	1,824,300	2,202,900
Capcoal (previously German Creek)	4,115,700	5,621,900	4,598,900	1,725,400	2,797,700
Jellinbah East[(3)]	891,800	1,033,900	1,745,800	845,800	979,500
Moranbah	3,211,600	3,181,500	2,581,000	1,410,800	1,727,400
Dawson Complex	3,051,800	3,537,200	3,756,200	1,687,100	1,505,900
Foxleigh	—	1,172,500	1,595,900	739,500	808,200
Total Metallurgical Coal segment production	25,204,700	27,841,200	26,674,400	12,619,400	14,399,500

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
	(tonnes)	*(tonnes)*	*(tonnes)*	*(tonnes)*	*(tonnes)*
Other Mining and Industrial segment (previously included in the Coal segment)					
South America					
Carbones del Guasare[4]	1,384,400	1,074,200	750,700	299,000	262,900
Canada					
Peace River Coal	—	772,400	718,300	330,500	401,400
Total Other Mining and Industrial segment production	1,384,400	1,846,600	1,469,000	629,500	664,300
Thermal Coal segment by product type					
South Africa					
Eskom	34,064,000	36,158,100	36,225,100	17,376,500	16,487,300
Thermal	23,952,400	22,286,800	22,185,900	10,806,800	9,913,300
Metallurgical	1,143,700	971,900	747,100	392,300	221,800
	59,160,100	59,416,800	59,158,100	28,575,600	26,622,400
South America					
Thermal	9,875,400	10,410,300	10,189,600	5,351,700	5,317,800
Total Thermal Coal segment production	69,035,500	69,827,100	69,347,700	33,927,300	31,940,200
Metallurgical Coal segment by product type					
Australia					
Thermal	15,059,300	14,696,300	14,051,800	6,950,100	7,320,000
Metallurgical	10,145,400	13,144,900	12,622,600	5,669,300	7,079,500
Total Metallurgical Coal segment production	25,204,700	27,841,200	26,674,400	12,619,400	14,399,500
Other Mining and Industrial segment by product type					
South America					
Thermal	1,384,400	1,074,200	750,700	299,000	262,900
Canada					
Metallurgical	—	632,300	645,300	330,500	401,400
Thermal	—	140,100	73,000	—	—
	—	772,400	718,300	330,500	401,400
Total Other Mining and Industrial segment production	1,384,400	1,846,600	1,469,000	629,500	664,300

(1) The Group owns 50% of the Mafube mine (for all periods presented).

(2) The Group owns 33% of the Carbones del Cerrejón mine (for all periods presented). All production from this mine relates to thermal coal.

(3) The Group owns 23% of the Jellinbah East mine (for all periods presented).

(4) The Group owns 25% of the Carbones del Guasare mine (for all periods presented). All production from this mine relates to thermal coal.

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
	(carats)	*(carats)*	*(carats)*	*(carats)*	*(carats)*
Diamonds[1][2]					
Debswana	33,638,000	32,276,000	17,734,000	3,915,000	10,267,000
Namdeb	2,176,000	2,122,000	929,000	385,000	794,000
De Beers Consolidated Mines	14,998,000	11,960,000	4,797,000	1,655,000	3,589,000
Williamson[3]	220,000	134,000	—	—	—
Canada	81,000	1,640,000	1,140,000	636,000	782,000
	51,113,000	48,132,000	24,600,000	6,591,000	15,432,000

(1) Information in the table reflects diamonds recovered.

(2) Production is quoted on a 100% basis (our share is 45%) for all periods presented.

(3) Williamson was disposed of in 2008.

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
	(thousands of ounces)	*(thousands of ounces)*	*(thousands of ounces)*	*(thousands of ounces)*	*(thousands of ounces)*
Platinum — Platinum production[1]					
Rustenburg Section[2][3]	*696.4*	*567.6*		*265.7*	
Bathopele[5]	116.3	112.6	133.6	57.7	55.6
Khomanani[5]	101.1	91.3	105.5	45.6	37.2
Thembelani[5]	85.3	71.1	79.3	31.7	34.5
Khuseleka[5]	225.8	172.8	157.0	75.6	50.7
Siphumelele[5]	167.9	119.8	110.6	55.1	34.1
Amandelbult Section[4]	*573.9*	*461.2*		*177.7*	
Tumela[6]	408.5	314.5	293.8	119.5	116.7
Dishaba[6]	165.4	146.7	150.1	58.2	61.7
Union	309.6	309.0	291.9	123.9	118.2
Mogalakwena	162.5	177.4	233.3	113.6	101.1
Twickenham Platinum Mine (Project)	8.8	9.9	7.5	3.1	1.3
Modikwa Platinum Mine[7]	114.6	131.2	135.3	53.1	49.4
Kroondal[8]	128.8	196.3	230.7	105.4	105.2
Marikana[8]	22.4	32.8	38.2	11.1	27.3
Mototolo[9]	92.6	83.9	106.3	42.3	48.3
Bafokeng-Rasimone[10][11]	190.5	170.5	172.5	74.8	74.0
Bokoni (previously Lebowa)[12]	94.2	72.6	30.2	23.2	—
Western Limb Tailings Retreatment	44.1	41.8	32.4	15.9	17.7
Northam Platinum[13]	34.8	—	—	—	—
	2,473.2	2,254.2	2,308.2	1,009.8	933.0
Purchases of metals in concentrate from third parties production	35.5	132.5	114.4	46.7	42.7
Purchases of metals in concentrate from associates production	—	—	29.0	—	24.8
Total Platinum segment platinum production	2,508.7	2,386.7	2,451.6	1,056.5	1,000.5

(1) Total refined production is presented by mine for production from owned mining operations and our share of joint ventures, as well as purchases of metals in concentrate from joint ventures. Purchases of metals in concentrate from associates and third parties are separately presented. All mines are based in South Africa.

(2) Rustenburg Section comprises Khomanani, Bathopele, Siphumelele, Thembelani and Khuseleka mines. As from 2009, the Rustenburg Section has been disaggregated into its component mines.

(3) Refined production arising from purchases of metal from outside parties was previously reported in Rustenburg Section. This has now been incorporated within "Purchases of metals in concentrate from third parties production".

(4) Amandelbult Section comprises Tumela and Dishaba mines. As from 2009, the Amandelbult Section has been disaggregated into its component mines.

(5) Previously part of the Rustenburg Section.

(6) Previously part of the Amandelbult Section.

(7) Modikwa Platinum Mine is a 50:50 joint venture with ARM Platinum. However, the information reported represents 100% of the Modikwa Platinum Mine operation as Platinum purchases and converts the JV partner's 50% share of the metal in concentrate.

(8) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate that are, in total, surplus to its offtake agreement with Impala Platinum.

(9) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate.

(10) A 50:50 joint venture with Royal Bafokeng Resources became fully operational on March 1, 2004. However, Platinum purchases, converts and sells Royal Bafokeng Resources' 50% share of the metal in concentrate and the information reported therefore reflects 100% of BRPM mine operations throughout the period.

(11) Platinum's direct interest in Bafokeng-Rasimone Platinum Mine decreased to 33% with effect from December 7, 2009.

(12) Platinum sold 51% of the Bokoni mine (previously Lebowa) to Anooraq Resources with effect from July 1, 2009. From this date Platinum's remaining 49% interest in Bokoni has been equity accounted and purchases of metals in concentrate from Bokoni has been separately presented as "Purchases of metals in concentrate from associates production".

(13) Includes Platinum's 22.5% share of Northam Platinum Limited's production for the 9 months up to September 30, 2007, at which time Platinum's investment in Northam Platinum was transferred to a disposal group and excluded from production information. Northam Platinum Limited was disposed of on August 20, 2008.

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
	(thousands of ounces)	(thousands of ounces)	(thousands of ounces)	(thousands of ounces)	(thousands of ounces)
Platinum — Palladium production[1]					
Rustenburg Section[2][3]	*356.7*	*279.7*		*130.9*	
Bathopele[5]	66.9	62.7	73.9	31.5	31.0
Khomanani[5]	46.5	39.5	47.4	20.3	16.7
Thembelani[5]	46.5	36.9	40.6	16.2	17.8
Khuseleka[5]	114.9	82.7	76.0	36.6	24.0
Siphumelele[5]	81.9	57.9	51.2	26.3	14.5
Amandelbult Section[4]	*279.5*	*217.3*		*81.0*	
Tumela[6]	201.4	149.2	133.6	54.7	52.7
Dishaba[6]	78.1	68.1	67.3	26.3	27.7
Union	145.1	139.7	127.3	54.8	50.5
Mogalakwena	167.4	184.5	249.9	125.3	100.4
Twickenham Platinum Mine (Project)	8.8	10.1	7.2	3.1	1.2
Modikwa Platinum Mine[7]	114.0	124.9	128.0	50.1	45.5
Kroondal[8]	63.5	94.0	110.8	51.0	50.6
Marikana[8]	9.6	14.2	16.7	4.9	12.3
Mototolo[9]	55.3	48.9	61.5	24.4	27.2
Bafokeng-Rasimone[10][11]	80.4	69.4	68.9	30.1	28.7
Bokoni (previously Lebowa)[12]	63.3	50.5	20.4	16.1	—
Western Limb Tailings Retreatment	16.9	13.6	10.4	4.9	5.1
Northam Platinum[13]	16.5	—	—	—	—
	1,377.0	1,249.5	1,291.1	576.6	505.9
Purchases of metals in concentrate from third parties production	29.3	72.0	49.8	20.1	19.0
Purchases of metals in concentrate from associates production	—	—	19.8	—	16.5
Total Platinum segment palladium production	1,406.3	1,321.5	1,360.7	596.7	541.4

(1) Total refined production is presented by mine for production from owned mining operations and our share of joint ventures, as well as purchases of metals in concentrate from joint ventures. Purchases of metals in concentrate from associates and third parties are separately presented. All mines are based in South Africa.

(2) Rustenburg Section comprises Khomanani, Bathopele, Siphumelele, Thembelani and Khuseleka mines. As from 2009, the Rustenburg Section has been disaggregated into its component mines.

(3) Refined production arising from purchases of metal from outside parties was previously reported in Rustenburg Section. This has now been incorporated within "Purchases of metals in concentrate from third parties production".

(4) Amandelbult Section comprises Tumela and Dishaba mines. As from 2009, the Amandelbult Section has been disaggregated into its component mines.

(5) Previously part of the Rustenburg Section.

(6) Previously part of the Amandelbult Section.

(7) Modikwa Platinum Mine is a 50:50 joint venture with ARM Platinum. However, the information reported represents 100% of the Modikwa Platinum Mine operation as Platinum purchases and converts the JV partner's 50% share of the metal in concentrate.

(8) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate that are, in total, surplus to its offtake agreement with Impala Platinum.

(9) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate.

(10) A 50:50 joint venture with Royal Bafokeng Resources became fully operational on March 1, 2004. However, Platinum purchases, converts and sells Royal Bafokeng Resources' 50% share of the metal in concentrate and the information reported therefore reflects 100% of BRPM mine operations throughout the period.

(11) Platinum's direct interest in Bafokeng-Rasimone Platinum Mine decreased to 33% with effect from December 7, 2009.

(12) Platinum sold 51% of the Bokoni mine (previously Lebowa) to Anooraq Resources with effect from July 1, 2009. From this date Platinum's remaining 49% interest in Bokoni has been equity accounted and purchases of metals in concentrate from Bokoni has been separately presented as "Purchases of metals in concentrate from associates production".

(13) Includes Platinum's 22.5% share of Northam Platinum Limited's production for the 9 months up to September 30, 2007, at which time Platinum's investment in Northam Platinum was transferred to a disposal group and excluded from production information. Northam Platinum Limited was disposed of on August 20, 2008.

	Year ended December 31,			Six months ended June 30,	
	2007	**2008**	**2009**	**2009**	**2010**
	(thousands of ounces)	*(thousands of ounces)*	*(thousands of ounces)*	*(thousands of ounces)*	*(thousands of ounces)*
Platinum — Rhodium production[1]					
Rustenburg Section[2][3]	*94.9*	*74.8*		*41.5*	
Bathopele[5]	22.0	19.6	25.9	11.7	9.7
Khomanani[5]	9.2	7.8	11.1	5.0	3.6
Thembelani[5]	14.0	11.1	13.0	5.6	5.1
Khuseleka[5]	29.8	21.4	22.0	11.4	5.8
Siphumelele[5]	19.9	14.9	13.1	7.8	2.7
Amandelbult Section[4]	*74.5*	*57.1*		*29.6*	
Tumela[6]	58.8	43.2	46.9	21.4	17.6
Dishaba[6]	15.7	13.9	19.1	8.2	7.7
Union	51.3	47.1	49.4	23.4	18.6
Mogalakwena	11.5	11.2	17.4	8.5	6.0
Twickenham Platinum Mine (Project)	1.3	1.7	1.6	0.8	0.3
Modikwa Platinum Mine[7]	23.1	24.0	27.2	11.8	9.3
Kroondal[8]	22.6	30.4	40.5	20.7	17.3
Marikana[8]	3.0	4.6	6.6	2.2	3.1
Mototolo[9]	13.8	13.5	17.2	7.5	7.5
Bafokeng-Rasimone[10][11]	13.2	10.6	11.9	5.7	4.5
Bokoni (previously Lebowa)[12]	10.9	7.7	5.2	3.4	—
Western Limb Tailings Retreatment	3.6	2.2	1.8	0.9	0.7
Northam Platinum[13]	4.3	—	—	—	—
	328.0	284.9	329.9	156.0	119.5
Purchases of metals in concentrate from third parties production	5.2	14.3	18.0	8.0	6.8
Purchases of metals in concentrate from associates production	—	—	2.0	—	2.6
Total Platinum segment rhodium production	333.2	299.2	349.9	164.0	128.9

(1) Total refined production is presented by mine for production from owned mining operations and our share of joint ventures, as well as purchases of metals in concentrate from joint ventures. Purchases of metals in concentrate from associates and third parties are separately presented. All mines are based in South Africa.

(2) Rustenburg Section comprises Khomanani, Bathopele, Siphumelele, Thembelani and Khuseleka mines. As from 2009, the Rustenburg Section has been disaggregated into its component mines.

(3) Refined production arising from purchases of metal from outside parties was previously reported in Rustenburg Section. This has now been incorporated within "Purchases of metals in concentrate from third parties production".

(4) Amandelbult Section comprises Tumela and Dishaba mines. As from 2009, the Amandelbult Section has been disaggregated into its component mines.

(5) Previously part of the Rustenburg Section.

(6) Previously part of the Amandelbult Section.

(7) Modikwa Platinum Mine is a 50:50 joint venture with ARM Platinum. However, the information reported represents 100% of the Modikwa Platinum Mine operation as Platinum purchases and converts the JV partner's 50% share of the metal in concentrate.

(8) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate that are, in total, surplus to its offtake agreement with Impala Platinum.

(9) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate.

(10) A 50:50 joint venture with Royal Bafokeng Resources became fully operational on March 1, 2004. However, Platinum purchases, converts and sells Royal Bafokeng Resources' 50% share of the metal in concentrate and the information reported therefore reflects 100% of BRPM mine operations throughout the period.

(11) Platinum's direct interest in Bafokeng-Rasimone Platinum Mine decreased to 33% with effect from December 7, 2009.

(12) Platinum sold 51% of the Bokoni mine (previously Lebowa) to Anooraq Resources with effect from July 1, 2009. From this date Platinum's remaining 49% interest in Bokoni has been equity accounted and purchases of metals in concentrate from Bokoni has been separately presented as "Purchases of metals in concentrate from associates production".

(13) Includes Platinum's 22.5% share of Northam Platinum Limited's production for the 9 months up to September 30, 2007, at which time Platinum's investment in Northam Platinum was transferred to a disposal group and excluded from production information. Northam Platinum Limited was disposed of on August 20, 2008.

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
	(tonnes)	*(tonnes)*	*(tonnes)*	*(tonnes)*	*(tonnes)*
Nickel segment (previously in the Base Metals segment)					
Codemin	9,900	9,100	9,500	4,500	4,600
Loma de Níquel	15,700	10,900	10,400	5,600	5,500
Total Nickel segment production	25,600	20,000	19,900	10,100	10,100
Platinum[1]	19,200	15,500	19,500	8,700	9,200
Total attributable nickel production	44,800	35,500	39,400	18,800	19,300

(1) Includes Platinum's 22.5% share of Northam Platinum Limited's production for the 9 months up to September 30, 2007, at which time Platinum's investment in Northam Platinum was transferred to a disposal group and excluded from production information. Northam Platinum Limited was disposed of on August 20, 2008.

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
Other Mining and Industrial	*(tonnes)*	*(tonnes)*	*(tonnes)*	*(tonnes)*	*(tonnes)*
Tarmac (previously included in the Industrial Minerals segment)					
Aggregates	95,393,300	93,095,000	70,437,100	34,449,700	33,527,600
Lime products	1,468,200	1,353,000	1,214,400	585,700	628,600
Concrete (m^3)	8,858,400	6,312,000	3,521,200	1,770,700	1,761,500
Zinc and Lead (previously included in the Base Metals segment)					
Black Mountain					
Zinc in concentrate	28,300	27,900	28,200	12,200	15,700
Lead in concentrate	41,900	47,000	49,100	22,100	22,600
Lisheen					
Zinc in concentrate	164,700	167,200	171,800	82,000	87,300
Lead in concentrate	20,200	15,900	19,200	8,900	8,200
Skorpion					
Zinc	150,100	145,400	150,400	75,700	75,700
Phosphates (previously included in the Base Metals segment)					
Copebrás					
Sodium tripolyphosphate	56,700	10,200	—	—	—
Phosphates	1,037,800	982,100	829,000	319,900	471,100
Niobium (previously included in the Base Metals segment)					
Catalão	4,700	4,600	5,100	2,600	1,900
Scaw Metals (previously included in the Ferrous Metals segment)					
South Africa — Steel Products	776,000	771,000	693,000	343,000	379,000
International — Steel Products	803,000	879,000	718,000	377,000	378,800
Mineral Sands (Disposed of within the Base Metals segment)					
Namakwa Sands[(1)]					
Production					
Ilmenite	300,300	240,900	—	—	—
Rutile	24,500	19,100	—	—	—
Zircon	114,800	97,400	—	—	—
Smelter production					
Slag tapped	151,300	118,500	—	—	—
Iron tapped	101,800	78,800	—	—	—

(1) We disposed of Namakwa Sands in 2008.

ORE RESERVES

This section contains tables setting forth the Proved and Probable Ore Reserves for the various business segments of the Group.

The Ore Reserve estimates presented in this section are prepared in accordance with the Anglo American Policy for the Reporting of Ore Reserves and Mineral Resources. This policy requires that the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 edition ("JORC Code"), be used as a minimum standard. Some of our subsidiaries have a primary listing in South Africa, where public reporting is conducted in accordance with the South African Code for Reporting of Mineral Resources and Mineral Reserves ("SAMREC Code"). The SAMREC Code is similar to the JORC Code, and the Ore Reserve terminology appearing in this section follows the definitions in both the JORC Code and the SAMREC Code (2007 Edition).

Ore Reserve reporting requirements for filings with the SEC are specified in Industry Guide 7 under the Securities Act ("Guide 7"), which recommends that economic assumptions be based on a three-year historic average. Our Reporting Policy is not derived from, or consistent with, Guide 7 and differs from Guide 7 in certain material respects. Accordingly, our Proved and Probable Ore Reserves would differ from those described herein if determined in accordance with Guide 7.

The estimates were prepared by or under the supervision of "Competent Persons" as defined in the JORC and SAMREC Codes. All Competent Persons have sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking.

The Group companies are subject to a comprehensive program of reviews aimed at providing assurance in respect of Ore Reserve estimates. The reviews are conducted by suitably qualified Competent Persons from within a particular division, another division of the Group or from independent consultants. The frequency and depth of the reviews is a function of the risks and/or uncertainties associated with a particular Ore Reserve, the overall value thereof and time that has elapsed since an independent third-party audit has been conducted.

The JORC and SAMREC Codes require the use of reasonable economic assumptions. These include long-range commodity price forecasts, which are prepared by in-house specialists largely using estimates of future supply and demand and long-term economic outlooks.

Ore Reserve estimates are dynamic and are influenced by changing economic conditions, technical issues, environmental regulations and relevant new information and therefore can vary from year to year.

The estimates of Ore Reserves are as of December 31, 2007, 2008 or 2009, as indicated. The figures in the tables have been rounded and, if used to derive totals and averages, could cause minor computational differences. Ore Reserves in the context of this Offering Memorandum have the same meaning as "Mineral Reserves" as defined by the SAMREC Code. The following abbreviations are used in the tables: "OP"= Open Pit, "OC"= Open Cast, "UG"= Underground and "LOM"= Life of Mine in years based on scheduled Ore Reserves.

Iron Ore and Manganese segment — Iron Ore (previously in Ferrous Metals segment)

Iron Ore Ore Reserves[(1)]	Classification	Tonnage 2007	Tonnage 2008	Tonnage 2009	Grade 2007	Grade 2008	Grade 2009	Saleable product 2007	Saleable product 2008	Saleable product 2009
		(million tonnes)[(2)]			(%Fe)			(million tonnes)[(2)]		
Sishen Mine (OP) (36.5% attributable, 21 year life of mine "LOM")	Proved	805.3	709.2	707.6	59.5	59.7	59.2	598@ 65.2% Fe	536@ 65.0% Fe	531@ 65.4% Fe
	Probable	227.2	247.7	203.9	60.0	59.3	59.2	174@ 65.3% Fe	187@ 65.1% Fe	154@ 64.9% Fe
	Total	1,032.5	956.9	911.5	59.6	59.6	59.2	772@ 65.2% Fe	723@ 65.0% Fe	685@ 65.3% Fe
Thabazimbi Mine (OP) (46.4% attributable, 6 year LOM)	Proved	7.8	4.1	9.5	62.9	64.5	61.7	7@ 63.5% Fe	4@ 64.9% Fe	8@ 63.4% Fe
	Probable	1.5	0.8	4.7	62.7	64.9	61.3	1@ 63.1% Fe	1@ 65.1% Fe	4@ 62.7% Fe
	Total	9.3	4.9	14.2	62.9	64.6	61.5	8@ 63.4% Fe	5@ 64.9% Fe	12@ 63.1% Fe
Kolomela Mine[(3)] (OP) (46.4% attributable, 28 year LOM)	Proved	97.7	123.1	123.1	64.7	64.2	64.2	98@ 64.7% Fe	123@ 64.1% Fe	123@ 64.2% Fe
	Probable	78.2	91.0	91.0	63.6	63.9	63.9	78@ 63.6% Fe	91@ 63.9% Fe	91@ 63.9% Fe
	Total	175.9	214.1	214.1	64.2	64.1	64.1	176@ 64.2% Fe	214@ 64.0% Fe	214@ 64.0% Fe

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2009 is stated next to each operation.

(2) Tonnage: quoted as metric tonnes.

(3) Kolomela Mine: The Sishen South Iron Ore Project has been renamed Kolomela Mine.

Iron Ore and Manganese segment — Manganese (previously in Ferrous Metals segment)

Manganese Ore Reserves[(1)]	Classification	Tonnage 2007	Tonnage 2008	Tonnage 2009	Grade 2007	Grade 2008	Grade 2009	% Yield 2007	% Yield 2008	% Yield 2009
		(million tonnes)[(3)]			(%Mn)					
Hotazel Manganese Mines[(2,4)]										
Mamatwan (OP) (36.4% attributable, 22 year LOM)	Proved	44.0	40.5	53.6	37.6	37.7	37.8			
	Probable	8.1	8.1	24.8	36.4	36.8	37.2			
	Total	52.1	48.6	78.4	37.4	37.6	37.6			
Wessels (UG) (36.4% attributable, 49 year LOM)	Proved	4.6	3.9	5.1	46.0	46.5	45.5			
	Probable	14.8	14.9	68.4	45.2	45.3	43.0			
	Total	19.4	18.8	73.5	45.4	45.5	43.2			
GEMCO (OP) (40% attributable, 14 year LOM)	Proved	81.8	71.9	67.5	48.2	48.2	46.8	49.3	49.4	50.8
	Probable	44.7	43.9	43.2	47.2	47.1	46.4	47.0	47.0	47.9
	Total	126.5	115.8	110.7	47.8	47.8	46.7	48.5	48.5	49.7

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2009 is stated next to each operation.

(2) We own 36.4% of Hotazel Manganese Mines through our investment in Samancor.

(3) Tonnage: quoted as metric tonnes. Mamatwan tonnages stated as wet metric tonnes. Wessels and GEMCO tonnages stated as dry metric tonnes.

(4) Hotazel Manganese Mines: An agreement has been reached between Hotazel Manganese Mines and BEE consortium Ntsimbintle Mining (Pty) Ltd. The Ntsimbintle agreement has been signed by both parties and approved by the South African Government. This transaction allows for the inclusion of part of the Prospecting Rights held by Ntsimbintle into the Mamatwan and Wessels Mining Area in exchange for 9% equity in Hotazel Manganese Mines, thereby adding the resources within the Ntsimbintle Prospecting Right to the Mamatwan and Wessels Mining Rights through a Section 102 conversion. The rights have been transferred to and are now held by a new company called Hotazel Manganese Mines (Pty) Ltd, effective as at April 16, 2009 subsequent to a section 11 (Act 28/ 2002) approval by the South African Department of Minerals and Energy (DME). The Anglo American share of Wessels and Mamatwan mines (Hotazel Manganese Mines) therefore drops to 36.4%.

Copper segment (previously in Base Metals segment)

Copper Ore Reserves[1]	Classification	Tonnage 2007	Tonnage 2008	Tonnage 2009	Grade 2007	Grade 2008	Grade 2009	Contained Metal 2007	Contained Metal 2008	Contained Metal 2009
		(million tonnes)[2]			*(%Cu)*			*(thousand tonnes)*[2]		
Los Bronces (OP)										
(100% attributable, 39 year LOM) Sulphide (TCu) Flotation	Proved	697.7	715.4	797.7	0.76	0.73	0.73	5,303	5,222	5,823
	Probable	782.7	890.7	849.8	0.58	0.55	0.55	4,540	4,899	4,674
	Total	1,480.4	1,606.1	1,647.5	0.66	0.63	0.64	9,842	10,121	10,497
Sulphide (TCu) Dump Leach	Proved	344.8	303.9	442.3	0.33	0.33	0.36	1,138	1,003	1,592
	Probable	672.6	492.6	382.0	0.25	0.22	0.28	1,682	1,084	1,069
	Total	1,017.4	796.5	824.3	0.28	0.26	0.32	2,819	2,087	2,662
El Soldado (OP&UG)										
(100% attributable, 18 year LOM) Sulphide (TCu) Flotation	Proved	68.7	71.2	79.6	1.04	1.00	0.94	715	712	750
	Probable	50.7	44.2	49.9	0.82	0.89	0.76	418	393	381
	Total	119.4	115.4	129.6	0.95	0.96	0.87	1,133	1,105	1,131
Oxide (TCu) Heap Leach	Proved	1.5	3.2	3.0	0.87	0.89	0.86	13	28	26
	Probable	3.0	2.8	4.2	0.74	0.57	0.54	22	16	23
	Total	4.6	6.0	7.2	0.78	0.74	0.67	36	44	48

Copper Ore Reserves[1]	Classification	Tonnage 2007	Tonnage 2008	Tonnage 2009	Grade 2007	Grade 2008	Grade 2009	Contained Metal 2007	Contained Metal 2008	Contained Metal 2009
		(million tonnes)[2]			*(%Cu)*			*(thousand tonnes)*[2]		
Mantos Blancos (OP)										
(100% attributable, 6 year LOM) Sulphide (ICu) Flotation	Proved	9.4	12.9	7.2	0.93	0.93	0.88	87	120	63
	Probable	19.3	18.5	18.8	1.05	0.94	0.94	203	173	177
	Total	28.7	31.3	26.0	1.01	0.94	0.93	291	293	240
Oxide (ASCu) Vat and Heap Leach	Proved	1.5	1.4	3.3	0.72	0.70	0.70	11	10	23
	Probable	44.0	37.6	29.2	0.44	0.45	0.43	195	169	126
	Total	45.5	39.0	32.5	0.45	0.46	0.46	205	179	149
Oxide (ASCu) Dump Leach	Proved	0.5	0.6	0.9	0.24	0.24	0.24	1	1	2
	Probable	9.4	11.6	11.9	0.27	0.26	0.25	26	30	30
	Total	10.0	12.1	12.7	0.27	0.26	0.25	27	31	32

Copper Ore Reserves[1]	Classification	Tonnage 2007	Tonnage 2008	Tonnage 2009	Grade 2007	Grade 2008	Grade 2009	Contained Metal 2007	Contained Metal 2008	Contained Metal 2009
		(million tonnes)[2]			(%Cu)			(thousand tonnes)[2]		
Mantoverde (OP)										
(100% attributable, 5 year LOM) Oxide (ASCu) Heap Leach	Proved	53.5	45.6	37.7	0.62	0.60	0.59	332	273	222
	Probable	11.2	8.0	6.6	0.57	0.54	0.54	64	43	36
	Total	64.7	53.6	44.3	0.61	0.59	0.58	395	317	258
Oxide (ASCu) Dump Leach	Proved	28.1	20.9	17.3	0.36	0.36	0.32	101	75	55
	Probable	11.5	10.1	7.0	0.40	0.39	0.42	46	39	29
	Total	39.7	31.1	24.3	0.37	0.37	0.35	147	115	85
Collahuasi (OP)										
(44% attributable, 33 year LOM) Oxide, Mixed and Secondary Sulphides (TCu) Heap Leach	Proved	43.9	0.2	0.2	0.80	1.60	1.16	352	4	3
	Probable	31.2	20.3	19.3	0.88	0.77	0.74	275	156	143
	Total	75.2	20.5	19.6	0.83	0.78	0.75	626	160	146
Sulphide (TCu) Flotation — direct feed	Proved	279.0	315.4	322.9	0.99	0.99	1.03	2,762	3,123	3,326
	Probable	1,180.0	1,224.1	1,227.7	0.96	0.95	0.93	11,328	11,629	11,417
	Total	1,459.1	1,539.5	1,550.6	0.97	0.96	0.95	14,091	14,752	14,743
Low Grade Sulphide (TCu) Flotation — stockpile	Proved	—	—	—	—	—	—	—	—	—
	Probable	670.1	675.1	615.0	0.51	0.51	0.52	3,418	3,443	3,198
	Total	670.1	675.1	615.0	0.51	0.51	0.52	3,418	3,443	3,198
Copper Projects Ore Reserves										
Quellaveco (OP)										
(81.9% attributable, 28 year LOM) Sulphide (TCu)										
Flotation	Proved	250.1	253.3	207.8	0.76	0.76	0.76	1,901	1,925	4,101
	Probable	688.3	636.8	672.2	0.59	0.61	0.61	4,061	3,885	1,579
	Total	938.4	890.1	880.0	0.64	0.65	0.65	5,962	5,810	5,680

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2009 is stated next to each operation or project.

(2) Tonnage: quoted as metric tonnes.

Platinum segment

Platinum Ore Reserves[1]	Classification	Tonnage 2007	Tonnage 2008	Tonnage 2009	Grade[3] 2007	Grade[3] 2008	Grade[3] 2009	Contained Metal 2007	Contained Metal 2008	Contained Metal 2009
		(million tonnes)[2]			*(4E PGE g/t)*			*(tonnes)[2]*		
Merensky Reef[4][5]	Proved	88.7	88.6	77.5	5.22	5.28	5.41	462.6	467.4	419.7
	Probable	117.2	129.4	89.8	5.11	5.21	5.13	598.5	674.1	460.1
	Total	205.8	217.9	167.3	5.16	5.24	5.26	1,061.1	1,141.5	879.8
UG2 Reef[4][5]	Proved	415.7	469.9	409.9	4.37	4.19	4.37	1,816.0	1,970.8	1,792.1
	Probable	413.5	382.6	229.3	4.32	4.43	4.38	1,787.1	1,695.8	1,003.9
	Total	829.2	852.5	639.2	4.35	4.30	4.37	3,603.1	3,666.6	2,796.0
Platreef	Proved	284.6	274.5	317.4	3.24	3.21	3.28	923.2	880.7	1,040.6
	Proved (primary ore stockpile)	19.8	20.6	16.6	2.54	2.58	2.65	50.1	53.1	43.8
	Probable	114.0	112.8	174.6	3.51	3.56	3.12	400.1	401.8	544.1
	Total	418.3	407.9	508.6	3.28	3.27	3.20	1,373.4	1,335.6	1,628.6
All Reefs	Proved	808.6	853.6	821.4	4.02	3.95	4.01	3,251.9	3,372.1	3,296.3
	Probable	644.6	624.7	493.6	4.32	4.44	4.07	2,785.7	2,771.7	2,008.1
	Total	1,453.3	1,478.3	1,315.0	4.15	4.16	4.03	6,037.6	6,143.7	5,304.4
Tailings	Proved	—	—	—	—	—	—	—	—	—
	Probable	38.6	33.4	29.6	0.92	0.88	0.86	35.5	29.5	25.4
	Total	38.6	33.4	29.6	0.92	0.88	0.86	35.5	29.5	25.4
Platinum Projects Ore Reserves										
Zimbabwe										
Unki[6] Great Dyke — MSZ	Proved	5.2	4.2	5.1	3.60	3.60	3.60	18.8	15.1	18.3
	Probable	43.2	34.6	42.0	3.81	3.81	3.81	164.5	131.6	159.9
	Total	48.4	38.7	47.1	3.78	3.79	3.79	183.3	146.7	178.2

(1) The figures reported represent 100% of the Ore Reserves. Of these reserves at December 31, 2009 we owned 79.7% (2007: 76.53% and 2008: 79.64%) through our interest in Anglo Platinum.

(2) Tonnage: quoted as metric tonnes.

(3) Grade: 4E PGE is the sum of platinum, palladium, rhodium and gold grades in grams per tonne (g/t).

(4) Merensky Reef and UG2 Reef: The BEE transaction announced with Anooraq Resources was finalized during 2009 resulting in a change of the attributable and reportable Ore Reserves for Bokoni Platinum Mine (previously Lebowa Platinum Mine). Platinum's attributable percentage decreased from 100% to 49%, equivalent to a decrease of 33.5Mt (-5.5 Moz).

(5) Merensky Reef and UG2 Reef: The calculation of the pay limit was modified between 2008 and 2009. The 2008 pay limit calculation was based on the planning pay limit. The 2009 pay limit calculation now includes 'Stay in Business Capital', both on and off mine, in the estimation of the overall costs. This cost amount is termed Cost 4 which consists of 'Direct Cash Cost' (on and off mine), 'Other indirect Costs' and 'Stay in Business Capital' (on and off mine). The Merensky Reef reserve pay-limit varies across all operations between 2.8g/t and 6.1g/t (4E PGE). The UG2 Reef reserve pay-limit varies across all operations between 2.7g/t and 5.9g/t (4E PGE). The range is a function of various factors including depth of the ore body, geological complexity, infrastructure and economic parameters. Certain areas where the pay limit is high may still be mined due to a project being in ramp-up or in the case of the Rustenburg area, where the business plan returns a positive NPV and profit from 2012.

(6) Unki: Platinum owns an effective 97.19% interest in Southridge Limited. The Ore Reserves (for the Great Dyke — Main Sulphide Zone) relate to the Unki East and West mines only.

Thermal Coal segment (previously in Coal segment)

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2007	Run Of Mine (ROM) 2008	Run Of Mine (ROM) 2009	Saleable 2007	Saleable 2008	Saleable 2009	Saleable Quality 2007	Saleable Quality 2008	Saleable Quality 2009
		(million tonnes)[2]			(million tonnes)[2]			kcal/kg or CSN[3]		
South Africa										
Goedehoop (UG&OC)[4]										
(100% attributable, 10 year LOM) Export Thermal	Proved	46.7	50.5	25.5	27.5	26.3	15.5	6,160	6,200	6,240
	Probable	103.7	81.2	85.6	56.1	45.1	47.5	6,170	6,130	6,180
	Total	150.4	131.7	111.1	83.6	71.4	63.0	6,160	6,150	6,190
Other Metallurgical	Proved				1.5	1.0	—	7,080	6,990	—
	Probable				4.4	—	—	7,010	—	—
	Total				5.9	1.0	—	7,030	6,990	—
Greenside (UG)										
(100% attributable, 12 year LOM) Export Thermal	Proved	9.3	19.5	39.8	6.3	12.6	24.3	6,200	6,240	6,190
	Probable	47.6	12.2	2.4	30.4	7.5	1.5	6,190	6,220	6,190
	Total	56.9	31.7	42.1	36.7	20.1	25.8	6,200	6,230	6,190
Isibonelo (OC)										
(100% attributable, 17 year LOM) Synfuel	Proved	91.5	90.6	84.5	91.3	90.6	84.6	4,870	4,660	4,560
	Probable	—	—	—	—	—	—	—	—	—
	Total	91.5	90.6	84.5	91.3	90.6	84.6	4,870	4,660	4,560
Kleinkopje (OC)[4]										
(100% attributable, 14 year LOM) Export Thermal	Proved	75.2	81.9	77.1	43.8	27.3	26.4	6,170	6,220	6,220
	Probable	64.0	25.4	21.3	33.9	12.6	10.4	6,180	6,230	6,230
	Total	139.2	107.4	98.4	77.7	39.9	36.8	6,170	6,220	6,220
Domestic Power	Proved				—	33.2	29.5	—	4,530	4,490
	Probable				—	—	—	—	—	—
	Total				—	33.2	29.5	—	4,530	4,490
Kriel (UG&OC)										
(73% attributable, 16 year LOM) Domestic Power	Proved	94.8	82.1	67.0	94.8	82.1	67.0	4,920	4,800	4,790
	Probable	61.4	62.4	64.3	61.4	62.4	64.3	4,730	4,500	4,500
	Total	156.2	144.5	131.3	156.2	144.5	131.3	4,850	4,670	4,650
Landau (OC)[4]										
(100% attributable, 11 year LOM) Export Thermal	Proved	37.8	37.5	48.0	22.2	18.8	25.1	6,250	6,270	6,300
	Probable	35.7	27.8	21.4	23.5	13.4	11.0	5,730	6,260	6,370
	Total	73.5	65.3	69.5	45.7	32.3	36.1	5,980	6,270	6,320
Domestic Power	Proved				—	4.0	3.4	—	3,340	4,450
	Probable				—	4.2	2.0	—	4,690	3,900
	Total				—	8.2	5.4	—	4,040	4,250
Mafube (OC)[4]										
(50% attributable, 20 year LOM) Export Thermal	Proved	44.3	40.6	35.6	23.9	22.0	18.4	6,260	6,290	6,300
	Probable	—	66.8	67.3	—	24.7	25.1	—	6,270	6,280
	Total	44.3	107.3	103.0	23.9	46.7	43.5	6,260	6,280	6,290
Domestic Power	Proved				12.1	11.4	8.2	5,050	5,380	5,450
	Probable				—	20.9	21.2	—	5,080	5,080
	Total				12.1	32.3	29.4	5,050	5,190	5,180

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2007	Run Of Mine (ROM) 2008	Run Of Mine (ROM) 2009	Saleable 2007	Saleable 2008	Saleable 2009	Saleable Quality 2007	Saleable Quality 2008	Saleable Quality 2009
		(million tonnes)[2]			*(million tonnes)*[2]			*kcal/kg or CSN*[3]		
New Denmark (UG)										
(100% attributable, 31 year LOM) Domestic Power	Proved	62.6	41.9	37.0	62.6	41.9	37.0	5,140	4,900	5,090
	Probable	102.1	87.6	106.7	102.1	87.6	106.7	5,100	4,850	4,940
	Total	164.7	129.5	143.7	164.7	129.5	143.7	5,120	4,870	4,980
New Vaal (OC)										
(100% attributable, 18 year LOM) Domestic Power	Proved	477.2	444.9	423.4	448.0	417.6	404.0	3,720	3,500	3,490
	Probable	—	—	—	—	—	—	—	—	—
	Total	477.2	444.9	423.4	448.0	417.6	404.0	3,720	3,500	3,490
Nooitgedacht 5 Seam (UG)[4]										
(100% attributable, 3 year LOM) Export Thermal	Proved	3.6	2.9	1.9	—	1.2	0.7	—	6,200	6,360
	Probable	—	—	—	—	—	—	—	—	—
	Total	3.6	2.9	1.9	—	1.2	0.7	—	6,200	6,360
Other Metallurgical	Proved				2.6	0.9	0.5	6,470	6,510	6,300
	Probable				—	—	—	—	—	—
	Total				2.6	0.9	0.5	6,470	6,510	6,300
Zibulo (previously Zondagsfontein) (UG&OC)[4]										
(73% attributable, 17 year LOM) Export Thermal	Proved	—	—	—	—	—	—	—	—	—
	Probable	—	117.7	99.3	—	47.5	39.5	—	6,340	6,350
	Total	—	117.7	99.3	—	47.5	39.5	—	6,340	6,350
Domestic Power	Proved				—	—	—	—	—	—
	Probable				—	49.8	38.5	—	4,880	4,880
	Total				—	49.8	38.5	—	4,880	4,880
South Africa[4][5][6]										
Export Thermal	Proved	943.0	892.4	839.8	123.8	108.2	110.3	6,200	6,240	6,250
Attributable % — 86.8	Probable	414.5	481.0	468.3	143.8	150.9	135.0	6,100	6,240	6,270
	Total	1,357.5	1,373.4	1,308.1	267.6	259.1	245.3	6,150	6,240	6,260
Other Metallurgical	Proved				4.2	1.9	0.5	6,700	6,760	6,300
Attributable % — 100.0	Probable				4.4	—	—	7,010	—	—
	Total				8.6	1.9	0.5	6,860	6,760	6,300
Domestic Power	Proved				617.5	590.1	549.1	4,070	3,870	3,850
Attributable % — 92.3	Probable				163.5	225.0	232.7	4,970	4,780	4,810
	Total				780.9	815.1	781.8	4,260	4,120	4,130
Synfuel	Proved				91.3	90.6	84.6	4,870	4,660	4,560
Attributable % — 100.0	Probable				—	—	—	—	—	—
	Total				91.3	90.6	84.6	4,870	4,660	4,560
Colombia										
Cerrejón (OC)[7]										
(33.3% attributable, 23 year LOM) Export Thermal	Proved	649.0	519.3	646.6	661.2	502.9	621.4	6,130	6,200	6,210
	Probable	211.2	241.0	50.7	215.4	233.4	48.9	6,220	6,200	6,210
	Total	860.2	760.2	697.3	876.6	736.3	670.3	6,160	6,200	6,210

(1) Coal Reserves are quoted on a run of mine reserve tonnage basis, which represents the tonnes delivered to the plant, and on a saleable reserve tonnage basis which represents the product tonnes produced. The figures reported represent 100% of the Coal Reserves. The percentage attributable to Anglo American plc at December 31, 2009 is stated next to each operation.

(2) Tonnage: quoted as metric tonnes. ROM tonnages on an As Delivered moisture basis, and Saleable tonnages on a Product moisture basis.

(3) The coal quality for the Coal Reserves is quoted as either Calorific Value (CV) using kilo-calories per kilogram (kcal/kg) units on a Gross As Received (GAR) basis or Crucible Swell Number (CSN). Coal quality parameters for the Coal Reserves for Coking, Other

Metallurgical and Export Thermal collieries meet the contractual specifications for coking coal, PCI, metallurgical coal, steam coal and domestic coal. Coal quality parameters for the Coal Reserves for Domestic Power and Synfuel collieries meet the specifications of the individual supply contracts. CV is rounded to the nearest 10 kcal/kg and CSN to the nearest 0.5 index.

(4) For the multi-product operations, the ROM tonnage figures apply to each product.

(5) South African Export mining operations include Greenside, Goedehoop, Kleinkopje, Landau, Nooitgedacht, Zibulo and Mafube. Domestic South African mining operations include Isibonelo, Kriel, New Denmark and New Vaal.

(6) Attributable percentages for country totals are weighted by Saleable tonnes and should not be directly applied to the ROM tonnage.

(7) We own a 33.3% interest in Carbones del Cerrejón.

Export Thermal refers to low- to high-volatile thermal coal primarily for export in the use of power generation; quality measured by calorific value (CV).

Other Metallurgical refers to semi-soft, soft, hard, semi-hard or anthracite coal, other than Coking Coal, such as pulverized coal injection (PCI) or other general metallurgical coal for the export of domestic market with a wider range of properties than Coking Coal.

Synfuel refers to a coal specifically for the domestic production of synthetic fuel and chemicals; quality measured by calorific value (CV).

Domestic Power refers to low- to high-volatile thermal or semi-soft coal primarily for domestic consumption for power generation; quality measured by CV.

Coking refers to high-, medium- to low-volatile semi-soft, soft or hard coking coal primarily for blending and use in steel industry; quality measured as crucible swell number (CSN).

Other Mining and Industrial segment — Coal (previously in Coal segment)

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2007	Run Of Mine (ROM) 2008	Run Of Mine (ROM) 2009	Saleable 2007	Saleable 2008	Saleable 2009	Saleable Quality 2007	Saleable Quality 2008	Saleable Quality 2009
		(million tonnes)[2]			*(million tonnes)[2]*			*kcal/kg or CSN[3]*		
Canada Trend (OC)[4][5]										
(74.8% attributable, 14 year LOM)										
Export Thermal	Proved	11.4	10.4	20.6	—	0.2	0.4	—	5,660	5,300
	Probable	4.2	4.2	2.5	—	0.1	0.1	—	5,660	5,300
	Total	15.6	14.6	23.0	—	0.3	0.5	—	5,660	5,300
Coking	Proved				8.0	7.4	13.3	7.0	7.0	7.0
	Probable				2.8	3.0	1.6	7.0	7.0	7.0
	Total				10.8	10.4	14.9	7.0	7.0	7.0
Venezuela Guasare (OC)[6]										
(24.9% attributable, 21 year LOM) Export Thermal	Proved	141.0	136.6	127.7	145.5	141.1	127.7	7,100	7,320	7,180
	Probable	—	—	16.2	—	—	16.2	—	—	7,240
	Total	141.0	136.6	143.9	145.5	141.1	143.9	7,100	7,320	7,190

(1) Coal Reserves are quoted on a run of mine reserve tonnage basis, which represents the tonnes delivered to the plant, and on a saleable reserve tonnage basis which represents the product tonnes produced. The figures reported represent 100% of the Coal Reserves. The percentage attributable to Anglo American plc at December 31, 2009 is stated next to each operation.

(2) Tonnage: quoted as metric tonnes. ROM tonnages on an As Delivered moisture basis, and Saleable tonnages on a Product moisture basis.

(3) The coal quality for the Coal Reserves is quoted as either Calorific Value (CV) using kilo-calories per kilogram (kcal/kg) units on a Gross As Received (GAR) basis or Crucible Swell Number (CSN). Coal quality parameters for the Coal Reserves for Coking, Other Metallurgical and Export Thermal collieries meet the contractual specifications for coking coal, PCI, metallurgical coal, steam coal and domestic coal. Coal quality parameters for the Coal Reserves for Domestic Power and Synfuel collieries meet the specifications of the individual supply contracts. CV is rounded to the nearest 10 kcal/kg and CSN to the nearest 0.5 index.

(4) Canadian Export operations include Peace River Coal (Anglo American's interest in Peace River Coal at December 31, 2009 was 74.8%).

(5) For the multi-product operations, the ROM tonnage figures apply to each product.

(6) We own a 24.9% interest in Carbones del Guasare.

For coal product descriptions see "— Thermal Coal segment (previously in Coal segment)".

Metallurgical Coal segment (previously in Coal segment)

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2007	Run Of Mine (ROM) 2008	Run Of Mine (ROM) 2009	Saleable 2007	Saleable 2008	Saleable 2009	Saleable Quality 2007	Saleable Quality 2008	Saleable Quality 2009
		(million tonnes)[2]			*(million tonnes)*[2]			*kcal/kg or CSN*[3]		
Australia										
Callide (OC)										
(100% attributable, 21 year LOM) Domestic Power	Proved	204.8	134.6	125.8	202.1	131.0	122.3	4,610	4,530	4,550
	Probable	27.0	87.7	87.7	26.5	87.0	87.0	4,480	4,550	4,560
	Total	231.8	222.3	213.5	228.5	218.0	209.3	4,590	4,540	4,550
Capcoal (UG&OC)[4]										
(71.6% attributable, 21 year LOM) Export Thermal	Proved	135.6	125.8	127.0	57.8	53.1	3.0	7,400	7,400	7,070
	Probable	90.1	90.3	68.0	38.6	38.6	2.0	7,400	7,400	7,070
	Total	225.6	216.1	194.9	96.5	91.7	5.0	7,400	7,400	7,070
Coking	Proved				42.6	39.1	50.0	8.5	8.5	8.0
	Probable				16.3	16.3	24.4	8.5	8.5	7.5
	Total				58.9	55.4	74.4	8.5	8.5	8.0
Other Metallurgical	Proved				—	—	38.1	—	—	6,980
	Probable				—	—	20.9	—	—	7,090
	Total				—	—	59.0	—	—	7,020
Dawson (OC)[4]										
(51% attributable, 26 year LOM)										
Export Thermal	Proved	213.6	205.1	21.0	117.8	114.1	12.4	6,610	6,600	6,500
	Probable	123.0	123.0	161.8	39.1	38.9	93.9	6,570	6,620	6,500
	Total	336.6	328.1	182.8	156.9	153.0	106.3	6,600	6,610	6,500
Coking	Proved				62.9	59.6	5.2	7.5	7.5	7.5
	Probable				61.4	61.4	31.4	7.5	7.5	7.5
	Total				124.3	121.0	36.6	7.5	7.5	7.5
Drayton (OC)[4]										
(88.2% attributable, 6 year LOM) Export Thermal	Proved	30.7	26.5	1.9	21.4	18.5	1.5	6,720	6,720	7,070
	Probable	14.6	14.4	31.2	10.2	10.1	24.1	6,740	6,740	6,450
	Total	45.3	40.9	33.1	31.6	28.6	25.6	6,730	6,730	6,490
Domestic Power	Proved				7.7	6.6	—	5,780	5,780	—
	Probable				3.7	3.6	—	5,780	5,780	—
	Total				11.3	10.2	—	5,780	5,780	—
Foxleigh (OC)										
(70% attributable, 2 year LOM) Other Metallurgical	Proved	—	—	1.9	—	—	1.4	—	—	6,520
	Probable	—	—	4.4	—	—	3.3	—	—	6,580
	Total	—	—	6.3	—	—	4.7	—	—	6,560
Moranbah North (UG)										
(88% attributable, 29 year LOM) Coking	Proved	119.5	118.4	123.6	97.7	95.0	102.5	8.0	7.5	7.5
	Probable	23.3	17.3	12.2	17.9	13.6	9.6	7.5	8.0	8.0
	Total	142.8	135.8	135.8	115.6	108.6	112.0	8.0	7.5	7.5

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2007	2008	2009	Saleable 2007	2008	2009	Saleable Quality 2007	2008	2009
		(million tonnes)[2]			(million tonnes)[2]			kcal/kg or CSN[3]		
Australia[4][5][6]										
Export Thermal	Proved	704.1	610.4	401.0	197.1	185.7	16.9	6,860	6,840	6,650
Attributable % — 58.7	Probable	278.0	332.8	365.3	87.9	87.6	120.0	6,950	6,980	6,500
	Total	982.1	943.2	766.4	285.0	273.3	136.9	6,890	6,880	6,520
Coking	Proved				203.1	193.7	157.7	8.0	8.0	7.5
Attributable % — 76.5	Probable				95.7	91.4	65.3	7.5	8.0	7.5
	Total				298.9	285.0	223.0	8.0	8.0	7.5
Other Metallurgical	Proved				—	—	39.5	—	—	6,960
Attributable % — 71.5	Probable				—	—	24.2	—	—	7,020
	Total				—	—	63.7	—	—	6,990
Domestic Power	Proved				209.7	137.6	122.3	4,650	4,590	4,550
Attributable % — 100	Probable				30.1	90.7	87.0	4,640	4,600	4,560
	Total				239.9	228.3	209.3	4,650	4,590	4,560

(1) Coal Reserves are quoted on a run of mine reserve tonnage basis, which represents the tonnes delivered to the plant, and on a saleable reserve tonnage basis which represents the product tonnes produced. The figures reported represent 100% of the Coal Reserves. The percentage attributable to Anglo American plc at December 31, 2009 is stated next to each operation.

(2) Tonnage: quoted as metric tonnes. ROM tonnages on an As Delivered moisture basis, and Saleable tonnages on a Product moisture basis.

(3) The coal quality for the Coal Reserves is quoted as either Calorific Value (CV) using kilo-calories per kilogram (kcal/kg) units on a Gross As Received (GAR) basis or Crucible Swell Number (CSN). Coal quality parameters for the Coal Reserves for Coking, Other Metallurgical and Export Thermal collieries meet the contractual specifications for coking coal, PCI, metallurgical coal, steam coal and domestic coal. Coal quality parameters for the Coal Reserves for Domestic Power and Synfuel collieries meet the specifications of the individual supply contracts. CV is rounded to the nearest 10 kcal/kg and CSN to the nearest 0.5 index.

(4) For the multi-product operations, the ROM tonnage figures apply to each product.

(5) Australian Export mining operations include Capcoal, Drayton, Foxleigh, Moranbah North and Dawson. Domestic Australian mining operations include Callide and Drayton.

(6) Attributable percentages for country totals are weighted by Saleable tonnes and should not be directly applied to the ROM tonnage.

For coal product descriptions see "— Thermal Coal segment (previously in Coal segment)".

Nickel segment (previously in Base Metals segment)

Nickel Ore Reserves[1]	Classification	Tonnage 2007	2008	2009	Grade 2007	2008	2009	Contained Metal 2007	2008	2009
		(million tonnes)[2]			(%Ni)			(thousand tonnes)[2]		
Loma de Níquel (OP)[3]										
(91.4% attributable, 23 year LOM) Laterite	Proved	11.9	12.1	7.4	1.49	1.48	1.46	178	179	109
	Probable	22.1	21.0	25.0	1.47	1.46	1.42	324	306	354
	Total	34.0	33.1	32.4	1.48	1.47	1.43	502	485	463
Codemin — Niquelândia (OP)										
(100% attributable, 6 year LOM) Laterite	Proved	3.2	3.2	3.2	1.33	1.33	1.33	42	42	42
	Probable	0.5	0.5	0.5	1.33	1.33	1.33	7	7	7
	Total	3.7	3.7	3.7	1.33	1.33	1.33	49	49	49
Barro Alto (OP)										
(100% attributable, 27 year LOM) Laterite	Proved	12.3	9.5	9.0	1.61	1.66	1.66	199	158	150
	Probable	27.1	31.2	30.5	1.81	1.72	1.71	491	535	522
	Total	39.5	40.7	39.5	1.75	1.70	1.70	690	693	672

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2009 is stated next to each operation or project.

(2) Tonnage: quoted as metric tonnes.

(3) Loma de Níquel: Due to the increased uncertainty regarding renewal of mining concessions and the restoration of the 13 cancelled mining concessions, Anglo American's participation in Loma de Níquel is at risk and might not continue beyond 2012. Three mining concessions are due for renewal in November 2012. Currently, the areas with fully approved permits and active concessions account for 8.3Mt (at 1.46%Ni) of the Ore Reserves reported above.

Other Mining and Industrial segment — Zinc (previously in Base Metals segment)

Zinc Ore Reserves[1]	Classification	Tonnage 2007	Tonnage 2008	Tonnage 2009	Grade 2007	Grade 2008	Grade 2009	Contained Metal 2007	Contained Metal 2008	Contained Metal 2009
		(million tonnes)[2]						*(thousand tonnes)[2]*		
Black Mountain (UG)[3]										
(74% attributable, 7 year					(%Zn)	(%Zn)	(%Zn)			
LOM) Zinc	Proved	1.3	2.9	4.9	2.50	3.71	3.52	32	109	171
	Probable	7.4	5.9	2.8	3.75	2.89	2.03	279	170	57
	Total	8.7	8.8	7.7	3.56	3.16	2.97	311	280	229
					(%Cu)	(%Cu)	(%Cu)			
Copper	Proved				0.21	0.45	0.38	3	13	18
	Probable				0.81	0.37	0.41	61	22	12
	Total				0.72	0.40	0.39	63	35	30
					(%Pb)	(%Pb)	(%Pb)			
Lead	Proved				4.48	3.16	3.64	59	93	177
	Probable				4.05	2.86	2.64	301	168	75
	Total				4.12	2.96	3.27	360	261	251
Lisheen (UG)[3]										
(100% attributable, 4 year LOM)					(%Zn)	(%Zn)	(%Zn)			
Zinc	Proved	6.9	6.6	5.9	11.25	11.72	12.02	782	779	703
	Probable	2.7	1.6	1.1	13.68	12.01	9.34	373	192	103
	Total	9.7	8.2	7.0	11.94	11.78	11.59	1,155	970	806
					(%Pb)	(%Pb)	(%Pb)			
Lead	Proved				1.98	1.91	1.86	138	127	109
	Probable				1.61	1.81	1.87	44	29	21
	Total				1.88	1.89	1.86	182	156	129
Skorpion (OP)										
(100% attributable, 6 year LOM)					(%Zn)	(%Zn)	(%Zn)			
Zinc	Proved	6.4	4.8	3.8	12.74	12.94	12.75	821	624	486
	Probable	5.1	4.1	4.2	9.72	10.06	10.06	491	417	424
	Total	11.5	9.0	8.0	11.41	11.61	11.33	1,312	1,041	911
Zinc Projects Ore Reserves										
Gamsberg — North[1][4]										
(74% attributable, 0 year LOM)	.				(%Zn)	(%Zn)	(%Zn)			
Zinc	Proved	34.3	34.2	—	7.55	7.55	—	2,585	2,580	—
	Probable	110.3	110.3	—	5.55	5.55	—	6,124	6,124	—
	Total	144.5	144.4	—	6.03	6.03	—	8,709	8,704	—

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2009 is 100% except for Black Mountain (74%) and Gamsberg (74%).

(2) Tonnage: quoted as metric tonnes.

(3) For the polymetallic deposits, the tonnage figures apply to each metal.

(4) Gamsberg — North: The Gamsberg deposit has been renamed Gamsberg North to distinguish it from the recently discovered Gamsberg East deposit. The Ore Reserves published in 2008 were based on the 2000 Feasibility Study. In the period between 2000 and 2007 substantial change took place in the techno-economic environment of the Gamsberg project. Market, cost and exchange rate outlooks were considerably different while substantial changes had been made to the understanding of the resource and the mineral exploration potential of the greater Gamsberg environ. Advances in the understanding of the chemistry of manganese removal and improved leaching technology led to more technically robust and efficient metallurgical process design options, which needed investigation. Changes to the regulatory (mineral rights) and socio-economic environment (power, social costs, etc.) in South Africa

needed to be incorporated into the project studies. A pre-feasibility study, which was initiated in late 2008, is not yet complete and therefore no reserves are reportable in 2009.

Other Mining and Industrial segment — Niobium and Phosphate products (previously in Base Metals segment)

Niobium Ore Reserves[1]	Classification	Tonnage 2007	Tonnage 2008	Tonnage 2009	Grade 2007	Grade 2008	Grade 2009	Contained Metal 2007	Contained Metal 2008	Contained Metal 2009
		(million tonnes)[2]						*(thousand tonnes)[2]*		
Catalão (OP)										
(100% attributable, 18 year LOM)					**(%Nb_2O_5)**	**(%Nb_2O_5)**	**(%Nb_2O_5)**			
Carbonatite (oxide)	Proved	11.9	10.6	9.1	1.24	1.21	1.19	147	128	108
	Probable	4.2	4.0	3.1	1.15	1.14	1.10	48	46	34
	Total	16.0	14.6	12.2	1.21	1.19	1.17	195	174	142
Phosphate products										
Copebrás (OP)										
(73% attributable, 46 year LOM)					**(%P_2O_5)**	**(%P_2O_5)**	**(%P_2O_5)**			
Carbonatite	Proved	79.6	78.7	72.2	13.3	13.4	13.4			
	Probable	152.1	160.4	180.5	13.4	13.3	13.0			
	Total	231.7	239.1	252.8	13.3	13.3	13.1			
Mineral Sands										
Namakwa Sands (OP)[1][3][4]					**(%I1m)**	**(%I1m)**	**(%I1m)**			
Ilmenite	Proved	76.5	—	—	4.9	—	—	3.7	—	—
	Probable	250.4	—	—	3.7	—	—	9.2	—	—
	Total	326.8	—	—	4.0	—	—	12.9	—	—
					(%Zir)	**(%Zir)**	**(%Zir)**			
Zircon	Proved				1.2	—	—	0.9	—	—
	Probable				0.9	—	—	2.4	—	—
	Total				1.0	—	—	3.3	—	—
					(%Rut)	**(%Rut)**	**(%Rut)**			
Rutile	Proved				0.2	—	—	0.2	—	—
	Probable				0.2	—	—	0.5	—	—
	Total				0.2	—	—	0.7	—	—

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2009 is 100% except for Copebrás (73%).

(2) Tonnage: quoted as metric tonnes.

(3) For the polymetallic deposits, the tonnage figures apply to each metal.

(4) In October 2008, we disposed of 100% of our interest in Namakwa Sands and hence Ore Reserves are excluded from 2008 onwards.

SELECTED FINANCIAL INFORMATION

The selected financial information for the Group set forth below for the six months ended June 30, 2010 and 2009 has been derived from, and should be read in conjunction with, the Group 2010 Condensed Interim Financial Statements for the six months ended June 30 and notes thereto prepared in accordance with EU IFRS and incorporated by reference herein.

The selected financial information for the Group set forth below for the years ended December 31, 2009, 2008 and 2007 has been derived from, and should be read in conjunction with the consolidated financial statements of the Group for 2009 and 2008, and notes thereto prepared in accordance with EU IFRS and incorporated by reference herein.

You should regard the selected financial data below only as an introduction and should base your investment decision on a review of the entire Offering Memorandum, including the section entitled "Non-IFRS Financial Measures".

As a result of transactions during 2007 (see "Business Description — Restructuring"), Mondi and AngloGold are considered to be discontinued operations. In accordance with EU IFRS, the contribution they made to the Group's profit, together with any profits generated on their disposal, have been separately presented.

(US$m unless otherwise stated)	Year ended December 31, 2007	Year ended December 31, 2008	Year ended December 31, 2009	Unaudited six months ended June 30, 2009	Unaudited six months ended June 30, 2010
Income statement measures					
Group revenue — continuing operations	25,470	26,311	20,858	9,292	12,590
Group revenue (including associates)[1] — total Group[2]	35,674	32,964	24,637	11,132	15,015
Operating profit from subsidiaries and joint ventures before special items and remeasurements — continuing operations	8,518	7,981	4,377	1,824	3,715
Operating profit before special items and remeasurements (including associates) — continuing operations	9,590	10,085	4,957	2,136	4,361
Profit for the financial period — continuing operations	6,128	6,120	2,912	3,271	2,687
Profit for the financial period — total Group	8,172	6,120	2,912	3,271	2,687
Underlying earnings — continuing operations	5,477	5,237	2,569	1,096	2,212
Underlying earnings — total Group	5,761	5,237	2,569	1,096	2,212
Earnings per share (US$)					
Basic — continuing operations	4.04	4.34	2.02	2.47	1.71
Basic — total Group	5.58	4.34	2.02	2.47	1.71
Diluted — total Group	5.50	4.29	1.98	2.42	1.65
Dividends per share (US cents)[3]					
Ordinary	124.0	44.0	—	—	25.0
Balance sheet measures					
Total assets	44,762	49,738	56,308	54,217	57,139
Medium and long-term borrowings	(2,404)	(7,211)	(12,816)	(10,657)	(10,076)
Net debt[1]	(4,851)	(11,340)	(11,280)	(11,602)	(10,930)
Cash flow measures					
Net cash inflows from operating activities — continuing operations	6,800	8,065	4,087	1,520	2,686
Net cash used in investing activities — continuing operations	(4,836)	(11,750)	(2,223)	(554)	(2,397)
Net cash (used in)/inflows from financing activities — continuing operations	(5,661)	3,542	(1,605)	(1,252)	(616)

(1) Definitions are set out in "Non-IFRS financial measures".

(2) Total Group relates to continuing and discontinued operations.

(3) Declared in respect of the applicable year ended December 31 or six months ended June 30 as indicated.

OPERATING AND FINANCIAL REVIEW

This "Operating and Financial Review" section is intended to convey management's perspective on the Group's operational performance and its financial performance as measured in accordance with EU IFRS. We intend this disclosure to assist readers in understanding and interpreting the financial statements incorporated by reference in this Offering Memorandum. This section should be read in conjunction with our Group 2010 Condensed Interim Financial Statements for the six months ended June 30 (together with the accompanying notes) and the Group 2009 and 2008 Financial Statements (together with the accompanying notes), which are incorporated by reference into this Offering Memorandum, as well as the "Presentation of Financial Information" section.

The Group is required to comply with EU IFRS, and our accounting policies have been established accordingly. The following discussion and analysis are based on the financial statements and accompanying notes, which reflect the operations of the Group for six months ended June 30, 2010 and 2009 and the years ended December 31, 2009, 2008 and 2007, and should be read in conjunction with those financial statements and notes. In this analysis, all references to "H1 2010" are to the six months ended June 30, 2010, all references to "H1 2009" are to the six months ended June 30, 2009, all references to "2009" are to the year ended December 31, 2009, all references to "2008" or the "prior year" are to the year ended December 31, 2008 and all references to "2007" are to the year ended December 31, 2007.

We make reference herein to certain non-IFRS financial information that is explained in "Non-IFRS Financial Measures".

As a result of demerger and disposal transactions in 2007, Mondi and AngloGold are considered to be discontinued and therefore, in accordance with EU IFRS, their contribution to Group profit in 2007, together with profits generated on disposal, are separately presented from that of "continuing operations". Discussion of performance herein will focus on the contribution from continuing operations unless otherwise stated. In addition, in 2007, Copebrás and Yang Quarry were reclassified from Industrial Minerals to Base Metals and from Industrial Minerals to Coal, respectively (to align with internal management reporting). In 2009, as part of the restructuring noted below, Yang Quarry was again reclassified, in this instance, from Coal to Tarmac, which is included within Other Mining and Industrial.

Due to the portfolio and management structure changes announced in October 2009, the business segments for which segment results are reported under IFRS have changed from those for which segment results were reported for the years ended December 31, 2008 and 2007. In addition, under the new business segment structure, segment results include a further allocation of corporate costs associated with activities which are performed at a corporate center but are believed to be adding value to business segments. See "Presentation of Financial Information". Segment results for H1 2010 and the H1 2009 comparative period are presented in the Group 2010 Condensed Interim Financial Statements and elsewhere herein on the new business segment basis. Segment results for 2009 and the 2008 comparative year are presented in the Group 2009 Financial Statements and elsewhere herein on the new business segment basis. However, segment results for 2008 and the 2007 comparative year are presented in the Group 2008 Financial Statements and elsewhere herein on the historic business segment basis.

The table that follows reconciles operating profit / (loss) before special items and remeasurements (including associates) for the new and historic business segment bases for 2008 on an unaudited basis.

(US$m)	Pre-restructuring	Structural changes	Divisional cost apportionment	Corporate cost allocation	As reported	
Platinum	**2,226**	—	—	(57)	**2,169**	**Platinum**
Diamonds	**508**	—	—	—	**508**	**Diamonds**
Base Metals	**2,505**					
Copper	2,017	(67)	(5)	(53)	**1,892**	**Copper**
Codemin, Loma de Níquel	153	(19)	(5)	(6)	**123**	**Nickel**
Catalao, Namakwa Sands, Copebrá, Zinc	490	(490)	—	—	**—**	
Other	(155)	90	65	—	**—**	
Ferrous Metals and Industries	**2,935**					
Kumba Iron Ore, Iron Ore Brazil, Samancor	2,590	—	—	(36)	**2,554**	**Iron Ore and Manganese**
Scaw, Tongaat Hulett/ Hulamin	366	(366)	—	—	**—**	
Other	(21)	2	19	—	**—**	
Coal	**2,240**					
Australia	1,144	(5)	—	(29)	**1,110**	**Metallurgical Coal**
South Africa	736	372	(4)	(26)	**1,078**	**Thermal Coal**
South America	396	(396)	—	—	**—**	
Canada	8	(8)	—	—	**—**	
Projects and corporate	(44)	16	28	—	**—**	
Industrial Minerals	**228**	881	(6)	(21)	**1,082**	**Other Mining and Industrial**
Exploration	**(212)**	—	—	—	**(212)**	**Exploration**
Corporate Activities and Unallocated Costs	**(345)**	(10)	(92)	228	**(219)**	**Corporate Activities and Unallocated Costs**
	10,085	—	—	—	**10,085**	

Overview

The Group's underlying earnings in H1 2010 and H1 2009 were US$2,212 million and US$1,096 million, respectively. The 102% increase from H1 2009 to H1 2010 was principally due to an increase in contribution from Iron Ore and Manganese (principally due to an increase in export (seaborne) iron ore prices and, to a lesser extent, manganese ore and alloy and export (seaborne) iron ore volumes partially offset by a stronger South African rand relative to the US dollar), Copper (principally due to the higher copper price, partially offset by a higher effective tax rate), Platinum (principally driven by a sharp increase in platinum, rhodium and palladium prices and the benefits of cost savings initiatives, partially offset by a stronger South African rand relative to the US dollar) and De Beers (principally due to increased volumes and prices and, to a lesser extent, cost savings) and, to a lesser extent, Nickel (principally due to the higher nickel price) and Other Mining and Industrial (principally due to the higher zinc price and cost savings initiatives, partially offset by inflationary cost pressures). The increase from H1 2009 to H1 2010 was marginally offset by decreases in Metallurgical Coal (principally due to a stronger Australian dollar relative to the US dollar, partially offset by an increase in metallurgical coal volumes) and Thermal Coal (principally due to a stronger South African rand relative to the US dollar, partially offset by higher thermal coal prices).

The Group's underlying earnings in 2009, 2008 and 2007 were US$2,569 million, US$5,237 million and US$5,477 million, respectively. The 51% decrease from 2008 to 2009 was principally due to a decrease in contribution from Platinum (principally driven by a sharp decline in platinum and rhodium prices, partially

offset by higher platinum and rhodium volumes and cost reduction measures) and, to a lesser extent, decreased contribution from Iron Ore and Manganese (principally due to a decline in manganese ore and alloy and export (seaborne) iron ore prices, partially offset by higher export (seaborne) iron ore volumes), Metallurgical Coal (principally due to lower export metallurgical coal prices and volumes, partially offset by cost reduction initiatives), De Beers (principally due to lower diamond demand and prices, partially offset by cost reduction initiatives) and Other Mining and Industrial (principally due to a significant decrease in fertilizer prices and lower volumes particularly in Tarmac's Quarry Materials business and inflationary cost pressure, partially offset by lower prices on key inputs). The decrease from 2008 to 2009 was marginally offset by an increase in contribution from Copper (principally due to a lower effective tax rate driven by a decrease in second category Chilean withholding tax) and lower net finance costs (principally due to a reduction in foreign exchange losses).

The 4% decrease from 2007 to 2008 was principally due to a decrease in contribution from Base Metals (driven by a sharp decline in base metals prices in the second half of 2008 as well as increased input costs and a decrease in overall sales volume), lower contribution from Industrial Minerals (principally due to significant cost increases), higher net finance costs following increased debt levels and an increase in the effective tax rate. These were largely offset by higher earnings in Coal and Ferrous Metals (principally higher realized coal and export (seaborne) iron ore prices and manganese ore and alloy prices in the first half of the year, as well as the benefit of a weaker rand and higher sales volumes for coal and export (seaborne) iron ore, partially offset by higher operating costs at these operations).

The reconciliation of profit for the financial period — continuing operations to underlying earnings is set out below:

	Year ended December 31,			**Unaudited six months ended June 30,**	
(US$m)	**2007**	**2008**	**2009**	**2009**	**2010**
Profit for the financial period — continuing operations	6,128	6,120	2,912	3,271	2,687
Non-controlling interests	(834)	(905)	(487)	(301)	(626)
Profit for the financial period attributable to equity shareholders of the Company	5,294	5,215	2,425	2,970	2,061
Operating special items including associates	713	477	2,574	87	104
Operating remeasurements including associates	(2)	880	(734)	(544)	41
Net (profit)/loss on disposals including associates	(484)	(1,027)	(1,632)	(1,441)	88
Financing special items	—	—	7	—	13
Financing remeasurements including associates:					
Foreign exchange loss/(gain) on De Beers preference shares	3	(28)	21	17	(3)
Net (gain)/loss on non-hedge derivatives	(28)	(8)	94	60	(130)
Other financing remeasurements	—	—	13	—	(21)
Tax special items including associates	—	—	152	—	—
Tax remeasurements	—	153	(469)	(309)	62
Tax on special items and remeasurements including associates	15	(264)	180	178	(6)
Non-controlling interests on special items and remeasurements including associates	(34)	(161)	(62)	78	3
Underlying earnings — continuing operations	5,477	5,237	2,569	1,096	2,212
Underlying earnings — discontinued operations	284	—	—	—	—
Underlying earnings — total Group	5,761	5,237	2,569	1,096	2,212

The Group's profit attributable to equity shareholders for H1 2010 and H1 2009 was US$2,061 million and US$2,970 million, respectively. The 31% decrease from H1 2009 to H1 2010 was principally due to net profit generated on disposals in H1 2009 (particularly the disposal of our then remaining stake in AngloGold), a gain on operating remeasurements in H1 2009 (principally non-hedge derivatives of capex), a stronger South African rand and Australian dollar relative to the US dollar in H1 2010, tax remeasurements credits in H1 2009 and inflationary cost pressures. This decrease was partially offset by significantly higher realized prices across our commodities (particularly the platinum metals group, copper, iron ore, zinc and thermal coal) and an increase in volumes of metallurgical coal, diamonds, manganese ore and alloys, and iron ore.

The Group's profit attributable to equity shareholders for 2009, 2008 and 2007 was US$2,425 million, US$5,215 million and US$5,294 million, respectively. The 53% decrease from 2008 to 2009 was caused by the impairment of the Amapá iron ore system, a significant decrease in the realized prices of all commodities (particularly the platinum metals group, manganese ore and alloy, metallurgical coal and iron ore) with the exception of copper, and, to a lesser extent, inflationary pressures. The decrease was partially offset by net profit on disposals, a significant gain on non-hedge derivatives, a positive movement in tax remeasurements, an increase in sales volumes for platinum, rhodium and iron ore and cost reduction measures, including lower prices on fuel and electricity.

The 1% decrease from 2007 to 2008 was principally caused by an increase in operating costs across all of our operations, losses made on non hedge derivative instruments, and a decrease in base metals prices in the second half of the year, as well as a decrease in base metals overall sales volumes. These were offset by higher coal and export (seaborne) iron ore prices and volumes, increased profit on disposals and a reduced impairment charge.

Restructuring

Since 2007, we have made significant progress restructuring our portfolio. We announced the sale of our undeveloped coal assets in Australia in July 2010 (subject to certain conditions being met including relevant approvals), our portfolio of zinc assets in May 2010 (subject to relevant approvals) and Tarmac's European aggregates business in the first quarter of 2010 (subject to relevant approvals). In addition, key disposals have included Tarmac's Polish and French and Belgian concrete products businesses in March and May 2010, respectively, Tongaat Hulett and Hulamin in August and July 2009, respectively (the process of which commenced with the demerger and separate listing of Hulamin from Tongaat Hulett in June 2007), our remaining interest in AngloGold in the first quarter of 2009 (with partial disposals of portions of our interest in each of 2006 and 2007) and Highveld in May 2007. Acquisitions have principally included the Minas Rio Project and Amapá iron ore system in August 2008 (a joint venture share in Minas Rio was acquired in 2007), a joint venture share in Foxleigh in February 2008 and Pebble in July 2007, and Michiquillay in April 2007. For a description of these and other transactions see "Business Description — Restructuring".

Factors Affecting Results of Operations

The Group's results of operations and period-to-period comparability of its financial results are affected by a number of external factors, including changes in commodity prices and exchange rates, as well as internal factors such as production levels, cost pressures and group restructuring through acquisition or sale of operations.

Commodity prices. The table below sets forth the average market prices for certain of our key commodities for the periods presented:

Average prices for the period	Year ended December 31, 2007	2008	2009	Six months ended June 30, 2009	2010
Iron ore (US $/tonne)[1]	54	88	65	63	109
Copper (US cents/lb)[2]	323	315	234	184	323
Platinum (US $/oz)[3]	1,304	1,585	1,211	1,103	1,602
Palladium (US $/oz)[3]	355	355	266	218	471
Rhodium (US $/oz)[3]	6,200	6,564	1,592	1,291	2,631
South Africa export thermal coal[4]	53	85	65	65	81
South Africa domestic thermal coal[5]		20	19	20	23
Colombian export thermal coal[4]		81	73	77	68
Australian export metallurgical coal[4]	90	187	141	161	148
Australian export thermal coal[4]		83	74	78	83
Australian domestic thermal coal[5]		21	27	25	29
Nickel (US cents/lb)[2]	1,686	953	667	531	962
Zinc (US cents/lb)[2]	147	85	75	60	98

(1) Average Kumba export (seaborne) price achieved.

(2) Average London Metals Exchange price.

(3) Source: Johnson Matthey.

(4) Weighted average realized FOB sales price.

(5) Weighted average realized sales price.

Set forth below is the impact on H1 2010 underlying earnings of a 10% fluctuation in some of the Group's commodity prices. These sensitivities reflect movement of an individual commodity price in isolation and are offered for illustrative purposes. In reality the combination of movements in commodity prices, exchange rates and interest rates will result in a different outcome.

	Six months ended June 30, 2010 10% sensitivity *(US$m)*[3]
Iron ore[1]	+/−64
Copper[2]	+/−121
Platinum	+/−77
Palladium	+/−12
Rhodium	+/−16
Thermal coal	+/−61
Metallurgical coal	+/−55
Nickel	+/−25

(1) Sensitivity reflects the impact of a 10% change in the average price across lump and fine

(2) Copper sensitivity excludes the impact of provisionally priced copper.

(3) Excludes the effect of any hedging activities. Stated after tax at marginal rate. Sensitivities are the average of the positive and negative and reflect the impact of a 10% change in the average prices received during H1 2010. Increases in commodity prices increase underlying earnings and vice versa.

We estimate that increases in the average price of many of the commodities produced by our subsidiaries and joint ventures, particularly with respect to iron ore, copper, platinum, nickel, zinc, rhodium, palladium and thermal coal positively impacted underlying earnings in H1 2010 by approximately US$1,462 million compared to H1 2009.

We estimate that decreases in the average price of many of the commodities produced by our subsidiaries and joint ventures, particularly with respect to rhodium, platinum, metallurgical coal, fertilizers, iron ore and nickel (following the impact of the global economic downturn in the second half of 2008 which continued into 2009) negatively impacted underlying earnings in 2009 by approximately US$2,290 million compared to 2008.

We estimate that increases in the average price of many of the commodities produced by our subsidiaries and joint ventures, particularly with respect to coal, iron ore, manganese ore and alloys, platinum and rhodium (driven by price increases in the first half of 2008 prior to the economic downturn), partially offset by decreases in base metals prices driven by the sharp decline in global markets in the second half of 2008 (principally for copper, zinc and nickel), positively affected underlying earnings in 2008 by approximately US$1,311 million compared to 2007.

The table below sets forth the spot market prices for certain of our key commodities at period end:

	At December 31,			At June 30,	
	2007	2008	2009	2009	2010
Period end prices					
Iron ore (US $/tonne)(1)	164	80	116	81	146
Copper (US cents/lb)(2)	303	132	333	232	295
Platinum (US $/oz)(3)	1,537	922	1,475	1,204	1,533
Palladium (US $/oz)(3)	368	186	402	253	455
Rhodium (US $/oz)(3)	6,850	1,250	2,500	1,450	2,500
Thermal coal (US $/tonne)(4)	96	78	77	57	92
Metallurgical coal (US $/tonne)(5)	190	98	185	120	225
Nickel (US cents/lb)(2)	1,170	490	838	726	881
Zinc (US cents/lb)(2)	104	51	117	71	78

(1) US $/tonne average for iron ore concentrate 63% Fe content, wet basis (China domestic ex-works, including 13% VAT) per Steel Business Briefing. As Kumba sells the majority of its iron ore through long-term contracts (rather than in the spot market), this information is given only to provide an indication of the movement in iron ore prices. It is not comparable to the previous average price table (average Kumba export (seaborne) price achieved) nor is it an indication of prices realized by Kumba.

(2) London Metals Exchange closing price.

(3) Source: Johnson Matthey.

(4) RSA-API 4 index closing.

(5) Australian hard coking coal FOB sales price.

The Group's policy is generally not to hedge exposure to commodity prices. This is discussed further under "— Financial Risk Exposure and Management".

Exchange rates. The Group's results are influenced by a variety of currencies (the most important of which are listed in the table below) owing to its geographical diversity, and because we sell our products principally in US dollars but incur most of our costs in local currencies.

The table below sets forth the average exchange rates for certain of our key currencies with respect to the US dollar for the periods presented. The average exchange rate has been determined using the end of day Bloomberg rates averaged for the year and six month period.

	Year ended December 31,			Six months ended June 30,	
	2007	2008	2009	2009	2010
Average spot prices for the period (per US dollar)					
South African rand	7.05	8.27	8.41	9.20	7.53
Australian dollar	1.19	1.17	1.26	1.40	1.12
Chilean peso	522.16	523.53	558.79	586.49	524.73
Brazilian real	1.95	1.84	2.00	2.19	1.80
Euro	0.73	0.68	0.72	0.75	0.75
British pound	0.50	0.54	0.64	0.67	0.66
Closing spot prices (per US dollar)					
South African rand	6.84	9.30	7.38	7.74	7.65
Australian dollar	1.14	1.44	1.11	1.24	1.18
Chilean peso	497.95	637.25	507.25	531.56	547.10
Brazilian real	1.78	2.33	1.74	1.96	1.80
Euro	0.68	0.72	0.70	0.71	0.82
British pound	0.50	0.69	0.62	0.61	0.67

Set forth below is the impact on the H1 2010 underlying earnings of the Group of a 10% fluctuation in some of the exchange rates. These sensitivities reflect movement of an individual exchange rate in isolation and are offered for illustrative purposes. In reality, the combination of movements in commodity prices, exchange rates and interest rates will result in a different outcome.

	10% sensitivity (US$m)[1]
South African rand/US dollar[2]	+/−179
Australian dollar/US dollar[2]	+/−61
Chilean peso/US dollar[2]	+/−12

(1) Excludes the effect of any hedging activities. Stated after tax at marginal rate. Sensitivities are the average of the positive and negative and reflect the impact of a 10% change in the average prices received during H1 2010.

(2) A strengthening of the South African rand, Australian dollar and Chilean peso relative to the US dollar reduces underlying earnings and vice versa.

We estimate that currency movements in aggregate negatively affected the underlying earnings of our subsidiaries and joint ventures in H1 2010 by approximately US$399 million compared to H1 2009. We estimate that currency movements in aggregate negatively affected the underlying earnings of our subsidiaries and joint ventures in 2009 by approximately US$68 million compared to 2008 and positively affected underlying earnings of our subsidiaries and joint ventures in 2008 by approximately US$725 million compared to 2007.

Operating profit in H1 2010 was negatively impacted principally by a stronger average exchange rate for the South African rand and Australian dollar. Operating profit in 2009 was negatively impacted principally by a stronger average exchange rate for the South African rand. Operating profit in 2008 benefited principally from a weaker average exchange rate for the South African rand.

Geographical Distribution. The following tables set forth the Group's total operating profit and operating profit from continuing operations (including operating profit of associates) before special items and remeasurements, by geography, allocated based on the location of our operations, for the periods presented:

(US$m)	Year ended December 31,						Unaudited six months ended June 30,			
	2007	%	2008	%	2009	%	2009	%	2010	%
Total Group[1]										
South Africa	4,826	47.7	5,107	50.7	2,023	40.8	974	45.6	2,190	50.2
South America	4,138	40.9	2,985	29.6	2,310	46.6	772	36.1	1,452	33.3
Australia and Asia	315	3.1	1,738	17.2	620	12.5	406	19.0	429	9.8
Africa outside South Africa	128	1.3	467	4.6	78	1.6	37	1.7	265	6.1
North America	(36)	(0.4)	(29)	(0.3)	(20)	(0.4)	10	0.5	47	1.1
Europe[2]	745	7.4	(183)	(1.8)	(54)	(1.1)	(63)	(2.9)	(22)	(0.5)
Total	10,116	100	10,085	100	4,957	100	2,136	100	4,361	100

(US$m)	Year ended December 31,						Unaudited six months ended June 30,			
	2007	%	2008	%	2009	%	2009	%	2010	%
Continuing operations[1]										
South Africa	4,291	44.7	5,107	50.7	2,023	40.8	974	45.6	2,190	50.2
South America	3,895	40.6	2,985	29.6	2,310	46.6	772	36.1	1,452	33.3
Australia and Asia	151	1.6	1,738	17.2	620	12.5	406	19.0	429	9.8
Africa outside South Africa	693	7.2	467	4.6	78	1.6	37	1.7	265	6.1
North America	47	0.6	(29)	(0.3)	(20)	(0.4)	10	0.5	47	1.1
Europe[2]	513	5.3	(183)	(1.8)	(54)	(1.1)	(63)	(2.9)	(22)	(0.5)
Total	9,590	100	10,085	100	4,957	100	2,136	100	4,361	100

(1) The financial results of joint ventures are included in the consolidated financial statements of the Group on a basis pro rata to our ownership interest. The financial results of associates are accounted for in the consolidated financial statements of the Group using the equity method of accounting.

(2) In February 2010, we agreed to the sale of Tarmac's aggregates businesses in France, Germany, Poland and the Czech Republic, subject to relevant regulatory approvals. In separate deals, Tarmac's Polish, French and Belgian concrete products businesses were sold in March and May 2010, respectively. Tarmac businesses disposed or in the process of being disposed will impact the contribution of our European operations. In addition, our European operations are expected to be impacted by the disposal of the remaining Tarmac group when this is undertaken.

The increase in operating profit from H1 2009 to H1 2010, as noted above, is principally due to increased operating profits from South Africa (principally from Kumba and Platinum) and South America (principally from Copper and, to a lesser extent, Nickel) and, to a lesser extent, Africa outside of South Africa (principally De Beers).

The decrease in operating profit from 2008 to 2009, as noted above, principally reflected decreased operating profits from South Africa (principally from Platinum) and Australia (principally from Metallurgical Coal) and, to a lesser extent, South America (principally from Copebrás and Iron Ore Brazil) and Africa outside of South Africa (principally De Beers). The increase in operating profit from continuing operations from 2007 to 2008, as noted above, principally reflected increased operating profits from Australia (principally from Coal) and South Africa (principally from Coal and Ferrous Metals) partially offset by lower operating profit in South America (principally from Base Metals) and Europe (principally from Industrial Minerals). See "Results of Operations for the Years Ended December 31, 2009, 2008 and 2007" for further information.

Group Outlook

The near term outlook for the world economy has become more uncertain in recent months. In 2009, there was a rapid improvement in global industrial activity in response to the unprecedented fiscal stimulus

and inventory restocking. More recently, certain economic indicators, such as the Organization of Economic Development (OECD) composite leading indicators, have indicated less favorable conditions. It is expected that there will be some consolidation after the initial rapid improvement, as the positive effects from the stimulus and inventory restocking fade.

We expect that the outlook for the industry in the medium to long term will remain positive as the process of industrialization and urbanization in China, India, Brazil and other emerging countries is expected to continue to drive demand for key commodities.

RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30, 2010 AND 2009

The table below summarizes the Group's income statement for the periods indicated and should be read in conjunction with, and is qualified in its entirety by reference to, the Group 2010 Condensed Interim Financial Statements and notes thereto, which are incorporated by reference into this Offering Memorandum.

	Unaudited six months ended June 30,	
(US$m)	**2009**	**2010**
Income statement		
Group revenue	9,292	12,590
Total operating costs before special items and remeasurements	(7,468)	(8,875)
Operating profit from subsidiaries and joint ventures before special items and remeasurements	1,824	3,715
Operating special items	(87)	(93)
Operating remeasurements	456	(33)
Operating profit from subsidiaries and joint ventures	2,193	3,589
Net profit/(loss) on disposals	1,442	(92)
Share of net income from associates[1]	266	384
Total profit from operations and associates	3,901	3,881
Net finance costs before financing special items and remeasurements	(198)	(130)
Financing special items and remeasurements	(77)	152
Profit before tax	3,626	3,903
Income tax expense	(355)	(1,216)
Profit for the financial period	3,271	2,687
Operating profit including associates before special items and remeasurements[2]	2,136	4,361
Underlying earnings	1,096	2,212
Earnings per share (US$)		
Basic	2.47	1.71
Diluted	2.42	1.65
Dividends per share (US cents)[3]		
Ordinary	—	25.0
Balance sheet		
Total assets	54,217	57,139
Net assets	26,957	30,197
Total share capital	3,451	3,451
Net debt	(11,602)	(10,930)

(US$m)	Unaudited six months ended June 30, 2009	2010
(1) Associates' operating profit is reconciled to 'Share of net income from associates' as follows:		
Operating profit from associates before special items and remeasurements	312	646
Net finance income/(costs) (before special items and remeasurements)	23	(56)
Income tax expense (before special items and remeasurements)	(130)	(172)
Non-controlling interests (before special items and remeasurements)	(12)	(12)
Special items and remeasurements	87	(26)
Tax on special items and remeasurements	(7)	1
Non-controlling interests on special items and remeasurements	(7)	3
Share of net income from associates	266	384

(2) Calculated as operating profit from subsidiaries and joint ventures before special items and remeasurements plus operating profit from associates before special items and remeasurements, the latter of which is addressed in footnote 1 to this table.

(3) Declared in respect of the applicable period ended June 30.

Group Revenue

Group revenue for H1 2010 and H1 2009 was US$12,590 million and US$9,292 million, respectively. The 36% increase in revenue was principally a result of higher prices across many of the Group's commodities in H1 2010 (particularly iron ore, copper and platinum and, to a lesser extent, nickel, zinc, rhodium, palladium and thermal coal) and, to a lesser extent, an increase in volumes in H1 2010 (particularly metallurgical coal, diamonds, manganese ore and alloys and iron ore).

Total Operating Costs

Total operating costs before operating special items and remeasurements for H1 2010 and H1 2009 were US$8,875 million and US$7,468 million, respectively. The 19% increase in total operating costs was principally driven by unfavorable changes in exchange rates (principally a stronger South African rand and Australian dollar relative to the US dollar), an increase in volumes (principally iron ore and metallurgical coal) and inflationary cost pressures. The increase was partially offset by cost savings initiatives (particularly in Platinum and Other Mining and Industrial).

Operating Special Items and Remeasurements

(US$m)	Unaudited six months ended June 30, 2009	2010
Operating special items	(87)	(93)
Operating remeasurements	456	(33)
Operating special items and remeasurements	369	(126)

For an explanation of the nature of special items and remeasurements see "Non-IFRS Financial Measures".

Operating special items and remeasurements in H1 2010 and H1 2009 reflected a US$126 million loss and US$369 million gain, respectively. Operating special items in H1 2010 of US$93 million loss principally included restructuring costs (principally retrenchment and consultancy costs) and accelerated depreciation at MLdN (Nickel segment), see "Segment Discussion — Six Months Ended June 30, 2010 and 2009 — Nickel". Operating remeasurements in H1 2010 of US$33 million loss principally related to net losses on non-hedge capital expenditure derivatives held by Iron Ore Brazil (Iron Ore and Manganese segment) and Los Bronces (Copper segment).

Operating remeasurements in H1 2009 of US$456 million gain principally related to net gains on non-hedge capital expenditure derivatives held by Iron Ore Brazil and Los Bronces and an unrealized gain on an embedded derivative at MLdN. This was partially offset by operating special items of US$87 million

principally in respect of impairments, restructuring and one-off initiatives. This includes US$39 million costs associated with 'One Anglo' initiatives (principally advisory costs associated with procurement, shared services and information systems) and a US$27 million impairment of a transshipping vessel in Iron Ore Brazil.

Profits and Losses on Disposals

Net profit and losses on disposals in H1 2010 and H1 2009 amounted to a US$92 million loss and a US$1,442 million profit, respectively. H1 2010 includes a charge of US$86 million on the Anglo Inyosi Coal BEE (Thermal Coal segment) transaction and a US$81 million loss on disposal of our interest in Tarmac's French and Belgian concrete products business (Other Mining and Industrial segment). These losses were partially offset by profit of US$107 million on disposal of our interest in the Western Bushveld joint venture (Platinum segment).

H1 2009 includes a profit of US$1,139 million on disposal of our interest in AngloGold and a profit of US$247 million on sale of our interest in the Booysendal joint venture.

Share of Net Income from Associates

Our share of net income from associates in H1 2010 and H1 2009 was US$384 million and US$266 million, respectively. The 44% increase in our share of net income from associates is principally due to higher income from De Beers (Diamonds segment), principally due to increased volumes and prices, and, to a lesser extent, cost savings, and increased contribution from Samancor Manganese (Iron Ore and Manganese segment), following increased manganese ore and alloy sales volumes.

Net Finance Costs before Financing Special Items and Remeasurements

Net finance costs before financing special items and remeasurements in H1 2010 and H1 2009 were US$130 million and US$198 million, respectively. The 34% decrease in net finance costs before financing special items and remeasurements from H1 2009 to H1 2010 is principally due to foreign exchange gains in H1 2010 (losses in H1 2009), a decrease in interest expense on borrowings and an increase in investment income. The decrease in net finance costs before financing special items and remeasurements was partially offset by lower interest expense capitalized. For a profile of our debt, see "— Liquidity and Capital Resources — Funding Sources".

Financing Special Items and Remeasurements

Financing special items and remeasurements in H1 2010 and H1 2009 amounted to US$152 million gain and US$77 million loss, respectively. Financing remeasurements in H1 2010 include US$128 million net gain (H1 2009: US$60 million loss) on non-hedge derivatives principally relating to an embedded interest rate derivative and US$3 million foreign exchange gain (H1 2009: US$17 million loss) on De Beers US dollar preference shares held by a South African rand denominated entity.

The De Beers US dollar preference shares (held by a South African rand functional currency entity) are classified as "financial asset investments" and are retranslated at each period end. The resulting South African rand/US dollar foreign exchange gains and losses are reported through the income statement as a financing remeasurement.

Income Tax Expense before Special Items and Remeasurements

Income tax expense before special items and remeasurements in H1 2010 and H1 2009 was US$1,159 million and US$493 million, respectively. Income tax expense is a function of operating profits and the tax rates applicable in the various geographic locations in which the Group operates. The H1 2010 increase of 135% is principally due to higher profit before tax. Effective tax rate movements are analyzed in greater detail after the table below.

IAS 1 requires income from associates to be presented net of tax on the face of the income statement. Associates' tax is therefore not included within the Group's income tax expense on the face of the income statement. Associates' tax (before special items and remeasurements) included within "Share of net income from associates" in H1 2010 and H1 2009 was US$172 million and US$130 million, respectively.

The table below summarizes the Group's tax expense before special items and remeasurements for the periods indicated.

	Unaudited six months ended June 30, 2009			**Unaudited six months ended June 30, 2010**		
(US$m)	**Before specials and remeasurements**	**Associates' tax and non-controlling interests**	**Including associates**	**Before specials and remeasurements**	**Associates' tax and non-controlling interests**	**Including associates**
Profit before tax	1,819	142	1,961	3,991	184	4,175
Tax	(493)	(130)	(623)	(1,159)	(172)	(1,331)
Profit for the financial period	1,326	12	1,338	2,832	12	2,844
Effective tax rate including associates			31.8%			31.9%

The effective rate of tax, before special items and remeasurements (including share of associates' tax before special items and remeasurements), in H1 2010 was 31.9%. This was broadly in line with the equivalent effective rate of 31.8% in H1 2009.

In future periods, it is expected that the effective tax rate, including associates' tax, will remain at or above the United Kingdom statutory tax rate (which is 28%).

Income Tax Expense — Special Items and Remeasurements

Tax on special items and remeasurements in H1 2010 and H1 2009 was a US$5 million credit and a US$171 million charge, respectively. In addition, in H1 2010, there were tax remeasurement charges of US$62 million (H1 2009: US$309 million credit) relating to the foreign currency impact on deferred tax balances.

Profit for the Financial Period after Special Items and Remeasurements

Profit for the financial periods H1 2010 and H1 2009 was US$2,687 million and US$3,271 million, respectively. The period on period movements are explained by reference to the movements of the components of profit which are discussed above.

SEGMENT DISCUSSION — SIX MONTHS ENDED JUNE 30, 2010 AND 2009

Because the foregoing discussion of financial results must be viewed as the collective result of the performance of our various business segments, this section provides a segment-by-segment review of those results. In this section, revenue and operating profit include the Group's share of revenue and operating profit from associates and exclude special items and remeasurements, unless otherwise stated. Capital expenditure relates to cash expenditure on tangible assets in the period presented.

The table below sets forth the Group's operating profit before special items and remeasurements by segment for the periods presented:

(US$m unless otherwise stated)	Unaudited six months ended June 30, 2009	% of Continuing[1]	Unaudited six months ended June 30, 2010	% of Continuing[1]
Iron Ore and Manganese	720	32.0	1,628	36.5
Copper	606	26.9	1,185	26.5
Platinum	(13)	(0.6)	418	9.4
Thermal Coal	388	17.2	351	7.9
Metallurgical Coal	321	14.3	263	5.9
Diamonds	4	0.2	261	5.8
Nickel	(11)	(0.5)	68	1.5
Other Mining and Industrial	236	10.5	290	6.5

(1) Percentages are calculated based on a total which excludes the contribution of Exploration and Corporate Activities.

IRON ORE AND MANGANESE

The following table summarizes the results of operations of the Iron Ore and Manganese business segment and average price achieved for iron ore for the periods indicated:

(US$m unless otherwise stated)	Unaudited six months ended June 30, 2009	Unaudited six months ended June 30, 2010
Revenue	1,576	3,005
Operating profit before special items and remeasurements	720	1,628
Kumba	723	1,470
Iron Ore Brazil	(82)	(51)
Samancor	79	209
EBITDA	753	1,711
Net operating assets	11,048	10,679
Capital expenditure	412	525
Share of Group operating profit	34%	37%
Share of Group net operating assets	29%	27%
Iron Ore production (million tonnes)	20.3	23.8
Iron Ore (US$/t)[1]	63	109

(1) Average iron ore export price achieved for Kumba.

Financial overview and operating performance

Iron Ore and Manganese business segment operating profit in H1 2010 and H1 2009 was US$1,628 million and US$720 million, respectively. The 126% increase from H1 2009 to H1 2010 was principally due to higher export (seaborne) iron ore prices and, to a lesser extent, an increase in manganese ore and alloy and iron ore volumes. This increase was partially offset by a stronger South African rand relative to the US dollar.

Revenues in H1 2010 and H1 2009 were US$3,005 million and US$1,576 million, respectively. The 91% increase from H1 2009 to H1 2010 was principally driven by an increase in iron ore prices (the average Kumba export price achieved increased by 73% from US$63/tonne to US$109/tonne) and, to a lesser extent, manganese ore from alloy and iron ore volumes (principally driven by higher production from Samancor, the ramp up of the Kumba JIG plant in H1 2010 and the inclusion of operating revenues and related costs from the Amapá iron ore system from January 2010, following the commencement of commercial production).

Kumba: Operating profit in H1 2010 and H1 2009 was US$1,470 million and US$723 million, respectively. The 103% increase from H1 2009 to H1 2010 was principally due to the higher export (seaborne) iron ore prices (partially as a result of selling 5.2 Mt at index prices thereby taking advantage of higher export (seaborne) iron ore prices in H1 2010) and, to a lesser extent, increased iron ore sales volumes. The increase was marginally offset by a stronger South African rand relative to the US dollar.

Kumba's iron ore production for H1 2010 and H1 2009 was 21.9Mt and 19.1Mt, respectively. The 15% increase from H1 2009 to H1 2010 was principally driven by the ramp up of the Kumba JIG plant to its 13Mt per annum production rate. In addition, mining activity increased at Kumba's Sishen Mine with a 23% increase in waste mined to mitigate the effects of decreasing geological qualities in the pit and to enable increased production.

Kumba's SIOC and ArcelorMittal reached an interim pricing agreement on July 21, 2010 in respect of the supply of iron ore to ArcelorMittal from Sishen Mine. The duration of the interim agreement will be retrospective to March 1, 2010, and will endure until July 31, 2011. ArcelorMittal will pay to SIOC a fixed price of US$50 per tonne of iron ore deliverable to ArcelorMittal's Saldanha Steel plant, and US$70 per tonne of iron ore deliverable to ArcelorMittal's inland plants, which price is calculated on a free on rail ex-Sishen Mine gate basis. The Group has recognized revenue at cost plus 3% in preparing the financial results for the period ended June 30, 2010. Upon completion of documentation, revenue will be recognized from the second half of 2010 under the interim pricing arrangement for ore supplied since March 1, 2010. For the period ended June 30, 2010, the amounts outstanding under the interim arrangement exceed revenue recognized by US$53 million. The amount outstanding was received by SIOC in August 2010.

Iron Ore Brazil: Operating loss in H1 2010 and H1 2009 was US$51 million and US$82 million, respectively. The decrease in operating loss in H1 2010 was principally due to the reduction in the net loss realized by Amapá which commenced commercial production as from January 1, 2010, partially offset by a strengthening of the Brazilian real relative to the US dollar. In accordance with EU IFRS, applicable pre-operational costs (and associated revenue) were capitalized. See "— Overview — Restructuring" for details of the acquisition of these operations.

Amapá's iron ore production for H1 2010 and H1 2009 was 1.85Mt and 1.2Mt, respectively. Amapá continued to ramp up throughout 2009 attaining commercial production in January 2010. At the start of 2010, Amapá experienced certain operational issues which were resolved during H1 2010 and therefore production volumes in the second half of 2010 are expected to be higher than those of H1 2009. However, production mix issues have arisen due to lower than anticipated ore quality which has resulted in a higher proportion of production being lower grade sinter feed than that expected.

In the second half of 2009, the Group recorded an impairment charge of US$1,512 million (after tax and non-controlling interests) against the carrying value of Amapá. See "— Full Year December 31, 2009 and 2008 — Operating special items and remeasurements".

The Minas Rio Project continued to be developed; however, delays in the environmental permitting process have resulted in a consequent delay to the expected delivery of first ore on ship. See "Business Description — Major Growth and Replacement Projects".

Samancor: Operating profit in H1 2010 and H1 2009 was US$209 million and US$79 million, respectively. The 165% increase from H1 2009 to H1 2010 was principally due to higher manganese ore and alloy volumes following a strategic decision in H1 2009 to reduce production volumes in response to prevailing economic conditions. Manganese ore production increased 175% from 493Kt in H1 2009 to 1,358Kt in H1 2010 and manganese alloy production increased 198% from 52Kt in H1 2009 to 155Kt in H1 2010.

Outlook: Waste mining at all of the operational sites is anticipated to increase, which is expected to put upward pressure on unit cash costs of production. In Kumba, we expect that a 5% increase in annual production volumes during 2010 as a result of the continued ramp-up of the JIG plant.

Due to the large gap between current index prices which are lower than the implied July-September 2010 quarterly benchmark prices, uncertainty exists around future export iron ore pricing mechanisms and price levels for iron ore. In an operating environment where steel production rates are being reduced, it is uncertain whether increased iron ore prices under the quarterly pricing mechanism can be passed on to customers. Chinese steel production and iron ore imports in the second half of 2010 are expected to be marginally below levels achieved in H1 2010 and it is expected that Chinese steel mills will prioritize cost over productivity and therefore focus on the use of domestic iron ore. The momentum of the recovery of Kumba's traditional markets is slowing. Export sales volumes into China are expected to normalize at around 60% of Kumba's geographical sales mix.

Copper

The following table summarizes the results of operations of the Copper business segment and average market price for copper for the periods indicated:

	Unaudited six months ended June 30,	
(US$m unless otherwise stated)	**2009**	**2010**
Revenue	1,472	2,142
Operating profit before special items and remeasurements	606	1,185
EBITDA	715	1,312
Net operating assets	4,185	5,152
Capital expenditure	561	615
Share of Group operating profit	28%	27%
Share of Group net operating assets	11%	13%
Attributable production (kilo tonnes)	315.9	315.5
Copper (US cents/lb)[1]	184	323

(1) Average London Metals Exchange price.

Financial overview and operating performance

Copper business segment operating profit in H1 2010 and H1 2009 was US$1,185 million and US$606 million, respectively. The 96% increase from H1 2009 to H1 2010 was principally due to higher copper prices.

Revenues in H1 2010 and H1 2009 were US$2,142 million and US$1,472 million, respectively. The 46% increase in revenue from H1 2009 to H1 2010 was principally due to a significant increase in the average copper price per the LME from 184c/lb in H1 2009 to 323c/lb in H1 2010. The average realized copper price for H1 2010 was 308c/lb (H1 2009: 214c/lb) or 5% lower than the LME average price due to unfavorable final settlements of provisionally priced sales due to a decline in the price of copper towards the end of H1 2010.

Sales of certain commodities are "provisionally priced" such that the price is not settled until a predetermined future date usually based on the average market price over a period defined in the contract. Revenue on these sales is initially recognized at the current market price and then marked to market until final settlement using the forward price for the period equivalent to that outlined in the contract (mark to market adjustments are recorded in revenue). A reduction in revenue of US$117 million reflecting the impact of provisional pricing was recognized in H1 2010 (H1 2009: US$241 million increase in revenue).

Attributable production remained virtually unchanged decreasing from 315.9Kt in H1 2009 to 315.5Kt in H1 2010. Production was consistent at Los Bronces and El Soldado, whereas an increase in our attributable production at Collahuasi (8.3Kt) was offset by a decrease at Mantos Blancos (7.7Kt). The increase in our attributable production at Collahuasi was principally due to higher grades, recovery and throughput, aided by improved concentrator plant performance, partially offset by an operation shutdown following industrial action

by contract workers. The decrease at Mantos Blancos was principally the result of a conveyor belt failure. See "Business Description — Mineral Production" for a full breakdown of production volumes.

The earthquake in Chile in February caused brief loss or reduction of power supply to those operations closest to the epicenter, namely Los Bronces, El Soldado and Chagres, but did not materially impact operating performance.

Outlook: Lower ore grades forecast for the second half of 2010 are expected to lead to lower full year production levels compared to 2009, despite the expected benefit of targeted improvements in plant throughput. Copper production levels are expected to increase following the commissioning of the Los Bronces expansion project, which is expected to occur in late 2011.

Ongoing market uncertainty from concerns over the global economic recovery and sovereign debt issues in a number of countries may lead to continued price volatility in the short term. However, the medium to long term fundamentals for copper are expected to remain strong.

Platinum

The following table summarizes the results of operations of Platinum for the periods indicated:

	Unaudited six months ended June 30,	
(US$m unless otherwise stated)	**2009**	**2010**
Revenue	1,905	2,870
Operating (loss)/profit before special items and remeasurements	(13)	418
EBITDA	263	785
Net operating assets	11,658	12,169
Capital expenditure	579	431
Share of Group operating profit	(1)%	10%
Share of Group net operating assets	30%	31%
Platinum production (thousands of ounces)	1,056	1,001
Palladium production (thousands of ounces)	597	541
Rhodium production (thousands of ounces)	164	129
Average basket price ($/ounce)	1,522	2,540

Platinum business segment operating results in H1 2010 and H1 2009 were US$418 million profit and US$13 million loss, respectively. The increase from H1 2009 to H1 2010 was principally due to significantly higher prices achieved for the basket of metals sold and, to a lesser extent, ongoing benefits of restructuring. The increase was partially offset by a stronger South African rand relative to the US dollar. Cash operating costs per equivalent refined platinum ounce (in respect of Platinum's own mines plus its share of joint ventures) ("erpo") increased from H1 2009 to H1 2010 by 6.7% but decreased from the second half of 2009 to H1 2010 by 2.1%.

Revenues in H1 2010 and H1 2009 were US$2,870 million and US$1,905 million, respectively. The 51% increase from H1 2009 to H1 2010 was principally due to increases in the prices of platinum, rhodium and palladium. The increase was partially offset by lower sales volumes.

The overall price realized for the basket of metals sold by Platinum in H1 2010 and H1 2009 was US$2,540 and US$1,522 per platinum ounce, respectively. The 67% increase from H1 2009 to H1 2010 was principally due to higher average platinum, rhodium, palladium and nickel prices.

The average realized price for platinum in H1 2010 and H1 2009 was US$1,593 and US$1,085 per ounce, respectively. The price achieved for palladium in H1 2010 and H1 2009 averaged US$462 and US$212 per ounce, respectively. The price achieved for rhodium in H1 2010 and H1 2009 averaged US$2,600 and US$1,255 per ounce, respectively (including the effect of existing long-term contractual arrangements entered

into with some customers to support and develop the rhodium market). The average realized price for nickel in H1 2010 and H1 2009 was US$9.52 and US$5.14 per pound, respectively.

The major restructuring of mining operations that Platinum announced in early 2009 was completed by the end of that year. The two largest operations, Rustenburg and Amandelbult, were split into more efficient stand-alone units, of five and two mines, respectively. This new structure is intended to provide a sustainable reduction in the unit cost of production and underpins Platinum's commitment to extracting maximum value from the assets. As part of the restructuring process, Platinum optimized the source of ounces across its portfolio, including placing three high cost shafts on to care and maintenance indefinitely: Siphumelele 3 shaft and Siphumelele 2 shaft in April and August 2009, respectively; and Khuseleka 2 shaft at Khuseleka Mine in August 2009 (previously included in the Rustenburg operations). The restructuring has not resulted in any changes for the Union and Mogalakwena operations.

Equivalent refined platinum production (equivalent ounces are mined ounces expressed as refined ounces) for H1 2010 declined by 48,200 ounces, or 4% to 1.196 million ounces (H1 2009: 1.244 million ounces). The 73,100 ounce reduction in equivalent refined platinum ounces from Platinum's wholly owned mines (including Union) was principally due to a 58,000 ounce decrease resulting from the placement of three high cost shafts (previously included in the Rustenburg operations) on care and maintenance in 2009 and a 15,000 ounce decrease principally due to the simultaneous intersection of five major potholes at Khomanani Mine during the first quarter of 2010, unfavorable geological conditions at Union Mine's Richard shaft and the implementation of a new shift cycle, a new cleaning method and a changeover to owner maintenance of equipment at Union Mine's decline section. The 73,100 ounce reduction was partly offset by higher output from Bathopele and Thembelani mines, and the joint venture mines BRPM, Mototolo, Kroondal and Marikana and Bokoni.

In April 2010, Platinum sold its 37% interest in the Western Bushveld joint venture for consideration of $107 million. This investment had a nominal carrying value.

Outlook: For the remainder of 2010, the platinum price is expected to average at least $1,500 per ounce if the economic recovery continues, and assuming that price level, Platinum expects to refine and sell a total of 2.5 million ounces of platinum in 2010. Platinum thereby expects a strong second half to the year.

Platinum will continue to manage costs as a priority by seeking to further improve productivity, increase efficiency and manage supply chain and procurement costs. Platinum expects to sustain the cost improvements achieved to date and aims to maintain the unit cash costs per equivalent refined platinum ounce for the year at approximately the same level as in 2008 and 2009 (slightly above ZAR11,000 per equivalent refined platinum ounce). Productivity, measured as square meters per total operating employee per month, is expected to increase to an average of $7.0m^2$ for 2010 and an average of $7.3m^2$ for 2011.

Platinum's strategy, based on its current view that the market is adequately supplied, is expected to improve Platinum's cost position from the upper half to the lower half of the cost curve. Platinum is in the process of improving the reliability of its production capacity and entrenching cost management as a long term and sustainable culture. This strategy is expected to help Platinum extract full value from its assets as the market recovery continues.

Thermal Coal

The following table summarizes the results of operations of the Thermal Coal business segment and average market price for thermal coal for the periods indicated:

(US$m unless otherwise stated)	Unaudited six months ended June 30, 2009	Unaudited six months ended June 30, 2010
Revenue	1,222	1,317
Operating profit before special items and remeasurements	388	351
South Africa	233	220
South America	171	143
Projects and Corporate	(16)	(12)
EBITDA	456	433
Net operating assets	1,279	1,740
Capital expenditure	169	140
Share of Group operating profit	18%	8%
Share of Group net operating assets	3%	4%
RSA thermal coal production (million tonnes)(1)	10.8	9.9
RSA Eskom production (million tonnes)(1)	17.4	16.5
Colombian export thermal production (million tonnes)(1)	5.4	5.3
South Africa export thermal coal price (US$/t)(2)	65	81
South Africa domestic thermal coal price (US$/t)(3)	20	23
Colombia export thermal coal price (US$/t)(2)	77	68

(1) See "Business Description — Mineral Production" for a full breakdown.

(2) Weighted average realized thermal FOB sales price.

(3) Weighted average realized thermal sales price.

Financial overview and operating performance

Thermal Coal business segment operating profit in H1 2010 and H1 2009 was US$351 million and US$388 million, respectively. The 10% decrease was principally the result of a stronger South African rand relative to the US dollar, lower sales volumes in South Africa (particularly due to the production impact of heavy rains which continued through to the middle of the second quarter of 2010 and challenging geological conditions) and inflationary cost pressures. The decrease was partially offset by higher South African export thermal coal prices.

Revenues in H1 2010 and H1 2009 were US$1,317 million and US$1,222 million, respectively. The 8% increase from H1 2009 to H1 2010 was principally due to higher South African export thermal prices (our weighted average achieved FOB sales price increased from US$65/tonne to US$81/tonne), partially offset by lower volumes, principally in South Africa.

South Africa: Operating profit in H1 2010 and H1 2009 was US$220 million and US$233 million, respectively. The 6% decrease from H1 2009 to H1 2010 was principally due to the stronger South African rand relative to the US dollar, lower sales volumes and inflationary cost pressures. The decrease was partially offset by an increase in export thermal prices (our weighted average achieved FOB sales price increased from US$65/tonne to US$81/tonne).

Production for H1 2010 decreased by 2.0 Mt, or 7%, to 26.6 Mt (H1 2009: 28.6 Mt) partially due to high rainfall affecting opencast operations, and adverse geological conditions. The decrease in production was principally due to decreases of 1.0 Mt at New Vaal, 0.7 Mt at Kriel, 0.5 Mt at Goedehoop and 0.4 Mt at Isibonelo. The decrease was partially offset by an increase of 0.5 Mt at Zibulo (previously Zondagsfontein) which first produced coal in late 2009 and is currently ramping up to full production (expected in 2012) and

0.5 Mt at New Denmark. See "Business Description — Mineral Production" for a full breakdown of production volumes.

Rainfall has a negative impact on the production performance of open pit operations, particularly when the mining areas become flooded or water logged as a result of excessive rainfall. Mining operations are slowed or even suspended when the rainfall results in the mining areas becoming unsafe. During the first quarter of 2010 heavier than usual rains were experienced. While such rains are typically seasonal in nature, with generally little or no rainfall in the second and third quarter of each year, rainfall continued into the middle of the second quarter of 2010.

In June 2010, as part of a BEE transaction, a charge of US$86 million was recognized on disposal of a 27% interest in Anglo Inyosi Coal (Proprietary) Limited.

South America: Operating profit in H1 2010 and H1 2009 was US$143 million and US$171 million, respectively. The 16% decrease from H1 2009 to H1 2010 was principally due to lower thermal coal prices in the European and American markets as a result of weaker demand. The decrease was partially offset by cost reductions and operational efficiencies.

Production remained virtually unchanged decreasing from 5.4 Mt in H1 2009 to 5.3 Mt in H1 2010.

Outlook: For 2010, Thermal Coal expects that South African production levels to be broadly in line with 2009, with an expected increase in contributions from the Mafube and Zibulo operations. Colombian production is expected to increase in the second half of 2010. Market demand continues to be driven by Asia, with India in particular the focus for South African exports. Colombian sales are expected to continue to be supported by opportunities in Asia.

Metallurgical Coal

The following table summarizes the results of operations of the Metallurgical Coal business segment and average market price for metallurgical coal for the periods indicated:

	Unaudited six months ended June 30,	
(US$m unless otherwise stated)	**2009**	**2010**
Revenue	1,139	1,444
Operating profit before special items and remeasurements	321	263
Australia	334	274
Projects and Corporate	(13)	(11)
EBITDA	422	416
Net operating assets	3,096	3,172
Capital expenditure	47	21
Share of Group operating profit	15%	6%
Share of Group net operating assets	8%	8%
Export metallurgical coal production (million tonnes)(1)	5.7	7.1
Thermal coal production (million tonnes)(1)	7.0	7.3
Australian export metallurgical price (US$/t)(2)	161	148
Australian export thermal (US$/t)(2)	78	83
Australian domestic thermal (US$/t)(3)	25	29

(1) See "Business Description — Mineral Production" for a full breakdown.

(2) Weighted average realized FOB sales price.

(3) Weighted average realized sales price.

Metallurgical Coal operating profit in H1 2010 and H1 2009 was US$263 million and US$321 million, respectively. The 18% decrease from H1 2009 to H1 2010 was principally due to a stronger Australian dollar

relative to the US dollar and, to a lesser extent, a lower weighted average achieved FOB sales price for export metallurgical coal. The decrease was partially offset by an increase in export metallurgical coal volumes.

Revenues in H1 2010 and H1 2009 were US$1,444 million and US$1,139 million, respectively. The 27% increase from H1 2009 to H1 2010 was principally due to increased coal sales volumes (particularly export metallurgical sales volumes which increased 2.2Kt from 5.1Kt in H1 2009 to 7.3Kt in H1 2010), partially offset by a lower weighted average achieved FOB sales price for export metallurgical coal of US$148/tonne (H1 2009: US$161/tonne). The increase in export metallurgical sales volumes was principally driven by AO initiatives and coal logistics chain management. The increase was achieved despite the challenges of Cyclone Ului which severely disrupted production and seaborne coal exports.

Total attributable production of export metallurgical coal increased by 1.4 Mt from 5.7 Mt in H1 2009 to 7.1 Mt in H1 2010. The increase was driven in part by increased demand. Total attributable production of thermal coal increased by 0.3 Mt from 7.0 Mt in H1 2009 to 7.3 Mt in H1 2010. The increase in total attributable production for both export metallurgical coal and thermal coal was principally due to production increases of 1.1 Mt at Capcoal, 0.4 Mt at Drayton and 0.3 Mt at Moranbah. See "Business Description — Mineral Production" for a full breakdown of production volumes.

Rainfall has a negative impact on the production performance of open pit operations, particularly when the mining areas become flooded or water logged as a result of excessive rainfall. Mining operations are slowed or even suspended when the rainfall results in the mining areas becoming unsafe. Severe flooding caused by Cyclone Ului in Queensland disrupted operations in the first quarter of 2010 which led to a detailed Metallurgical Coal recovery plan focused on high margin products. The plan involved relocating mobile fleets between sites, accelerating underground long wall moves, accelerated asset optimization delivery and improving supply chain logistics. Because of these efforts, most of the lost production was recovered by the end of the second quarter of 2010, and further benefits of these plans are expected in the second half of 2010.

On July 5, 2010, we announced that we had entered into an agreement with a consortium to sell our interests in five undeveloped coal assets in Australia, with expected proceeds of approximately US$500 million, or AUD580 million. The transaction is subject to the satisfaction of certain conditions and is expected to be completed in stages from the fourth quarter of 2010.

Outlook: Production volumes are expected to increase in the second half of the year as AO programs ramp up.

The global outlook for hard coking coal remains firm, in particular with expected 2010 steel output growth of approximately 10% in China and India. Price increases have been secured for the third quarter of 2010 under fixed volume agreements, and operational improvements are under way in coal logistics chain management to deliver additional sales in the second half of 2010.

DIAMONDS

The following table summarizes the results of operations of De Beers for the periods indicated:

(US$m unless otherwise stated)	**Unaudited six months ended June 30, 2009**	**2010**
Share of associate's revenue	770	1,340
Share of associate's operating profit before special items and remeasurements	4	261
EBITDA	75	340
Group's aggregate investment in associate[(1)]	1,640	1,783
Share of Group operating profit	0.2%	6%

(1) De Beers is an independently managed associate of the Group.

The Group's share of operating profit from De Beers in H1 2010 and H1 2009 was US$261 million and US$4 million, respectively. The $257 million increase from H1 2009 to H1 2010 was principally due to higher

volumes driven by an increase in customer demand (including restocking by the trade) and higher prices and, to a lesser extent, cost saving initiatives.

Our attributable share of De Beers' revenue was US$1,340 million and US$770 million for H1 2010 and H1 2009, respectively. The 74% increase from H1 2009 to H1 2010 was principally due to increased volumes particularly from Asian markets, restocking by the trade and higher prices. Attributable sales of rough diamonds by DBUK, the marketing arm of De Beers, including those made through joint ventures, were US$1.2 billion, an increase of 84%.

Total De Beers production on a 100% basis (attributable share 45%) was 15.4 million carats in H1 2010 and 6.6 million carats in H1 2009. The 134% increase in production from H1 2009 to H1 2010 was in order to meet increased demand from DBUK Sightholders. Total production in the first quarter of 2010 was 7 million carats (first quarter of 2009: 1 million carats), and total production in the second quarter of 2010 was 8.4 million carats (second quarter of 2009: 5.5 million carats). The production increase was principally at Debswana which increased production from 3.9 million carats in H1 2009 to 10.3 million carats in H1 2010.

An agreement settling all outstanding class actions against De Beers in the United States was announced in March 2006. Settlement amounts were paid into an escrow account pending conclusion of the settlement process. In May 2008, the US Federal District Court in New Jersey approved, in all respects, the settlement of the class actions against De Beers without any admission of liability. Such payments and other directly related costs were recorded as special items in the years they arose (2005 to 2009), totaling US$146 million (our attributable share). A number of objectors to the settlement appealed the District Court's approval of the settlement and the appeal was determined in favor of the objectors by the Third Circuit Court of Appeals in mid 2010. The Third Circuit has remanded the settlement back to the District Court for further consideration. In August 2010, following a petition by the plaintiffs, the Third Circuit confirmed that it would allow an *en banc* review of the earlier decision of the Third Circuit. Timing for the *en banc* review is currently unclear, but a briefing schedule will be determined by the Court in due course. See "Business Description — Diamonds — Other Information".

Outlook: While the strengthening demand during H1 2010 was encouraging, the global economic climate remains fragile, especially in the diamond markets of the US, Japan and Europe. With most restocking activity within the industry now largely complete, a period of market stabilization is expected in the second half of 2010. Further demand growth is dependent upon increases in consumer demand, in particular, the development of demand in the emerging markets of Asia, particularly China and India.

De Beers' focus remains on cash management and continuing the efficiency improvements achieved in 2009. After reducing its cost base globally by 45%, and staffing levels by 23% in 2009, De Beers expects to maintain many of its gains without impeding growth.

Nickel

The following table summarizes the results of operations of the Nickel business segment and average market price for nickel for the periods indicated:

	Unaudited six months ended June 30,	
(US$m unless otherwise stated)	**2009**	**2010**
Revenue	113	209
Operating (loss)/profit before special items and remeasurements	(11)	68
EBITDA	2	81
Net operating assets	1,671	1,988
Capital expenditure	251	223
Share of Group operating profit	(1)%	2%
Share of Group net operating assets	4%	5%
Attributable production (tonnes)	10,100	10,100
Nickel price (US cents/lb)[1]	531	962

(1) Average London Metals Exchange price.

Operating performance

Nickel business segment operating results in H1 2010 and H1 2009 were US$68 million profit and US$11 million loss, respectively. The increase from H1 2009 to H1 2010 was principally due to a higher nickel price.

Revenues in H1 2010 and H1 2009 were US$209 million and US$113 million, respectively. The 85% increase in revenue from H1 2009 to H1 2010 was principally driven by an 81% increase in the average nickel price per the LME from 531c/lb in H1 2009 to 962c/lb in H1 2010.

Total production in H1 2010 remained unchanged at 10,100 tonnes. Production at MLdN decreased by 100 tonnes to 5,500 tonnes (H1 2009: 5,600 tonnes), which was wholly offset by an increase in production at Codemin of 100 tonnes to 4,600 tonnes (H1 2009: 4,500 tonnes).

At MLdN, the EF2 furnace which was shut down in May 2009 due to a metal run out, restarted operations in the first quarter of 2010 after the rebuild was completed. However, production was negatively impacted by electricity rationing imposed by the Venezuelan government since early 2010 due to significant shortfalls in power generation. Compared to its average monthly power consumption levels for 2006 and 2007, MLdN was required to reduce power consumption by 20% in March and April 2010 and by over 25% in May and June 2010. As part of a mitigation process, the operation utilized on site generators.

In 2009, an impairment with associated adjustments of US$114 million was recorded at MLdN due to increased uncertainty over the renewal of three concessions that expire in 2012 and over the restoration of 13 concessions that have been previously cancelled by the Venezuelan government. As a result, in H1 2010, accelerated depreciation of $36 million has been recorded. See "Results of Operations for the Years Ended December 31, 2009, 2008 and 2007 — Operating Special Items and Remeasurements".

Outlook: Production of nickel is expected to be higher in the second half 2010, reflecting an increase at MLdN due to the use of onsite power generators, partially offset by a decrease in production at Codemin due to the shutdown of an electric furnace for planned maintenance.

For 2010, forecast global refined nickel primary consumption is expected to be 10% higher than in 2009, mostly because of improved stainless steel melt rates put in place at the mills at the beginning of the year. While there are short term concerns about the sustainability of current stainless steel demand strength, nickel's fundamentals remain attractive.

OTHER MINING AND INDUSTRIAL

The following table summarizes the results of operations of the Other Mining and Industrial business segment for the periods indicated:

	Unaudited six months ended June 30,	
(US$m unless otherwise stated)	**2009**	**2010**
Revenue	2,933	2,686
Operating profit before special items and remeasurements	236	290
Zinc	40	150
Scaw Metals	71	83
Tarmac	28	29
Catalão	51	28
Copebrás	5	12
Coal — Americas	(4)	(1)
Other	45	(11)
EBITDA	402	427
Net operating assets	5,667	4,213
Capital expenditure	115	104
Share of Group operating profit	11%	7%
Share of Group net operating assets	15%	11%

Financial overview and operating performance

Other Mining and Industrial operating profit in H1 2010 and H1 2009 was US$290 million and US$236 million, respectively. The 23% increase from H1 2009 to H1 2010 was principally due to higher zinc prices, and to a lesser extent, cost savings initiatives and higher production at Copebrás. The increase was partially offset by inflationary cost pressures, the absence of a contribution from Tongaat Hulett and Hulamin in H1 2010 due to their disposal in the second half of 2009, a strengthening of the Brazilian real relative to the US dollar and lower prices achieved in Tarmac's Quarry Materials business.

Revenues in H1 2010 and H1 2009 were US$2,686 million and US$2,933 million, respectively. The 8% decrease from H1 2010 to H1 2009 was principally due to the absence of a contribution from Tongaat Hulett and Hulamin in H1 2010 due to their disposal in the second half of 2009. The decrease was partially offset by higher zinc prices (the average market price of zinc per the LME increased 63% from 60c/lb to 98c/lb) and, to a lesser extent, higher sales volumes of phosphoric acid, sulphuric acid and animal feed at Copebrás and higher lead prices (the average market price of lead per the LME increased 58% from 60c/lb to 95c/lb).

Zinc. Operating profit in H1 2010 and H1 2009 was US$150 million and US$40 million, respectively. The almost fourfold increase from H1 2009 to H1 2010 was principally due to higher zinc prices (the average market price of zinc per the LME increased 63% from 60c/lb to 98c/lb) and, to a lesser extent, higher lead prices (the average market price of zinc per the LME increased 58% from 60c/lb to 95c/lb).

Total zinc production increased by 8,800 tonnes from 169,900 tonnes in H1 2009 to 178,700 tonnes in H1 2010. This increase was driven by production increases of 5,300 tonnes from Lisheen and 3,500 tonnes from Black Mountain. For Lisheen, the increase was due to higher ore tonnes milled partially offset by lower feed grades. For Black Mountain, tonnes mined increased due to higher machine hours and an increase in workable faces while metal in concentrate production also increased due to higher grades.

Total lead production in H1 2010 and H1 2009 remained broadly unchanged at 30,800 tonnes and 31,000 tonnes, respectively.

In May 2010, we announced the sale of our portfolio of zinc assets to Vedanta for US$1,338 million on an attributable, debt and cash free basis. Of the total consideration, US$698 million relates to the Skorpion mine, US$308 million relates to the Lisheen mine and US$332 million relates to our 74% interest in Black Mountain Mining (Proprietary) Limited (which holds 100% of the Black Mountain mine and the Gamsberg project). The customary regulatory approval and competition clearance processes to complete this transaction are under way. Completion of the transaction is expected to be in stages, with separate completion dates for Skorpion, Lisheen and Black Mountain Mining (Proprietary) Limited. The agreed consideration is US$1.3 billion, subject to adjustment for profits and cash flows for the zinc businesses which are for the benefit of the purchaser from January 1, 2010, subject to completion.

Scaw Metals. Operating profit in H1 2010 and H1 2009 was US$83 million and US$71 million, respectively. The 17% increase from H1 2009 to H1 2010 was principally due to improved profitability of MolyCop and South African Grinding Media operations, which benefited from improved demand from mining customers. The increase was partially offset by the challenging trading conditions in the Cast and Wire Rod products operations, principally due to weaker demand in the construction sector, a stronger South African rand relative to the US dollar and rising production costs.

Total steel production volumes for H1 2010 and H1 2009 were 758 Kt and 720 Kt, respectively. The increase of 38 Kt was attributable to increases in production of 36 Kt for South Africa Steel Products and 2 Kt for International Steel Products.

Tarmac. Operating profit in H1 2010 and H1 2009 was US$29 million and US$28 million, respectively. The 4% increase from H1 2009 to H1 2010 was principally due to cost saving initiatives including a 2009 restructuring program and, to a lesser extent, classification of assets as held for sale (depreciation is suspended on assets classified as such) and higher volumes in the UK Quarry Materials business. This increase was offset by inflationary cost pressures, lower prices in UK Quarry Materials business and lower volumes in the UK Building Products business.

During the first quarter of 2010, we signed agreements to sell Tarmac's aggregates businesses in France, Germany, Poland and the Czech Republic and its Polish and French and Belgian concrete products businesses, for expected total consideration in excess of US$400 million. The sale of Tarmac's aggregates businesses to Eurovia, part of the Vinci Group, is subject to obtaining the required relevant regulatory approvals. In March 2010, we completed our disposal of the Polish concrete products business, and in May 2010, the sale of our French and Belgian concrete products business for a total consideration of US$65 million and US$86 million, respectively.

The 2010 outlook in the UK remains weak, but further clarity is expected when government spending plans are set out in the coming months.

Catalão. Operating profit in H1 2010 and H1 2009 was US$28 million and US$51 million, respectively. The 45% decrease from H1 2009 to H1 2010 was principally driven by reduced niobium output as a result of lower grades compared to 2009, exacerbated by lower than expected recoveries and grades at the Boa Vista mine that resulted from changes to the mine plan in 2010 following the slope failure towards the end of 2009.

Coal — Americas. Operating loss in H1 2010 declined to US$1 million from a US$4 million operating loss in H1 2009. The H1 2010 operating loss was attributable to Peace River Coal.

Copebrás. Operating profit in H1 2010 and H1 2009 was US$12 million and US$5 million, respectively. The 140% increase from H1 2009 to H1 2010 was principally due to increased sales volumes of phosphoric acid, sulphuric acid and animal feed, improved prices for high analysis fertilizers and sulphuric acid, and higher production. This increase was partially offset by a stronger Brazilian real relative to the US dollar, higher effective sulphur prices and lower selling prices for certain other products.

Results Of Operations for the years ended December 31, 2009, 2008 and 2007

The table below summarizes the Group's income statement for the periods indicated and should be read in conjunction with, and is qualified in its entirety by reference to, the Group 2009 Financial Statements and Group 2008 Financial Statements and notes thereto, which are incorporated by reference into this Offering Memorandum.

As a result of transactions in 2007, Mondi and AngloGold are considered to be discontinued operations (see "Business Description — Restructuring"). In accordance with EU IFRS, the contribution they made to the Group's results, together with any profits generated on their disposal, have been separately presented.

(US$m)	Year ended December 31, 2007	Year ended December 31, 2008	Year ended December 31, 2009
Income statement			
Group revenue	25,470	26,311	20,858
Total operating costs before special items and remeasurements	(16,952)	(18,330)	(16,481)
Operating profit from subsidiaries and joint ventures before special items and remeasurements	8,518	7,981	4,377
Operating special items	(251)	(352)	(2,275)
Operating remeasurements	5	(779)	638
Operating profit from subsidiaries and joint ventures	8,272	6,850	2,740
Net profit on disposals	460	1,009	1,612
Share of net income from associates[(1)]	197	1,113	84
Total profit from operations and associates	8,929	8,972	4,436
Net finance costs before financing special items and remeasurements	(137)	(452)	(273)
Financing special items and remeasurements	29	51	(134)
Profit before tax	8,821	8,571	4,029
Income tax expense	(2,693)	(2,451)	(1,117)
Profit for the financial year — continuing operations	6,128	6,120	2,912
Profit for the financial year — discontinued operations	2,044	—	—
Profit for the financial year — total Group	8,172	6,120	2,912
Operating profit including associates before special items and remeasurements — continuing operations[(2)]	9,590	10,085	4,957
Underlying earnings — continuing operations	5,477	5,237	2,569
Underlying earnings — discontinued operations	284	—	—
Underlying earnings — total Group	5,761	5,237	2,569
Earnings per share (US$)			
Basic — total Group	5.58	4.34	2.02
Basic — continuing operations	4.04	4.34	2.02
Diluted — total Group	5.50	4.29	1.98
Dividends per share (US cents)[(3)]			
Ordinary	124.0	44.0	—
Special	—	—	—
Balance sheet			
Total assets	44,762	49,738	56,308
Net assets	24,330	21,756	28,069
Total share capital	3,451	3,451	3,451
Net debt	(4,851)	(11,340)	(11,280)

(US$m)	Year ended December 31, 2007	Year ended December 31, 2008	Year ended December 31, 2009
(1) Associates' operating profit is reconciled to 'Share of net income from associates' as follows:			
Operating profit from associates before operating special items and remeasurements — continuing operations	1,072	2,104	580
Operating special items and remeasurements	(465)	(226)	(203)
Operating profit from associates after operating special items and remeasurements — continuing operations	607	1,878	377
Net profit on disposals	24	18	20
Net finance costs (before financing special items and remeasurements)	(85)	(147)	(28)
Financing special items	—	—	(7)
Financing remeasurements	(4)	(15)	6
Income tax expense (after special items and remeasurements)	(303)	(606)	(286)
Non-controlling interests (after special items and remeasurements)	(42)	(15)	2
Share of net income from associates — continuing operations	197	1,113	84

(2) Calculated as operating profit from subsidiaries and joint ventures before special items and remeasurements plus operating profit from associates before special items and remeasurements, the latter of which is addressed in footnote 1 to this table.

(3) Declared in respect of the applicable year ended December 31.

Group Revenue

Group revenue for 2009, 2008 and 2007 was US$20,858 million, US$26,311 million and US$25,470 million, respectively. The 21% decrease in revenue in 2009 was principally a result of lower prices realized across many of the Group's commodities, particularly rhodium, platinum, manganese ore and alloys, iron ore, metallurgical coal, fertilizers and nickel (following the impact of the global economic downturn in the second half 2008 which continued into 2009). This was partially offset by higher volumes of export (seaborne) iron ore, platinum and rhodium net of volume decreases in metallurgical coal and quarry materials. The 3% increase in revenue in 2008 was principally a result of higher prices across many of the Group's commodities, particularly coal, iron ore, platinum and rhodium (driven by high prices in the first half prior to the global economic downturn, which affected platinum and rhodium prices in particular). This was offset by a sharp decline in base metals prices driven by the decline in global markets in the second half of 2008 (particularly copper, zinc and nickel), a decrease in PGM sales volumes and a decline in UK aggregates and concrete product sales volumes following a rapid deterioration of UK residential and commercial building activity in the second half of 2008.

Total Operating Costs

Total operating costs before operating special items and remeasurements for 2009, 2008 and 2007 were US$16,481 million, US$18,330 million and US$16,952 million, respectively.

The 10% decrease in total operating costs from 2008 to 2009 was principally driven by a reduction of costs recovered through revenue and, to a lesser extent, the benefit of a weaker British pound relative to the US dollar, cost saving initiatives across the group (including the full year impact of initiatives implemented in the second half of 2008), and lower fuel, electricity and consumable costs (particularly sulphur). This was partially offset by inflationary pressures (principally in South Africa and Great Britain) and above inflation increases in wages for employees and contractors in Platinum.

The 8% increase in total operating costs from 2007 to 2008 was principally driven by increased input costs (including inflationary cost pressures) on raw materials and consumables, employer and contractor costs and fuel and electricity charges (driven by global price increases) across all of our operations. The decrease was partially offset by changes in exchange rates (principally a weaker South African rand relative to the US dollar), the reduced contribution following disposal of Highveld and partial disposal of Tongaat Hulett (net of increased costs following the Foxleigh acquisition) and cost saving initiatives.

Operating Special Items and Remeasurements

Operating special items in 2009, 2008 and 2007 were a US$2,275 million loss, US$352 million loss and US$251 million loss, respectively, and operating remeasurements were a US$638 million gain, US$779 million

loss and US$5 million gain, respectively. For an explanation of the nature of special items and remeasurements see “Non-IFRS Financial Measures”.

The operating special items loss in 2009 of US$2,275 million principally comprised charges in relation to impairments and, to a lesser extent, costs in relation to restructuring and one-off initiatives. These items include a US$1,512 million (after tax and non-controlling interests) impairment of Amapá, US$183 million of restructuring costs (consisting principally of retrenchment costs), US$148 million of costs associated with ‘One Anglo’ initiatives (consisting principally of advisory costs associated with corporate review, procurement, shared services and information systems) and a US$114 million impairment and associated adjustment of MLdN. Operating remeasurement gains of US$638 million are principally due to net gains on non-hedge capital expenditure derivatives held by Iron Ore Brazil and Los Bronces, as well as an unrealized gain on an embedded derivative at MLdN.

During 2009, Amapá experienced significant operational challenges across its mine, plant and logistics chain, producing 2.7Mt compared with the design capacity of 6.5Mtpa. Management’s focus has been, and remains, on seeking to improve performance from the existing operation, rather than investing to expand the operation. The Amapá iron ore system is currently believed to have a capacity to increase to 5 Mtpa without significant further capital expenditure. Due to the focus on improving operational performance and preserving cash, limited exploration drilling was undertaken in 2009 and the anticipated growth potential of surrounding license areas remained untested. Given these operational difficulties and delays in increasing production, the Group recorded an impairment charge of US$1,512 million (after tax and non-controlling interests) against the carrying value of the asset.

In January 2008 the Venezuelan Ministry of Basic Industries and Mining (MIBAM) published a resolution cancelling 13 of MLdN’s 16 exploration and exploitation concessions due to MLdN’s alleged failure to fulfill certain conditions of the concessions. The current mining and metallurgical facilities are located on the three concessions that have not been cancelled. MLdN believes that it has complied with the conditions of these concessions, has lodged administrative appeals against the notices of termination and is waiting for a response from MIBAM. MLdN may in the future undertake further appeals, including with Venezuela’s Supreme Court, if MIBAM’s ruling does not adequately protect its interests. An impairment and associated adjustments of $114 million have been recorded due to increased uncertainty over the renewal of the three concessions that have not been cancelled but that expire in 2012 and over the restoration of the 13 concessions that MIBAM has already cancelled.

The operating special items loss in 2008 of US$352 million principally comprised charges in respect of impairments, restructuring and one-off initiatives. These include a US$140 million impairment relating to Other Mining and Industrial assets (Black Mountain and Lisheen), US$91 million impairment and restructuring relating to Tarmac assets and US$72 million costs associated with ‘One Anglo’ initiatives (consisting principally of advisory costs associated with procurement, shared services and information systems). Operating remeasurement losses of US$779 million are principally due to net losses on non-hedge capital expenditure derivatives held by Iron Ore Brazil and Los Bronces, as well as an unrealized loss on an embedded derivative at MLdN.

The operating special items and remeasurements loss in 2007 of US$246 million includes impairment and restructuring charges of US$196 million, relating to certain Coal Australia and Industrial Minerals assets, and costs of US$55 million associated with the proposed sale of Tarmac.

Net Profit on Disposals

Net profit on disposals in 2009, 2008 and 2007 amounted to US$1,612 million, US$1,009 million and US$460 million, respectively. The 2009 net profit on disposals includes US$1,139 million on the sale of our remaining interest in AngloGold and US$247 million on the disposal of the Booysendal joint venture.

The 2008 amount includes profit of US$551 million on disposal of our interest in China Shenhua Energy, US$142 million profit on the sale of our interest in Minera Santa Rosa SCM, US$101 million profit on the disposal of Northam Platinum Limited and US$65 million profit on the disposal of Tarmac Iberia.

The 2007 amount includes profits of US$234 million recognized on the sale of shares held in Exxaro and US$67 million following a partial disposal and cessation of equity accounting in AngloGold, as well as a profit of US$140 million arising on the sale of the Group's remaining investment in Highveld. These were partially offset by a US$68 million loss recorded on the Tongaat Hulett and Hulamin BBBEE transactions.

Share of Net Income from Associates

Our share of net income from associates in 2009, 2008 and 2007 was US$84 million, US$1,113 million and US$197 million, respectively. The 92% decrease from 2008 to 2009 was principally driven by Samancor (Iron Ore and Manganese segment) following a sharp decline in the price of manganese ore and alloys and De Beers (Diamonds segment) following lower demand and prices, partially offset by cost reduction initiatives.

The more than fourfold increase from 2007 to 2008 is principally as a result of Samancor delivering record results following a sharp increase in manganese ore and alloy prices in the first nine months of 2008. Our share of net income from De Beers decreased marginally as lower volumes were partially offset by higher average prices (as a result of higher prices achieved in the first half of 2008) and a reduction in impairment charges from the prior year (an impairment charge of US$79 million was recorded in 2008 while in 2007 an impairment charge of US$434 million was recorded against De Beers' Canadian operations).

Net Finance Costs before Financing Special Items and Remeasurements

Net finance costs before financing special items and remeasurements in 2009, 2008 and 2007 were US$273 million, US$452 million and US$137 million, respectively. The 40% decrease from 2008 to 2009 was principally due to a reduction in foreign exchange losses and interest financing expense partially offset by a reduction in investment income. The more than threefold increase in net finance costs before financing special items and remeasurements from 2007 to 2008 reflects higher net interest costs due to the increase in debt and higher net foreign exchange losses on net debt items principally in Brazil and Venezuela, partially offset by an increase in interest capitalized. For a profile of our debt, see "— Cash Flow — Funding Sources".

Financing Special Items and Remeasurements

Financing special items and remeasurements in 2009, 2008 and 2007 were US$134 million loss, US$51 million gain and US$29 million gain, respectively.

Financing remeasurements in 2009 include a US$100 million net loss on non-hedge derivatives (2008: US$23 million gain; 2007: US$32 million gain) and a US$21 million foreign exchange loss on De Beers US dollar preference shares held by a South African rand functional entity (2008: US$28 million gain; 2007: US$3 million loss).

The De Beers US dollar preference shares are classified as "financial asset investments" and are retranslated at each reporting date. The resulting South African rand/US dollar foreign exchange gains and losses are reported through the income statement as a financing remeasurement.

Income Tax Expense before Special Items and Remeasurements

Income tax expense before special items and remeasurements in 2009, 2008 and 2007 was US$1,305 million, US$2,545 million and US$2,676 million, respectively. Income tax expense is a function of operating profits and the tax rates applicable in the various geographic locations in which the Group operates. The 2009 decrease of 49% is principally due to lower profit before tax. The 2008 decrease of 5% is principally due to lower profit before tax partially offset by a higher effective tax rate. Effective tax rate movements are analyzed in greater detail after the table below.

IAS 1 requires income from associates to be presented net of tax on the income statement. Associates' tax is therefore not included within the Group's income tax expense on the income statement. Associates' tax (before special items and remeasurements) included within "Share of net income from associates" in 2009, 2008 and 2007 was US$235 million, US$623 million and US$305 million, respectively.

The table below summarizes the Group's tax expense before special items and remeasurements for the periods indicated.

(US$m)	Year ended December 31, 2007			Year ended December 31, 2008			Year ended December 31, 2009		
	Before specials and remeasurements	Associates' tax and non-controlling interests	Including associates	Before specials and remeasurements	Associates' tax and non-controlling interests	Including associates	Before specials and remeasurements	Associates' tax and non-controlling interests	Including associates
Profit before tax	9,021	347	9,368	8,832	654	9,486	4,422	234	4,656
Tax	(2,676)	(305)	(2,981)	(2,545)	(623)	(3,168)	(1,305)	(235)	(1,540)
Profit for the financial year	6,345	42	6,387	6,287	31	6,318	3,117	(1)	3,116
Effective tax rate including associates			31.8%			33.4%			33.1%

The effective rate of tax, before special items and remeasurements (including share of associates' tax before special items and remeasurements), in 2009, 2008 and 2007 was 33.1%, 33.4% and 31.8%, respectively. The 2009 effective tax rate was broadly in line with that of 2008. The net increase from 2007 to 2008 is driven by tax losses not recognized for deferred tax purposes and changes in the geographical mix of profits around the Group partially offset by changes in statutory tax rates and the impact of prior year tax adjustments.

In future periods, it is expected that the effective tax rate, including associates' tax, will remain at or above the United Kingdom statutory tax rate (which is 28%).

Income Tax Expense — Special Items and Remeasurements

Tax on special items and remeasurements amounted to an expense of US$174 million (2008: US$247 million credit; 2007: US$17 million expense). A tax remeasurements credit of US$469 million in 2009 was recorded (2008: US$153 million expense, 2007: US$nil) relating to the foreign currency impact on deferred tax balances. In addition, a tax special item expense of US$107 million arose in 2009 for the write-off of a deferred tax asset related to Amapá.

Profit for the Financial Year

Profit for the financial years 2009, 2008 and 2007 was US$2,912 million, US$6,120 million and US$6,128 million, respectively. The year on year movements are explained by reference to the movements of the component parts which are discussed above.

Segment Discussion — full year

Because the foregoing discussion of financial results must be viewed as the collective result of the performance of our various business segments, this section provides a segment-by-segment review of those results.

In this section, revenue and operating profit include the Group's share of revenue and operating profit from associates and exclude special items and remeasurements, unless otherwise stated. Capital expenditure relates to cash expenditure on tangible assets and biological assets in the year presented. Share of Group operating profit and share of Group net operating assets are based on continuing operations and therefore exclude the contribution of Mondi and AngloGold in 2007. In the "Segment Discussion — Full Year December 31, 2008 and 2007 on Historic Business Segment Basis" section, references to Anglo Platinum are to the business segment rather than Anglo Platinum Limited.

Due to the portfolio and management structure changes announced in October 2009, the business segments for which segment results are reported under IFRS have changed from those for which segment results were reported for the years ended December 31, 2008 and 2007. In addition, under the new business segment structure, segment results include a further allocation of corporate costs associated with activities which are performed at a corporate center but are believed to be adding value to business segments. See "Presentation of Financial Information". Segment results for H1 2010 and the H1 2009 comparative period are

presented in the Group 2010 Condensed Interim Financial Statements and elsewhere herein on the new business segment basis. Segment results for 2009 and the 2008 comparative year are presented in the Group 2009 Financial Statements and elsewhere herein on the new business segment basis. However, segment results for 2008 and the 2007 comparative year are presented in the Group 2008 Financial Statements and elsewhere herein on the historic business segment basis.

Segment Discussion — Full year December 31, 2009 and 2008 on New Business Segment Basis

The table below sets forth the Group's operating profits before special items and remeasurements by business segment for the years presented:

(US$m unless otherwise stated)	Year ended December 31, 2008	% of Continuing[(1)]	Year ended December 31, 2009	% of Continuing[(1)]
Iron Ore and Manganese	2,554	24.2	1,489	28.2
Copper	1,892	18.0	2,010	38.2
Platinum	2,169	20.6	32	0.6
Thermal Coal	1,078	10.3	721	13.7
Metallurgical Coal	1,110	10.6	451	8.5
Diamonds	508	4.8	64	1.2
Nickel	123	1.2	2	0.0
Other Mining and Industrial	1,082	10.3	506	9.6

(1) Percentages are calculated based on a total which excludes the contribution of Exploration and Corporate Activities.

Iron Ore and Manganese

The following table summarizes the results of operations of the Iron Ore and Manganese business segment and average market price for iron ore for the years indicated:

(US$m unless otherwise stated)	Year ended December 31, 2008	Year ended December 31, 2009
Revenue	4,099	3,419
Operating profit	2,554	1,489
Kumba	1,583	1,487
Iron Ore Brazil[(1)]	(9)	(141)
Samancor	980	143
EBITDA	2,625	1,593
Net operating assets	2,669	706
Capital expenditure	783	1,044
Share of Group operating profit	25%	30%
Share of Group net operating assets	32%	27%
Iron Ore production (million tonnes)	37.4	44.6
Iron Ore (US$/t)[(2)]	88	65

(1) On August 5, 2008, we acquired control over the Minas Rio Project (previously, a 49% joint venture interest acquired in 2007) and Amapá iron ore system. See "Overview-Restructuring".

(2) Average iron ore export price achieved for Kumba.

Financial overview and operating performance

Iron Ore and Manganese business segment operating profit in 2009 and 2008 was US$1,489 million and US$2,554 million, respectively. The 42% decrease from 2008 to 2009 was principally due to lower manganese ore and alloy prices, lower export (seaborne) iron ore prices and to a lesser extent, a 2008 foreign exchange

gain arising on the acquisition of non-controlling interests of Anglo Ferrous Brazil SA (naturally offset with a hedge derivative within net finance costs), a stronger South African rand relative to the US dollar and inflationary cost pressures. The decrease was partially offset by higher export (seaborne) iron ore sales volumes.

Revenues in 2009 and 2008 were US$3,419 million and US$4,099 million, respectively. The 17% decrease from 2008 to 2009 was principally driven by a decline in global steel demand resulting in lower manganese ore and alloy prices and lower export (seaborne) iron ore prices (the average export price achieved decreased by 26% from US$88/t to US$65/t). The decrease was partially offset by higher iron ore sales volumes principally driven by the continued ramp up of the JIG plant in Kumba.

Kumba: Operating profit in 2009 and 2008 was US$1,487 million and US$1,583 million, respectively. The 6% decrease from 2008 to 2009 was principally due to lower export (seaborne) iron ore prices and, to a lesser extent, a stronger South African rand relative to the US dollar and inflationary cost pressures. The decrease was largely offset by higher export sales volumes.

Kumba's iron ore production for 2009 and 2008 was 41.9Mt and 36.7Mt, respectively. The 14% increase from 2008 to 2009 is principally driven by the continued ramp up of the JIG plant to its 13Mt per annum production rate. The JIG plant achieved production of 10.4Mt in 2009.

Iron Ore Brazil: Operating loss in 2009 and 2008 was US$141 million and US$9 million, respectively. The increased operating loss in 2009 was principally due to the fact that the 2008 operating loss was partially offset by a foreign exchange gain arising on the acquisition of non-controlling interests of Anglo Ferrous Brazil SA (naturally offset with a hedge derivative within net finance costs) and a lower contribution in 2008 due to the August 2008 acquisition of control over the Minas Rio Project (previously, a 49% joint venture interest acquired in 2007) and Amapá iron ore system. See "— Overview — Restructuring".

The Minas Rio Project continued to be developed and Amapá, which was in its pre-operational ramp-up phase throughout 2009, commenced commercial production in 2010. In accordance with EU IFRS, applicable pre-operational costs (and associated revenue) were capitalized. See "— Overview — Restructuring" for details of the acquisition of these operations.

During 2009, Amapá experienced significant operational challenges across its mine, plant and logistics chain, producing 2.7Mt compared with the design capacity of 6.5Mtpa. Management's focus has been and remains, on seeking to improve performance from the existing operation, rather than investing to expand the operation. The Amapá iron ore system is currently believed to have a capacity to increase to 5 Mtpa without significant further capital expenditure. Due to the focus on improving operational performance and preserving cash, limited exploration drilling was undertaken in 2009 and the anticipated growth potential of surrounding license areas remained untested. Given these operational difficulties and delays in increasing production, the Group recorded an impairment charge of US$1,512 million (after tax and non-controlling interests) against the carrying value of the asset.

Samancor: Operating profit in 2009 and 2008 was US$143 million and US$980 million, respectively. The 85% decrease from 2008 to 2009 was principally due to significantly lower manganese and alloy prices and volumes following a decline in global steel demand. Manganese ore production decreased 42% from 2.7Mt in 2008 to 1.6Mt in 2009 and manganese alloy production decreased 58% from 306Kt in 2008 to 129Kt in 2009.

COPPER

The following table summarizes the results of operations of the Copper business segment and average market price for copper for the years indicated:

(US$m unless otherwise stated)	Year ended December 31, 2008	2009
Revenue	3,907	3,967
Operating profit	1,892	2,010
EBITDA	2,104	2,254
Net operating assets	3,148	4,763
Capital expenditure	808	1,068
Share of Group operating profit	19%	41%
Share of Group net operating assets	10%	12%
Attributable production (kilo tonnes)	639.8	669.8
Copper (US cents/lb)[1]	315	234

(1) Average London Metals Exchange price.

Financial overview and operating performance

Copper business segment operating profit in 2009 and 2008 was US$2,010 million and US$1,892 million, respectively. The 6% increase from 2008 to 2009 was principally due to lower operating costs (particularly with respect to sulphuric acid, diesel and electricity) as well as the benefit of the weaker Chilean peso relative to the US dollar. The increase was partially offset by higher employee and contractor costs.

Revenues in 2009 and 2008 were US$3,967 million and US$3,907 million, respectively. The 2% increase in revenue from 2008 to 2009 was principally driven by marginally higher sales volumes. The average copper price on the LME decreased from 315c/lb in 2008 to 234c/lb in 2009. The revenue impact of this decrease was offset by favorable final settlements on provisionally priced sales (as described in the following paragraph) in a rising market. Despite the decrease in the average price for the year, copper prices had increased by the end of 2009, reflecting improving global economic conditions, and closed at 333c/lb at December 31, 2009 (2008: 132c/lb) per the LME.

Sales of certain commodities are "provisionally priced" such that the price is not settled until a predetermined future date usually based on the average market price over a period defined in the contract. Revenue on these sales is initially recognized at the current market price and then marked to market until final settlement using the forward price for the period equivalent to that outlined in the contract (mark to market adjustments are recorded in revenue). A gain to revenue of US$521 million reflecting the impact of provisional pricing was recognized in 2009.

Attributable copper production increased by 5% from 639.8Kt in 2008 to 669.8Kt in 2009. This increase was principally driven by increased attributable production in Collahuasi (31.4Kt) and to a lesser extent, Mantos Blancos (3.8Kt) and Los Bronces (2.6Kt) partially offset by a decrease in production at El Soldado (8.4Kt). Our attributable production from Collahuasi increased despite having been impacted for 44 days by a failure in a conveyor electrical control center. See "Business Description — Mineral Production" for a full breakdown of production volumes.

PLATINUM

The following table summarizes the results of operations of Platinum for the periods indicated:

(US$m unless otherwise stated)	Year ended December 31, 2008	2009
Revenue	6,327	4,535
Operating profit	2,169	32
EBITDA	2,675	677
Net operating assets	9,045	12,141
Capital expenditure	1,563	1,150
Share of Group operating profit	22%	1%
Share of Group net operating assets	27%	31%
Platinum production (thousands of ounces)	2,387	2,452
Palladium production (thousands of ounces)	1,322	1,370
Rhodium production (thousands of ounces)	299	350
Average basket price ($/ounce)	2,764	1,715

Platinum's operating profit in 2009 and 2008 was US$32 million and US$2,169 million, respectively. The 99% decrease from 2008 to 2009 was principally due to a lower price achieved for the basket of metals sold and to a lesser extent, the strengthening of the South African rand relative to the US dollar, inflationary pressures and wage and electricity tariff increases above inflation. The decrease was partially offset by higher sales volumes and tight cost control.

Revenues in 2009 and 2008 were US$4,535 million and US$6,327 million, respectively. The 28% decrease from 2008 to 2009 was principally due to a reduction in the price of rhodium and platinum and, to a lesser extent, a decrease in the price of nickel. The decrease was partially offset by higher sales volumes for platinum (2.57 million ounces in 2009 compared to 2.22 million in 2008) and rhodium. The sales volume increase in 2009 was made possible by the sale of surplus inventories from 2008 and the achievement of higher refined production volumes.

The average dollar price realized for the basket of metals sold by Platinum in 2009 and 2008 was US$1,715 and US$2,764 per platinum ounce, respectively. The 38% decrease from 2008 to 2009 was principally due to lower average rhodium and platinum prices and, to a lesser extent, lower nickel prices. This decrease was consistent with the rapid decline in prices in the platinum group of metals (PGM) in the second half of 2008 which continued into the first half of 2009, though PGM demand and prices increased gradually in the second half of 2009.

The average realized price for platinum in 2009 and 2008 was US$1,199 and US$1,570 per ounce, respectively. The price achieved for rhodium in 2009 and 2008 averaged US$1,509 and US$5,174 per ounce, respectively (including the effect of existing long-term contractual arrangements entered into with some customers to support and develop the rhodium market). Platinum successfully renegotiated the contract sales terms for rhodium, resulting in the realized sales price of rhodium moving closer to market prices during 2008. The average realized price for nickel was US$6.54 and US$9.79 per pound in 2009 and 2008, respectively.

The major restructuring of mining operations that Platinum announced in early 2009 was completed by the end of that year. The two largest operations, Rustenburg and Amandelbult, were split into more efficient stand-alone units, of five and two mines, respectively. This new structure is intended to provide a sustainable reduction in the unit cost of production and underpins Platinum's commitment to extracting maximum value from the assets. As part of the restructuring process, Platinum optimized the source of ounces across its portfolio, including placing three high cost shafts on care and maintenance indefinitely: Siphumelele 3 shaft (Bleskop) and Siphumelele 2 shaft (Brakspruit) in April and August 2009 respectively and Khuseleka 2

(Boschfontein) shaft at Khuseleka Mine in August 2009. The restructuring has not resulted in any changes for the Union and Mogalakwena operations.

Refined platinum production for the year was 3% higher at 2.45 million ounces, in line with the company's 2009 target. Equivalent refined platinum production (equivalent ounces are mined ounces expressed as refined ounces) was 2.46 million ounces. Sales of refined platinum for the year were 2.57 million ounces compared with 2.22 million ounces in 2008, an increase of 16%. The sales volume increase in 2009 was made possible by the sale of metal that went unsold in 2008 and the achievement of higher refined production volumes.

The erpo in South African rand terms remained flat in 2009 at ZAR11,236. The flat costs were achieved despite upward inflationary pressure caused by wage and electricity tariff increases in excess of consumer price inflation. Cost increases were curbed through improved productivity and numerous cost management initiatives, including placing the high cost Siphumelele 3, Siphumelele 2 and Khuseleka 2 shafts on to care and maintenance, early renegotiation with suppliers for reduced prices on key input commodities such as diesel, steel, tyres and reagents, changing Mogalakwena's mining production levels without sacrificing concentrator throughput, completing the restructuring processes at the Rustenburg and Amandelbult mines and reducing overhead costs at the corporate and regional offices. Platinum reduced its head office and regional office headcount by 724 people in 2009, bringing the total headcount reduction since July 2008 to 1,150. Overall headcount (including contractors) was reduced by 15,752 during 2009 and by 18,786 since October 2008.

Thermal Coal

The following table summarizes the results of operations of the Thermal Coal business segment and average market price for thermal coal for the years indicated:

(US$m unless otherwise stated)	Year ended December 31, 2008	2009
Revenue	3,051	2,490
Operating profit	1,078	721
South Africa	736	442
South America	375	305
Projects and corporate	(33)	(26)
EBITDA	1,200	875
Net operating assets	1,018	1,707
Capital expenditure	365	400
Share of Group operating profit	11%	15%
Share of Group net operating assets	3%	4%
RSA thermal coal production (million tonnes)[1]	22.3	22.2
RSA Eskom production (million tonnes)[1]	36.2	36.2
Colombian export thermal production (million tonnes)[1]	10.4	10.2
South Africa export thermal coal price (US$/t)[2]	84.5	64.5
South Africa domestic thermal coal price (US$/t)[3]	20.4	18.5
Colombia export thermal coal price (US$/t)[2]	81.3	73.0

(1) See "Business Description — Mineral Production" for a full breakdown.

(2) Weighted average realized thermal FOB sales price.

(3) Weighted average realized thermal sales price.

Financial overview and operating performance

Thermal Coal business segment operating profit in 2009 and 2008 was US$721 million and US$1,078 million, respectively. The 33% decrease from 2008 to 2009 was principally due to lower export thermal coal prices and lower volumes and, to a lesser extent, inflationary cost pressures and a stronger South African rand relative to the US dollar. The decrease was partially offset by tighter cost discipline.

Revenues in 2009 and 2008 were US$2,490 million and US$3,051 million, respectively. The 18% decrease from 2008 to 2009 was principally due to lower South African export thermal prices and transactions for the purchase and resale of coal in 2008 and, to a lesser extent, lower South American export thermal prices. The export thermal price decrease was principally driven by falling demand from European power producers due to a suppressed European industrial sector and the impact of a softer oil price and abundance of cheap gas. Pacific markets continued to see growth in 2009 resulting in an increased proportion of production sold to Asian markets (particularly India) relative to 2008.

South Africa: Operating profit in 2009 and 2008 was US$442 million and US$736 million, respectively. The 40% decrease from 2008 to 2009 was principally due to a decline in the weighted average achieved free on board ("FOB") price for South African export thermal of 24% from US$84.5/tonne in 2008 to US$64.46/tonne and, to a lesser extent, inflationary cost pressures and a stronger South African rand relative to the US dollar. This decrease was partially offset by tighter cost discipline.

Total attributable production remained virtually unchanged at 59.2Mt (2008: 59.4Mt). Key underlying production movements included a decrease of 1.5Mt in New Denmark, where major geological challenges resulted in the suspension of longwall operations (a new longwall was commissioned in the first quarter of 2010 and is ramping up), and a decrease of 0.5 Mt in Goedehoop. These decreases were partially offset by increases of 0.8 Mt in Kriel and 0.5 Mt in Mafube which reached full capacity in 2009. See "Business Description — Mineral Production" for a full breakdown of production volumes.

South America: Operating profit in 2009 and 2008 was US$305 million and US$375 million, respectively. The 19% decrease from 2008 to 2009 was principally due to a decline in the weighted average achieved FOB price for South American export thermal of 10% from US$81.33/t in 2008 to US$72.98/t in 2009. In addition South American sales volumes decreased by 714Kt from 11,568Kt in 2008 to 10,854Kt in 2009. The decrease was partially offset by lower fuel prices, price associated royalties and cost control measures.

Our attributable production at Carbones del Cerrejón decreased marginally from 10.4 Mt in 2008 to 10.2 Mt in 2009. Significant improvements in coal recovery rates continued in 2009 with saleable production reduced in response to Cerrejón's perception of a weaker market.

METALLURGICAL COAL

The following table summarizes the results of operations of the Metallurgical Coal business segment and average market price for metallurgical coal for the years indicated:

(US$m unless otherwise stated)	Year ended December 31, 2008	2009
Revenue	3,119	2,239
Operating profit	1,110	451
Australia	1,144	474
Projects and Corporate	(34)	(23)
EBITDA	1,319	706
Net operating assets	2,669	3,407
Capital expenditure	467	96
Share of Group operating profit	11%	9%
Share of Group net operating assets	8%	9%
Export metallurgical coal production (million tonnes)(1)	13.1	12.6
Thermal coal production (million tonnes)(1)	14.7	14.1
Australian export metallurgical price (US$/t)(2)	187	141
Australian export thermal (US$/t)(2)	83	74
Australian domestic thermal (US$/t)(3)	21	27

(1) See "Business Description — Mineral Production" for a full breakdown.
(2) Weighted average realized FOB sales price.
(3) Weighted average realized sales price.

Metallurgical Coal operating profit in 2009 and 2008 was US$451 million and US$1,110 million, respectively. The 59% decrease from 2008 to 2009 was principally due to lower prices for metallurgical coal driven by (and in addition to) weaker demand, partially offset by lower mining costs (particularly cost saving initiatives outlined below, in addition to fuel and shipping costs).

Revenues in 2009 and 2008 were US$2,239 million and US$3,119 million, respectively. The 28% decrease from 2008 to 2009 was principally due to a 25% decrease in export metallurgical coal prices (due to tight market conditions in 2008 which continued into 2009 and had a particularly significant impact in the first quarter) from US$187/tonne in 2008 to US$141/tonne in 2009, a decrease in export metallurgical coal sales volumes and, to a lesser extent, a decrease in price of export thermal coal. This decrease was marginally offset by an increase in price in domestic thermal coal.

Total attributable production of export metallurgical coal decreased by 0.6 Mt from 13.2 Mt in 2008 to 12.6 Mt in 2009. Total attributable production of thermal coal decreased by 0.6 Mt from 14.7 Mt in 2008 to 14.1 Mt in 2009. The decrease in total attributable production for both export metallurgical coal and thermal coal was principally due to production decreases of 1.0 Mt in Capcoal and 0.8 Mt in Callide, partially offset by a production increase of 0.7Mt in Jellinbah. See "Business Description — Mineral Production" for a full breakdown of production volumes.

In response to the market downturn in late 2008, Metallurgical Coal acted swiftly to restructure its operations and reduce its cost base while continuing to develop key strategic projects. Marginal projects were closed, headcount was reduced by 20%, a new streamlined organizational model was implemented and significant reductions were made in maintenance and supply costs. These initiatives reduced unit costs by more than US$10 per tonne in 2009, compared with the cost base in the second half of 2008, and increased productivity by 24% over 2008.

In recent years, logistics constraints in the rail to port chain have hindered business performance. The coordinated three year program to expand system capacity at Dalrymple Bay Coal Terminal has progressed

well, with the port expansion complete. This action has improved capacity in the logistics system. Metallurgical Coal continues to manage the port queuing challenges by building flexibility into its logistics planning.

Diamonds

The following table summarizes the results of operations of De Beers for the years indicated:

(US$m unless otherwise stated)	**Year ended December 31,** 2008	2009
Share of associate's revenue	3,096	1,728
Share of associate's operating profit	508	64
EBITDA	665	215
Group's aggregate investment in associate[(1)]	1,623	1,353
Share of Group operating profit	5%	1%

(1) De Beers is an independently managed associate of the Group. The Group's aggregate investment in De Beers excludes shareholder loans of US$367 million (2008: US$118 million) and preference shares of US$88 million (2008: US$88 million).

The Group's share of operating profit from De Beers in 2009 and 2008 was US$64 million and US$508 million, respectively. The 87% decrease from 2008 to 2009 was principally due to a significant reduction in demand for rough diamonds and diamond prices. The decrease was partially offset by cost savings achieved from a decrease in production volumes, attained through a combination of production holidays and extended maintenance shifts taken in the first quarter of 2009, and cost savings and operating efficiency initiatives achieved through restructuring which resulted in a 23% reduction in De Beers's global workforce (including contractors).

Our attributable share of De Beers' revenue was US$1,728 million and US$3,096 million for 2009 and 2008, respectively. The 44% decrease from 2008 to 2009 was principally due to the significant reduction in sales volumes and diamond prices. This was due to the impact of the global financial crisis which had a severe negative impact on the demand for luxury goods, such as diamonds. Demand for diamonds remained low throughout the first quarter of 2009, as high stock levels throughout the diamond pipeline, constricted liquidity in the cutting centers and low consumer demand led to lower sales of rough diamonds and a decrease in prices. As the year progressed, market sentiment improved, which allowed DBUK to benefit from improvements to consumer demand in the second half of 2009.

Total De Beers production on a 100% basis (attributable share 45%) was 25 million carats in 2009 and 48 million carats in 2008. The 48% decrease in production from 2008 to 2009 was in response to and in line with reduced demand at the beginning of 2009. Output reduction was particularly significant in the first quarter of 2009. Production was progressively increased in response to increased Sightholder demand in the second quarter of 2009 and throughout the remainder of that year. Total production in the first half of 2009 was 7 million carats (first half 2008: 24 million carats) and total production in the second half of 2009 was 18 million carats (second half 2008: 24 million carats). The 23 million carat decrease in production from 2008 to 2009 was principally driven by a 14 million carat reduction from Debswana from 32 million carats in 2008 to 18 million carats in 2009 and a 7 million carat reduction from DBCM from 12 million carats in 2008 to 5 million carats in 2009.

See "Business Description — Diamonds — Other Information" with respect to outstanding class actions against De Beers in the United States.

Nickel

The following table summarizes the results of operations of the Nickel business segment and average market price for nickel for the years indicated:

(US$m unless otherwise stated)	Year ended December 31, 2008	2009
Revenue	408	348
Operating profit	123	2
EBITDA	150	28
Net operating assets	1,401	1,787
Capital expenditure	530	554
Share of Group operating profit	1%	0.04%
Share of Group net operating assets	4%	5%
Attributable production (tonnes)	20,000	19,900
Nickel price (US cents/lb)[1]	953	667

(1) Average London Metals Exchange price.

Operating performance

Nickel business segment operating profit in 2009 and 2008 was US$2 million and US$123 million, respectively. The 98% decrease from 2008 to 2009 was principally due to a significant decrease in the nickel price, partially offset by increased sales volumes.

Revenues in 2009 and 2008 were US$348 million and US$408 million, respectively. The 15% decrease in revenue from 2008 to 2009 was principally driven by a 30% decrease in the average nickel price per the LME from 953c/lb in 2008 to 667c/lb in 2009. The decrease was partially offset by a 32% increase in sales volumes to 23,635 tonnes principally due to the drawing down of stockpiles at MLdN and Codemin following the weakening of the nickel market in the fourth quarter of 2008.

Total nickel production in 2009 remained virtually unchanged at 19,900 tonnes (2008: 20,000 tonnes). Production at MLdN decreased by 500 tonnes to 10,400 tonnes (2008: 10,900 tonnes), which was largely offset by an increase in production at Codemin of 400 tonnes to 9,500 tonnes (2008: 9,100 tonnes).

Production at MLdN was negatively impacted in January 2009 by approximately 1,100 tonnes while studies were finalized to find disposal alternatives following the non-renewal of the environmental permit to dispose of slag from the smelting process in the previously authorized location. In May 2009, a metal run-out from the EF2 furnace resulted in its closure for the rest of that year, resulting in a loss of approximately 4,500 tonnes of production. Reconstruction of the EF2 furnace was completed in January 2010 and ramp-up first production was achieved in early March 2010. Although only 50% of smelting capacity was available between June and December, 2009, MLdN achieved 59% of budgeted production through optimization of the remaining plant processes.

Other Mining and Industrial

The following table summarizes the results of operations of the Other Mining and Industrial business segment for the years indicated:

(US$m unless otherwise stated)	Year ended December 31, 2008	2009
Revenue	8,951	5,908
Operating profit	1,082	506
Zinc	136	175
Scaw Metals	274	131
Tarmac	229	101
Catalão	78	106
Coal — Americas	29	(8)
Copebrás	217	(40)
Other	119	41
EBITDA	1,513	878
Net operating assets	5,231	5,029
Capital expenditure	603	268
Share of Group operating profit	11%	10%
Share of Group net operating assets	16%	13%

Financial overview and operating performance

Other Mining and Industrial operating profit in 2009 and 2008 was US$506 million and US$1,082 million, respectively. The 53% decrease from 2008 to 2009 was principally due to lower fertilizer prices in Copebrás and, to a lesser extent, a decrease in volumes (particularly in Tarmac's Quarry Materials business) and the impact of inflationary cost pressures. The decrease was partially offset by a reduction in raw material costs (principally sulphur in Copebrás and Skorpion), a decrease in fuel and electricity prices and higher selling prices in Tarmac's Quarry Materials business.

Revenues in 2009 and 2008 were US$5,908 million and US$8,951 million, respectively. The 34% decrease from 2008 to 2009 was principally due to reduced fertilizer prices in Copebrás and a reduction in costs recovered through revenues in Scaw Metals, marginally offset by higher prices in Tarmac's Quarry Materials business.

Zinc. Operating profit in 2009 and 2008 was US$175 million and US$136 million, respectively. The 29% increase from 2008 to 2009 was principally due to improved zinc and lead sales volumes as well as lower costs. The increase was partially offset by a decline in sales prices as the average market price of zinc decreased 12% from 85c/lb in 2008 to 75c/lb in 2009 and the average market price of lead decreased 18% from 95c/lb in 2008 to 78c/lb in 2009.

Total zinc production increased by 9,900 tonnes from 340,500 tonnes in 2008 to 350,400 tonnes in 2009. This increase was principally driven by production increases of 5,000 tonnes from Skorpion and 4,600 tonnes from Lisheen. For Skorpion, AO initiatives positively impacted production, but the production increase was partially offset by electricity constraints, cathode crane failure and cell repairs (also experienced in 2008). For Lisheen, the production increase was driven by higher grades and tonnages mined.

Total lead production increased by 5,400t from 62,900 tonnes in 2008 to 68,300 tonnes in 2009. This was driven by increases of 3,300 tonnes from Lisheen and 2,100 tonnes from Black Mountain. For Lisheen, the increase was driven by higher grades, improved recoveries and an increase in tonnes milled. For Black Mountain, the increase was driven by an increase in tonnes milled and metallurgical recoveries, partially offset by lower feed grades.

See "— Segment discussion — Six months ended June 30, 2010 and 2009 — Other Mining and Industrial" for 2010 disposals.

Scaw Metals. Operating profit in 2009 and 2008 was US$131 million and US$274 million, respectively. The 52% decrease from 2008 to 2009 was principally due to a decrease in prices (resulting from downward pressure following reduced demand in some key markets) and, to a lesser extent, a reduction in sales volumes and margins (due to lower steel prices and the impact of high input and consumable costs).

Total production of steel volumes for 2009 and 2008 was 1,411 Kt and 1,650 Kt, respectively. The decrease of 239 Kt was attributable to decreases in production of 161 Kt for International Steel Products and 78 Kt for South Africa Steel Products.

Tarmac. Operating profit in 2009 and 2008 was US$101 million and US$229 million, respectively. The 56% decrease from 2008 to 2009 was principally due to lower demand, partially offset by significant cost reductions and higher prices in the Quarry Materials business (particularly asphalt and crushed rock).

In 2009, the construction industry in the UK faced increasingly difficult market conditions. Because of the general economic conditions existing in 2009, industrial and commercial construction spending decreased significantly. Although the impact of these conditions on construction spending in Continental Europe was less severe than the impact of conditions on UK spending in 2008, construction spending in Continental Europe declined at a rate comparable with the decline in the UK in 2009. Significantly lower demand in the UK housing and commercial sectors resulted in our sales volumes to these sectors declining by 24%, including asphalt volumes, which had shown more resilience in 2008 than other products. On a like-for-like basis, UK operating profits decreased by 71%. On a like-for-like basis, Tarmac International's underlying operating profits were 52% lower, with worsening market conditions in France, Poland and the Czech Republic offsetting resilience in Germany and related cost savings.

Capacity was mothballed and production curtailed to align with falling demand, which resulted in considerable reductions in fixed costs. In addition, Tarmac accelerated improvements in operating efficiency and a program of overhead reductions. Cost savings achieved by Tarmac in 2009 include headcount reductions of more than 1,200 or 11% across Tarmac.

See "— Segment discussion — Six months ended June 30, 2010 and 2009 — Other Mining and Industrial" for 2010 disposals.

Catalão. Operating profit in 2009 and 2008 was US$106 million and US$78 million, respectively. The 36% increase from 2008 to 2009 was principally driven by a 12% increase in sales volumes to 5.2Kt resulting from increased capacity at the tailings operation.

Coal — Americas. Operating (loss)/profit in 2009 and 2008 was US$(8) million and US$29 million, respectively. The 128% decrease from 2008 to 2009 was principally due to lower realized coal prices and a decrease in volumes from Carbones del Guasare ("CdG"). Peace River Coal generated an operating profit of US$13 million and CdG an operating loss of US$21 million in 2009.

Copebrás. Operating (loss)/profit in 2009 and 2008 was US$(40) million and US$217 million, respectively. The 118% decrease from 2008 to 2009 was principally due to reduced fertilizer prices, partially offset by a 30% increase in sales volumes to 1.06 Mt. The increase in sales volumes followed good weather conditions in the second half of 2009, which in conjunction with the depressed fertilizer prices, led farmers to either restock or increase consumption.

SEGMENT DISCUSSION — FULL YEAR DECEMBER 31, 2008 AND 2007 ON HISTORIC BUSINESS SEGMENT BASIS

The table below sets forth the Group's operating profits before special items and remeasurements by business segment for the periods presented:

(US$m unless otherwise stated)	Year ended December 31, 2007	% of Continuing[1]	Year ended December 31, 2008	% of Continuing[1]
Ferrous Metals	1,432	14.3	2,935	27.6
Base Metals	4,338	43.2	2,505	23.5
Coal	614	6.1	2,240	21.1
Platinum	2,697	26.9	2,226	20.9
Diamonds	484	4.8	508	4.8
Industrial Minerals	474	4.7	228	2.1

(1) Percentages are calculated based on a total which excludes the contribution of Exploration and Corporate Activities.

FERROUS METALS

The following table summarizes the results of operations of Anglo Ferrous Metals for the periods indicated:

(US$m unless otherwise stated)	Year ended December 31, 2007	Year ended December 31, 2008
Revenue	5,400	6,849
Operating profit	1,432	2,935
Kumba	834	1,618
Scaw Metals	172	274
Samancor	225	980
Highveld[1]	108	—
Tongaat Hulett/Hulamin[2]	114	92
Anglo Ferrous Brazil[3]	(9)	(8)
Other	(12)	(21)
EBITDA	1,561	3,064
Net operating assets	3,987	11,167
Capital expenditure (including biological assets)	471	832
Share of Group operating profit	15%	29%
Share of Group net operating assets	15%	34%

(1) In two transactions in 2006 and 2007, the 79% shareholding in Highveld was sold. We continued to consolidate Highveld until the completion of the second transaction on May 4, 2007.

(2) The Group partially disposed of its interests in Tongaat Hulett and Hulamin at the end of June 2007. From this time the remaining investments were equity accounted. In July and August 2009, we disposed of our remaining shareholding in Hulamin and Tongaat Hulett, respectively.

(4) On August 5, 2008, we acquired control over the Minas Rio Project (previously, a 49% joint venture interest acquired in 2007) and Amapá iron ore system. See "Overview-Restructuring".

Ferrous Metals' operating profit in 2008 and 2007 was US$2,935 million and US$1,432 million, respectively. The 105% increase from 2007 to 2008 was principally due to higher export (seaborne) iron ore prices and manganese ore and alloy prices in the first nine months of the year, the benefit of the weaker South African rand relative to the US dollar and, to a lesser extent, improved sales volumes at Kumba. This was partially offset by above inflation operating costs increases, particularly at Kumba, and the loss of profit following disposal of non-core operations (particularly Highveld) in 2007.

Revenue in 2008 and 2007 was US$6,849 million and US$5,400 million, respectively. The 27% increase from 2007 to 2008 was principally as a result of increased revenues from Kumba, Samancor and Scaw Metals. At Kumba, this principally resulted from higher realized export (seaborne) iron ore prices and, to a lesser extent, improved iron ore export volumes and increased revenue from shipping operations. At Samancor, this principally resulted from higher average prices for manganese ore and alloys, partially offset by a decrease in sales volumes. At Scaw Metals, the increase in revenue was principally from rolled products and grinding media.

Operating performance

Kumba. Operating profit in 2008 and 2007 was US$1,618 million and US$834 million, respectively. The 94% increase from 2007 to 2008 arose principally as a result of higher export (seaborne) iron ore prices and the benefit of the weaker South African rand as well as improved export (seaborne) sales volumes and increased freight revenue from its shipping operations. This was partially offset by above inflation operating cost increases (including shipping costs, fuel and lubricants, labor, drilling and blasting materials and the cost of mobile crushing). Kumba's iron ore production for 2008 and 2007 was 36.7 Mt and 32.4 Mt, respectively. The 13% increase from 2007 to 2008 was principally driven by the commissioning of the Sishen JIG plant.

Scaw Metals. Operating profit for 2008 and 2007 was US$274 million and US$172 million, respectively. The 59% increase from 2007 to 2008 reflected improved margins for rolled products and grinding media offset by weaker prices in foundry products and broad based inflationary pressure.

Samancor. Our attributable share of Samancor's operating profit in 2008 and 2007 was US$980 million and US$225 million, respectively. The more than fourfold increase from 2007 to 2008 resulted from a significant increase in manganese ore and alloy prices in the first nine months of 2008 (prior to the economic downturn which resulted in a significant decline in prices). This was partially offset by additional costs including maintenance and input costs, and lower sales volumes.

Tongaat Hulett and Hulamin. Tongaat Hulett and Hulamin's operating profit (on the basis set out in the table) in 2008 and 2007 was US$92 million and US$114 million, respectively. The 19% decrease from 2007 to 2008 arose as the Group ceased consolidation (and commenced equity accounting) following partial disposal partway through 2007 resulting in a reduction in profit share. On June 25, 2007, Tongaat Hulett concluded the demerger and listing of Hulamin on the Johannesburg stock exchange. Our legal voting interest in Tongaat Hulett was 37.1% and in Hulamin was 38.4%, at December 31, 2008. In July and August 2009, we disposed of our remaining shareholding in Hulamin and Tongaat Hulett, respectively, for total proceeds of US$671 million (excluding transaction costs).

Highveld. Operating profit in 2008 and 2007 was US$nil and US$108 million, respectively. In two transactions in 2006 and 2007, we sold our 79% shareholding in Highveld to Evraz, an international steel producer, and Credit Suisse, for an aggregate consideration of US$650 million. Highveld was consolidated until completion of the second transaction on May 4, 2007.

Minas Rio & Amapá: During 2007 and 2008, the Minas Rio Project was under development and Amapá was in its pre-operational ramp-up phase. In August 2008, we acquired control over Minas Rio (previously, a 49% joint venture interest acquired in 2007) and the Amapá iron ore system, see "Overview — Restructuring". The increase in 2008 contribution to operating loss as a result of the acquisition of control was more than offset by a foreign exchange gain arising on the acquisition of non-controlling interests of Anglo Ferrous Brazil (naturally offset with a hedge derivative within net finance costs).

In 2008, the ramp-up of Amapá operations was significantly slower than previously envisaged. Management continued to study all aspects of the mine and ore transportation system to achieve design capacity.

In accordance with EU IFRS, applicable pre-operational costs (and associated revenue) have been capitalized. See "— Restructuring" for details of the acquisition of these operations.

BASE METALS

The following table summarizes the results of operations of Anglo Base Metals for the periods indicated:

(US$m unless otherwise stated)	Year ended December 31, 2007	2008
Revenue	7,129	5,878
Operating profit	4,338	2,505
Copper	2,983	2,017
Zinc	654	136
Nickel, niobium, mineral sands and phosphates	786	507
Other	(85)	(155)
EBITDA	4,683	2,845
Net operating assets	4,989	5,474
Capital expenditure	610	1,494
Share of Group operating profit	45%	25%
Share of Group net operating assets	19%	17%

Anglo Base Metals' operating profit for 2008 and 2007 was US$2,505 million and US$4,338 million, respectively. The 42% decrease from 2007 to 2008 was principally driven by lower average prices across base metal commodities (particularly in the latter part of 2008), continued rises in input costs (including inflationary cost pressures) and lower nickel, zinc and copper sales volumes partially offset by higher lead sales volumes.

Revenues in 2008 and 2007 were US$5,878 million and US$7,129 million, respectively. The 18% decrease in revenue from 2007 to 2008 was principally driven by sharply lower copper, zinc, nickel and lead prices resulting from the economic downturn in the second half (including US$591 million net adverse mark to market/final liquidation adjustments on provisionally priced copper sales). Total volumes decreased particularly for nickel following strike action and operational issues experienced in restarting production at MLdN, and mineral sands following the disposal of Namakwa Sands (resulting in a 9 month contribution compared with a full year in 2007). This was partially offset by higher fertilizer prices.

Sales of certain base metal commodities are "provisionally priced" such that the price is not settled until a predetermined future date usually based on the average market price over a period defined in the contract. Revenue on these sales is initially recognized at the current market price and then marked to market until final settlement using the forward price for the period equivalent to that outlined in the contract (mark to market adjustments are recorded in revenue).

The sale of Namakwa Sands, and 26% of each of Black Mountain and Gamsberg to Exxaro Resources was completed on October 1, 2008 for consideration of US$330 million and November 3, 2008 for US$23 million, respectively. Namakwa Sands therefore only contributed to the Group's profit for nine months in 2008.

During the first nine months of 2008, the copper market continued to be tight, with prices rising to an all time record level of 407 c/lb in July. However, concerns about future global economic growth in the latter half of the year led to a sharp drop in prices, with copper ending the year at 132 c/lb. Weakness in the nickel market continued into 2008, with rising inventories (LME stocks closing the year at a 13-year high) and declining economic sentiment, leading to a material drop in prices. Zinc prices continued to weaken materially for similar reasons.

During 2007, the copper market was broadly in balance, with prices recovering strongly in the first half as Chinese buyers restocked, but then moved lower in the fourth quarter. Nickel had a buoyant first six months, with very limited terminal market stocks, but weakened materially in the second half as ongoing stainless steel production cutbacks, greater scrap availability, substitution and increases in nickel pig-iron production all contributed to a material build up of stock across the year. Zinc prices weakened, particularly in

the second half, owing to market concerns about the impact of increasing 2008 supply on terminal market stocks.

Operating performance

Copper. The following table summarizes the results of operations of the copper division of Anglo Base Metals and average market price for copper for the periods indicated:

(US$m unless otherwise stated)	Year ended December 31, 2007	2008
Revenue	4,507	3,907
Operating profit	2,983	2,017
Attributable production (tonnes)	655,000	641,300
Copper (US cents/lb)(1)	323	315

(1) Average London Metals Exchange price.

Copper division operating profit in 2008 and 2007 was US$2,017 million and US$2,983 million, respectively. The 32% decrease from 2007 to 2008 principally reflects the sharp decline in copper prices in the second half of 2008 (closing at 132 US c/lb at December 31, 2008), as well as an above inflation increase in operating costs (particularly with respect to acids, power, maintenance and fuel), partially offset by higher copper sales volumes principally from Mantos Blancos, Collahuasi and Mantoverde and lower sales volumes at El Soldado.

In 2008, all of the division's mines, with the exception of El Soldado and Mantos Blancos, increased production compared to 2007. Collahuasi increased its attributable production by 3% and Los Bronces increased output by 2% principally driven by an increase in concentrate production due to higher ore grades. Output from Mantoverde increased by 2%. This was partially offset by decreases in production at El Soldado of 32% principally driven by lower ore grades largely owing to challenging rock stability conditions impacting sequencing in the underground and open pit mines and a 3% reduction in Mantos Blancos. The Chagres copper smelter, which treats concentrate from Los Bronces and El Soldado mines as well as external concentrates, decreased output by 11% principally due to the lower average grade of concentrate treated.

Zinc. The following table summarizes the results of operations of the zinc division of Anglo Base Metals and average market price for zinc for the periods indicated:

(US$m unless otherwise stated)	Year ended December 31, 2007	2008
Revenue	1,039	590
Operating profit	654	136
Attributable zinc production (tonnes)	343,100	340,500
Attributable lead production (tonnes)	62,100	62,900
Zinc (US cents/lb)(1)	147	85

(1) Average London Metals Exchange price.

Zinc division operating profit in 2008 and 2007 was US$136 million and US$654 million, respectively. The 79% decrease from 2007 to 2008 was principally due to lower realized zinc prices as well as lower lead prices.

Zinc production volumes remained relatively unchanged with an increase at Lisheen of 2% as a result of higher feed grades and improved metallurgical recoveries, mostly offset by decreases at Skorpion of 3% owing to the mechanical failure of a cathode crane in the electrowinning cellhouse, electricity supply constraints and industrial action, and at Black Mountain of 1% as a result of lower grades and recoveries.

The sale of 26% of Black Mountain and Gamsberg to Exxaro Resources was completed on November 3, 2008 following successful conversion of old order to new order mining rights. See "Regulation — South Africa".

For 2007, Skorpion operated at design capacity throughout the year producing a record 150,100 tonnes. Higher than anticipated water inflows and poor ground conditions limited mining flexibility at Lisheen, resulting in lower tonnages, grades and metallurgical recoveries. At Black Mountain, mining difficulties related to limited stope availability were compounded by a slower than anticipated ramp-up of the infrastructure and ore handling systems of the new Deeps shaft, as well as seven weeks of industrial action.

See "— Segment discussion — Six months ended June 30, 2010 and 2009 — Other Mining and Industrial" for 2010 disposals.

Nickel, niobium, mineral sands and phosphates. The following table summarizes the results of operations of the nickel, niobium, mineral sands and phosphates division of Anglo Base Metals for the periods indicated:

	Year ended December 31,	
(US$m unless otherwise stated)	**2007**	**2008**
Revenue	1,583	1,381
Operating profit	786	507
Attributable nickel production (tonnes)	25,600	20,000
Nickel (US cents/lb)[1]	1,686	953

(1) Average London Metals Exchange price.

Nickel, niobium, mineral sands and phosphates division operating profit in 2008 and 2007 was US$507 million and US$786 million, respectively. The 35% decrease from 2007 to 2008 was principally due to lower realized nickel prices (due to higher nickel inventories in the market and declining economic sentiment), decrease in volumes particularly at MLdN, and higher operating costs (principally in respect of sulphur and ammonia at Copebrás and repairs, maintenance and labor costs at other operations, as well as year end finished stock and raw material writedowns), partially offset by high fertilizer prices. In addition, Namakwa Sands was disposed of in October 2008 and contributed only nine months of operating profit.

Total nickel production declined 22% to 20,000 tonnes. This was principally due to MLdN whose production decreased 31% to 10,900 tonnes following strike action and a consequential series of operational difficulties on restarting the plant, as well as two nationwide power outages. At Codemin, output decreased by 8% to 9,100 tonnes owing to a scheduled stoppage to reline one of the furnaces (sales fell by 15% reflecting the lower production and a slowdown in stainless steel producer offtake).

At Catalão, niobium production was down 2% to 4,600 tonnes as a result of lower ore recoveries from the Boa Vista mine.

Phosphate production volumes decreased 5% at Copebrás from a high of 1,037,800 tonnes in 2007, principally due to significantly lower demand in the second half of 2008 (specifically the last four months of the year).

Coal

The following table summarizes the results of operations of Anglo Coal for the periods indicated:

(US$m unless otherwise stated)	Year ended December 31, 2007	2008
Revenue	3,574	6,436
Operating profit	614	2,240
South Africa	414	736
Australia	9	1,144
South America	227	396
Canada	—	8
Projects and corporate	(36)	(44)
EBITDA	882	2,585
Net operating assets	3,984	3,962
Capital expenditure	1,052	933
Share of Group operating profit	6%	22%
Share of Group net operating assets	15%	12%

Anglo Coal's operating profit in 2008 and 2007 was US$2,240 million and US$614 million, respectively. The over three fold increase from 2007 to 2008 was principally due to higher contracted coal prices, the weaker average South African rand and Australian dollar relative to the US dollar and to a lesser extent, increased coal production and sales volumes at the Australian operations, partially offset by higher operating costs, particularly at the Australian mines.

Revenues in 2008 and 2007 were US$6,436 million and US$3,574 million, respectively. The 80% increase from 2007 to 2008 reflects increased metallurgical and thermal coal prices (particularly higher export coal metallurgical prices at the Australian operations) and to a lesser extent, increased coal production to 99.5 Mt (2007: 95.6 Mt) predominantly driven by Australian metallurgical coal from German Creek (Capcoal) and Foxleigh (acquired in February 2008).

Operating Performance

South Africa. Operating profit for South African sourced coal in 2008 and 2007 was US$736 million and US$414 million, respectively. The increase from 2007 to 2008 was principally due to the increase in export thermal prices. The South African rand weakened in 2007 and 2008, having a positive impact on operating profit in both years. Sales volumes were broadly the same in 2007 and 2008.

Aggregate South African production for 2008 and 2007 was 59.4 Mt and 59.2 Mt, respectively. Production volumes in 2008 remained virtually unchanged with a 2.1 Mt increase in domestic production for Eskom largely offset by a reduction in export production.

Total sales from South African mines were 59.9 Mt and 58.7 Mt in 2008 and 2007, respectively. Sales volumes remained virtually unchanged with marginal variations between domestic and export sales.

Australia. Operating profit for the Australian operations in 2008 and 2007 was US$1,144 million and US$9 million, respectively. The increase from 2007 to 2008 was principally due to significantly higher realized prices for export thermal, semi-soft and coking coal, as well as higher export sales volumes. This was partially offset by increased mine operating costs at all operations (in particular resulting from production increases and increased overburden removal costs at Drayton and Dawson as well as increased haulage costs at Dawson) and the increase in coal royalty costs.

In 2008, Anglo Coal Australia successfully negotiated alternative port and rail corridors in order to alleviate port and rail constraints experienced in 2007.

South America. Operating profit for the South American operations in 2008 and 2007 was US$396 million and US$227 million, respectively. The increase from 2007 to 2008 was driven by the 33.3% owned Cerrejón which realized higher prices, partially offset by higher fuel costs as well as sales at CdG being sharply lower owing to lack of availability of equipment, spares and ongoing political, logistical and labor disruptions, largely offset by higher prices.

Canada. Peace River Coal commenced commercial production of high quality coking coal in January 2008 at its Trend Mine in British Colombia, delivering total coal production of 0.8 Mt.

Platinum

The following table summarizes the results of operations of Anglo Platinum for the periods indicated:

(US$m unless otherwise stated)	**Year ended December 31,**	
	2007	**2008**
Revenue	6,789	6,327
Operating profit	2,697	2,226
EBITDA	3,155	2,732
Net operating assets	9,234	9,045
Capital expenditure	1,479	1,563
Share of Group operating profit	28%	22%
Share of Group net operating assets	35%	27%

Anglo Platinum's operating profit in 2008 and 2007 was US$2,226 million and US$2,697 million, respectively. The 17% decrease from 2007 to 2008 was principally due to lower sales volumes achieved and significant increases in key input costs partially offset by the weaker average South African rand relative to the US dollar and higher average prices achieved for the basket of metals sold (although the second half saw a sharp decline in prices — discussed further below).

Revenues in 2008 and 2007 were US$6,327 million and US$6,789 million, respectively. The 7% decrease from 2007 to 2008 was principally due to reduced platinum and rhodium volumes following lower production, partially offset by higher average prices achieved for the basket of metals (particularly platinum and rhodium).

The average dollar price realized for the basket of metals sold by Anglo Platinum in 2008 and 2007 was US$2,764 and US$2,579 per platinum ounce, respectively, with higher average platinum and rhodium prices (resulting from high prices in the first half of 2008), partially offset by lower nickel prices. The average realized price for platinum in 2008 and 2007 was US$1,570 and US$1,302 per ounce, respectively. The price achieved for rhodium in 2008 and 2007 averaged US$5,174 and US$4,344 per ounce, respectively (including the effect of existing long-term contractual arrangements entered into with some customers to support and develop the rhodium market). Anglo Platinum successfully renegotiated the contract sales terms for rhodium, resulting in the realized sales price of rhodium moving closer to market prices during 2008. The average realized price for nickel was US$9.79 and US$17.04 per pound in 2008 and 2007, respectively.

Refined platinum production decreased by 4% from 2.47 million ounces in 2007 to 2.39 million ounces in 2008. The decrease was principally due to safety related stoppages, the furnace run-outs at the Polokwane and Waterval smelters, the disruption of operations at the Amandelbult mine as a result of a major flood event, commissioning delays at Mogalakwena North concentrator and lower throughput at the Mogalakwena South concentrator, the suspension of operations to rehabilitate shaft steel work at the Turffontein shaft at the Rustenburg mine and the overall expected reduction in built-up head grade and electricity supply constraints in January 2008 (and the associated ramp-up when supply resumed). These reductions were largely offset by an increase in purchased ounces from the new Eland Platinum mine, which commenced delivery to Anglo Platinum in December 2007, together with increased output from the Kroondal and Modikwa Platinum mines and the new Mogalakwena North pit.

The cash operating cost per erpo in South African rand terms increased by 36% from 2007 to 2008 due to substantial above inflationary pressures experienced in key input costs including labor, diesel, chemicals, steel grinding media, explosives and cement, compounded by reduced production from Anglo Platinum's attributable share of mining operations.

Diamonds

The following table summarizes the results of operations of De Beers for the periods indicated:

(US$m unless otherwise stated)	Year ended December 31, 2007	2008
Share of associate's revenue	3,076	3,096
Share of associate's operating profit	484	508
EBITDA	587	665
Group's aggregate investment in associate[1]	1,802	1,623
Share of Group operating profit	5%	5%

(1) De Beers is an independently managed associate of the Group. The Group's aggregate investment in De Beers excludes shareholder loans of US$118 million (2007: US$Nil) and preference shares of US$88 million (2007: US$131 million).

The Group's share of operating profit from De Beers in 2008 and 2007 was US$508 million and US$484 million, respectively. The 5% increase from 2007 to 2008 was principally due to a reduction in operating costs in relation to exploration, sorting, marketing and group technical services and corporate overheads, partially offset by reduced gross trading margins (following price decreases in the second half).

Our attributable share of De Beers' revenue was US$3,096 million and US$3,076 million for 2008 and 2007, respectively. The 1% increase from 2007 to 2008 is reflective of diamond price increases in each month to July 2008, offset by declining prices and volumes from September 2008 onward as a result of the economic downturn.

Total De Beers production (100% basis) was 48 million carats in 2008 and 51 million carats in 2007. In 2008, output from the African operations decreased, principally due to reduced production in the DBCM and Debswana mines totaling 4.4 million carats resulting from a number of factors, including the electricity supply constraints in South Africa (in the early part of 2008), significant slowing down of mining in Namaqualand, lower production at Venetia and downsizing of operations toward the end of 2008 to align with reduced global demand for rough diamonds. This was partially offset by production at the new Canadian operations, Snap Lake and Victor mines of 1.6 million carats. The industrial diamond arm, Element Six, continued to expand and recorded sales growth in 2008 of 25% following the inclusion of a full year's trading by E6 Hard Materials (formerly known as Barat Carbide), acquired in 2007, as well as organic growth.

See "Business Description — Diamonds — Other Information" with respect to outstanding class actions against De Beers in the United States.

Industrial Minerals

The following table summarizes the results of operations of Anglo Industrial Minerals for the periods indicated:

(US$m unless otherwise stated)	Year ended December 31, 2007	2008
Revenue	4,591	4,378
Operating profit	474	228
EBITDA	732	487
Net operating assets	4,509	3,335
Capital expenditure	274	301
Share of Group operating profit	5%	2%
Share of Group net operating assets	17%	10%

Anglo Industrial Minerals' operating profit in 2008 and 2007 was US$228 million and US$474 million, respectively. The 52% decrease from 2007 to 2008 was principally due to the impact of significant above inflation cost increases (principally raw materials, power and fuel), and decreases of 15%-20% in UK aggregates and concrete product volumes following the rapid deterioration of UK residential and commercial building activity in the second half of 2008. This was partially offset by higher prices on products across the range and the achievement of cost savings.

Revenues in 2008 and 2007 were US$4,378 million and US$4,591 million, respectively. The 5% decrease from 2007 to 2008 was principally due to volume decreases of 15%-20% in UK aggregates and concrete product volumes. This was mostly offset by higher pricing across the product range.

See "— Segment discussion — Six months ended June 30, 2010 and 2009 — Other Mining and Industrial" for 2010 disposals.

Operating performance. In 2008, volumes in the UK aggregates and concrete products were 15-20% lower than the prior year, with significantly reduced demand from the residential and commercial sectors, while asphalt volumes showed more resilience, with similar volumes to 2007. Tarmac showed declines in line with the market as it maintained a leadership position in key regions.

The significant decline in volumes from UK Aggregate Products in the second half of 2008 prompted a portfolio review. Forty five operating sites were mothballed and further cost savings were achieved through an increased focus on capacity and cost reduction. Operating profit for this business fell by 42% compared with 2007 (after adjusting for the United Marine Aggregates acquisition in January 2008 and the impact of exchange). During 2008, the remaining 50% of United Marine Holdings Limited was acquired from Hanson.

Within Tarmac, the UK Building Products business was most affected by the economic downturn and saw operating profits fall by 69% (before the impact of exchange). Mothballing six operating sites and further cost savings reduced the effect of weakening demand on the business' operating profit. Tarmac International's operating profit (on a comparable basis) was in line with 2007, with the effect of favorable market conditions in Poland and cost savings offsetting, principally, weak conditions in France experienced in the latter part of 2008. Tarmac Iberia was sold in August 2008 to Holcim for US$186 million.

Tarmac International's operating profit growth in 2008 was as a result of growth in some markets (including Poland and the Czech Republic) partially offset by market weaknesses and high cost pressures in Spain and Romania.

Discontinued Operations

The following operations are considered to be "discontinued operations" of the Group, owing to transactions that took place during 2007.

Gold

On October 2, 2007, the Group sold 67.1 million shares of AngloGold, reducing the Group's interest from 41.6% to 17.3%. From this time the Group ceased equity accounting its investment and as a result the segment is considered "discontinued". At December 31, 2008 our shareholding was 16.2% (57.2 million shares). In the first quarter of 2009, the Group disposed of its remaining investment in AngloGold for proceeds of US$1,770 million. The Group no longer owns any shares in AngloGold.

The following information is provided for completeness but as AngloGold is no longer material to the Group no discussion of movements is provided:

(US$m)	**Year ended December 31,**	
	2007[1]	**2008**
Revenue	1,004	—
Operating profit	202	—
EBITDA	401	—
Net operating assets	—	—
Capital expenditure	—	—
Group's aggregate investment in associate	—	—

(1) The results for 2007 are reported as an associate up to October 2, 2007, at which point equity accounting ceased.

Paper And Packaging

On July 2, 2007, we completed the demerger of Mondi, our integrated paper and packaging group, by means of a demerger structured as a dividend of shares of Mondi to our shareholders. Accordingly, Mondi is no longer part of the Group and its results are separately presented as "discontinued".

The following information is provided for completeness but as Mondi is no longer material to the Group no discussion of movements is provided:

(US$m)	**Year ended December 31,**	
	2007[1]	**2008**
Revenue	4,111	—
Operating profit	324	—
EBITDA	560	—
Net operating assets	—	—
Capital expenditure (including biological assets)	212	—

(1) The results for 2007 are reported as a subsidiary until Mondi's demerger at the beginning of July 2007.

Liquidity and Capital Resources

Anglo American focuses on ensuring that there are sufficient committed loan facilities (including refinancing, where necessary) in order to meet near-term business requirements, after taking into account cash flows from operations and our holding of cash and cash equivalents, as well as any existing restrictions on distributions. We believe that these facilities (including refinancing, where necessary) and cash generation will be sufficient to cover our likely near-term cash requirements. In addition, to enable greater short-term flexibility a decision was taken early in 2009 to suspend the dividend. Dividend payments were reinstated in 2010.

For more information on our borrowing arrangements and liquidity sources, see "— Cash Flow — Funding Sources" below, and Notes 22 and 23 to the Group 2009 Financial Statements, incorporated by reference herein.

The Group operates in some countries (principally South Africa and Venezuela) in which the existence of exchange controls may restrict the use of certain cash balances. The restrictions are not expected to have any material effect on the Group's ability to meet its ongoing obligations. In light of the multinational nature of the Group's business, cash is held in a number of countries and currencies. The majority of the Group's cash is held in US dollars, South African rands, Brazilian reals and Australian dollars.

Share buybacks under the US$4 billion share buyback program announced in August 2007 ceased in October 2008 with US$1.7 billion of shares having been repurchased.

Cash Flow

The table below summarizes our consolidated cash flow statement for the periods indicated:

(US$m)	Year ended December 31,			Unaudited six months ended June 30,	
	2007	**2008**	**2009**	**2009**	**2010**
Cash flows from continuing operations	9,375	9,579	4,904	1,676	3,729[1]
Dividends from associates	275	609	616	340	72
Dividends from financial asset investments	36	50	23	14	15
Income tax paid	(2,886)	(2,173)	(1,456)	(510)	(1,130)
Net cash inflows from operating activities — continuing operations	6,800	8,065	4,087	1,520	2,686
Net cash inflows from operating activities — discontinued operations	464	—	—	—	—
Net cash inflows from operating activities — total Group	7,264	8,065	4,087	1,520	2,686
Net cash used in investing activities — continuing operations	(4,836)	(11,750)	(2,223)	(554)	(2,397)
Net cash inflows from investing activities — discontinued operations	2,575	—	—	—	—
Net cash used in investing activities — total Group	(2,261)	(11,750)	(2,223)	(554)	(2,397)
Net cash (used in)/inflows from financing activities — continuing operations	(5,661)	3,542	(1,605)	(1,252)	(616)
Net cash inflows from financing activities — discontinued operations	692	—	—	—	—
Net cash (used in)/inflows from financing activities — total Group	(4,969)	3,542	(1,605)	(1,252)	(616)
Net increase/(decrease) in cash and cash equivalents	34	(143)	259	(286)	(327)

(1) Cash flow from continuing operations for the six months ended June 30, 2010 is subject to adjustment in connection with the Group's sale of its zinc businesses. As described in this Offering Memorandum, the agreed consideration is $1.3 billion, subject to adjustment for profits and cash flows for the zinc businesses which are for the benefit of the purchaser from January 1, 2010, subject to completion. EBITDA for the zinc businesses for the 6 months ended June 30, 2010 was $171 million.

Net cash inflows from operating activities in H1 2010 and H1 2009 were US$2,686 million and US$1,520 million, respectively. The 77% increase from H1 2009 to H1 2010 resulted from higher cash inflows from operations partly offset by increased tax payments.

Net cash inflows from operating activities (on a continuing basis) in 2009, 2008 and 2007 were US$4,087 million, US$8,065 million and US$6,800 million, respectively. The 49% decrease from 2008 to 2009 resulted from lower cash inflows from operations partly offset by reduced tax payments. The 19% increase from 2007 to 2008 resulted from a reduction in tax payments, an increase in dividends received from associates and an increase in operating profits.

Net cash used in investing activities in H1 2010 and H1 2009 was US$2,397 million and US$554 million, respectively. The fourfold increase from H1 2009 to H1 2010 was principally due to lower proceeds on disposal of financial asset investments, particularly AngloGold, in H1 2009 (US$1,984 million) and a subscription to the Group's share of the De Beers' rights issue (US$450 million) in H1 2010. The increase was partially offset by a movement in cash flows from non-hedge derivatives (US$249 million). In February 2010, the shareholders of De Beers agreed, as part of the De Beers group's refinancing, that the issuance of additional equity was required by De Beers. The shareholders of De Beers subscribed, in proportion to their current shareholding, for US$1 billion of additional equity in De Beers. Anglo's share of such additional equity, in line with its equity holding in De Beers, amounted to US$450 million.

Net cash used in investing activities (on a continuing basis) in 2009, 2008 and 2007 was US$2,223 million, US$11,750 million and US$4,836 million, respectively. The 81% decrease from 2008 to 2009 is principally due to the acquisition of Minas Rio and Amapá in 2008 (US$5,282 million), proceeds on the disposal of our shareholding in AngloGold Ashanti in 2009 (US$1,770 million), an increase in our shareholding of Anglo Platinum in 2008 (US$1,113 million), realized derivative losses relating to acquisitions in 2008 (US$661 million principally related to the hedging of foreign exchange exposure on the Anglo Ferrous Brazil SA acquisition), the acquisition of joint control in Foxleigh in 2008 and a reduction in capital expenditure in 2009 relative to 2008 (US$539 million).

The 143% increase from 2007 to 2008 is principally due to the acquisition of Minas Rio and Amapá in 2008, an increase in our shareholding of Platinum in 2008, an increase in capital expenditure relative to 2007 and realized derivative losses relating to acquisitions in 2008, offset by a decrease in joint venture acquisitions (following the acquisition of a joint venture interest in Minas Rio in 2007). For a table showing capital expenditures, see "— Capital Expenditure".

Net cash used in financing activities in H1 2010 and H1 2009 was US$616 million and US$1,252 million, respectively. The 51% decrease from H1 2009 to H1 2010 was principally due to the proceeds from non-controlling interest for the Anglo Platinum rights issue and an issue of shares by subsidiaries to non-controlling interests. In February 2010, Anglo Platinum announced a rights offer of R12.5 billion (approximately US$1.6 billion), which was used to repay long term debt, therefore securing future financial and operational flexibility and creating capacity for growth. The Group subscribed fully to its entitlement to the rights offer.

Net cash inflows (used in) / from financing activities (on a continuing basis) in 2009, 2008 and 2007 was US$(1,605) million, US$3,542 million and US$(5,661) million, respectively. The 145% decrease from 2008 to 2009 is due to net outflow of borrowings of US$371 million in 2009 compared to an inflow of US$6,613 million in 2008, as well as the cessation of the share buyback program in 2009 and suspension of the dividend. The 163% increase from 2007 to 2008 is due to a reduction of US$5,507 million in the purchase of treasury shares (including suspension of the share buyback), and the receipt of additional medium and long-term funding, partly offset by a reduction in receipt of short-term borrowings (net US$3.5 billion inflow).

This, together with cash movements from discontinued operations, resulted in a net increase in cash and cash equivalents of US$259 million in 2009 (decrease of US$143 million in 2008; increase of US$34 million in 2007).

Capital Expenditure

The following table summarizes capital expenditure, on a cash flow basis, by business segment for the periods indicated:

(US$m)	Year ended December 31,		Unaudited six months ended June 30,	
	2008	**2009**	**2009**	**2010**
Platinum	1,563	1,150	579	431
Copper	808	1,068	561	615
Nickel	530	554	251	223
Iron Ore and Manganese	783	1,044	412	525
Metallurgical Coal	467	96	47	21
Thermal Coal	365	400	169	140
Other Mining and Industrial	603	268	115	104
Other	27	27	6	6
Capital expenditure on tangible assets	5,146	4,607	2,140	2,065

(US$m)	Year ended December 31,	
	2007	**2008**
Platinum	1,479	1,563
Base Metals	610	1,494
Coal	1,052	933
Ferrous Metals (excluding biological assets)	470	831
Industrial Minerals	274	301
Other	46	24
Purchase of tangible assets — continuing operations	3,931	5,146
Investment in biological assets	1	1
Capital expenditure on tangible assets and biological assets — continuing operations	3,932	5,147
Gold	—	—
Paper and Packaging	186	—
Purchase of tangible assets — discontinued operations	186	—
Investment in biological assets	26	—
Capital expenditure on tangible assets and biological assets — discontinued operations	212	—
Total Group	4,144	5,147

Capital expenditure for H1 2010 and H1 2009 was US$2,065 million and US$2,140 million, respectively. Capital expenditure of US$1,025 million in H1 2010 (H1 2009: US$852 million) was incurred on four near term strategic growth projects, namely the Barro Alto nickel project, the Los Bronces copper expansion project and Kumba's Kolomela (formerly Sishen South) and the Minas Rio iron ore projects.

The Group's review at the end of 2008 for future planned capital expenditure resulted in a decision to reduce it by more than 50% in 2009 to approximately US$4.5 billion, including US$1.3 billion stay-in-business capital expenditure. These substantial changes to planned capital expenditure were achieved in 2009 principally by rescheduling many of the Group's development projects and focusing on our near term strategic growth projects.

For a description of the Group's project pipeline, see "Business Description — Major Growth and Replacement Projects".

Net Debt

Net debt, including the impact of related hedges, in 2009, 2008 and 2007 was US$11,280 million, US$11,340 million and US$4,851 million, respectively. Net debt was made up of the following:

	Year ended December 31,			Unaudited six months ended June 30,	
(US$m)	2007	2008	2009	2009	2010
Cash and cash equivalents	3,074	2,744	3,319	2,603	2,956
Short-term borrowings	(5,909)	(6,749)	(1,498)	(3,281)	(3,120)
Medium and long-term borrowings	(2,404)	(7,211)	(12,819)	(10,657)	(10,077)
Current financial assets investments	—	173	3	—	6
Net debt, excluding the impact of hedges	(5,239)	(11,043)	(10,995)	(11,335)	(10,235)
Hedges	388	(297)	(285)	(267)	(695)
Net debt, including the impact of related hedges	(4,851)	(11,340)	(11,280)	(11,602)	(10,930)

Net debt movements are principally a function of cash flows from operating, investing and financing activities. In addition, non-cash items including fair value adjustments, exchange rate movements and hedges of debt also influence our net debt level.

Net debt to total capital (calculated as net debt divided by net assets excluding net debt) in H1 2010 and H1 2009 was 26.6% and 30.1%, respectively. Net debt to total capital (calculated as net debt divided by net assets excluding net debt) in 2009, 2008 and 2007 was 28.7%, 34.3% and 16.6%, respectively.

Net debt at June 30, 2010 decreased by US$673 million from US$10,930 million at June 30, 2009 to US$11,603 million. Net debt at December 31, 2009 decreased US$60 million from US$11,340 million at December 31, 2008 to US$11,280 million.

In addition to the aforementioned factors which impact net debt, during 2009 we raised US$2.2 billion through the issuance of bonds under the EMTN program, US$2 billion through the issuance of senior notes and US$1.7 billion through the issuance of senior convertible notes. The proceeds from the sale of AngloGold, senior notes, senior convertible notes and bonds issued under the EMTN program were used to prepay the US$3 billion revolving facility which was due to mature in December 2009, fund capital expenditure and repay other short term debt owing on our facilities.

Net debt at December 31, 2007 increased 134% to US$11,340 million at December 31, 2008. The increase was principally due to debt taken on to fund the acquisitions of Minas Rio and Amapá and the additional shareholding in Anglo Platinum, and increased planned capital expenditure on projects in Platinum, Base Metals, Ferrous Metals and Industrial Minerals. This was partly offset by operating cash inflows and US$1.5 billion proceeds from disposals.

Non-wholly owned subsidiaries, where possible, will maintain their own financing and funding requirements. In most cases, the financing is non-recourse to Anglo American. In addition, certain projects are financed by means of limited-recourse project finance, if appropriate.

Funding Sources

The maturity profile of our debt obligations as of December 31, 2009 is set forth below:

(US$m)	Within 1 year or on demand	Between 1 year and 2 years	Between 2 years and 5 years	After 5 years	Total
Secured					
Bank loans and overdrafts	416	51	190	172	829
Obligations under finance leases	8	7	3	1	19
Total secured loans	424	58	193	173	848
Unsecured					
Bonds issued under EMTN program	572	54	1,084	3,272	4,982
Bank loans and overdrafts	351	2,595	1,100	287	4,333
US bond	—	—	1,223	712	1,935
Convertible bond	—	—	1,369	—	1,369
Commercial paper	67	—	—	—	67
Other loans	85	177	414	105	781
Total unsecured loans	1,075	2,826	5,190	4,376	13,467
Total borrowings	1,499	2,884	5,383	4,549	14,315

Anglo American had available undrawn committed borrowing facilities of US$9,520 million as of December 31, 2009, US$6,105 million as of December 31, 2008 and US$7,064 million as of December 31, 2007. The undrawn committed borrowing facilities at December 31, 2008 included the US$3 billion revolving facility (which was due to expire in December 2009), which was prepaid in H1 2009. In addition, the Group has a dedicated, committed financing facility for Minas Rio of US$1.4 billion, subject to certain disbursement conditions and the granting of the remaining Installation license (2008: for Minas Rio and Barro Alto totaling $1.6 billion).

The maturity profile of our debt obligations as of June 30, 2010 is set forth below:

(US$m)	Within 1 year or on demand	After 1 year	Total
Secured			
Bank loans and overdrafts	36	398	434
Obligations under finance leases	7	7	14
Total secured loans	43	405	448
Unsecured			
Bonds issued under EMTN program	513	4,028	4,541
Bank loans and overdrafts	2,394	1,374	3,768
US bond	—	2,051	2,051
Convertible bond	—	1,400	1,400
Commercial paper	50	—	50
Other loans	121	818	939
Total unsecured loans	3,078	9,671	12,749
Total borrowings	3,121	10,076	13,197

Anglo American had available undrawn committed borrowing facilities of US$9,490 million as of June 30, 2010. In addition, the Group has a dedicated, committed financing facility for Minas Rio of US$1.3 billion, subject to certain disbursement conditions and the granting of the remaining Installation license.

In July 2010, the Group replaced a US$2.5 billion facility maturing in March 2012 with a US$3.5 billion facility maturing in July 2015.

In September 2010, the Group issued a US$50 million bond under its EMTN program.

Financial Risk Exposure and Management

The Group is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors of Anglo American plc (the "Board") approves and monitors the risk management processes, including documented treasury policies, counterparty limits, controlling and reporting structures. The risk management processes of Anglo American's independently listed subsidiaries (including Anglo Platinum and Kumba) are in line with Anglo American's own policies.

Credit risk. The Group's principal financial assets are bank balances and cash, trade and other receivables and investments. The Group limits exposure to credit risk on liquid funds and derivative financial instruments through adherence to a policy of:

- Where possible acceptable minimum counterparty credit ratings assigned by international credit-rating agencies (including long-term ratings of A- (Standard & Poor's), A3 (Moody's) or A- (Fitch) or better).
- Daily counterparty settlement limits (which are not to exceed three times the credit limit for an individual bank).
- Exposure diversification (the aggregate group exposure to key relationship counterparties cannot exceed 5% of the counterparty's shareholders' equity).

Given the diverse nature of the Group's operations (both in relation to commodity markets and geographically), together with insurance cover (including letters of credit from financial institutions), it does not have significant concentration of credit risk in respect of trade receivables, with exposure spread over a large number of customers. An allowance for impairment for trade receivables is made where there is an identified loss event, which based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Liquidity risk. The Group ensures that there are sufficient committed loan facilities (including refinancing, where necessary) in order to meet short-term business requirements, after taking into account cash flows from operations and its holding of cash and cash equivalents, as well as any group distribution restrictions that exist. Non-wholly owned subsidiaries, where possible, will maintain their own financing and funding requirements. In most cases the financing will be non-recourse to the Group. In addition, certain projects are financed by means of limited recourse project finance, if appropriate.

Foreign exchange risk. As a global business, the Group is exposed to many currencies principally as a result of non-US dollar operating costs incurred by US dollar functional currency companies and to a lesser extent, from non-US dollar revenues.

The Group's policy is generally not to hedge such exposures as hedging is not deemed appropriate given the diversified nature of the Group, though exceptions can be approved by the Group Management Committee. In addition, currency exposures exist in respect of non-US dollar approved capital expenditure projects. The Group's policy is that such exposure can be hedged at management's discretion, within certain pre-defined limits.

Interest rate risk. Fluctuations in interest rates impact on the value of short-term investments and financing activities, giving rise to interest rate risk. The Group's exposure to interest rate risk is particularly with reference to changes in US and South African interest rates. Exposure to Brazilian interest rates is expected to increase in the near-term due to local financing of projects in that country.

The Group's policy is to borrow funds at floating rates of interest as this is considered to give somewhat of a natural hedge against commodity price movements, given the correlation to economic growth (and industrial activity) which in turn shows a high correlation with commodity price fluctuation. In certain

circumstances, the Group uses interest rate swap and option contracts to manage its exposure to interest rate movements on a portion of its existing debt. Also, we may undertake strategic hedging using fixed rate debt from time to time if considered appropriate. In 2009, 2008 and 2007, 61%, 25% and 34%, respectively, of the Group's debt was in the form of fixed rate borrowings, the majority of which was converted to floating rate debt through the use of interest rate swaps.

In respect of financial assets, Anglo American's policy is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments (less than one year) in order to maintain liquidity, while achieving a satisfactory return for shareholders.

Floating rate financial assets consist principally of cash and bank term deposits. Interest on floating rate assets is based on the relevant national inter-bank rates. Fixed rate financial assets consist principally of financial asset investments and cash. Equity investments are fully liquid and have no maturity period.

Commodity price risk. The Group's operations are principally exposed to movements in the prices of the commodities we produce. Commodity price risk can be reduced through the negotiation of long-term contracts or through the use of financial derivatives. The Group's policy is generally not to hedge commodity price risk, although some hedging may be undertaken for strategic reasons. In such cases, the Group generally uses forward, deferred and option contracts to hedge the price risk. At June 30, 2010, commodity hedges held by the Group were minimal.

Derivatives and hedging. The Group utilizes derivative instruments to manage its market risk exposures as explained above. The Group does not use derivative financial instruments for speculative purposes; however it may choose not to designate certain derivatives as hedges. Such derivatives are classified as non-hedges and fair value movements are recorded in the income statement. The use of derivative instruments is subject to limits and the positions are regularly monitored and reported to senior management. Derivatives are classified as current or non-current depending on the maturity of the derivative.

Off-Balance Sheet Arrangements

The Group enters into certain arrangements in the ordinary course of business that would be considered "off balance sheet". Such arrangements comprise principally performance guarantees and commitments for future capital expenditure, as well as operating lease commitments. The aggregate amount of loans and performance guarantees given to banks and other third parties for the years ended December 31, 2009, 2008 and 2007 is US$704 million, US$548 million and US$488 million, respectively. These principally relate to environmental restoration and decommissioning obligations. In addition the Group enters into certain contractual and operating obligations — see following section.

Contractual Obligations and Commercial Commitments

As of December 31, 2009, the Group had contractual cash obligations arising in the ordinary course of business as follows:

	Total	Less than 1 year	Between 1 year and 2 years	Between 2 years and 5 years	More than 5 years
	(US$m)	*(US$m)*	*(US$m)*	*(US$m)*	*(US$m)*
Debt obligations[1]	18,138	2,041	3,422	7,003	5,672
Operating lease obligations	828	140	95	194	399
Purchase obligations[2]	2,877	2,186	616	75	—
Other liabilities[3]	4,619	4,175	339	105	—
Total Long-Term Debt Obligations	26,462	8,542	4,472	7,377	6,071

(1) Debt obligations include finance lease obligations, the effect of related currency derivatives and interest rate swaps and the anticipated future interest payments on borrowings.

(2) Purchase obligations reflect the Group's capital commitments as at December 31, 2009.

(3) Other liabilities include trade payables and other financial liabilities of the Group.

Information relating to the Group's post retirement benefit obligations is provided in Note 27 of the Group 2009 Financial Statements, incorporated by reference herein.

On the basis of the levels of obligations described above, the Group's access to debt and equity capital markets, access to committed and uncommitted bank debt, the level of cash deposits and the level of anticipated free cash flow, we believe that the Group has sufficient short and long-term sources of funding available to meet our liquidity requirements.

Application of Critical Accounting Policies and Estimates

In the course of preparing financial statements, management necessarily makes judgments and estimates that have a significant effect on the amounts recognized in the financial statements. Changes in the assumptions underlying the estimates could have a significant impact on the financial statements. The most critical of these are the following:

Useful Economic Lives of Assets and Ore Reserves Estimates

The Group's mining properties, classified within tangible assets, are depreciated over the respective life of the mine using the unit of production ("UOP") method normally based on proven and probable reserves. When determining Ore Reserves, assumptions that were valid at the time of estimation may change when new information becomes available. Any changes could affect prospective depreciation rates and asset carrying values.

The calculation of the UOP rate of amortization could be impacted to the extent that actual production in the future is different from current forecast production based on proven and probable mineral reserves.

These factors could include the following:

- changes of proven and probable mineral reserves;
- the grade of mineral reserves varying significantly from time to time;
- differences between actual commodity prices and commodity price assumptions used in the estimation of mineral reserves;
- renewal of mining licenses;
- unforeseen operational issues at mine sites; and
- adverse changes in capital, operating mining, processing and reclamation costs, discount rates and foreign exchange rates used to determine mineral reserves.

The majority of other tangible assets are depreciated on a straight line basis over their useful economic lives. Management reviews the appropriateness of assets' useful economic lives at least annually; any resulting changes could affect prospective depreciation rates and asset carrying values.

Impairment of Assets

We review the carrying amounts of our tangible and intangible assets to determine whether there is any indication that those assets are impaired. In making the assessment for impairment, assets that do not generate independent cash flows are allocated to an appropriate cash generating unit ("CGU"). The recoverable amount of an asset, or CGU, is measured as the higher of their fair value less costs to sell and value in use.

Management necessarily applies its judgment in allocating assets that do not generate independent cash flows to appropriate CGUs, and also in estimating the timing and value of underlying cash flows within the value in use calculation. Subsequent changes to the CGU allocation or to the timing of or assumptions used to determine cash flows could affect the carrying value of the respective assets.

Restoration, Rehabilitation and Environmental Costs

Provision is made, based on net present values, for restoration, rehabilitation and environmental costs as soon as the obligation arises. Costs incurred at the start of each project are capitalized and charged to the income statement over the life of the project through depreciation of the asset and the unwinding of the discount on the provision. Costs for restoration of subsequent site damage are provided at net present value and charged against profits as extraction progresses. Environmental costs are estimated using either external consultants or internal experts. Management uses its judgment and experience to provide for and amortize these estimated costs over the life of the mine.

Retirement Benefits

The expected costs of providing pensions and post retirement benefits under defined benefit arrangements relating to employee service during the period are charged to the income statement. Any actuarial gains and losses, which can arise from differences between expected and actual outcomes or changes in actuarial assumptions, are recognized immediately in the statement of other comprehensive income.

Assumptions in respect of the expected costs are set after consultation with qualified actuaries. While management believes the assumptions used are appropriate, a change in the assumptions used would impact the earnings of the Group going forward.

Special Items

Special items are those that management considers, by virtue of their size or incidence, should be disclosed separately to ensure that the financial information also allows an understanding of the underlying performance of the business. The determination as to which items should be disclosed separately requires a degree of judgment. For further explanation of the nature of special items see "Non-IFRS Financial Measures".

Differences Between EU IFRS and US GAAP

The financial information included in this Offering Memorandum in respect of the six months ended June 30, 2010 and 2009 and years ended December 31, 2007, 2008 and 2009 has been prepared and presented in accordance with EU IFRS. Certain differences exist between EU IFRS and US GAAP, which might be material to the financial information herein.

In making an investment decision, investors must rely on their own examination of the Group, the terms of the offering and the financial information. Potential investors should consult their own professional advisers for an understanding of the differences between EU IFRS and US GAAP, and how these differences might affect the financial information herein.

REGULATION

We are subject to government regulations that affect all aspects of our operations. In particular government regulations in South Africa could have a material effect on the Group's business.

In most jurisdictions, the rights to mineral deposits are held by the state. We therefore must rely upon rights granted to us by the government that owns the minerals (and the renewal of those rights). These rights typically take the form of a lease or license that grants us the right to gain access to the land and to explore for and subsequently extract the minerals. Exploration rights typically include the obligation to spend a predetermined amount of money on the exploration or to undertake specific exploration activities. The terms of the leases or licenses, including the time period for which they are effective, are specific to the laws of the relevant governmental authority. Generally, we own the minerals that we extract and pay royalties or similar taxes to the relevant government.

We also have a number of joint venture arrangements with government entities (including Botswana and Namibia), which are sometimes necessary in order to operate exploration and mining activities in certain jurisdictions.

In addition to reliance upon government grants of rights to explore for and extract materials, in certain jurisdictions we rely upon the relevant government to grant the rights necessary to transport and to treat the extracted materials in order to prepare them for sale, as well as to export the raw or processed material.

Governments generally impose applicable regulations relating to, for example, environmental protection, land rehabilitation, occupational health and safety and native land title, and we must comply with these regulations in order to continue to enjoy the right to conduct our operations within that jurisdiction. These obligations often require us to make substantial expenditure to minimize, to remediate or to rehabilitate the environmental impact of our operations and to ensure the safety of our employees and contractors. For further information on these obligations and the actions we take to meet them, see "Sustainable Development (Including Safety, Health and Environment)".

SOUTH AFRICA

Our South African operations represent a material contribution to the business of the Group, representing 40.8% and 50.2% of operating profit (before special items and remeasurements) in 2009 and H1 2010 respectively.

Requirements to obtain permits and licenses are imposed by various departments of the South African government. We strive to follow the required procedures in the application for these environmental, water and mineral permits and licenses.

Additionally, the transfer of a share of the ownership, management and benefits of the South African mining industry into the hands of people previously excluded from the economy is a government priority. This transfer has been closely linked to the conversion of existing mining licenses as well as the granting of new mining licenses under minerals legislation in force from May 1, 2004.

BEE in General

Black Economic Empowerment is a term that represents the South African government's economic transformation strategy to, broadly speaking, de-racialize the South African economy. The underlying principle of BEE is the use of the state's purchasing and regulatory power to increase participation by black South Africans in the South African economy by giving recognition and preference to enterprises which contribute to BEE. Early attempts at BEE, now commonly referred to as "narrow-based BEE" created empowerment principally through ownership of shares or assets, and through board representation. BBBEE is the more modern approach to BEE and includes a greater number of components, such as management control, employment equity, skills development, enterprise development, preferential procurement and socio-economic development. BBBEE emphasizes shareholding by black communities, black women and black employees to broaden equity ownership beyond entrepreneurs and businessmen, who have tended to be the main beneficiaries of BEE. The key instruments in implementing BBBEE are the BBBEE Act and the Codes of Good Practice promulgated under the BBBEE Act. The BBBEE Act does not, itself, set any targets for the elements of BEE. Rather, it provides a framework for the implementation of BEE initiatives. The Codes of

Good Practice are based on a generic scorecard comprising seven aspects with differing weightings against which enterprises' progress on BEE contributions will be assessed.

While the BBBEE Act and the Codes of Good Practice are intended to be equally applicable to all sectors of the South African economy, there is a secondary layer of "Sector Charters" which provide industry specific commitments for the implementation of BEE for some sectors of the economy, including the mining sector.

Therefore, although it is important that the mining sector maintains ongoing interest in the Codes of Good Practice, it is more specifically governed by the requirements of the Mineral and Petroleum Resources and Development Act 2002 (the "MPRDA") and the Charter.

MPRDA and the Charter

We are subject to the MPRDA, which took effect in May 2004. The MPRDA vests custodianship of South Africa's minerals in the state, which issues new mineral rights licenses either in the form of prospecting rights or mining rights to applicants. Prospecting, mining and mineral rights formerly regulated under the Minerals Act 50 of 1991 and the South African common law are now known as "old order" mining or prospecting rights and the transitional arrangements provided in Schedule II to the MPRDA ("Schedule II") give holders of such old order rights the opportunity to apply for conversion of their old order rights into new order rights within specified time frames, subject to compliance with certain requirements.

One of these requirements is that the holder provides an undertaking that, and describes the manner in which the holder will give effect to, amongst others, the object set out in section 2(d) of the MPRDA, which seeks a substantial and meaningful expansion of opportunities for Historically Disadvantaged South Africans ("HDSAs") (including women) to enter the South African mining industry and benefit from the exploitation of South African mineral resources. In further clarifying this object, the South African Department of Mineral Resources has published, pursuant to the MPRDA, the Charter.

The Charter outlines nine scorecard items (employment equity, human resource development, procurement, ownership, migrant labor, housing and living conditions, beneficiation, mine community and rural development and reporting) against which compliance with the MPRDA is measured for all mining companies operating in South Africa.

Only two of these items, namely employment equity and ownership, have specific targets. The Charter requires every mining company to achieve 15% ownership by HDSAs of its South African mining assets by May 1, 2009 and 26% ownership by May 1, 2014 and 40% of HDSA employment in management of mining companies by 2009. Compliance with these targets is necessary for the conversion of old order mining rights to new order mining rights and is required on an ongoing basis following conversion. The other scorecard items are generally monitored through social and labor plans submitted with license applications for new or converted mining rights.

In order to qualify for conversion of our older order mining rights, we have sought to meet the requirements relating to ownership principally by selling portions of our South African assets to BEE companies. Some of these transactions are referred to in this Offering Memorandum as BEE transactions.

Recent Developments

The South African Department of Mineral Resources granted the conversions of Anglo American's old order mining rights as provided for in the MPRDA as follows:

- Thermal Coal — All conversions have been granted and executed except for one at New Vaal Colliery. The New Vaal Colliery conversion has been granted and is expected to be executed in the second half of 2010;
- Kumba — All conversions have been granted and executed; and
- Platinum — All conversions have been granted. Nine conversions have been executed and the remaining six will be executed once the defective Powers of Attorney have been rectified by the Department of Mineral Resources.

New mining rights are granted for a maximum period of 30 years, with renewals of up to 30 years each. Prospecting rights are valid for a period of five years, with one renewal of up to three years. For exploration (gas)

rights, the maximum period is three years with options of renewal for up to two years each. Furthermore, the MPRDA provides for a retention period after prospecting of up to three years with one renewal of up to two years, subject to certain conditions, such as non-concentration of resources, fair competition and non-exclusion of others.

In addition, the new order rights are transferable only with the approval of the South African Minister of Mineral Resources and are subject to various terms and conditions, including commencement of operations within specified periods, continuing and active operations and compliance with work programs, social and labor plans, environmental management programs and empowerment requirements.

New order mining rights can be suspended or cancelled by the Minister of Mineral Resources if an entity has breached its obligations under the terms of the rights and has failed to remedy such breach after written notice of the breach from the Minister and an opportunity for response. The MPRDA imposes specific responsibilities on mining companies relating to environmental management and in respect of any environmental damage caused by prospecting, exploration or mining activities. When the MPRDA Amendment Act comes into effect, existing provisions in the MPRDA relating to environmental management will be removed from the statute and integrated into the primary legislation on environmental management, the National Environmental Management Act (the "NEMA"), under the jurisdiction of the Department of Water and Environmental Affairs. In terms of this alignment, the Minister of Mineral Resources will be the competent authority in terms of the NEMA in respect of mining matters. This is a transitional arrangement estimated to last 18 months to 3 years. The Minister of Water and Environmental Affairs will be the appeal authority in terms of the NEMA.

The process to review the Mining Charter commenced in 2009. In June 2010 representatives of all major stakeholders in the mining sector signed a declaration reaffirming the Mining Charter while at the same time calling for greater urgency in implementation and recontextualizing some aspects.

On September 13, 2010 the South African Department of Mineral Resources issued an amended Mining Charter that makes a number of significant changes to the existing charter. The notable changes are as follows:

- The Mining Charter now introduces sanctions for failure to comply with the charter, with the possible loss of mining licenses for non-compliance.
- The Minister of the Department of Mineral Resources will have the power to make future amendments to the charter unilaterally.
- The Mining Charter now includes additional quantitative measures for transformation, with targets for procurement of goods and services from empowered suppliers, for reinvestment in local communities, for contributions to human resources development, and to improve housing conditions for mine employees.
- The Mining Charter includes a new requirement to ensure that meaningful cash flow accrues to BEE investors in mining properties.

Anglo American and the remainder of the South African mining industry are evaluating the impact of these amendments.

On April 29, 2009, the Minister of the Department of Mineral Resources published Codes of Good Practice and the Housing and Living Conditions Standards (Codes and Standards) pursuant to the MPRDA. The Codes, though intended to complement and support the Mining Charter, seek to introduce new and, in some instances, more onerous provisions dealing with ownership, employment equity and preferential procurement, amongst other matters. The Standards seek to introduce new requirements on mining companies to provide single unit accommodation, nutrition, and health care facilities both for employees and their families. The South African Chamber of Mines has engaged with the Department of Mineral Resources regarding the scope and application of the Codes and Standards. Since the publication of the Codes and Standards, the Department of Mineral Resources has indicated that, although the Codes are law, the Department is not enforcing them.

The status of the Codes of Good Practice issued in April 2009, which sought to amend and extend the Mining Charter and introduce more onerous requirements, is still not clear, although it does not appear to be enforced.

Royalties

The Mineral and Petroleum Resources Royalty Act ("the Royalty Act") was promulgated in November 2008. This was the culmination of five years of discussions between National Treasury and the mining industry. The Royalty Act was scheduled to be implemented on May 1, 2009, but in the Budget Review of the National Treasury announced on February 11, 2009, the implementation was postponed until March 1, 2010.

A royalty is payable by an extractor of mineral resources upon the transfer of the mineral resources.

The royalty rate is determined in terms of a formula using EBIT and allowing for a deduction of the mining capital expenditure permitted for income tax purposes as opposed to depreciation. The maximum royalty rate is 5% for refined mineral resources and 7% for unrefined mineral resources. This royalty rate is then applied to the extractor's sales or its "deemed" equivalent at its specified condition to determine the royalty payable.

Exchange Controls

The following is a general outline of South African exchange controls and their impact on the Group's business.

Exchange controls have existed in South Africa for decades. It is the stated intention of the South African authorities to relax exchange control requirements in an orderly manner as and when it is deemed appropriate. Although a gradual relaxation has taken place over a number of years, exchange controls still exist with the intention of controlling the flow of capital into and out of the member countries of the Common Monetary Area (comprising South Africa, Lesotho, Namibia and Swaziland) and generally to prevent the unauthorized export of capital by residents.

The administration of exchange controls has been delegated to the Exchange Control Department of the South African Reserve Bank ("SARB"). The SARB has broad discretion, but it acts within policies set by the Minister of Finance and the National Treasury in consultation with the SARB. Certain powers have been delegated to authorized dealers (banks licensed by the SARB to deal in foreign exchange) to approve applications for foreign exchange. Matters that are beyond these powers are referred to the SARB, which adjudicates applications on their merits in accordance with policy and national interests.

Exchange controls apply to all South African residents. For this purpose, a resident is a natural person or legal entity, whether of South African or any other nationality, who has taken up residence, is domiciled or registered in the Republic of South Africa. A branch of a foreign company is resident for exchange control purposes.

All subsidiaries of the Group registered in South Africa, including Anglo Platinum and Kumba, are South African residents and, consequently, are subject to South African exchange controls. Any offshore transaction by these companies of a capital nature requires prior SARB approval.

Most transactions of a revenue nature would not usually require prior SARB approval, although there are administrative and reporting requirements. These transactions would include the import and/or export of trade goods and the remittance of dividends to non-resident shareholders from profits earned in the normal course of business.

Normally, non-residents may freely invest or disinvest from South Africa and income due to the non-resident may be freely remitted. However, because the Group's acquisition of its South African interests was by means of a share issue, SARB approval would be required for the remittance of any capital to the Group offshore by its South African resident subsidiaries.

UNITED KINGDOM

The Company and the Issuer are incorporated under the laws of England and Wales. There are no UK foreign exchange controls or other restrictions on the export or import of capital or on the payment of dividends to non-resident holders of Group shares, other than certain sanctions adopted by the UK government implementing resolutions of the Security Council of the United Nations against certain countries, entities and individuals.

SUSTAINABLE DEVELOPMENT (INCLUDING SAFETY, HEALTH AND ENVIRONMENT)

Our facilities and operations are subject to extensive general and industry-specific safety, health and environmental regulations in each jurisdiction in which we operate. These regulations include those relating to occupational health and safety, mining and processing operations, the handling and disposal of hazardous and non-hazardous materials and mine rehabilitation.

We employ safety, health and environmental experts to advise us on technical and regulatory matters relevant to the management of our facilities and operations, and we continually invest in plant and equipment and the sharing of knowledge and best practice to ensure that we comply with our obligations under safety, health and environmental laws and regulations.

Our Board and the Board S&SD Committee are actively involved in ensuring appropriate governance of strategic safety and sustainable development matters. The S&SD Executive Committee is responsible for developing strategy, framework policies, standards and guidelines for the management of S&SD, including safety, occupational health and environmental matters, and ensuring the progressive implementation throughout the Group.

We support leading international initiatives to promote responsible corporate activity. We remain committed to the United Nations Global Compact and the Extractive Industries Transparency Initiative and continue to support the Investment Climate Facility for Africa, to which we have contributed $1.5 million to date. We are also actively engaged in discussions around the review of the OECD Guidelines for Multinational Corporations.

Safety

The Anglo Safety Way details the Group's vision regarding safety, principles and policies, management system standards, fatal-risk standards and also provides a set of behavioral based 'golden rules'.

Our vision of Zero Harm, which was endorsed in 2007 by all our businesses, is built on three clear principles: all injuries and occupational illnesses are preventable; all necessary steps must be taken to learn from incidents in order to prevent any recurrence; and common, simple, non-negotiable standards must be consistently applied.

The global safety strategy which was approved in November 2008 is central to achieving our vision of Zero Harm; the strategy is based on the understanding that safety improvement can be tracked through a number of defined stages representing different levels of safety management maturity. We have implemented our safety strategy at site and business unit level through the utilization of Safety Improvement Plans.

We are currently focused on embedding a new global risk management process and related procedures to help manage high-level risks. We are also developing major risk standards to help manage high level risks. In addition, when our standards regarding safety have not been met, we have responded by closing shafts, retraining affected employees and investigating all significant safety incidents.

A risk and assurance team is charged with providing an independent, professional opinion to the Group Board and the Executive Committee on the adequacy of S&SD risk control measures. The team seeks to ensure, by means of a risk-based assurance program, that current risks and liabilities are effectively controlled.

Although we are making improvements with respect to safety, our goal of Zero Harm necessitates our continued focus on safety matters. Fatality rates continue to reflect a downward trend. In 2009, 20 people lost their lives working for our businesses, compared with 40 in 2007 and 28 in 2008. During 2009, 92% of our sites operated without any fatalities. Reflecting this declining trend, our lost-time injury frequency rate (LTIFR) was 27% lower than in 2008 and shows a 52% like-for-like improvement over the past three years. There have been eight fatalities in 2010.

Security

Certain of the countries in which we operate, including the Democratic Republic of the Congo, Venezuela and Colombia, have in the past experienced and, in certain cases, continue to experience, a difficult security environment as well as political instability. In particular, various illegal groups active in regions in which we are present may pose a credible threat of terrorism, extortion and kidnapping, which could have an adverse effect on our operations in such regions. In the event that continued operations in these countries compromise our security or business principles, we may withdraw from these countries on a temporary or permanent basis, which, in turn, could have an adverse impact on the results of our operations and on our financial condition.

Occupational Health

The Anglo Occupational Health Way details the Group's approach to occupational health management, including its vision, principles, policy and management system standards. The program is currently being rolled out and audited across the Group.

We have a number of methods to help protect and preserve the health of our employees, ranging from complete medical care (hospitals and medical insurance) to workplace design.

Our occupational health programs cover all employees and are aimed at preventing occupational disease through prevention of exposure at source. To develop our health programs and maintain best practice, we seek input from a range of experts, including occupational hygienists, engineers and occupational medical practitioners.

We recognize that HIV/AIDS is a significant threat to economic growth and development particularly in sub-Saharan Africa. Our HIV/AIDS response is focused on HIV/AIDS testing. In 2002, we initiated our strategy of encouraging voluntary counseling and testing and announced that we would provide anti-retroviral therapy to employees with HIV/AIDS at the appropriate stage of infection. Early diagnosis and access to treatment, complemented by a well-established and robust system of post-testing compulsory counseling, coupled with intensive HIV-prevention campaigns are key elements of our holistic approach. In 2009, the southern African operations exceeded the ambitious target of 80% VCT (voluntary counseling and testing) — a significant achievement given that the percentage was near-zero in 2002.

Our health program was extended to include dependents in 2008 although we recognize that the delivery of health services to families living remotely from our operations will take some time to deliver. We are actively involved in best practice sharing organizations such as the Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria which recognized Anglo Thermal Coal's South African mines' performance with a business excellence award for the best workplace HIV/AIDS program.

In many of the countries in which we operate the primary healthcare systems are under-resourced and disease patterns associated with under-development are common. There has been a resurgence of diseases such as malaria and tuberculosis in some of these countries in recent years. The escalating TB epidemic in South Africa — a direct consequence of the high rate of HIV disease in the country — is an ongoing concern at all our operations. Our TB-control programs, based on similar principles to our HIV/AIDS programs, are being improved to ensure that this emerging threat is actively managed and properly controlled.

In addition to programs for treatment of infectious disease, wellness programs aimed at maintaining and improving the health of employees are in place at all operations.

Environment

We have a comprehensive set of best practice environmental management policies, standards and guidelines which are regularly reviewed to ensure alignment with recognized best practice. In March 2009, we launched The Anglo Environment Way (AEW), which sets out a consistent approach to responsible environmental management, supporting our vision for minimizing harm to the environment by designing, operating and eventually closing all of our operations in an environmentally responsible manner.

Climate change is a material issue and we remain committed — as both a major consumer of energy and a major coal producer — to minimizing our own carbon emissions, to playing a proactive role in the ongoing international debate, and to developing environmentally friendly responses to these issues.

Our approach to climate change is underpinned by a number of strategic initiatives, which focus on energy efficiency, carbon reducing ‘synergy projects’, low-carbon technologies and adaptation to climate change.

Climate change also represents a commercial opportunity and, guided by these principles, we will seek to leverage our knowledge and assets in order to generate additional value for our stakeholders. For example, we have invested in methane capture in Australia, where we have helped develop two mine gas power stations, which together will reduce carbon dioxide emissions by around 2.3 million tonnes per year, the equivalent of taking some 580,000 cars off the road.

Given the increasingly energy-intensive nature of our operations, efforts to improve energy efficiency continue to be a major focus. Energy efficiency is the easiest and lowest-cost option for us to reduce our carbon footprint because it enables lower energy consumption, increased cost efficiencies, and fewer emissions.

The threat posed by climate change requires us to explore new approaches to managing water in our operations, many of which are located in some of the most water-stressed regions of the world. The Anglo Water Ways program has provided the Group with a water vision and framework that outlines its approach to managing water.

The EUs Registration, Evaluation, Authorization and Restriction of Chemicals (“REACH”) regulation came into effect in June 2007. REACH requires that European-based manufacturers, importers and downstream users of chemical substances, including metals and minerals, establish that substances can be used without negatively affecting health or the environment. REACH requires that industry bears the responsibility for managing any risks posed by substances, and must provide appropriate safety information to users. The extent to which our operations and customers are affected by these changes is expected to be better understood as the annex that lists the substances subject to authorization is amended. Group substances that will ultimately require registration (25 in total) were successfully pre-registered in 2008. Natural substances including specifically ores and ore-concentrates are currently exempt from the requirement to register but may still require authorization on the basis of hazard, with priority accorded to substances that are persistent, bioaccumulative or toxic or contain contaminants that may impact human health. Additional compliance costs, litigation expenses, regulatory delays, remediation expenses and operational costs may result from REACH and from associated efforts to protect markets and product development, but the magnitude of such effects is not yet known as the registration process is not complete. The primary burden will fall on European-based importers of the products.

Our operations are subject to various international, national, regional and local laws and regulations governing the protection of the environment. Through our membership in the International Council on Mining and Metals we are actively engaged in, and contribute to, the international regulatory and stakeholder processes that lead to the establishment of best practices.

Community

Community relations within Anglo American are governed by the “Anglo Social Way”, our social management system standards. The Anglo Social Way sets out a series of requirements that apply across the whole Group, and which are designed to address both local legislation (particularly in South Africa) and a growing body of ‘soft law’ and external commitments, such as conventions, voluntary principles, codes of conduct, and best practices. The Group has voluntarily adopted a number of requirements for operations to have a formalized community engagement program. In addition, our Good Citizenship Business Principles define an overall framework for ethical business practices. We are signatories to the United Nations’ Global Compact, to the Extractive Industries Transparency Initiative and to the Voluntary Principles on Security and

Human Rights, and we are committed to adhering to ten ICMM Sustainable Development Principles, and to independent assurance of our public reports in this regard.

One of the major challenges for modern mining operations is to ensure that they command a continuing social license to operate within, and generate benefits for, their local communities. Anglo American has put in place a number of initiatives to prevent social performance and community relations issues from presenting material risks, with the policy being one of anticipating and preventing risks through the development of positive relationships with host communities and governments. These measures include:

- The development of a clear hierarchy of policies, performance standards, risk management processes and guidelines, supported by appropriate assurance activities. These take as their starting point (but often exceed) the requirements set out in the International Finance Corporation's Environmental and Social Performance Standards, and cover all stages in the mining lifecycle, from M&A activity and exploration through to final closure.

- The provision of foundational and advanced (post-graduate level) training to relevant managers on best practice in managing social performance.

- Small business development programs in South Africa, Chile and Brazil, our three primary countries of operation.

- Initiatives aimed at building the capacities of our host communities including through investing in schools and programs designed to raise the incomes available from other economic activities. Some of these programs introduce the communities to improved agricultural practices and pre-employment training aimed at equipping local people with the skills they need to qualify for jobs in our operations.

- Targeted social investments in host communities and countries.

For existing operations, where most value is at risk, our community engagement initiatives are led by our Socio-Economic Assessment Toolbox (SEAT). Its objective is to improve our understanding of the needs and priorities of these local communities, and to enable them to make a greater contribution to local development. The SEAT methodology consists of assessment tools and a series of rigorous stakeholder identification and engagement tools to identify priorities, needs and concerns. The operation then discusses the issues raised with stakeholders, commits to specific management responses to improve performance, and publishes a summary report to all local stakeholders. SEAT has been recognized as "an international best practice" by leading US sustainability NGO Business for Social Responsibility.

For new projects, the full range of Anglo American's social performance requirements are integrated into our project development process through processes managed by our Group Projects Function. Amongst the most significant social risks that investment projects may face arise in the context of the need to resettle communities in order to access ore bodies or land for infrastructure. Mishandling can lead to disruption and project delays, political repercussions or reputational damage. Challenges include managing pre-existing splits within communities; ensuring that we deal with genuinely representative community leaders, disrupting social infrastructure and restoring the livelihoods of the population once they have moved. We are currently in the last phase of a resettlement in the Limpopo province of South Africa and are in discussions about a possible relocation close to our Sishen iron ore mine in the Northern Cape Province. If we proceed with Phase 2 of our Minas Rio project in Brazil or our Michiquillay copper project in Peru, we will be required to engage in resettlement activities.

Anglo American has won numerous external accolades for our social performance. In 2010 our small business creation programs were recognized by the United Nations Development Program's Business Call to Action, and we were awarded the prestigious Community Mark award by the UK's Business in the Community for excellence in community development.

Human Rights

The Anglo Social and Way and the Business Principles commit us to respectful engagement with the communities in which we operate and to respecting the human rights of stakeholders.

The Group is committed to upholding the principles of the Universal Declaration on Human Rights and has been admitted to the Voluntary Roundtable on Security and Human Rights. The Group has developed a policy and implementation manual for the Voluntary Principles that provides guidance on best practice in conducting security risk assessments involving a range of stakeholders, on governance of arrangements with public security providers and for the selection, training and accountabilities of private security providers. In addition, it has initiated human rights training for security personnel including in South Africa and Venezuela as well as facilitating similar training at our one third owned associate, Cerrejon Coal in Colombia. In South Africa we have provided funding to develop a human rights training program for the South African Police Service. The principles have also been included in contracts for security firms.

In 2010 the Group is implementing a company-wide complaints and grievance mechanism which implements mechanisms suggested by Professor John Ruggie, in his capacity as the UN Secretary General's Special Representative on Business and Human Rights. We have been informed by the Institute for Human Rights and Business that we are the first company to implement such a mechanism.

MANAGEMENT OF ANGLO AMERICAN PLC

Board of Directors

The Board is responsible to shareholders for the performance of the Company. Its role includes the establishment, review and monitoring of strategic objectives, approval of major acquisitions, disposals and capital expenditure and overseeing the Group's systems of internal control, governance and risk management. Certain matters are reserved for the Board's decision regarding key aspects of the Company's affairs that the Board does not delegate (including, among other things, approval of business plans and budgets, material expenditure and alterations to share capital).

The Board is chaired by Sir John Parker, who succeeded Sir Mark Moody-Stuart in August 2009, and who is responsible for leading the Board and for its effectiveness. Cynthia Carroll is the chief executive and is responsible for the execution of strategy and the day-to-day management of the Group, supported by the Group Management Committee and the Executive Committee, both of which she chairs.

The Company has adopted the *Statement of Division of Responsibilities between the Chairman and Chief Executive* promulgated by the Institute of Chartered Secretaries and Administrators.

The Board has a strong independent element and currently comprises, in addition to the chairman, two executive and eight non-executive directors, seven of whom are independent according to the definition contained in the UK Corporate Governance Code 2010.

Group Management Committee ("GMC")

The Group Management Committee ("GMC") is responsible for formulating strategy (for discussion and agreement by the Board), monitoring performance and managing the Group's portfolio. The current members of GMC are Cynthia Carroll (chair), René Médori, Brian Beamish, Mervyn Walker and David Weston.

Executive Committee ("ExCo")

The Executive Committee ("ExCo") is responsible for the implementation of policies and programs, the adoption of best practice standards and senior talent management across the Group. ExCo meets at least every two months on a formal basis for a two-day session and when required in the intervening periods.

The current members of ExCo are Cynthia Carroll (chair), René Médori, Brian Beamish, Walter De Simoni, Seamus French, Godfrey Gomwe, Chris Griffith, John MacKenzie, Norman Mbazima, Neville Nicolau, Mervyn Walker, Duncan Wanblad, Stephan Weber, David Weston and Peter Whitcutt. Along with the chief executive and finance director, the members of ExCo are selected from the heads of business units and corporate functions.

The business address of each such person is 20 Carlton House Terrace, London SW1Y 5AN, England.

Investment Committee

The role of the Investment Committee, which is a sub-committee of GMC, is to manage the process of capital allocation by ensuring that investments and divestments increase shareholder value and meet Anglo American's financial criteria. The Committee makes recommendations to GMC and/or the Board on these matters. The Committee meets as required.

The Investment Committee presently comprises: René Médori (chairman), Brian Beamish, Gareth Mostyn and David Weston.

Conflicts of Interest

During 2009, a full survey of the Board members' interests and appointments was carried out and the Board was fully briefed on the Companies Act 2006 provisions in relation to conflicts of interest. Appropriate conflict management procedures are in place. Anglo American policy dictates that if a director becomes aware

that they have a direct or indirect interest in an existing or proposed transaction with Anglo American, they should notify the Board at the next Board meeting or by a written declaration. Directors have a continuing duty to update any changes in these interests. There were no such notifications of interests in proposed transactions during the year. Accordingly, no potential conflicts of interest exist between the Board members duties to Anglo American and their private interests or other duties. In accordance with the Company's Articles and relevant legislation, an unconflicted quorum of the Board can authorize potential conflicts and such authorizations can be limited in scope and are reviewed on an annual basis. During 2009, the Board adhered to conflict management procedures and these procedures operated effectively.

No potential conflicts of interest exist between the Directors' duties to Anglo American plc and their private interests or other duties.

Composition of Board

The names and biographical details of the directors are set forth below. The business address of each Director is 20 Carlton House Terrace, London SW1Y 5AN, England.

All directors will be proposed for annual re-election from the 2011 Annual General Meeting (AGM).

Executive Directors

Cynthia Carroll, MSc, MBA (53), was appointed chief executive on March 1, 2007, having joined the Board on January 15, 2007. Cynthia Carroll chairs the Group Management Committee (GMC) and the Executive Committee (ExCo) and sits on the S&SD Committee. She is the former president and chief executive officer of Alcan's Primary Metals Group and a former director of AngloGold Ashanti Limited and the Sara Lee Corporation. She is a non-executive director of BP plc, De Beers and Chairman of Anglo Platinum.

René Médori, Doctorate in Economics (53), was appointed to the Board on June 1, 2005, becoming finance director on September 1, 2005. René Médori is a member of GMC and ExCo and chairman of the Investment Committee. He is a former finance director of The BOC Group plc and is a non-executive director of Scottish and Southern Energy plc, De Beers and Anglo Platinum Limited.

Non-Executive Directors

The Group is conscious of the need to maintain an appropriate mix of skills and experience on the Board, and to progressively refresh its composition over time. Consistent with this belief, four new independent non-executive directors were appointed to the Board during 2009. The Board intends to continue this policy of progressively refreshing its composition over time.

Sir John Parker was appointed as chairman of the Group and Sir Philip Hampton, Jack Thompson and Ray O'Rourke joined the Board in the latter part of 2009.

Fred Phaswana resigned from the board on January 1, 2010, and Sir Rob Margetts and Chris Fay retired from the Board at the conclusion of the AGM on April 22, 2010. Karel Van Miert passed away on June 22, 2009.

Sir John Parker, FREng DSc (Eng), ScD (Hon), DSc (Hon), D.Univ (Hon), Hon Fellow IMAREST, FRINA (68), joined the Board as a non-executive director on July 9, 2009 and became chairman of Anglo American plc on August 1, 2009. He succeeded Sir Mark Moody-Stuart, who retired from the Board after seven years as chairman. Sir John is also chairman of the Nomination Committee and is a member of the S&SD Committee. He is chairman of National Grid plc, a non-executive director of Carnival Corporation, EADS and deputy chairman of DP World. He is a former joint chairman of the Mondi Group and recently stepped down as senior non-executive director (Chair) of the Court of the Bank of England. Sir John is a Fellow of the Royal Academy of Engineering, Chancellor of the University of Southampton and a Visiting Fellow of the University of Oxford. He is a recipient of honorary doctorates from a number of universities in the UK and Ireland.

David Challen, MA, MBA (67), joined the Board on September 9, 2002 and was appointed as the senior independent non-executive director in April 2008. He is chairman of the Audit Committee and a member of the Nomination and Remuneration Committees. David Challen is currently vice-chairman of Citigroup European Investment Bank, senior non-executive director of Smiths Group plc and a non-executive director of the Classical Opera Company. Previously he was chairman of J. Henry Schroder & Co. Limited, where he spent most of his professional career. He is currently deputy chairman of the UK's Takeover Panel.

Nicky Oppenheimer, MA (65), joined the Board on March 18, 1999. Nicky Oppenheimer joined the Group in 1968 and subsequently became an executive director and a deputy chairman of Anglo American Corporation of South Africa Limited. He became deputy chairman of De Beers Consolidated in 1985 and has been chairman of De Beers since 1998.

Dr. Mamphela Ramphele, PhD, BComm, MBChB (62), joined the Board on April 25, 2006. She is a member of the Nomination and S&SD Committees. Mamphela Ramphele is the executive chair of Letsema Circle, a specialist transformation advisory company and the chair of the Technology & Innovation Agency of South Africa. She joined the board of AngloGold Ashanti Limited on July 1, 2010 as Deputy Chairman and will become Chairman on November 2, 2010. She is a non-executive director of Mediclinic and Business Partners S.A., a trustee of the Nelson Mandela and Rockefeller Foundations, and an adviser to the Veolia Institute. She was formerly co-chair of the Global Commission on International Migration, a World Bank managing director and vice-chancellor at the University of Cape Town.

Peter Woicke, MBA (67), joined the Board on January 1, 2006 and is the Chairman of the S&SD Committee and a member of the Nomination, and Remuneration Committees. From 1999 to January 2005 he was chief executive officer of the International Finance Corporation (IFC). He was also a managing director of the World Bank. Prior to joining the IFC, Peter Woicke held numerous positions over nearly 30 years with J.P. Morgan. He is currently chair of the trustees of the Ashesi University Foundation, a member of the Saudi Aramco board and a member of the Institute for Human Rights and Business board.

Sir CK Chow, DEng (Hon), CEng, FREng, HonFHKIE, FIChemE (60), was appointed to the Board on April 15, 2008 and is a member of the Nomination and Remuneration Committees. He is currently chief executive officer of the MTR Corporation in Hong Kong, a position he has held since December 2003. He was formerly chief executive of Brambles Industries and GKN plc. Prior to joining GKN plc he worked for The BOC Group plc for 20 years, becoming chief executive of its Gases Division and joining its board in 1993. He is the non-executive chairman of Standard Chartered Bank (Hong Kong) Limited.

Sir Philip Hampton MA, ACA, MBA (56), joined the Board on November 9, 2009. He is the chairman of the Remuneration Committee and a member of the Audit Committee. Sir Philip is chairman of The Royal Bank of Scotland and has recently stepped down as chairman of J Sainsbury plc, a position he had held since 2004. Previously, he was group finance director of Lloyds TSB Group plc, BT Group plc, BG Group plc, British Gas plc, British Steel plc, an executive director of Lazards and a non-executive director of RMC Group plc. Sir Philip is the former chairman of UK Financial Investments Limited, the company established to manage the British government's shareholding in banks subscribing to its recapitalisation fund, and has also been a non-executive director of Belgacom SA.

Ray O'Rourke FICE, (63), joined the Board on December 11, 2009. He is a member of the Audit and S&SD Committees. Ray O'Rourke founded the O'Rourke Group in 1977, having begun his career at Kier and J Murphy & Sons. In 2001, the O'Rourke Group acquired John Laing, to form Laing O'Rourke, now Europe's largest privately owned construction company, of which Ray O'Rourke is chairman and chief executive.

Jack Thompson BSc, PhD (60), joined the Board on November 16, 2009 and is a member of the Remuneration and S&SD Committee. He is currently a non-executive director of Century Aluminum Co., Molycorp Minerals LLC and Tidewater Inc. He was previously chairman and CEO of Homestake Mining Co., vice chairman of Barrick Gold Corp. and has served on the boards of Centerra Gold Inc., Phelps Dodge Corp., Rinker Group Ltd and Stillwater Mining.

Committees of the Board

Subject to those matters reserved for its decision, the Board delegates certain responsibilities to a number of standing committees — the Audit, Remuneration, Nomination and Safety and Sustainable Development Committees.

Audit Committee. The primary role of the Audit Committee is to ensure the integrity of financial reporting and the audit process, and that a sound risk management and internal control system is maintained. In pursuing these objectives, the Audit Committee oversees relations with the external auditors and reviews the effectiveness of the internal audit function. The committee also monitors developments in corporate governance to ensure the Group continues to apply high and appropriate standards.

In fulfilling its responsibility of monitoring the integrity of financial reports to shareholders, the Audit Committee reviews accounting principles, policies and practices adopted in the preparation of public financial information and examines documentation relating to the Annual Report, Half Year Financial Report, preliminary announcements and related public reports. The clarity of disclosures included in the financial statements is reviewed by the Audit Committee, as is the basis for significant estimates and judgements. In assessing the accounting treatment of major transactions open to different approaches, the committee considers written reports by management and the external auditors. The committee's recommendations are submitted to the Board for approval.

The Audit Committee presently comprises: David Challen (chairman), Sir Philip Hampton and Ray O'Rourke, all of whom are independent non-executive directors. The Board, in consultation with the Audit Committee chairman, makes appointments to the committee. The Board has determined that the committee members have the skills and experience necessary to contribute meaningfully to the committee's deliberations. In addition, the chairman has requisite experience in accounting and financial management. The committee met three times during 2009, and on two of those occasions the members held discussions with the external audit partners and the head of internal audit in the absence of management.

Remuneration Committee. The Remuneration Committee is responsible for establishing and developing the Group's general policy on executive and senior management remuneration and determining specific remuneration packages for executive directors. The Remuneration Committee met three times during 2009. The Remuneration Committee presently comprises: Sir Philip Hampton (chairman), David Challen, Sir CK Chow, Jack Thompson, and Peter Woicke, all of whom are independent non-executive directors.

Nomination Committee. The Nomination Committee makes recommendations to the Board on the appointment of new executive and non-executive directors, including making recommendations as to the composition of the Board and its committees and the balance between executive and non-executive directors. The Nomination Committee meets as and when required and engages external consultants to identify appropriate candidates. During 2009, the services of Spencer Stuart were used by the Committee.

The Board, via the Nomination Committee, has taken steps to ensure that the Human Resources function of the Group regularly reviews and updates the succession plans of directors and senior managers. The Committee met five times during 2009. The Nomination Committee currently comprises Sir John Parker (chairman), David Challen, Mamphela Ramphele, Peter Woicke and Sir CK Chow.

Safety and Sustainable Development Committee. The S&SD Committee is responsible for developing framework policies and guidelines for the management of sustainable development issues, including safety, health and environment matters, and ensuring their progressive implementation throughout the Group. The S&SD Committee normally meets three or four times each year, including a visit to an operation, and business unit heads are invited to attend committee meetings. Each business unit head makes a safety and sustainable development presentation to the committee. The committee met five times during 2009. The Report to Society 2009, published in April, focuses on the safety, sustainable development, health and environmental performance of the Group's managed operations, their performance with regard to the Company's Good Citizenship principles and the operational dimensions of their social programs. The S&SD Committee presently comprises: Peter Woicke (chairman), Brian Beamish, Cynthia Carroll, Sir John Parker, Mamphela Ramphele, Ray O'Rourke, Jack Thompson and David Weston.

Senior Management

Senior management means those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (executive and non-executive) of the Group.

The names and biographical details of the members of ExCo (who are considered to be senior management) are set forth below.

Cynthia Carroll is chief executive of Anglo American plc, see "— Composition of Board".

René Médori is finance director of Anglo American plc, see "— Composition of Board".

Brian Beamish, BSc (Mechanical Engineering) (53), is Group director mining and technology. He is a member of the GMC, ExCo, Investment and S&SD Committees. He held the position of chief executive of Base Metals between 2007 and 2009 and has more than 30 years of mining industry experience in various commodities and geographies. He spent 20 years at Anglo Platinum, including four years as executive director, operations between 1996 and 1999.

Mervyn Walker MA (Oxon) (51) is Group director human resources and communications. He is a member of the GMC and ExCo. He is a solicitor by training and joined Anglo American in 2008 from Mondi, where he was group HR and legal director. Mervyn Walker spent 19 years at British Airways, where he held a series of senior roles, including HR director, legal director, director purchasing and director of UK airports. He is also non-executive chairman of pension schemes for AMEC plc.

David Weston MBA, BSc (Eng) (51), is Group director business performance and projects. He is a member of the GMC, ExCo, Investment and S&SD Committees. He spent 25 years with Shell and was president, Shell Canada Products before joining the Anglo American Group in 2006 as chief executive of Industrial Minerals (Tarmac). David Weston served as the Group's technical director between April and October 2009. He is also a non-executive director at International Power plc.

The following executives are also members of the ExCo:

Walter De Simoni BSc (Mining Eng) (54), is CEO Nickel. Walter De Simoni joined the Anglo American Group in 1978. He was appointed president of Anglo Base Metals Brazil in 2005. He became Anglo American Brazil CEO in 2006 and CEO Nickel in October 2009.

Seamus French B Eng (Chemical) (47), is CEO Metallurgical Coal and joined the Group as regional CEO of Anglo Coal Australia in 2007. He was previously on the BHP Billiton Executive Committee as global vice-president business excellence from 2005.

Godfrey Gomwe B.Acc. CA (Z) MBL, (55) is Executive Director, Anglo American South Africa Limited. He has served on a number of Anglo American operating boards and executive committees and was previously finance director and chief operating officer of Anglo American South Africa before being appointed executive director of Anglo American South Africa in December 2009, and Executive Committee member in September 2010.

Chris Griffith B Eng (Mining) Hons, Pr Eng (44), is CEO Kumba. He has been with Anglo American for almost two decades. He was Anglo Platinum's head of operations for joint ventures before being appointed CEO Kumba in 2008.

John MacKenzie M.Sc Eng, MBL (41), is CEO Copper. He joined the Anglo American Gold and Uranium Division in January 1990 and was promoted to vice-president of Anglo Coal, South American Operations in 1999. In 2004, he became general manager of Base Metals' MLdN operation in Venezuela. John MacKenzie was appointed CEO of Base Metals' Zinc operations in November 2006, becoming CEO Copper in October 2009.

Norman Mbazima FCCA (51), is CEO Thermal Coal. He joined the Anglo American Group in April, 2001, where he began his career at Konkola Copper Mines PLC. He was previously global chief financial officer for Anglo Coal and became executive director of finance at Anglo Platinum in June 2006, and later

stepped in as joint acting chief executive. Norman Mbazima was appointed CEO of Scaw Metals in May 2008 and was appointed CEO Thermal Coal in October 2009.

Neville Nicolau BT (Mining Engineering), MBA (50), is CEO Platinum. He joined the Anglo American Group in January 1979, subsequently working in the Gold and Uranium Division at different managerial levels in all the major operating areas in South Africa. In 2000-2001, he was the technical director of AngloGold's South American operations, based in Brazil. He became chief operating officer (Africa) AngloGold Ashanti in May 2004 and was appointed CEO Anglo Platinum in June 2008.

Duncan Wanblad BSc (Eng) Mech, GDE (Eng Management) (43), is Group director Other Mining and Industrial. He joined Johannesburg Consolidated Investment Company Limited in 1990. Duncan Wanblad was appointed to the board of Anglo Platinum and various of its subsidiaries in 2004 — becoming the executive director in charge of projects and engineering. He was appointed joint acting chief executive of Anglo Platinum in August 2007, before taking over as CEO copper operations of Anglo American in May 2008, and appointed CEO Other Mining and Industrial in October 2009.

Stephan Weber M.Sc (48), is CEO Iron Ore Brazil. He worked for Rio Tinto from 2002 to 2008, serving on its Iron Ore Executive Committee from 2006 to 2008. Stephan Weber joined Anglo American in January 2009 as chief technical officer within Anglo Ferrous Metals and was appointed CEO of Iron Ore Brazil in October 2009.

Peter Whitcutt BCom (Hons), CA (SA), MBA (44), is Group director strategy and business development. He joined Anglo American in 1990 within the Corporate Finance division. Peter Whitcutt worked on the merger of Minorco, the listing of Anglo American in 1999 and the subsequent unwinding of the cross-holding with De Beers. He was appointed chief financial officer of Base Metals in August 2008 and to his present position in October 2009.

Compensation

Role of the Remuneration Committee and Terms of Reference

The Remuneration Committee is responsible for considering and making recommendations to the Board on:

- the Company's general policy on executive and senior management remuneration;
- the specific remuneration packages for executive directors of the Company, including basic salary, performance-based short-term and long-term incentives, pensions and other benefits; and
- the design and operation of the Company's share incentive schemes.

The Remuneration Committee met three times during 2009.

For the composition of the Remuneration Committee, see "—Composition of Board". The Group's chief executive attends the Remuneration Committee meetings by invitation and assists the Remuneration Committee in its considerations, except when issues relating to her own compensation are discussed. No directors are involved in deciding their own remuneration. In 2009, the Remuneration Committee was advised by the Company's Human Resources and Finance functions specifically Mervyn Walker and Chris Corrin.

Policy on Executive Director Remuneration

The Company's remuneration policy is formulated to attract and to retain high-caliber executives and to motivate them to develop and to implement the Company's business strategy in order to optimize long-term shareholder value creation. The policy is framed around the following key principles:

- total rewards will be set at levels that are sufficiently competitive to enable the recruitment and retention of high-calibre executives;
- total incentive-based rewards will be earned through the achievement of demanding performance conditions consistent with shareholder interests;

- incentive plans, performance measures and targets will be structured to operate soundly throughout the business cycle;
- the design of long-term incentives will be prudent and will not expose shareholders to unreasonable financial risk;
- in considering the market positioning of reward elements, account will be taken of the performance of the Company and of the individual executive director; and
- reward practice will conform to best practice standards as far as reasonably practicable.

It is the intention that this policy will continue to apply for 2010 and subsequent years, subject to ongoing review as appropriate.

Representatives of the Group's principal investors are consulted on material changes to remuneration policy.

Elements of Executive Director Remuneration

Remuneration mix

Each executive director's total remuneration consists of salary, annual bonus, long-term incentives and benefits. An appropriate balance is maintained between fixed and performance-related remuneration and between elements linked to short-term financial performance and those linked to longer-term shareholder value creation.

Assuming on-target performance, the Remuneration Committee's policy is that at least 50% (60% for Cynthia Carroll) of each executive director's remuneration is performance-related. In 2009, 69% of both the chief executive's and the finance director's remuneration on an expected-value basis was performance-related

The Bonus Share Plan (BSP) and the Long Term Incentive Plan (LTIP) are designed to align the longer-term interests of shareholders and executives and to underpin the Company's performance culture. The Remuneration Committee monitors the relevance and appropriateness of the performance measures and targets applicable to both plans.

Basic salary

The basic salary of the executive directors is reviewed annually and is targeted at the market median of companies of comparable size, market sector, business complexity and international scope. This is further adjusted based on experience and other relevant factors. The market for executives of main board caliber, in large international resource companies in particular, has in recent years been very competitive and it is therefore deemed sensible to position basic salary for executive directors at no lower than the median point. Company performance, individual performance and changes in responsibilities are also taken into consideration in setting salary levels each year.

Bonus Share Plan ("BSP")

The BSP was first operated in 2004 and all executive directors are normally eligible to participate in it.

The BSP requires executive directors to invest a significant proportion of their remuneration in shares, thereby more closely aligning their interests with those of shareholders, and encourages management at all levels to build up a meaningful personal stake in the Company. Awards under the BSP are not pensionable, are made annually and consist of three elements:

- a performance-related cash element;
- Bonus Shares as a conditional award, normally to a value equal to the cash element; and
- an additional performance-related element in the form of Enhancement Shares.

The BSP operates as follows:

- the value of the bonus is calculated by reference to achievement against annual performance targets which include measures of corporate (and, where applicable, business unit) performance as well as the achievement of specific individual objectives. For executive directors, the corporate element is based on stretching earnings per share (EPS) targets which are calculated using underlying earnings (reconciled in note 12 of the financial statements). The key individual objectives are designed to support the Company's strategic priorities and in 2009 included cost and AO, portfolio restructuring, strategic initiatives, organizational structure and capabilities, safety improvements and operational effectiveness;
- the Remuneration Committee reviews these measures annually to ensure they remain appropriate and sufficiently stretching in the context of the economic and performance expectations for the Company and its operating businesses;
- in 2009, 50% of each annual bonus was based on the corporate financial measure and the remaining 50% on key personal performance measures. This split was decided upon to reflect the importance of the ongoing strategic repositioning of the Group and because of the volatile nature of commodity prices with the implications of this on setting earnings targets. The level of bonus payable is reduced if certain overall safety improvement targets are not met. Bonus parameters are set on an individual basis;
- the maximum cash element is 75% of basic salary in the case of both Cynthia Carroll and René Médori. Half of any bonus earned is payable in cash and the other half is deferred into shares. The maximum bonus is payable only for meeting targets which, in the opinion of the Remuneration Committee, represent an exceptional performance for the Group in the light of prevailing market conditions. The other part of the bonus is in the form of a conditional award of Bonus Shares, equal in value to the cash element. These Bonus Shares vest only if the participant remains in employment with the Group until the end of a three-year holding period (or is regarded by the Remuneration Committee as a 'good leaver'). At the time that bonus targets were set in early 2009, the prices of the Company's products had fallen very sharply and the EPS targets set by the Remuneration Committee looked very difficult to attain. During the year, the actions taken by management, together with improving prices, led to an out-turn higher than the targets that had been set. Having taken all relevant considerations into account, the Remuneration Committee concluded that the bonuses awarded should reflect the achievement of the targets, but that the proportion of the bonus deferred into shares should be increased from 50% to 75% for a second year running; and
- executive directors also receive a conditional award of Enhancement Shares at the same time as the award of Bonus Shares. The maximum potential, at face value, of the Enhancement Shares is 75% of the face value of the Bonus Shares. Awards of Enhancement Shares made in 2009 will vest after three years only to the extent that a challenging performance condition (based on earnings per share growth against growth in the UK Retail Price Index (RPI) — Real EPS growth) is met. There is no retesting of this performance condition. This is shown in the following table (shares will vest on a straight line basis for performance between the levels).

Real EPS growth over three years	Proportion of Enhancement Shares vesting
Below RPI + 9%	0%
RPI + 9%	44%
RPI + 15% (or above)	100%

Real EPS growth is viewed as the most appropriate performance measure for this element of the BSP because it is a fundamental financial performance indicator, both internally and externally, and links directly to the Company's long-term objective of improving earnings. The targets have been approved by the Remuneration Committee after reviewing performance over a number of years and have been set at a level which provides stretching performance levels for management. The level of performance achieved and the

proportion of awards vesting in respect of each performance period will be published in the subsequent remuneration report.

Share options and all-employee share schemes

No share options were granted in 2009 to executive directors under the Company's Executive Share Option Scheme (ESOS). However, the ESOS is retained for use in special circumstances relating to the recruitment or retention of key executives. Accordingly, as the previous ESOS was due to expire in early 2009, the plan was replaced in 2009 by the Anglo American Discretionary Option Plan (DOP) which was approved by shareholders at the Annual General Meeting (AGM) in April 2008. No options were granted in 2009 to executive directors under the DOP.

UK-based executive directors are eligible to participate in the Company's Save As You Earn scheme (SAYE) and Share Incentive Plan (SIP). Performance conditions do not apply to these schemes because they are offered to all UK-based employees. As the previous SAYE scheme was due to expire in early 2009, it was replaced in 2009 by the new SAYE scheme which was approved by shareholders at the AGM in April 2008.

Long-Term Incentive Plan ("LTIP")

Grant levels. Conditional LTIP awards are made annually to executive directors. The maximum grant level under the LTIP is currently 200% of basic salary and, in 2010, conditional grants under the LTIP were made at this level for executive directors, including the chief executive. The Remuneration Committee is satisfied that the performance conditions that need to be met for these awards to vest in full are sufficiently stretching in the context of the award levels. In determining annual award levels, the Remuneration Committee also gives consideration to market competitiveness and has set the levels taking account of median expected value of long-term incentives relative to other companies of a similar size. These awards are discretionary and are considered on a case-by-case basis.

Performance measures. As in previous years, vesting of the LTIP awards made during 2009 is subject to the achievement, over a fixed three-year period, of stretching Group performance targets.

Half of each award is subject to a Group Total Shareholder Return (TSR) measure, while the other half is subject to a Group operating measure, currently return on capital employed (ROCE). These performance measures were selected on the basis that they foster the creation of shareholder value and their appropriateness is kept under review by the Remuneration Committee. Taken as a whole, vesting depends on meeting a very challenging set of performance hurdles.

At the end of each performance period, the levels of TSR and ROCE performance achieved and the level of award earned are published in the subsequent remuneration report. There is no retesting of performance.

For the 2010 LTIP award, the Remuneration Committee agreed to the use of an Asset Optimization/ Supply Chain (AO/SC) efficiency measure in place of the ROCE metric. The AO/SC targets are of such significance that the Remuneration Committee regards their achievement as crucially important to the Group in delivering increased value to shareholders. The targets are aligned to the Group's external statements in this regard and the specific targets applicable to the 2010 award (and each subsequent year) will be reported in the Group's Report and Accounts for 2010 (and for each subsequent year); the extent to which the targets are met under the terms of the LTIP will also be reported and audited at the end of each performance period. There is no retesting of performance.

The LTIP is intended closely to align the interests of shareholders and executive directors by rewarding superior shareholder returns and financial performance and by encouraging executives to build up a shareholding in the Company.

Total shareholder return (TSR). The Remuneration Committee considers comparative TSR to be a suitable long-term performance measure for the Company's LTIP awards. Executives would benefit under this measure only if shareholders have enjoyed returns on their investment which are superior to those that could have been obtained in other comparable companies.

50% of the proportion of each award that is based on TSR is measured against the Sector Index and 50% is measured against the constituents of the FTSE 100. Maximum vesting of the TSR element of an award will be possible only if Anglo American outperforms by a substantial margin both the sector benchmark (as described below) and the largest UK companies across all sectors.

Sector Index comparison. One half of the TSR element of an LTIP award vests according to the Company's TSR over the performance period, relative to a weighted basket of international mining companies (the Sector Index). The Remuneration Committee may amend the list of comparator companies in the Sector Index, and relative weightings, if circumstances make this necessary (for example, as a result of takeovers or mergers of comparator companies or significant changes in the composition of the Group). In calculating TSR it is assumed that all dividends are reinvested.

For awards made in 2009, the companies constituting the Sector Index were as follows:

	Mining	Industrial Minerals
Category weighting	94%	6%
Comparator companies	BHP Billiton plc	CRH plc
	Rio Tinto plc	Holcim Limited
	Teck Cominco	Lafarge
	Vale	
	Vedanta Resources plc	
	Xstrata plc	

Should the Tarmac group be sold or demerged during the performance period relating to this award, the percentage attributable to Industrial Minerals will fall to zero.

Target performance for the Sector Index is assessed by calculating the median TSR performance within each sub-sector category, and then weighting these medians by the category weightings shown above. That part of any award that is contingent upon the Sector Index element of the TSR performance will vest as shown in the table below (shares will vest on a straight line basis for performance between the levels).

The Company's relative TSR compared to the Sector Index	Proportion of TSR element vesting
Below Target	0%
Target (matching the weighted median of the Sector Index)	20%
Target plus 5% per annum	50%
Target plus 7.5% per annum (or above)	75%

FTSE 100 comparison. The vesting of the other half of the TSR element of an LTIP award will depend on the Company's TSR performance over the performance period compared with the constituents of the FTSE 100 Index, as follows:

The Company's relative TSR compared to the FTSE 100	Proportion of TSR element vesting
Below the median TSR of the FTSE 100	0%
Equal to the median TSR of the FTSE 100	20%
Equal to the 90th percentile TSR of the FTSE 100	50%
Above the 90th percentile TSR of the FTSE 100	75%

Shares will vest on a straight line basis for performance between the levels shown in the table above.

The targets above were calibrated such that, for the TSR element of the award, there is approximately a 10% chance of achieving full vesting and a 25% chance of two-thirds vesting. The estimated average fair value of an award under the TSR element is 50% of the value of shares awarded.

Return on Capital Employed. Group ROCE is the second performance measure for LTIP awards. The Remuneration Committee has considered ROCE to be an important factor in driving improvements in

shareholder value. However, as has been noted above, the Remuneration Committee agreed on an alternative metric for the 2010 award which is less complex and is directly supportive of the Company's focus on AO and Supply Chain initiatives.

The proportion of shares vesting based on Group ROCE will vary according to the degree of improvement in the Group's average annualized ROCE over the performance period. Unless certain minimum targets for improvement in returns (on both capital employed for the financial year preceding the start of the performance period (existing capital employed) and on the additional capital employed during the performance period (incremental capital employed)) are met, no shares will vest under this performance measure. The maximum ROCE targets are based on stretching levels of return on the existing capital employed.

The targets for the ROCE element of the 2009 conditional award are shown below. These are adjusted for movements in commodity prices, certain foreign exchange rate effects, capital in progress and for relevant changes in the composition of the Group.

	Existing capital employed	Incremental capital employed
Minimum ROCE Target	43.99%	10%
Maximum ROCE Target	45.99%	10%

The ROCE element of the award vests as shown in the table below:

	Proportion of ROCE element vesting
Below or equal to the Minimum ROCE Target	0%
Equal to or greater than the Maximum ROCE Target	100%

Shares will vest on a straight line basis for performance between the Minimum ROCE Target and the Maximum ROCE Target.

Vesting of share incentives in the event of change of control or termination of employment

In the event of a change of control of the Company, the following provisions apply under the Company's incentive plans:

- share options granted under the ESOS or under the DOP may be exercised irrespective of whether the applicable performance conditions have been met;
- the number of shares that vest under the LTIP will be calculated by reference to the extent to which the applicable performance conditions have been met at the time of the change of control;
- Bonus Shares awarded under the BSP will be released and to the extent that the performance conditions have been met at the time of the change of control, Enhancement Shares awarded under the BSP will vest;
- SAYE options may be exercised (to the extent of savings at the date of exercise); and
- participants may direct the SIP trustee as to how to deal with their SIP.

In the event that a director's employment is terminated, vesting of any outstanding share options under the ESOS or under the DOP is dependent upon the reasons for termination. Performance conditions fall away in the event of redundancy. However, if the director resigns voluntarily, then all such options lapse unless the Remuneration Committee determines otherwise.

In the case of LTIP awards, if a director resigns voluntarily, then his/her interests lapse. If he/she retires with the consent of the Remuneration Committee, is made redundant or is considered by the Remuneration Committee to be a "good leaver", vesting at the end of the performance period is based on the normal performance criteria and then pro-rated for the proportion of the performance period for which the director served.

In the case of the BSP, if a director ceases to be employed before the end of the year in respect of which the annual performance targets apply, then no award will be made unless the Remuneration Committee determines otherwise (taking into account the proportion of the year for which the director was an employee of the Group and of performance to date against the annual performance targets at the date of cessation). If a director resigns voluntarily before the end of the three-year vesting period, the Bonus Share awards lapse and awards of Enhancement Shares are forgone. If a director retires with the consent of the Remuneration Committee, is made redundant or is considered by the Remuneration Committee to be a "good leaver", Bonus Shares already awarded will be transferred as soon as practicable after the date of leaving and Enhancement Shares will vest at the end of the performance period (to the extent that the performance conditions have been met).

Employee Share Ownership Trust and policy on provision of shares for incentive schemes

The Group uses an Employee Share Ownership Trust (the "Trust") to acquire and hold shares to facilitate the operation of the Company's share schemes. As at December 31, 2009, the Trust held 949,244 ordinary shares in the Company, registered in the name of Greenwood Nominees Limited. Shares held by the Trust are not voted at the Company's general meetings. The Board also has the necessary authority to utilize newly issued or Treasury Shares in connection with the operation of its share schemes.

Pensions

Since the inception of the new UK pensions regime that applied from April 6, 2006, the Remuneration Committee has been prepared to consider requests from executive directors that their contracts be altered for future service, so that future pension benefits are reduced or cease to accrue and that a pension allowance be paid having the same cost to the Company as the defined contribution benefits forgone.

Similarly, the Remuneration Committee is prepared to consider requests from executive directors (as is the case for employees more generally) that their contracts be altered for future service, so that supplementary pension contributions are made into their defined contribution pension arrangements, in return for equivalent cost reductions in their future basic salaries and/or the cash element of any future BSP awards.

Other benefits

Executive directors are entitled to the provision of a car allowance, medical insurance, death and disability insurance, social club membership and limited personal taxation/financial advice, in addition to reimbursement of reasonable business expenses. The provision of these benefits is considered to be market-competitive.

Executive shareholding targets

Within five years of their appointment, executive directors are expected to acquire a holding of shares with a value of two times basic salary in the case of the chief executive and one times basic salary in the case of any other executive director.

The Remuneration Committee takes into consideration achievement against these targets when making grants under the Group's various long-term incentive plans.

External appointments

Executive directors are not permitted to hold external directorships or offices without the approval of the Board; if approved, they may each retain the fees payable from one such appointment. During the year ended December 31, 2009, Cynthia Carroll and René Médori each retained fees from such appointments, amounting to £90,000 and £64,000, respectively.

Policy on non-executive director remuneration

Non-executive director remuneration is approved by the Board as a whole on the recommendation of the chairman and executive directors.

The Company's policy on non-executive director remuneration is based on the following key principles:

Remuneration should be:

- sufficient to attract and retain world-class non-executive talent;
- consistent with recognized best practice standards for non-executive director remuneration;
- in the form of cash fees, but with the flexibility to forgo all or part of such fees (after deduction of applicable income tax and social security contributions) to acquire shares in the Company should the non-executive director so wish; and
- set by reference to the responsibilities taken on by the non-executives in chairing the Board and its committees.

Non-executive directors may not participate in the Company's share incentive schemes or pension arrangements.

It is the intention that this policy will continue to apply for 2010 and subsequent years, subject to ongoing review as appropriate.

The Board reviews non-executive directors' fees periodically to ensure they remain market-competitive. Non-executive directors' fees were last increased following a review in December 2005 (and took effect in January 2006). Since that time, fees have been reviewed and it is thought that fee levels have fallen behind the market, and the Board has agreed to increase the basic fee to £80,000 per annum (pa) and the fee for the SID to £100,000 pa with effect from January 1, 2010. There will be no change to the fees for Committee Chairmen.

Chairman's fees

The chairman's fees were set in July 2009 at £650,000 pa to take effect from his appointment on August 1, 2009. The chairman's fees are reviewed periodically (on a different cycle from the review of non-executive directors' fees). A recommendation is then made to the Board (in the absence of the chairman) by the Remuneration Committee and chief executive, who take external advice on market comparators.

Directors' service contracts

Cynthia Carroll and René Médori are employed by Anglo American Services (UK) Ltd ("AAS"). It is the Company's policy that the period of notice for executive directors will not exceed 12 months, and accordingly the employment contracts of the executive directors are terminable at 12 months' notice by either party.

The contracts of executive directors do not provide for any enhanced payments in the event of a change of control of the Company, or for liquidated damages.

The following table summarizes the executive directors' date of appointment and the applicable date of re-election or election to the Board:

	Date of appointment	Next AGM re-election or election
Cynthia Carroll (chief executive)[(1)]	January 15, 2007	April 2011
René Médori (finance director)[(1)]	June 1, 2005	April 2011

(1) At each AGM all directors shall be proposed for re-election in accordance with the UK Corporate Governance Code.

All non-executive directors have letters of appointment with the Company for an initial period of three years from their date of appointment, subject to reappointment at the AGM.

The following table summarizes the non-executive directors' date of appointment and the applicable date of re-election or election to the Board:

	Date of appointment	Next AGM re-election or election
Sir John Parker[(1)(2)]	July 9, 2009	April 2011
Sir Mark Moody-Stuart (retired 2009)[(1)(2)]	July 16, 2002	n/a
David Challen[(1)(2)]	September 9, 2002	April 2011
Sir CK Chow[(1)(2)]	April 15, 2008	April 2011
Chris Fay (retired 2010)[(1)(2)]	April 19, 1999	n/a
Sir Philip Hampton[(1)(2)]	November 9, 2009	April 2011
Sir Rob Margetts (retired 2010)[(1)(2)]	March 18, 1999	n/a
Nicky Oppenheimer[(1)(2)]	March 18, 1999	April 2011
Ray O'Rourke[(1)(2)]	December 11, 2009	April 2011
Fred Phaswana (resigned 2010)[(1)(2)]	June 12, 2002	n/a
Mamphela Ramphele[(1)(2)]	April 25, 2006	April 2011
Jack Thompson[(1)(2)]	November 16, 2009	April 2011
Karel Van Miert (passed away 2009)[(1)(2)]	March 19, 2002	n/a
Peter Woicke[(1)(2)]	January 1, 2006	April 2011

(1) At each AGM, all directors shall be proposed for re-election in accordance with the UK Corporate Governance Code.

(2) There is no fixed notice period; however, the Group may in accordance with, and subject to, the provisions of the 2006 Act, by Ordinary Resolution of which special notice has been given, remove any director from office. The Company's articles of association also permit the directors, under certain circumstances, to remove a director from office.

REMUNERATION OUTCOMES (EXCLUDING PENSIONS AND STOCK COMPENSATION) DURING 2009

Directors' compensation

The following tables set out an analysis of the pre-tax remuneration for the periods indicated, including bonuses but excluding pensions and stock compensation, for executive directors who held office in the Company during the years ended December 31, 2008 and December 31, 2009:

Executive directors[(1)]

	Basic salary as paid		Plus: Basic salary sacrificed into Pension Scheme		Total basic salary		Annual performance bonus - cash element[(2)]		Benefits in kind and other[(3)]		Total	
	Year ended December 31, 2008 (£000)	Year ended December 31, 2009 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2009 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2009 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2009 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2009 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2009 (£000)
Cynthia Carroll[(4)]	1,050	1,103	—	—	1,050	1,103	319	372	198	144	1,567	1,619
René Médori	660	693	—	—	660	693	208	234	55	30	923	957

(1) In 2009, Cynthia Carroll and René Médori held non-executive directorships of Anglo Platinum Limited and René Médori held a non-executive directorship of Anglo American South Africa Limited. The fees for their directorships were ceded to their employer, AAS.

(2) The split between the cash and share elements of the Bonus Share Plan has been set out previously.

(3) Each executive director receives a car allowance and a limited amount of personal taxation/financial advice. Executive directors also receive death and disability benefits as well as medical insurance.

(4) Cynthia Carroll was, in accordance with her terms upon joining, entitled to be reimbursed by the Company for the tax due on her relocation which are included in the above table (under Benefits in kind and other).

Non-executive directors[(1)(2)]

The fees paid to non-executive directors during the year ended December 31, 2009 amounted to £1,260,000 (2008: £1,177,000) and are as set out below.

	Total Fees	
	Year ended December 31, 2008 (£000)	**Year ended December 31, 2009 (£000)**
Sir John Parker	—	273
Sir Mark Moody-Stuart[(3)]	450	264
David Challen	89	93
Sir CK Chow (appointed April 15, 2008)	46	65
Chris Fay	80	80
Sir Philip Hampton	—	10
Sir Rob Margetts	84	80
Nicky Oppenheimer[(4)]	71	72
Ray O'Rourke	—	4
Fred Phaswana[(4)]	142	147
Mamphela Ramphele	65	65
Jack Thompson	—	9
Karel Van Miert[(5)]	65	33
Peter Woicke	65	65

(1) Each non-executive director, with the exception of Sir John Parker and Sir Mark Moody-Stuart, was paid a fee of £65,000 (2008: £65,000) per annum, and those non-executive directors who act as chairmen of the Audit, S&SD and Remuneration Committees were paid an additional sum of £15,000 (2008: £15,000) per annum. The chairman of the Nomination Committee was paid an additional sum of £7,500 (2008: £7,500) per annum. The senior independent director (SID) received fees of £13,000 (2008: £13,000). David Challen replaced Sir Rob Margetts as SID on April 15, 2008 and their additional fees in 2008 for this role were £9,000 and £4,000, respectively.

(2) In addition to the fees reported in the table for 2008, Bobby Godsell, who retired on April 15, 2008, received fees in 2008 of £20,000.

(3) Sir Mark Moody-Stuart retired on August 1, 2009.

(4) Nicky Oppenheimer received fees for his services as non-executive director of Anglo American South Africa Limited amounting to £7,000 (2008: £6,000) and, which are included in the above table. Fred Phaswana is the non-executive chairman of Anglo American South Africa Limited and of Anglo Platinum and received fees for these services amounting to £80,000 (2008: £69,000), which are included in the above table.

(5) Karel Van Miert passed away on June 22, 2009.

Directors' share interests

The interests of directors who held office during the period January 1, 2009 to December 31, 2009 in Shares of the Group and its subsidiaries were as follows:

Shares in Anglo American plc

	As at December 31, 2009 (or if earlier, date of resignation)					
	Beneficial	Conditional				
		SIP	LTIP	BSP Bonus Shares	BSP Enhancement Shares	Other
Cynthia Carroll[1]	14,433	573	262,925	61,990	78,803	24,154
René Médori[2]	66,082	591	168,885	55,822	63,970	—
Sir Mark Moody-Stuart[3,4]	28,422	—	—	—	—	—
Sir John Parker[5,6]	777	—	—	—	—	31,000
David Challen	1,820	—	—	—	—	—
Sir CK Chow	5,500	—	—	—	—	—
Chris Fay	6,827	—	—	—	—	—
Sir Philip Hampton[5]	637	—	—	—	—	—
Sir Rob Margetts[7]	15,030	—	—	—	—	—
Ray O'Rourke[5]	0	—	—	—	—	—
Nicky Oppenheimer[8]	33,557,017	—	—	—	—	—
Fred Phaswana	13,610	—	—	—	—	—
Mamphela Ramphele	2,762	—	—	—	—	—
Jack Thompson[5,9]	2,500	—	—	—	—	—
Karel Van Miert[10]	455	—	—	—	—	—
Peter Woicke	5,177	—	—	—	—	—

(1) Following her appointment as an executive director on January 15, 2007, Cynthia Carroll was granted 132,718 forfeitable shares conditional on her continued employment with the Group and in partial compensation for long-term incentives forgone at her previous employer. As a result of the share consolidation following the demerger of Mondi, 11,945 shares lapsed and the resultant forfeitable award was 120,773 forfeitable shares, of which 72,464 were released to her in February 2008, 24,155 were released to her in February 2009 and 24,154 were released to her in February 2010.

(2) René Médori's beneficial interest arises as a result of his wife's interest in these Shares.

(3) Sir Mark Moody-Stuart's beneficial interest includes 11,375 Shares arising as a result of his interest in a family trust.

(4) Sir Mark Moody-Stuart retired on August 1, 2009.

(5) Sir John Parker, Sir Philip Hampton, Ray O'Rourke and Jack Thompson were appointed to the Board on July 9, 2009; November 9, 2009; December 11, 2009 and November 16, 2009, respectively and were nominated at the AGM on April 21, 2010. Fred Phaswana resigned from the Board as at January 1, 2010.

(6) Following his appointment as chairman of the Company on August 1, 2009; Sir John Parker was awarded 31,000 ordinary shares in the Company which will be released in full on the third anniversary of his appointment, subject to his continued chairmanship.

(7) Sir Rob Margetts' beneficial interest arises as a result of his wife's interest in these Shares.

(8) Nicky Oppenheimer's beneficial interest in 33,556,927 of these Shares arises as a result of his interest in a discretionary trust which is treated as interested in 27,300,000 Shares in which E Oppenheimer & Son Holdings Limited is treated as interested and 6,252,377 Shares in which Central Holdings Limited is treated as interested. The 6,252,377 Shares referred to above are Shares held by Debswana Diamond Company (Pty) Limited, in which Nicky Oppenheimer and Central Holdings Limited have no economic interest. His interest in 4,550 of these Shares arises as a result of his wife's interest in a trust which has an indirect economic interest in those Shares.

(9) Jack Thompson acquired 5,000 unsponsored American Depositary Receipts (ADRs) in respect of the Company's ordinary shares at a price of $20.70 per ADR. One ADR represents 0.5 ordinary shares of $0.54945 each in the capital of the Company.

(10) Karel Van Miert passed away on June 22, 2009.

EMPLOYEES

Our employees are essential to the long-term success of the Group. We continue to invest in the development of our people and strive to ensure that we are positioned to attract and retain the best mining and other talent.

The table below sets forth the average number of employees (for continuing operations), excluding associates' employees and including a proportionate share of employees within joint venture entities, by business segment, for the periods presented.

(thousands)	Year ended December 31, 2008	2009
Platinum	56	58
Copper	4	4
Nickel	1	2
Iron Ore and Manganese	7	7
Metallurgical Coal	4	3
Thermal Coal	9	9
Other Mining and Industrial	22	22
Corporate Activities and Unallocated Costs	2	2
Total	105	107

The table below sets forth the average number of employees (for continuing operations) by principal location of employment, by geographical segment, for the periods presented.

(thousands)	Year ended December 31, 2007	2008	2009
South Africa	76	79	83
Rest of Africa	1	1	1
Europe	11	10	9
North America	1	1	1
South America	7	9	9
Australia and Asia	4	5	4
Total	100	105	107

We operate defined contribution and defined benefit pension plans for the majority of our employees. We also operate post retirement medical arrangements in southern Africa and North America.

The defined contribution pension and medical cost represents the actual contributions payable by the Group to the various plans. At December 31, 2009, there were no material outstanding/prepaid contributions and so no prepayment or accrual has been disclosed in the balance sheet in relation to these plans.

The majority of the defined benefit pension plans are funded. The assets of these plans are held separately from those of the Group in independently administered funds, in accordance with statutory requirements or local practice throughout the world. At December 31, 2009, the unfunded pension plans are principally in South America.

The post retirement medical arrangements provide health benefits to retired employees and certain dependents. Eligibility for cover is dependent upon certain criteria. The majority of these plans are unfunded.

MAJOR SHAREHOLDER INFORMATION

As of June 30, 2010, to our knowledge, the following investors held 3% or more of the Group's ordinary share capital:

Identity of Person	Number of Shares	% of Class
PLC Nominees (Pty) Limited[(1)]	451,762,130	34.26%
BlackRock, Inc.	80,539,177	6.33%
Public Investment Corporation	56,653,991	4.30%
Legal & General plc	60,310,946	4.57%
Tarl Investment Holdings Limited ("Tarl")[(2)]	47,275,613	3.58%
Epoch Two Investment Holdings Limited ("Epoch 2")[(2)]	42,166,686	3.20%

As of February 18, 2010, to our knowledge, the following investors held 3% or more of the Group's ordinary share capital:

Identity of Person	Number of Shares	% of Class
PLC Nominees (Pty) Limited[(1)]	441,614,145	33.54%
BlackRock, Inc.	83,199,370	6.32%
Public Investment Corporation	71,879,431	5.46%
Legal & General plc	60,780,489	4.62%
Tarl[(2)]	47,275,613	3.59%
Epoch 2[(2)]	42,166,686	3.20%

As of February 19, 2009, to our knowledge, the following investors held 3% or more of the Group's ordinary share capital:

Identity of Person	Number of Shares	% of Class
PLC Nominees (Pty) Limited[(1)]	441,329,569	33.52%
Public Investment Corporation	72,759,742	5.53%
Legal & General plc	57,561,848	4.37%
Tarl[(2)]	47,275,613	3.59%
Epoch 2[(2)]	42,166,686	3.20%

As of February 19, 2008, to our knowledge, the following investors held 3% or more of the Group's ordinary share capital:

Identity of Person	Number of Shares	% of Class
PLC Nominees (Pty) Limited[(1)]	354,587,265	26.82%
Legal & General plc	70,395,648	5.32%
Public Investment Corporation	66,796,452	5.05%
Tarl[(2)]	47,275,613	3.58%

(1) PLC Nominees (Pty) Limited is the nominee for those shareholders in South Africa who hold their shares in Anglo American through the Share Transactions Totally Electronic (STRATE) system, an electronic settlement and custody system.

(2) Epoch 2 and Tarl are two of the independent companies which purchased shares as part of Anglo's share buyback program. Epoch 2 and Tarl have waived their right to vote all the shares they hold or will hold in Anglo American plc.

RELATED PARTY TRANSACTIONS

The Group has a related party relationship with its subsidiaries, joint ventures and associates.

The Group, in the ordinary course of business, enters into various sales, purchase and service transactions with joint ventures and associates and others in which the Group has a material interest. These transactions are under terms that are no less favorable than those arranged with third parties. These transactions are not considered to be significant.

Dividends received from associates during H1 2010 totaled US$72 million (six months ended June 30, 2009: US$340 million, year ended December 31, 2009: US$616 million).

At June 30, 2010 the Group had provided loans to joint ventures of $284 million (December 31, 2009: US$262 million). These loans are included in financial asset investments.

As of June 30, 2010 the directors of the Group and their immediate relatives control 3% (December 31, 2009: 3%) of the voting shares of the Company.

Related Party Transactions with De Beers

At June 30, 2010 the Group held US$88 million (June 30, 2009: $88 million; December 31, 2009: $88 million) of 10% non-cumulative redeemable preference shares in DB Investments, the holding company of De Beers Société Anonyme.

Set out below are details of certain transactions and arrangements entered into by the Group with, or for the benefit of, certain related parties of the Company for the purposes of the United Kingdom Listing Authority ("UKLA") Listing Rules, being Central Holdings Limited (and certain of its subsidiaries, together "CHL"), DB Investments SA and De Beers SA (together, "De Beers") are related parties by virtue of being companies in which Mr. N.F. Oppenheimer, a director of the Company, has a relevant interest for the purposes of such rules.

It was agreed that the dividends declared by De Beers to the Group and the other shareholders in De Beers (including CHL) would be exchanged for loan obligations. The cumulative amount of dividends exchanged amounted to US$142 million for the six months ended June 30, 2010 and 2009. The loans are subordinated and are interest free for two years from the date of initial investment at which point they become interest bearing in line with market rates as at that date.

In April 2009 the shareholders of De Beers provided an additional loan to De Beers, proportionate to their shareholdings, totaling US$500 million (the Group's share was US$225 million). The loan is interest free for two years, at which point it reverts to a rate of interest equal to LIBOR plus 700 basis points until April 2016 and then, provided all interest payments are up to date, reduces to LIBOR plus 300 basis points. The loan is subordinated in favor of third party banks/lenders and preference shareholders (including Anglo American) and is repayable after ten years. These loans are included in financial asset investments.

In February 2010 the shareholders of De Beers agreed, as part of the De Beers group's refinancing, including third party debt refinancing, that the issuance of additional equity was required by De Beers. The shareholders of De Beers (including CHL) have accordingly all subscribed, in proportion to their shareholding, for US$1 billion of additional equity in De Beers (the Group's share was US$450 million and CHL's share was US$400 million).

Pursuant to the refinancing of De Beers and to satisfy the requirements of the lenders to De Beers, the shareholders of De Beers, including the Group, have agreed to:

(i) defer the receipt of dividends or capital on their ordinary shares until certain financial tests ("Normalization") are met and this is currently anticipated to be by June 30, 2011;

(ii) defer the receipt of dividends and mandatory redemption under the preference shares in De Beers SA until Normalization. The total amount deferred by Anglo American at June 30, 2010 is

$101 million. The dividends (or interest in respect of such dividends) will continue to accrue on the preference shares until they are paid and the preference shares redeemed; and

(iii) defer their rights to dividends or other distributions in respect of their respective ordinary shares, and, as applicable, preference shares and payments under the shareholder loans, until Normalization; and the subordination thereof.

As part of the process of facilitating the agreed equity subscription by all the shareholders of De Beers, a temporary re-ranking of distribution rights was agreed which will result, following Normalization, in a US$20 million distribution to the shareholders of De Beers (including the Group and CHL), pro-rata to their individual equity subscriptions as referred to above, which will be paid in priority to existing preferences on distributions under the terms of the preference shares in De Beers. The net effect of this re-prioritization on Anglo American, in the event of there being insufficient cash to pay all dividends then due, is a deferral of approximately US$8 million of dividends, which will continue to accrue interest until paid.

Remuneration and benefits received by directors (excluding pensions and stock compensation) are disclosed in "Management of Anglo American plc". Remuneration and benefits of other key management personnel are given in Note 6 to the 2009 Group Financial Statements.

Information relating to pension fund arrangements is disclosed in Note 27 to the 2009 Group Financial Statements.

DESCRIPTION OF THE NOTES AND THE GUARANTEES

The following is a summary of the material provisions of the Indenture and the Notes. Copies of the Indenture, the Guarantees and the Notes will be available for inspection during normal business hours at any time after the closing date of the offering of the Notes at the London offices of the Trustee, which are currently located at 14th Floor, Citigroup Centre, Canary Wharf, London E14 5LB. Any capitalized term used herein but not defined shall have the meaning assigned to such term in the Indenture.

General

The US$750,000,000 2.150% Notes due 2013 (the "2013 Notes") and the US$500,000,000 4.450% Notes due 2020 (the "2020 Notes" and, together with the 2013 Notes, the "Notes") will be issued and treated as two separate series of debt securities under an Indenture dated as of April 8, 2009 (the "Indenture"), among Anglo American Capital plc (the "Issuer"), Anglo American plc (the "Company"), Citibank, N.A., as trustee (the "Trustee"), paying agent, registrar and transfer agent (the "Agent").

The Indenture is not required to be nor will it be qualified under the US Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and will not incorporate by reference any of the provisions of the Trust Indenture Act. Consequently, the Holders of Notes generally will not be entitled to the protections provided under such Act to holders of debt securities issued under a qualified indenture, including those requiring the Trustee to resign in the event of certain conflicts of interest and to inform the Holders of Notes of certain relationships between it and the Issuer or the Company. In this "Description of the Notes and the Guarantees", the terms "Holder", "Noteholder" and other similar terms refer to a "registered holder" of Notes, and not to a beneficial owner of a book-entry interest in any Notes, unless the context otherwise clearly requires.

Banc of America Securities LLC, Barclays Capital Inc., Citigroup Global Markets Inc. and Mizuho Securities USA Inc. (together, the "Initial Purchasers") propose to resell the Rule 144A Global Notes in registered form to certain institutions in the United States in reliance upon Rule 144A under the US Securities Act of 1933, as amended (the "Securities Act"). The Rule 144A Global Notes may not be sold or otherwise transferred except pursuant to registration under the Securities Act or in accordance with Rule 144A or pursuant to Rule 904 of Regulation S thereunder or in a resale transaction that is otherwise exempt from such registration requirements, and will bear a legend to this effect. In light of current US securities laws, subject to certain exceptions, an exemption should be available for a sale or transfer of a Rule 144A Global Note after its Specified Date. The "Specified Date" means, with respect to any Rule 144A Global Note, the date following the expiration of the applicable required holding period determined pursuant to Rule 144 of the Securities Act (such period, the "applicable holding period") after the later of the date of acquisition of such Rule 144A Global Note from the Issuer, or an affiliate of the Issuer, or any resale of such Rule 144A Global Note in reliance on Rule 144 under the Securities Act for the account of either the acquiror or any subsequent holder of such Rule 144A Global Note, in each case demonstrated to the reasonable satisfaction of the Issuer or the Company (which may require delivery of legal opinions). Unless a Holder of a Rule 144A Global Note holds such Rule 144A Global Note for the entire applicable holding period, such Holder may not be able to determine the Specified Date because such Holder may not be able to determine the last date on which the Issuer, the Company or any affiliate thereof was the beneficial owner of such Holder's Rule 144A Global Note. The registrars and the transfer agents for the Notes will not be required to accept for registration or transfer any Rule 144A Global Notes, except upon presentation of satisfactory evidence (which may include legal opinions) that the restrictions on transfer have been complied with, all in accordance with such reasonable regulations as the Issuer and the Company may from time to time agree with such registrars and the transfer agents.

For so long as any Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Company will, during any period in which it is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available to any registered Holder of Notes (or any Holder of a book-entry interest in such Notes designated by the registered holder thereof) in connection with any sale thereof and to any

prospective purchaser of Notes or a book-entry interest in Notes designated by such registered holder, in each case upon request of such registered holder, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act. As of the date of this Offering Memorandum, the Company is exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

The Regulation S Global Notes will be resold by the Initial Purchasers only to non-US persons located outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

Principal, Maturity and Interest

The Notes will be unsecured and unsubordinated obligations of the Issuer and will be unconditionally guaranteed on a senior, unsecured basis by the Company (the "Guarantees"). The 2013 Notes and the 2020 Notes are initially issuable in aggregate principal amounts not to exceed US$750 million and US$500 million, respectively, and will mature on September 27, 2013 and September 27, 2020, respectively. The 2013 Notes and the 2020 Notes will bear interest at 2.150% and 4.450%, respectively, semi-annually per annum from the date of the initial issuance of such Notes or from the most recent interest payment date to which interest has been paid or provided for, payable semi-annually in arrears on March 27 and September 27, commencing March 27, 2011, to the person in whose name any 2013 Note or 2020 Note, as applicable, is registered at the close of business on the March 15 or September 15 (whether or not a business day) immediately preceding such interest payment date (each, a "record date"), notwithstanding any transfer or exchange of such Notes subsequent to the record date and prior to such interest payment date, except that, if and to the extent the Issuer shall default in the payment of the interest due on such interest payment date and the applicable grace period shall have expired, such defaulted interest may, at the option of the Issuer, be paid to the persons in whose names Notes are registered at the close of business on a subsequent record date (which shall not be less than five days which are business days in New York City prior to the date of payment of such defaulted interest) established by notice given by mail by or on behalf of the Issuer to the Holders (which term means registered holders) of the 2013 Notes or the 2020 Notes, as applicable, not less than fifteen days preceding such subsequent record date. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months and in the case of an incomplete month, the number of days elapsed. If the date on which any interest payment or principal payment is to be made is not a business day in New York City and the place of payment of such interest or principal, such payment will be made on the next day which is a business day in New York City and the place of payment of such interest or principal without any further interest or other amounts being paid or payable in connection therewith.

Form and Denomination

The Notes will be issued in fully registered form and only in denominations of US$100,000 and integral multiples of US$1,000 in excess thereof. The Notes will be issued initially as Global Notes.

Further Issues

The Issuer may, from time to time, without notice to or the consent of the Holders of the Notes, issue as many distinct series of debt securities under the Indenture as it wishes. It may also from time to time, without notice to or the consent of the Holders of the Notes, "reopen" each series of notes and create and issue additional notes having identical terms and conditions as the 2013 Notes or the 2020 Notes, as the case may be, (or in all respects except for the payment of interest accruing prior to the issue date of such additional notes or except for the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series of notes with the 2013 Notes or the 2020 Notes, as the case may be (a "Further Issue"); *provided* that any notes issued as a part of a Further Issue must constitute a qualified re-opening for US federal income tax purposes or be issued with no more than *de minimis* original issue discount for US federal income tax purposes.

The period of resale restrictions applicable to any Notes previously offered and sold in reliance on Rule 144A under the Securities Act shall automatically be extended to the last day of the period of any resale restrictions imposed on any such additional Notes.

Status of the Notes and the Guarantees

The Notes will be unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* in right of payment among themselves and with other unsecured and unsubordinated indebtedness of the Issuer (save for certain obligations required to be preferred by law). Upon issue, the Company will unconditionally guarantee, on a senior, unsecured basis, the due and punctual payment (and not collectability) of the principal of and interest on the Notes (and the payment of additional amounts described under "— Payment of Additional Amounts") when and as the same shall become due and payable, whether at stated maturity, by declaration of acceleration, call for redemption or otherwise. The Guarantees will be an unsecured and unsubordinated obligation of the Company and will rank *pari passu* in right of payment with other unsecured and unsubordinated indebtedness of the Company (save for certain obligations required to be preferred by law).

Payment of Additional Amounts

The Issuer or, if applicable, the Company (pursuant to the terms of the Guarantees) will make payments of, or in respect of, principal and interest on the Notes or on any payment pursuant to the Guarantees, as the case may be, without withholding or deduction for or on account of any and all present or future tax, levy, impost or other governmental charge whatsoever imposed, assessed, levied or collected ("Taxes") by or for the account of the Relevant Jurisdiction (as defined below), unless such withholding or deduction is required by law.

If the Issuer or, if applicable, the Company is required by a Relevant Jurisdiction to deduct or withhold Taxes, the Issuer or, if applicable, the Company will pay to a Holder of a Note or the beneficial owner thereof such additional amounts ("Additional Amounts") as may be necessary so that the net amount received by such Holder or beneficial owner will not be less than the amount such Holder or beneficial owner would have received if such Taxes had not been withheld or deducted; *provided, however,* that the Issuer or, if applicable, the Company shall not be required to pay any Additional Amounts for or on account of:

(i) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that the Holder of the applicable Note or Guarantee (or a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Holder, if such Holder is an estate, trust, partnership or corporation) is or has been a domiciliary, national or resident of, or engaging or having been engaged in a trade or business or maintaining or having maintained a permanent establishment or being or having been physically present in the jurisdiction in which such Taxes have been imposed, assessed, levied or collected or otherwise having or having had some connection with such jurisdiction, other than the mere holding or ownership of, or the collection of principal of, and interest on, a Note or the enforcement of a Guarantee, as the case may be;

(ii) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required in order to receive payment, the applicable Note or Guarantee was presented more than 30 days after the date on which such payment became due and payable or was provided for, whichever is later, except to the extent that the Holder or beneficial owner thereof would have been entitled to Additional Amounts had the applicable Note or Guarantee been presented for payment on any day during such 30-day period;

(iii) any estate, inheritance, gift, sales, transfer, excise, personal property or similar Taxes;

(iv) any Taxes that are payable otherwise than by deduction or withholding from payments on or in respect of the applicable Note or Guarantee;

(v) any Taxes that would not have been so imposed, assessed, levied or collected but for the failure by the Holder or the beneficial owner of the applicable Note or Guarantee to comply (following a written request addressed to the Holders or beneficial owner, as applicable), with any certification, identification or other reporting requirements concerning the nationality, residence or identity of such Holder or beneficial owner or its connection with a Relevant Jurisdiction if compliance is

required by statute, regulation or administrative practice of the Relevant Jurisdiction as a condition to relief or exemption from such Taxes;

(vi) any withholding or deduction imposed on a payment to or for the benefit of an individual that is required to be made pursuant to European Union Directive 2003/48/EC, any law implementing this Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings, or any law implementing or complying with, or introduced in order to conform to, such Directive;

(vii) any withholding or deduction that is imposed on the applicable Note or Guarantee that is presented for payment, where presentation is required, by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting such Note or Guarantee to another paying agent in a member state of the EU; or

(viii) any combination of the Taxes described in (i) through (vii) above.

In addition, Additional Amounts will not be paid in respect of any payment in respect of the applicable Notes or Guarantees to any Holder or beneficial owner of the applicable Notes or Guarantees that is a fiduciary, a partnership, a limited liability company or any person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of a Relevant Jurisdiction to be included in the income for tax purposes of a beneficiary or settlor with respect to such fiduciary, a member of such partnership, an interest holder in such limited liability company or a beneficial owner that would not have been entitled to such amounts had such beneficiary, settlor, member, interest holder or beneficial owner been the Holder of such Notes or Guarantees.

Whenever the Company refers in the Offering Memorandum to the payment of the principal of, any premium, any interest or other amounts to which a holder is entitled, if any, on or in respect of the Notes or the Guarantees, unless the context otherwise requires, the Company means to include the payment of Additional Amounts to the extent that, in context, Additional Amounts are, were or would be payable.

REDEMPTION

Optional Redemption

The Issuer may redeem each series of the Notes in whole or in part, at the Issuer's option, at any time and from time to time at a redemption price equal to the greater of (i) 100% of the principal amount of the Notes to be redeemed and (ii) as determined by the Independent Investment Banker, the sum of the present values of the applicable Remaining Scheduled Payments discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months or in the case of an incomplete month, the number of days elapsed) at the Treasury Rate plus, in the case of the 2013 Notes, 25 basis points and, in the case of the 2020 Notes, 30 basis points, together with, in each case, accrued and unpaid interest on the principal amount of the Notes to be redeemed to the Redemption Date. In connection with such optional redemption, the following defined terms apply:

"Treasury Rate" means, with respect to any Redemption Date, the rate per annum equal to the semiannual equivalent yield to maturity (computed as at the third Business Day immediately preceding that Redemption Date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that Redemption Date.

"Comparable Treasury Issue" means the United States Treasury security selected by the Independent Investment Banker that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the 2013 Notes or the 2020 Notes, as the case may be.

"Comparable Treasury Price" means, with respect to any Redemption Date, (i) the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third Business Day preceding that Redemption Date, as set forth in the daily statistical release

designated H.15 (519) (or any successor release) published by the Federal Reserve Bank of New York and designated "Composite 3:30 p.m. Quotations for US Government Notes" or (ii) if such release (or any successor release) is not published or does not contain such prices on such Business Day, (A) the average of the Reference Treasury Dealer Quotations for that Redemption Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (B) if the Independent Investment Banker for the Notes obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such Quotations.

"Independent Investment Banker" means one of the Reference Treasury Dealers appointed by the Issuer to act as the "Independent Investment Banker".

"Reference Treasury Dealer" means each of Banc of America Securities LLC, Barclays Capital Inc., Citigroup Global Markets Inc. and Mizuho Securities USA Inc., their respective successors and two other nationally recognized investment banking firms that are Primary Treasury Dealers specified from time to time by the Issuer; *provided, however,* that if any of the foregoing shall cease to be a primary US Government securities dealer in the United States (a "Primary Treasury Dealer"), the Issuer shall substitute therefor another nationally recognized investment banking firm that is a Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the third Business Day preceding that Redemption Date.

"Remaining Scheduled Payments" means, with respect to each Note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related Redemption Date but for such redemption; *provided, however,* that if that Redemption Date is not an interest payment date with respect to such Notes, the amount of the next succeeding scheduled interest payment thereon will be reduced by the amount of interest accrued thereon to that Redemption Date.

Notice of any redemption will be given in accordance with "Notices" below at least 30 days but not more than 60 days before the Redemption Date to each Holder of the Notes to be redeemed. On and after any Redemption Date, interest will cease to accrue on the Notes or any portion thereof called for redemption.

Upon presentation of any Note redeemed in part only, the Issuer will execute and instruct the Trustee to authenticate and deliver to or on the order of the Holder thereof, at the expense of the Issuer, a new Note or Notes, of authorized denominations, in principal amount equal to the unredeemed portion of the Note so presented.

On or before any Redemption Date, the Issuer shall deposit with the Trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on such date. If less than all the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Trustee by such method as the Trustee shall deem fair and appropriate. The redemption price shall be calculated by the Independent Investment Banker and the Issuer, and the Trustee and any paying agent for the Notes shall be entitled to rely on such calculation.

Final Maturity

Unless previously purchased or redeemed by the Issuer or the Company or any of their Subsidiaries, and cancelled, the principal amount of the 2013 Notes and the 2020 Notes will mature and become due and payable on September 27, 2013 and September 27, 2020, respectively, in an amount equal to their principal amount, with accrued and unpaid interest to such date.

Reacquisition

There is no restriction on the ability of the Issuer or the Company or any of their respective Subsidiaries to purchase or repurchase Notes.

Redemption for Tax Reasons

Each series of Notes is also redeemable by the Issuer, in whole but not in part, at 100% of the principal amount of the Notes plus accrued and unpaid interest to the applicable Redemption Date without reduction for any applicable withholding taxes imposed by a Relevant Jurisdiction at the Issuer's option at any time prior to their maturity if due to a Change in Tax Law (as defined below) (i) the Issuer or, if applicable, the Company, in accordance with the terms of the applicable Notes or the applicable Guarantees, respectively, has, or would, become obligated to pay to the Holder or beneficial owner of any Note any Additional Amounts; (ii) in the case of the Company, (A) the Company would be unable, for reasons outside its control, to procure payment by the Issuer or (B) the procuring of such payment by the Issuer would be subject to withholding taxes imposed by a Relevant Jurisdiction; and (iii) such obligation otherwise cannot be avoided by the Issuer or, if applicable, the Company taking reasonable measures available to it. In such case, the Issuer may redeem the applicable Notes in whole, but not in part, upon not less than 30 nor more than 60 days' notice as provided in "Notices" below, at 100% of the principal amount of the applicable Notes plus accrued and unpaid interest to the Redemption Date without reduction for any applicable withholding taxes imposed by a Relevant Jurisdiction; *provided* that, (a) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, if applicable, the Company would be obligated to pay any such Additional Amounts were a payment in respect of the applicable Notes or the applicable Guarantees, as applicable, then due and (b) at the time such notice is given, such obligation to pay such Additional Amounts remains in effect. The Issuer's right to redeem the applicable Notes shall continue as long as the Issuer or the Company, as the case may be, is obligated to pay such Additional Amounts, notwithstanding that the Issuer or the Company shall have made payments of Additional Amounts. Prior to the giving of any such notice of redemption, the Issuer must deliver to the Trustee (1) a certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent counsel of recognized standing selected by the Issuer or the Company, as applicable, to the effect that the Issuer or the Company has, or would, become obligated to pay such Additional Amounts as a result of such change or amendment.

For purposes hereof, "Change in Tax Law" shall mean (i) any changes in, or amendment to, any law of a Relevant Jurisdiction (including any regulations or rulings promulgated thereunder) or any amendment to or change in the application or official interpretation (including judicial or administrative interpretation) of such law, which change or amendment is announced, if applicable, and becomes effective on or after September 27, 2010 or (ii) if the Issuer or the Company consolidates or merges with, or transfers or leases its assets substantially as an entirety to, any person that is incorporated or tax resident under the laws of any jurisdiction other than a Relevant Jurisdiction, as defined immediately prior to such consolidating merger or other transaction, and as a consequence thereof such person becomes the successor obligor to the Issuer or the Company in respect of Additional Amounts that may become payable (in which case, for purposes of this redemption provision, all references to the Issuer, or the Company hereunder, as applicable, shall be deemed to be and include references to such person), any change in, or amendment to, any law of the jurisdiction of incorporation or residence for tax purposes of such person or any successor entity, or any political subdivision or taxing authority thereof or thereon for purposes of taxation (including any regulations or rulings promulgated thereunder) or any amendment to or change in the application or official interpretation (including judicial or administrative interpretation) of such law, which change or amendment becomes effective on or after the date of such consolidation, merger or other transaction.

CERTAIN DEFINITIONS

Set forth below are certain of the defined terms used in the Notes and the Indenture. You should refer to the Notes and the Indenture for the full set of definitions.

"Attributable Debt" means, as to any particular lease under which any Person is liable at the time as lessee, and at any date as of which the amount of the payment is to be determined, the total net amount of rent required to be paid by such Person under such lease during the remaining term of such lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended), discounted from the respective due dates thereof to the date of determination at a rate per annum equivalent to

the rate inherent in such lease (as determined by the directors of the Company) compounded semiannually, excluding amounts required to be paid on account of or attributable to operating costs and overhead charges and including, in certain circumstances, any termination penalty in the case of a lease terminable by the lessee.

"Business Day" means any day which is not, in London, England, New York City, or the place of payment of interest or principal a Saturday, Sunday, a legal holiday or a day on which banking institutions in such places are authorized or obligated by law to close.

"Company Jurisdiction" means any of the jurisdictions of incorporation or residence for tax purposes of the Company or any successor entity, or any political subdivision or taxing authority thereof or therein.

"Consolidated Net Tangible Assets" means the aggregate amount of assets (less applicable provisions) after deducting therefrom (1) all current liabilities; (2) all goodwill, trade names, trademarks, patents, unamortized debt discount and financings costs and all similar intangible assets; and (3) appropriate adjustments on account of minority interests of other Persons holding stock in any Subsidiary of the Company, all as set forth on the most recent consolidated balance sheet of the Company and computed in accordance with IFRS.

"Government Obligations" means money or obligations issued by the United States government.

"IFRS" means International Financial Reporting Standards as adopted by the European Union.

"Indebtedness" means all obligations for borrowed money represented by notes, bonds, debentures or similar evidence of indebtedness and obligations for borrowed money evidenced by credit, loan or other like agreements.

"Issuer Jurisdiction" means any of the jurisdictions of incorporation or residence for tax purposes of the Issuer or any successor entity, or any political subdivision or taxing authority thereof or therein.

"Mortgage" means any mortgage, deed of trust, pledge, hypothéc, lien, encumbrance, charge or other security interest of any kind.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Principal Property" means the interest of the Company or any Subsidiary in any (a) mineral property or (b) manufacturing or processing plant, building, structure, dam or other facility, together with the land upon which it is erected and fixtures comprising a part thereof, whether owned as of the date of the Indenture or thereafter acquired or constructed by the Company or any Subsidiary, of which interest the net book value in each case, on the date as of which the determination is being made, is an amount which exceeds 10% of Consolidated Net Tangible Assets, other than (i) any such mineral property, manufacturing or processing plant, building, structure, dam or other facility which, in the opinion of the Board, is not of material importance to the total business conducted by the Company and its Subsidiaries as an entirety or (ii) any portion of any such property which, in the opinion of the Board, is not of material importance to the use or operation of such property.

"Project Financing" means the financing or refinancing of the acquisition, construction, expansion, improvement or development of any physical assets in which the providers of such finance or refinance solely look to the entity that owns and operates such assets, the equity interests in such entity, the assets themselves, and/or the revenues generated thereby as the source of repayment of the amounts financed or refinanced, without recourse to the Company or any Subsidiary (other than such entity) other than through a completion guarantee or other obligations that are customary in non-recourse financing or refinancing.

"Relevant Jurisdiction" means an Issuer Jurisdiction and/or a Company Jurisdiction.

"Restricted Subsidiary" means (1) any Subsidiary which owns or leases a Principal Property; and (2) any Subsidiary engaged principally in the business of owning or holding securities of Restricted Subsidiaries.

"Sale and Leaseback Transactions" mean any arrangement with a bank, insurance company or other lender or investor (other than the Company or a Restricted Subsidiary) providing for the leasing by the Company or any Restricted Subsidiary of any Principal Property which has been or is to be sold or transferred, more than 180 days after the later of the acquisition, completion of construction or commencement of full operation thereof by the Company or such Restricted Subsidiary to such lender or investor or to any Person to whom funds have been or are to be advanced by such lender or investor on the security of that property or asset.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" under the definition in Article 1, Rule 1-02(w)(2) of Regulation S-X (but as calculated pursuant to IFRS), promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

"Subsidiary" means, at any relevant time, any person of which the voting shares or other interests carrying more than 50% of the outstanding voting rights attached to all outstanding voting shares or other interests are owned, directly or indirectly, by or for the Company and/or one or more Subsidiaries of the Company.

COVENANTS OF THE ISSUER AND THE COMPANY

Negative Pledge

Each of the Issuer and the Company will covenant under the Indenture that for so long as any of the Notes are outstanding under the Indenture, and subject to the provisions of the Indenture, it will not, and the Company will not permit any Restricted Subsidiary to, create, permit to exist, incur, issue, guarantee, assume or otherwise have outstanding any Mortgage on or over any Principal Property now owned or hereafter acquired by the Company or a Restricted Subsidiary to secure any Indebtedness of the Issuer, the Company or any Restricted Subsidiary, or on shares of stock or Indebtedness of any Restricted Subsidiary now owned or hereafter acquired by the Company or a Restricted Subsidiary to secure any Indebtedness of the Issuer, the Company or any Restricted Subsidiary, unless at the time thereof or prior thereto the Notes then outstanding under the Indenture are secured equally and ratably with (or prior to) any and all such Indebtedness for so long as such Indebtedness is so secured by such Mortgage; *provided, however,* such negative pledge will not apply to or operate to prevent or restrict the following permitted encumbrances:

(1) any Mortgage on property, shares of stock or Indebtedness of any Person existing at the time such Person becomes a Restricted Subsidiary or created, incurred, issued or assumed in connection with the acquisition of any such Person;

(2) any Mortgage on any Principal Property created, incurred, issued or assumed at or prior to the time such property became a Principal Property or existing at the time of acquisition of such Principal Property by the Company or a Restricted Subsidiary, whether or not assumed by the Company or such Restricted Subsidiary; *provided* that no such Mortgage will extend to any other Principal Property of the Company or any Restricted Subsidiary;

(3) any Mortgage on all or any part of any Principal Property (including any improvements or additions to improvements on a Principal Property) hereafter acquired, developed, expanded or constructed by the Company or any Restricted Subsidiary to secure the payment of all or any part of the purchase price, cost of acquisition or cost of development, expansion or construction of such Principal Property or of improvements or additions to improvements thereon (or to secure any Indebtedness incurred by the Company or a Restricted Subsidiary for the purpose of financing all or any part of the purchase price, cost of acquisition or cost of development, expansion or construction thereof or of improvements or additions to improvements thereon) created prior to, at the time of, or within 360 days after the later of, the acquisition, development, expansion or completion of construction (including construction of improvements or additions to improvements thereon), or commencement of full operation of such Principal Property; *provided* that no such Mortgage will extend to any other Principal Property of the Company or a Restricted Subsidiary other than, in the case of any such construction, improvement, development, expansion or addition

to improvement, all or any part of any other Principal Property on which the Principal Property so constructed, developed or expanded, or the improvement or addition to improvement, is located;

(4) any Mortgage on any Principal Property of any Restricted Subsidiary to secure Indebtedness owing by it to the Company, the Issuer or another Restricted Subsidiary;

(5) any Mortgage on any Principal Property of the Company to secure Indebtedness owing by it to the Issuer or another Restricted Subsidiary;

(6) any Mortgage on any Principal Property or other assets of the Company or any Restricted Subsidiary existing on the date of the Indenture;

(7) any Mortgage on any Principal Property arising by operation of law (or an agreement solely evidencing otherwise applicable law) and (i) arising in the ordinary course of business or (ii) not securing amounts more than 90 days overdue or otherwise being contested in good faith;

(8) judgment Mortgages on any Principal Property not giving rise to an Event of Default;

(9) any Mortgage on any Principal Property of the Company or any Restricted Subsidiary in favor of the government of any country or political subdivision thereof, or any instrumentality of any of them, securing the obligations of the Company or any Restricted Subsidiary pursuant to any contract or payments owed to such entity pursuant to applicable laws, rules, regulations or statutes;

(10) any Mortgage on or over all or any part of the interest of the Company or any Restricted Subsidiary in any joint venture, partnership or similar undertaking, including the revenues and assets derived by the Company or any Restricted Subsidiary from such joint venture, partnership or similar undertaking, or employed by the Company or any Restricted Subsidiary in such joint venture, partnership or similar undertaking, which is in favor of its co-venturers and/or the manager or operator of the joint venture, partnership or similar undertaking as security for the due payment of amounts payable under or in respect of such joint venture, partnership or similar undertaking;

(11) Mortgages arising in connection with any Project Financing;

(12) any Mortgage on any Principal Property or other assets of the Company or any Restricted Subsidiary created for the sole purpose of extending, renewing, altering or refunding any of the foregoing Mortgages (or any successive extension, renewal, alteration or refunding thereof), *provided* that the Indebtedness secured thereby will not exceed the principal amount of Indebtedness so secured at the time of such extension, renewal, alteration or refunding, plus an amount necessary to pay fees and expenses, including premiums, related to such extensions, renewals, alterations or refundings, and that such extension, renewal, alteration or refunding Mortgage will be limited to all or any part of the same Principal Property and improvements and additions to improvements thereon and/or shares of stock and Indebtedness of a Restricted Subsidiary which secured the Mortgage extended, renewed, altered or refunded either of such property or shares of stock or Indebtedness;

(13) Mortgages on any Principal Property subject to Sale and Leaseback Transactions described below in clause (1) or (3) of the section headed "Limitation on Sale and Leaseback Transactions"; or

(14) any Mortgage on any Principal Property or on any shares of stock or Indebtedness of any Restricted Subsidiary created, incurred, issued or assumed to secure Indebtedness of the Company or any Restricted Subsidiary, which would otherwise be subject to the foregoing restrictions, in an aggregate amount which, together with the aggregate principal amount of other Indebtedness secured by Mortgages on any Principal Property or on any shares of stock or Indebtedness of any Restricted Subsidiary then outstanding (excluding Indebtedness secured by Mortgages permitted under the foregoing exceptions) and the Attributable Debt in respect of all Sale and Leaseback Transactions entered into after the date of the Indenture (not including Attributable Debt in respect of any such Sale and Leaseback Transactions described below in clause (1) or (3) of the section

headed "Limitation on Sale and Leaseback Transactions") would not then exceed the greater of US$4 billion or 15% of Consolidated Net Tangible Assets of the Company.

Limitation on Sale and Leaseback Transactions

Each of the Issuer and the Company will covenant under the Indenture that for so long as any of the Notes are outstanding under the Indenture, and subject to the provisions of the Indenture, it will not, and the Company will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction unless (1) such transaction involves a lease or right to possession or use for a temporary period not to exceed three years following such transaction, by the end of which it is intended that the use of such property by the lessee will be discontinued; (2) immediately prior to the entering into of such transaction, the Company or such Restricted Subsidiary could create a Mortgage on Principal Property subject to the Sale and Leaseback Transaction securing Indebtedness in an amount equal to the Attributable Debt with respect to the particular Sale and Leaseback Transaction; or (3) the proceeds of such transaction within 180 days after such transaction, are applied to either (A) the payment of all or any part of the purchase price, cost of acquisition, cost of development, cost of expansion or cost of construction of a Principal Property or cost of improvements or additions to improvements thereon or (B) the retirement of long-term debt ranking at least ratably with the Notes.

Limitation on Mergers and Consolidations

The Indenture will provide that for so long as any of the Notes are outstanding under the Indenture, each of the Issuer and the Company may not consolidate or amalgamate with or merge (including by way of a scheme of arrangement) into or with any other Person, or, directly or indirectly, sell, convey, transfer or lease its properties and assets as an entirety or substantially as an entirety to any Person (other than a Person satisfying the condition set forth in clause (i), below, that is directly or indirectly wholly owned by the Company), unless:

(i) the Person formed by or continuing from such consolidation or amalgamation or into which the Issuer or the Company is merged or the Person which acquires or leases the Issuer's or the Company's properties and assets as an entirety or substantially as an entirety is organized and existing under the laws of the United States, the United Kingdom or any other country that is a member of the Organization for Economic Cooperation and Development, or the Republic of South Africa, Brazil or India;

(ii) the successor Person assumes, or assumes by operation of law, the Issuer's or the Company's obligations under the Notes, the Guarantees and the Indenture to pay Additional Amounts;

(iii) if the Issuer or Company, as applicable, is not the continuing entity, the successor Person expressly assumes or assumes by operation of law all of the Issuer's or the Company's obligations under the Notes, the Guarantees and under the Indenture;

(iv) immediately before and after giving effect to such transaction, no Event of Default (as defined below) and no event which, after notice or lapse of time or both, would become an Event of Default, will have happened and be continuing; and

(v) certain other conditions are met.

If, as a result of any such transaction, any of the Issuer's or the Company's Principal Properties become subject to a Mortgage, then, unless such Mortgage could be created pursuant to the Indenture provisions described under the section headed "Negative pledge" without equally and ratably securing the Notes, the Issuer or the Company, simultaneously with or prior to such transaction, will cause the Notes to be secured equally and ratably with or prior to the Indebtedness secured by such Mortgage.

The Notes will not contain covenants or other provisions to afford protection to Holders in the event of a highly leveraged transaction or a change in control of the Issuer or the Company except as provided herein.

Upon certain mergers or consolidations involving the Issuer or the Company, or upon certain sales or conveyances of the respective properties of the Issuer or the Company as an entirety or substantially as an entirety, the obligations of the Issuer or the Company, as the case may be, under the Notes or the Guarantees, as the case may be, shall be assumed by the Person formed by such merger or consolidation or which shall have acquired such property (except in the case of an acquisition of such property, for any such Person that meets the condition set forth in clause (i), above, that is directly or indirectly wholly owned by the Company) and upon such assumptions such Person shall succeed to and be substituted for the Issuer or the Company, as the case may be, and then the Issuer or the Company, as the case may be, will be relieved from all obligations under the Notes or the Guarantee, as the case may be. The terms "Issuer" and "Company", as used in the Notes, the Guarantees and the Indenture, also refer to any such successors or assigns so substituted.

Provision of Financial Information

For so long as any Notes are outstanding, each Issuer and the Company shall deliver to the Trustee, or post on its website copies of any annual reports or periodic results announcements it files with each of the United Kingdom Financial Services Authority and the London Stock Exchange within 30 days after it files such documents with the United Kingdom Financial Services Authority or London Stock Exchange, as the case may be; *provided, however,* that this covenant shall not create any obligation to make any such filings or to make such filings in a timely manner.

CHANGE OF CONTROL REPURCHASE EVENT

If a Change of Control Repurchase Event Occurs, unless the Issuer has exercised its right to redeem the Notes as described above, the Issuer or the Company will be required to make an offer to each holder of Notes to repurchase all or any part (equal to $100,000 or an integral multiple of $1,000 in excess thereof) of that holder's Notes at a repurchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to, but not including, the date of repurchase.

Within 30 days following any Change of Control Repurchase Event or, at the option of the Issuer or the Company, prior to any Change of Control, but after the public announcement of the Change of Control, the Issuer or the Company will mail, by first class mail or equivalent, a notice to each holder, with a copy to the Trustee, describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase Notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on a Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice.

The Issuer and the Company will comply with the requirements of the Exchange Act, and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the Notes, the Issuer and the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached their respective obligations under the Change of Control Repurchase Event provisions of the Notes by virtue of such conflict.

On the repurchase date following a Change of Control Repurchase Event, the Issuer or the Company will, to the extent lawful:

1. accept for payment all Notes or portions of Notes properly tendered pursuant to the Issuer's or the Company offer;

2. deposit with the Agent an amount equal to the aggregate purchase price and accrued interest in respect of all Notes or portions of Notes properly tendered; and

3. deliver or cause to be delivered to the Trustee the Notes properly accepted, together with an officers' certificate stating the aggregate principal amount of Notes being purchased by the Issuer or the Company.

The Agent will promptly mail to each holder of Notes properly tendered the purchase price for the Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new note equal in principal amount to any un-purchased portion of any Notes surrendered; *provided that* each new note will be in a principal amount of $100,000 or an integral multiple of $1,000 in excess thereof.

The Issuer or the Company will not be required to make an offer to repurchase the Notes upon a Change of Control Repurchase Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirement for an offer made by the Issuer or the Company and such third party purchases all Notes properly tendered and not withdrawn under its offer.

For purposes of the foregoing description of a repurchase at the option of the holders, the following definitions are applicable:

"Below Investment Grade Ratings Event" means the Notes cease to be rated Investment Grade by at least two of the three Rating Agencies on any date during the period commencing 60 days prior to, and ending 60 days after (which 60-day period will be extended so long as the rating of the notes is under publicly announced consideration for a possible downgrade by any Rating Agency) the earlier of (1) the occurrence of a Change of Control; or (2) public notice of the occurrence of a Change of Control or the intention of Anglo American to effect a Change of Control. Notwithstanding the foregoing, a Below Investment Grade Ratings Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Below Investment Grade Ratings Event for purposes of the definition of Change of Control Repurchase Event hereunder) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the Trustee in writing at its request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the ratings event).

"Change of Control" means the occurrence of one or more of the following:

1. the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of consolidation, amalgamation or merger), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act), other than to the Company or one of its Subsidiaries;

2. the consummation of any transaction (including, without limitation, any consolidation, amalgamation, or merger or other combination (including by way of a scheme of arrangement)) the result of which is that any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of the Company, measured by voting power rather than number of shares;

3. the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of the Voting Stock of the Company outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving Person immediately after giving effect to such transaction;

4. the first day on which the majority of the members of the board of directors of the Company cease to be Continuing Directors; or

5. the adoption of a plan relating to the liquidation, winding up or dissolution of the Company.

Notwithstanding the foregoing, a transaction will not be deemed to involve a change of control for the purposes of this definition only if (1) the Company becomes a direct or indirect wholly-owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Company's Voting Stock immediately prior to that transaction or (B) immediately following that transaction no person (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

"Change of Control Repurchase Event" means the occurrence of both a Change of Control and a Below Investment Grade Ratings Event.

"Continuing Director" means, as of any date of determination, any member of the board of directors of the Company who:

1. was a member of such board of directors on the date of the Indenture; or

2. was nominated for election or elected to such board of directors with the approval of a majority of the Continuing Directors who were members of such board of directors at the time of such nomination or election.

"Fitch" means Fitch, Inc., a subsidiary of Fimalac, S.A., and its successors.

"Investment Grade" means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating categories of Moody's); a rating of BBB- or better by S&P or Fitch (or its equivalent under any successor rating categories of S&P and Fitch); or the equivalent Investment Grade credit rating from any additional Rating Agency or Rating Agencies selected by the Issuer or the Company.

"Moody's" means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors.

"Rating Agency" means each of Moody's, S&P and Fitch; *provided that* if any of Moody's, S&P or Fitch ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Issuer's or the Guarantor's control, a "nationally recognized statistical rating organization" within the meaning of Rule 15-c3-1(c)(2)(vi)(F) under the Exchange Act, selected by the Issuer or the Company (as certified by a resolution of the Chief Executive Officer or Chief Financial Officer) as a replacement agency for Moody's, S&P or Fitch, or all of them, as the case may be.

"S&P" means Standard & Poor's Rating Services, a division of McGraw-Hill, Inc., and its successors.

"Voting Stock" of any specified "person" (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

The Change of Control Repurchase Event feature of the Notes may in certain circumstances make more difficult or discourage a sale or takeover of the Company and, thus, the removal of incumbent management. Subject to the limitations discussed below, the Issuer or the Company could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Notes, but that could increase the amount of indebtedness outstanding at such time or otherwise affect the Issuer's or the Company's capital structure or credit ratings on the Notes.

The Issuer or the Company may not have sufficient funds to repurchase all the Notes, or any other outstanding debt securities that the Issuer or the Company would be required to repurchase, upon a Change of Control Repurchase Event.

Events of Default

The following will be Events of Default (each an "Event of Default") with respect to the applicable Notes:

(i) default in the payment of any installment of interest (excluding Additional Amounts) upon any applicable Note as and when the same shall become due and payable, and continuance of such default for 30 days; or

(ii) default in the payment of the applicable Additional Amounts as and when the same shall become due and payable, and continuance of such default for a period of 30 days; or

(iii) default in the payment of all or any part of the principal of or premium on any applicable Note as and when the same shall become due and payable either at maturity, upon any redemption, by declaration or otherwise; or

(iv) default in the performance or breach of any covenant of the Issuer or the Company in respect of the applicable Notes or the Indenture (other than those described in paragraphs (i), (ii) and (iii) above), and continuance of such default or breach for a period of 90 days after there has been given a written notice, by registered or certified mail, to the Issuer and the Company by the Trustee or to the Issuer, the Company and the Trustee by the Holders of at least 25% in principal amount of the outstanding Notes affected thereby, specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture; or

(v) (a) any present or future indebtedness of the Issuer, the Company or any Significant Subsidiary, other than the applicable Notes, for or in respect of moneys borrowed is declared or becomes due and payable prior to its stated maturity as the result of any event of default (howsoever described), or (b) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period or (c) the Issuer, the Company or any Significant Subsidiary fails to pay, within any applicable grace period therefor, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, *provided* that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned in this paragraph (v) will have occurred (which indebtedness, guarantees or indemnities have not been repaid or paid and as to which such default has not been cured or such acceleration has not been rescinded or annulled) exceeds US$100,000,000 or its equivalent; or

(vi) a distress, attachment, execution or other legal process is levied or enforced against any assets of the Issuer, the Company or any Significant Subsidiary having a value exceeding US$100,000,000 following upon a decree or judgment of a court of competent jurisdiction and (A) is not discharged or stayed within 90 days or (B) is the subject of a bona fide active dispute (for the avoidance of doubt, any such distress, attachment, execution or other legal process shall be deemed discharged upon any enforcement of a Mortgage on any such assets); or

(vii) the Issuer, the Company or any Significant Subsidiary admits in writing that it is unable to pay its debts generally; a resolution is passed by the board of directors of the Issuer or the Company for such entity to be wound up or dissolved; the Issuer or Company is unable to pay its debts within the meaning of Section 123(2) of the Insolvency Act of Great Britain or makes a general assignment for the benefit of its creditors; an administrator is appointed in respect of, or an administration order is made in relation to, the Issuer or the Company; the Issuer or the Company stops payment of its obligations generally or ceases to carry on its business or substantially all thereof; or an encumbrancer takes possession or an administrative or other receiver is appointed over the whole or any material part of the either the Issuer's or the Company's assets; or

(viii) certain specified events in bankruptcy, insolvency or reorganization involving the Issuer, the Company or any Significant Subsidiary; or

(ix) the Company ceases to own, directly or indirectly, all of the Voting Stock of the Issuer.

The Issuer and/or the Company shall promptly notify the Trustee in writing upon becoming aware of the occurrence of an Event of Default.

The Indenture will provide that if an Event of Default occurs and is continuing, then and in each and every such case (other than certain Events of Default specified in paragraphs (vii) and (viii) above with respect to the Issuer or the Company), unless the principal of all the applicable Notes shall have already become due and payable, either the Trustee (at the direction of the Holders) or the Holders of not less than 25% in aggregate principal amount of the applicable Notes then outstanding, by notice in writing to the Issuer and the Company (and to the Trustee if given by the Holders), may declare the entire principal amount of all applicable Notes issued pursuant to the Indenture and interest accrued and unpaid thereon, if any, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, without any further declaration or other act on the part of the Trustee or any Holder. If certain Events of Default described in paragraph (vii) or (viii) above occur with respect to the Issuer or the Company and are continuing, the principal amount of and accrued and unpaid interest on all the applicable Notes issued pursuant to the Indenture shall become immediately due and payable, without any declaration or other act on the part of the Trustee or any Holder. Under certain circumstances, the Holders of a majority in aggregate principal amount of the applicable Notes then outstanding, by written notice to the Issuer, the Company and the Trustee, may waive defaults and rescind and annul declarations of acceleration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impart any right consequent thereon.

The Holders of a majority in aggregate principal amount of the applicable Notes then outstanding will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, subject to certain limitations to be specified in the Indenture.

The Indenture will provide that no Holder of any Note may institute any action or proceeding at law or in equity or in bankruptcy or otherwise upon or under or with respect to the Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Indenture (except suits for the enforcement of payment of overdue principal or interest) unless such Holder previously shall have given to the Trustee written notice of an Event of Default and continuance thereof and unless the Holders of not less than 25% in aggregate principal amount of the applicable Notes then outstanding shall have made written request upon the Trustee to institute such action or proceedings in its own name as Trustee and shall have offered the Trustee reasonable indemnity, the Trustee shall not have instituted any such action or proceeding within 90 days of its receipt of such notice, request and offer of indemnity and the Trustee shall not have received direction inconsistent with such written request by the Holders of a majority in aggregate principal amount of the applicable Notes at the time outstanding.

An Event of Default with respect to a given series of Notes would not necessarily constitute an event of default with respect to the securities of any other series issued in the future under the Indenture.

The Indenture will also provide that each of the Issuer and the Company will each furnish to the Trustee on or before June 30 in each year (commencing on June 30, 2011), if Notes are then outstanding, a certificate from an officer as to his or her knowledge of the Issuer's or the Company's, as the case may be, compliance with all conditions and covenants under the Indenture.

Defeasance

The Indenture will provide that the Issuer will have the option either (a) to be deemed (together with the Company) to have paid and discharged the entire indebtedness represented by, and obligations under, the applicable Notes and the Guarantees and to have satisfied all the obligations under the Indenture relating to the Notes, and the Guarantees (except for certain obligations, including those relating to the defeasance trust and obligations to register the transfer or exchange of Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain paying agencies) on the day after the applicable conditions described below have been satisfied or (b) to cease (together with the Company) to be under any obligation to comply with the covenants described under "— Covenants of the Issuer and the Company — Negative Pledge", "— Covenants of the

Issuer and the Company — Provision of Financial Information" and "— Covenants of the Issuer and the Company — Limitation on Sale and Leaseback Transactions" and the condition relating to the absence of any events of default under "— Covenants of the Issuer and the Company — Limitation on Mergers and Consolidations" under the Notes, and noncompliance with such covenants and the occurrence of certain events described above under "Events of Default" will not give rise to any Event of Default under the Indenture, at any time after the applicable conditions described below have been satisfied.

In order to exercise either defeasance option, the Issuer must deposit with the Trustee, irrevocably in trust, money or Government Obligations for the payment of principal of and interest on the outstanding Notes to and including the Redemption Date irrevocably designated by the Issuer on or prior to the date of deposit of such money or Government Obligations, and must (i) comply with certain other conditions, including delivering to the Trustee an opinion of US counsel, or a ruling received from or published by the United States Internal Revenue Service, to the effect that Holders of the Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of the exercise of such option and will be subject to United States federal income tax on the same amount and in the same manner and at the same time as would have been the case if such option had not been exercised and which, in the case of (a) above, such opinion is based on a change of law or final and binding ruling from the United States Internal Revenue Service after September 27, 2010 and (ii) pay in full all other amounts due and owing under the Indenture.

Modification and Waiver

Without Consent of Noteholders

The Indenture will contain provisions permitting the Issuer, the Company and the Trustee, without the consent of the Holders of any of the Notes at any time outstanding, from time to time and at anytime, to enter into an indenture or indentures supplemental to the Indenture or to otherwise amend the Indenture:

- to convey, transfer, assign, mortgage or pledge to the Trustee as security for the Notes any property or assets;
- to evidence the succession of another person to the Issuer or the Company, as the case may be, or successive successions, and the assumption by the successor person of the covenants, agreements and obligations of the Issuer or the Company, as the case may be, pursuant to the Indenture;
- to evidence and provide for the acceptance of appointment of a successor trustee, principal paying agent, registrar or transfer agent, as the case may be;
- to add to the covenants of the Issuer and the Company, as the case may be, such further covenants, restrictions, conditions or provisions as the Issuer and the Company, as the case may be, and the Trustee shall consider to be for the protection of the Holders of Notes, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default under the Indenture permitting the enforcement of all or any of the several remedies provided in the Indenture, Notes or Guarantees; *provided* that, in respect of any such additional covenant, restriction, condition or provision, such supplemental Indenture may provide for a particular period of grace after default (which may be shorter or longer than that allowed in the case of other defaults) or may limit the remedies available to the Trustee upon such an Event of Default or may limit the right of Holders of a majority in aggregate principal amount of the applicable Notes to waive such an Event of Default;
- to modify the restrictions on, and procedures for, resale and other transfers of the Notes pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally;
- to cure any ambiguity or to correct or supplement any provision contained in the Indenture which may be defective or inconsistent with any other provision contained therein or to make such other provision in regard to matters or questions arising under the Indenture as the Issuer or the Company may deem necessary or desirable and which will not adversely affect the interests of the Holders of the Notes in any material respect (*provided,* that any modification or amendment to conform

language in the Indenture to that appearing in this description of notes shall be deemed not to adversely affect the interests of the Holders of the Notes in any material respect); or

- to issue as many distinct series of debt securities under the Indenture as the Issuer wishes or to "reopen" each series of notes and create and issue additional notes having identical terms and conditions as an existing series of Notes (or in all respects except for the payment of interest accruing prior to the issue date of such additional notes or except for the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series with the applicable Notes.

With Consent of Noteholders

The Indenture will contain provisions permitting the Issuer, the Company and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the Notes at the time outstanding (including consents obtained in connection with a tender offer or exchange offer for the Notes), from time to time and at any time, to enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any supplementary indenture or of modifying in any manner the rights of the Holders of the Notes or the Guarantees, *provided* that no such indenture may, without the consent of the Holder of each of the Notes so affected:

- change the stated maturity of the principal of or the date for payment of any installment of interest on any Note;
- reduce the principal amount of or interest on any Note or Additional Amounts payable with respect thereto or reduce the amount payable thereon in the event of redemption or default;
- change the currency of payment of principal of or interest on any Note or Additional Amounts payable with respect thereto;
- change the obligation of the Issuer, the Company, as the case may be, to pay Additional Amounts;
- impair the right to institute suit for the enforcement of any such payment on or with respect to any Note;
- reduce the aforesaid percentage in principal amount of the outstanding Notes, the consent of whose Holders is required for any such supplemental indenture; or
- reduce the aforestated aggregate principal amount of any Note outstanding necessary to modify or amend the Indenture or any such Notes or to waive any future compliance or past default or reduce the quorum requirements or the percentage of aggregate principal amount of any Notes outstanding required for the adoption of any action at a meeting of holders of such Notes or reduce the percentage of the aggregate principal amount of such Notes outstanding necessary to rescind or annul any declaration of the principal of and all accrued and unpaid interest on any Notes to be due and payable;

provided that no consent of any Holder of any Note shall be necessary to permit the Trustee, the Issuer and the Company to execute supplemental indentures described under "Modification and Waiver — Without Consent of Noteholders" above.

Any modifications, amendments or waivers to the Indenture or to the conditions of the Notes will be conclusive and binding on all Holders of the Notes, whether or not they have consented to such action or were present at the meeting at which such action was taken, and on all future holders of the Notes, whether or not notation of such modifications, amendments or waivers is made upon such Notes. Any instrument given by or on behalf of any Holder of such a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent registered holders of such Note.

Prescription

Under New York's statute of limitations, any legal action upon the Notes in respect of interest or principal must be commenced within six years after the payment thereof is due. Thereafter the Notes and the Guarantees will become generally unenforceable.

Listing

The Issuer expects to make an application for the admission of each series of Notes to listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Regulated Market, a regulated market.

The Issuer and the Company will use their reasonable best efforts to have such (i) admission of the Notes to trading on the regulated market of the London Stock Exchange and (ii) listing of such Notes on the London Stock Exchange become effective and then maintain such listing for so long as any of the Notes remain outstanding.

Notices

Notices to Holders of Notes will be mailed by first-class mail (or equivalent) postage prepaid to Holders of Notes at their last registered addresses as they appear in the Notes register. The Issuer and the Company will consider any mailed notice to have been given two Business Days after it has been sent.

In addition, for so long as a given series of Notes is listed on the London Stock Exchange, the Issuer and the Company will publish notices to the Holders of such Notes in a leading newspaper having general circulation in London, England (which is initially expected to be the *Financial Times*) and immediately provide a copy thereof to the Trustee. The Issuer and the Company will consider any published notice to be given on the date of its first publication.

Consent to Service, Submission to Jurisdiction; Enforceability of Judgments

Each of the Issuer and the Company will appoint CT Corporation System, as its process agent for any action brought by a holder based on the Indenture or the Notes or Guarantees, as applicable, instituted in any state or federal court in the Borough of Manhattan, The City of New York.

Each of the Issuer and the Company will irrevocably submit to the non-exclusive jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York in respect of any action brought by a holder based on the Notes, the Guarantees or the Indenture. Each of the Issuer and the Company will also irrevocably waive, to the extent permitted by applicable law, any objection to the venue of any of these courts in an action of that type. Holders of the Notes may, however, be precluded from initiating actions based on the Notes, the Guarantees or the Indenture in courts other than those mentioned above.

Each of the Issuer and the Company will, to the fullest extent permitted by law, irrevocably waive and agree not to plead any immunity from the jurisdiction of any of the above courts in any action based upon the Notes, the Guarantees or the Indenture.

Since a substantial portion of the assets of each of the Issuer and the Company are outside the United States, any judgment obtained in the United States against the Issuer or the Company, including judgments with respect to the payment of principal, premium, interest and any redemption price and any purchase price with respect to the Notes or payments due under the Guarantee, may not be collectable within the United States.

Governing Law

The Indenture, the Notes and the Guarantees shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws thereof.

Book-Entry System; Delivery and Form

Upon issuance, the Notes will be represented by beneficial interests in Global Notes. Each Global Note will be deposited with, or on behalf of, Depository Trust Company, ("DTC") and registered in the name of Cede & Co., as nominee of DTC. Except under the circumstances described below, Global Notes will not be exchangeable at the option of the holder for certificated notes and Global Notes will not otherwise be issuable in definitive form.

Upon issuance of the Global Notes, DTC will credit the respective principal amounts of the Notes represented by the Global Notes to the accounts of institutions that have accounts with DTC or its nominee (called participants of DTC), including Euroclear and Clearstream. The accounts to be credited shall be designated by the Initial Purchasers. Ownership of beneficial interests in the Global Notes will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interest in the Global Notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to participants' interests) or by participants or persons that hold through participants. Such beneficial interest shall be in denominations of US$100,000 and in multiples of US$1,000 in excess thereof.

So long as DTC, or its nominee, is the registered owner or holder of the Global Notes, DTC or its nominee, as the case may be, will be considered the sole owner and holder of the Global Notes for all purposes under the Indenture.

Except as set forth below, owners of beneficial interests in the Global Notes:

- will not be entitled to have the Notes represented by the Global Notes registered in their names, and
- will not receive or be entitled to receive physical delivery of Notes in definitive form and will not be considered the owners or holders thereof under the Indenture.

Accordingly, each person owning a beneficial interest in the Global Notes must rely on the procedures of DTC, and indirectly Euroclear and Clearstream, and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the Indenture.

Principal and interest payments on Global Notes registered in the name of or held by DTC or its nominee will be made to DTC or its nominee, as the case may be, as the registered owner or holder of the Global Note. None of the Issuer, the Company, the Trustee or any paying agent for such Global Notes will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Issuer expects that DTC, upon receipt of any payments of principal or interest in respect of the Global Notes, will credit the accounts of the related participants (including Euroclear and Clearstream), with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Notes as shown on the records of DTC. Payments by participants to owners of beneficial interest in the Global Notes held through such participants will be the responsibility of the participants, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name".

Unless and until it is exchanged in whole or in part for Notes in definitive form in accordance with the terms of the Indenture, a Global Note may not be transferred except as a whole by the depositary to a nominee of the depositary or by a nominee of DTC to DTC or another nominee of DTC.

If any note, including a Global Note, is mutilated, defaced, stolen, destroyed or lost, such note may be replaced with a replacement note at the office of the registrar or any successor registrar or transfer agent, on payment by the noteholder of such costs and expenses as may be incurred in connection with the replacement, and on such terms as to evidence and indemnity as we may reasonably require. Mutilated or defaced Notes must be surrendered before replacement Notes will be issued.

Exchanges of Global Notes for Definitive Notes

Global Notes shall be exchangeable for definitive notes registered in the names of persons other than DTC or its nominee for such Global Notes only if:

- DTC has notified the Issuer that it is unwilling or unable to continue as depositary or has ceased to be a clearing agency registered under the Exchange Act, and in either case, we have failed to appoint a successor depositary within 90 days of such notice;
- there shall have occurred and be continuing an Event of Default (as defined in the Indenture) with respect to the Notes; or
- the Issuer shall have determined in its sole discretion that the Notes shall no longer be represented by the applicable Global Notes.

Any Global Note that is exchangeable for definitive notes pursuant to the preceding sentence shall be exchangeable for Notes issuable in denominations of US$100,000 and in multiples of US$1,000 in excess thereof and registered in such names as DTC shall direct. Subject to the foregoing, a Global Note shall not be exchangeable, except for a Global Note of like denomination to be registered in the name of DTC or its nominee. Bearer notes will not be issued.

Exchanges Between and Among Global Notes

The "distribution compliance period", as defined in Regulation S under the Securities Act, will begin on the closing date and end 40 days after the closing date of the offering.

Beneficial interests in one Global Note may generally be exchanged for interests in another Global Note. Depending on whether the transfer is being made during or after the distribution compliance period, and to which Global Note the transfer is being made, the Trustee may require the seller to provide certain written certifications in the form provided in the Indenture.

A beneficial interest in a Global Note that is transferred to a person who takes delivery through another Global Note will, upon transfer, become subject to any transfer restrictions and other procedures applicable to beneficial interests in the other Global Note.

Transfers from Definitive Notes to Global Notes

Definitive notes, if any, may be transferred or exchanged for a beneficial interest in the relevant Global Note in accordance with the procedures described in the Indenture.

BOOK-ENTRY SETTLEMENT AND CLEARANCE

The Global Notes

The Notes of each series will be issued in the form of several registered notes in global form, without interest coupons, which we refer to as the Global Notes, as follows:

- Notes sold to qualified institutional buyers under Rule 144A will be represented by the Rule 144A Global Note; and
- Notes sold in offshore transactions to non-US persons in reliance on Regulation S will be represented by the Regulation S Global Note.

Upon issuance, each of the Global Notes will be deposited with the Registrar and Transfer Agent as custodian for The Depository Trust Company, or DTC and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in each Global Note will be limited to persons who have accounts with DTC, or DTC participants, or persons who hold interests through DTC participants. We expect that under procedures established by DTC:

- upon deposit of each Global Note with DTC's custodian, DTC will credit portions of the principal amount of the Global Note to the accounts of the DTC participants designated by the Initial Purchasers; and
- ownership of beneficial interests in each Global Note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in the Global Note).

Each Global Note and beneficial interests in each Global Note will be subject to restrictions on transfer as described under "Transfer Restrictions".

See "Description of the Notes and the Guarantees — Book-Entry System; Delivery and Form".

Book-Entry Procedures for the Global Notes

All interests in the Global Notes will be subject to the operations and procedures of DTC, Euroclear and Clearstream. We provide the following summaries of those operations and procedures solely for the convenience of investors. The information in this section concerning DTC, Euroclear and Clearstream, Luxembourg (referred to herein as Clearstream) and their book-entry systems has been obtained from sources that we believe to be reliable, but neither we nor the Initial Purchasers take any responsibility for or make any representation or warranty with respect to the accuracy of this information. DTC, Euroclear and Clearstream are under no obligation to follow the procedures described herein to facilitate the transfer of interest in Global Notes among participants and account holders of DTC, Euroclear and Clearstream, and such procedures may be discontinued or modified at any time. Neither we, the Company, the Trustee or any paying agent will have any responsibility for the performance of DTC, Euroclear and Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York;
- a "banking organization" within the meaning of the New York State Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the Uniform Commercial Code; and
- a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants. DTC's participants include securities brokers and dealers, including the Initial Purchasers; banks and trust companies; clearing corporations and other organizations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Investors who are not DTC participants may beneficially own securities held by or on behalf of DTC only through DTC participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a Global Note, that nominee will be considered the sole owner or holder of the Notes represented by that Global Note for all purposes under the Indenture.

As a result, each investor who owns a beneficial interest in a Global Note must rely on the procedures of DTC to exercise any rights of a holder of Notes under the Indenture (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC participant through which the investor owns its interest).

Payments of principal, premium (if any) and interest with respect to the Notes represented by a Global Note will be made by the Paying Agent to DTC's nominee as the registered holder of the Global Note. Neither we nor the Paying Agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by participants and indirect participants in DTC to the owners of beneficial interests in a Global Note will be governed by standing instructions and customary industry practice and will be the responsibility of those participants or indirect participants and DTC.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same-day funds. Transfers between participants in Euroclear or Clearstream will be effected in the ordinary way under the rules and operating procedures of those systems.

Cross-market transfers between DTC participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected within DTC through the DTC participants that are acting as depositaries for Euroclear and Clearstream. To deliver or receive an interest in a Global Note held in a Euroclear or Clearstream account, an investor must send transfer instructions to Euroclear or Clearstream, as the case may be, under the rules and procedures of that system and within the established deadlines of that system. If the transaction meets its settlement requirements, Euroclear or Clearstream, as the case may be, will send instructions to its DTC depositary to take action to effect final settlement by delivering or receiving interests in the relevant Global Notes in DTC, and making or receiving payment under normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream participants may not deliver instructions directly to the DTC depositaries that are acting for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant that purchases an interest in a Global Note from a DTC participant will be credited on the business day for Euroclear or Clearstream immediately following the DTC settlement date. Cash received in Euroclear or Clearstream from the sale of an interest in a Global Note to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account as of the business day for Euroclear or Clearstream following the DTC settlement date.

DTC, Euroclear and Clearstream have agreed to the above procedures to facilitate transfers of interests in the Global Notes among participants in those settlement systems. However, the settlement systems are not obligated to perform these procedures and may discontinue or change these procedures at any time. Neither we nor the Trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream or their participants or indirect participants of their obligations under the rules and procedures governing their operations.

UK TAX CONSIDERATIONS

UK Taxation

The summary below is of a general nature and describes certain UK tax implications of acquiring, holding or disposing of Notes. It is not tax advice and is not intended to be exhaustive. The summary is based on current UK tax law, current UK H.M. Revenue and Customs ("HMRC") published practice and the terms of the double taxation treaty between the United States and the United Kingdom which entered into force on March 31, 2003 (the "Treaty"), all of which are subject to change at any time, possibly with retrospective effect. The comments relate only to the position of persons who are the absolute beneficial owners of their Notes and may not apply to certain classes of holders, such as dealers in securities and holders who are connected with the Issuer for UK tax purposes, and do not necessarily apply where the income in respect of the Notes is deemed for UK tax purposes to be the income of any person other than the holder of the Notes.

Please consult your own tax advisor concerning the consequences of acquiring, owning and disposing of the Notes under UK tax law and the laws of any other jurisdiction in which you may be subject to tax.

Interest Payments

Any premium payable on a redemption of the Notes at the option of the Issuer may constitute interest for UK tax purposes and so be treated in the manner described below. References to "interest" in this section mean interest as understood in UK tax law. The statements below do not take account of any different definitions of interest which may prevail under any other law.

Payments of interest on Notes issued by the Issuer will not be subject to withholding or deduction for or on account of UK taxation because the Notes will be treated as "quoted Eurobonds" (within the meaning of section 987 of the Income Tax Act 2007 ("ITA 2007")), so long as the Notes are listed on recognized stock exchange. Section 1005 ITA 2007 provides that securities will be treated as listed on a recognized stock exchange if (and only if) they are admitted to trading on that exchange, and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the UK in which there is a recognized stock exchange. The London Stock Exchange is a "recognized stock exchange" for these purposes.

Even if the Notes do not qualify as "quoted Eurobonds," no withholding is required (subject to contrary direction from HMRC) in respect of payments to a holder whom the Issuer reasonably believes is the beneficial owner of the interest payable on the Notes and is either a UK resident company or a non-UK resident company carrying on a trade or vocation in the United Kingdom through a UK permanent establishment where the payment is taken into account in calculating the corporation tax liability of that company, or falls within various categories enjoying a special tax status (including charities and certain pension funds), or is a partnership consisting of such persons.

In all other cases, payments of interest will generally be subject to deduction of tax at the basic rate, which is currently 20%. Certain holders of Notes who are resident in the United States may be entitled to receive payments free of deductions for or on account of UK tax under the Treaty and HMRC may issue a direction to the Issuer to that effect. Holders of Notes who are resident in other jurisdictions may also be able to receive payment free of deductions or subject to a lower rate of deduction under an appropriate double taxation treaty and HMRC may issue a direction to that effect. However, any such direction will, in any case, be issued only on prior application to the relevant tax authorities by the holder in question. If such a direction is not in place at the time a payment of interest is made, the Issuer will be required to withhold tax, although a holder of Notes resident in another jurisdiction who is entitled to relief may subsequently claim from HMRC the amount, or proportion of the amount, withheld.

The interest on Notes issued by the Issuer will have a UK source for tax purposes and, as such, may be subject to income tax by direct assessment even where paid without withholding. However, interest with a UK

source received without deduction or withholding on account of UK tax will not be chargeable to UK tax in the hands of a person who is not resident for tax purposes in the United Kingdom unless that person carries on a trade, profession or vocation in the United Kingdom through a branch or agency (or, for holders who are companies, through a permanent establishment) in the United Kingdom in connection with which the interest is received or to which the Notes are attributable, in which case (subject to exemptions for interest received by certain categories of agent) tax may be levied on the UK branch, agency or permanent establishment.

Disposal (including redemption)

A holder of Notes who is resident in a jurisdiction outside the United Kingdom, will not be liable to UK taxation in respect of a disposal (including redemption) of a Note, any gain accrued in respect of a Note or any change in the value of a Note, unless, at the time of the disposal, the holder carries on a trade, profession or vocation in the United Kingdom through a branch or agency (or, for corporate holders, a permanent establishment) and the Note was used in or for the purposes of that trade, profession or vocation or acquired for the use by, or acquired, used or held for the purposes of, the branch or agency or permanent establishment.

In general, holders which are within the charge to UK corporation tax (other than authorized investment funds) will be treated for tax purposes as realizing profits, gains or losses in respect of the Notes on a basis which is broadly in accordance with their accounting treatment, so long as that accounting treatment is in accordance with generally accepted accounting practice (as that term is defined for UK tax purposes). Such profits, gains and losses (or, where the holder's functional currency is not the British pound, then the British pound equivalent of such profits, gains and losses as computed in the holder's functional currency) will be taken into account in computing taxable income for corporation tax purposes. Foreign exchange gains and losses in respect of the Notes will be brought into account as income.

If the holder is an individual resident or ordinarily resident in the United Kingdom for UK tax purposes, he or she may have to account for capital gains tax in respect of any gains arising on a disposal of a Note. Any capital gains would be calculated by comparing the British pound values on purchase and disposal of the Notes, so a liability to tax could arise even where the non-British pound amount received on a disposal was less than or the same as the amount paid for the Notes.

The provisions of the "accrued income scheme" (contained in Part 12 ITA 2007) may apply to certain holders who are not subject to corporation tax, in relation to a transfer of the Notes. On a transfer of securities with accrued interest, the accrued income scheme usually applies to deem the transferor to receive an amount of income equal to the accrued interest and to treat the deemed or actual interest subsequently received by the transferee as reduced by a corresponding amount.

Generally, persons who are neither resident nor ordinarily resident in the UK and who do not carry on a trade, profession or vocation in the UK through a branch or agency for the purposes of which the Notes were used, held or acquired will not be subject to the provisions of the accrued income scheme.

If a Note is issued at a significant discount to its redemption amount, then all profits and losses on its disposal would be taxed as income. "Significant" is interpreted by HMRC to mean more than 15% of the redemption amount or, if less, more than 0.5% of the redemption amount multiplied by the number of years to redemption.

A holder who is an individual and who has ceased to be resident or ordinarily resident for tax purposes in the United Kingdom for a period of less than five years of assessment and who disposes of Notes during that period may be liable on return to the UK to UK taxation on chargeable gains arising during the period of absence, subject to any available exemption or relief.

Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

No UK stamp duty or SDRT should arise on the issue or transfer of a Note, or on its redemption.

Provision of Information

Holders of Notes should note that, in certain circumstances, HMRC has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to, or receives interest for the benefit of, a holder of a Note. HMRC also has the power, in certain circumstances, to obtain information from any person in the UK who pays amounts payable on the redemption of notes which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005, or receives such amounts for the benefit of another person. HMRC published practice indicates that it will not exercise its power to require this information where such amounts are paid on or before April 5, 2011. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any such information obtained by HMRC may, in certain circumstances, be exchanged by HMRC with the tax authorities of the jurisdiction in which the noteholder is resident for tax purposes.

Under EC Council Directive 2003/48/EC on the taxation of savings income (the EU Savings Directive), a Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the end of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland). On November 13, 2008, the European Commission published a proposal for amendments to the EU Savings Directive and the European Parliament approved an amended version of this proposal on April 24, 2009. If implemented, the suggested changes would broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

MATERIAL US FEDERAL TAX CONSIDERATIONS

US INTERNAL REVENUE SERVICE CIRCULAR 230 NOTICE: TO ENSURE COMPLIANCE WITH INTERNAL REVENUE SERVICE CIRCULAR 230, PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF US FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THIS OFFERING MEMORANDUM OR ANY DOCUMENT REFERRED TO HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY PROSPECTIVE INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE US INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS WRITTEN FOR USE IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

This section describes the material US federal income tax consequences to a US holder (as defined below) of owning the notes we are offering. It applies to you only if you acquire notes in the offering at the offering price and you hold your notes as capital assets for tax purposes. This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

- a dealer in securities or currencies,
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings,
- a bank,
- a life insurance company,
- a tax-exempt organization,
- a person that owns debt securities that are a hedge or that are hedged against interest rate risks,
- a person that owns debt securities as part of a straddle or conversion transaction for tax purposes, or
- a person whose functional currency for tax purposes is not the US dollar.

If a partnership holds the notes, the US federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the notes should consult its tax advisor with regard to the US federal income tax treatment of an investment in the notes.

If you purchase notes at a price other than the offering price, the amortizable bond premium or market discount rules may also apply to you. You should consult your tax advisor regarding this possibility.

This section is based on the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations under the Internal Revenue Code, published rulings and court decisions, all as of the date hereof. These laws are subject to change, possibly on a retroactive basis.

Please consult your own tax advisor concerning the consequences of owning these notes in your particular circumstances under the Code and the laws of any other taxing jurisdiction.

You are a US holder if you are a beneficial owner of a note and you are for US federal income tax purposes:

- a citizen or resident of the United States,
- a domestic corporation or an entity treated as a domestic corporation,
- an estate whose income is subject to US federal income tax regardless of its source, or
- a trust if a US court can exercise primary supervision over the trust's administration and one or more US persons are authorized to control all substantial decisions of the trust.

Payments of Interest. You will be taxed on interest on your note and any additional amounts paid with respect to withholding tax, if any, on the notes, including withholding tax on payments of additional amounts, as ordinary income at the time you actually or constructively receive the interest or when it accrues, depending on your method of accounting for tax purposes.

Interest paid by us on the notes is income from sources outside the United States, for the purposes of the rules regarding the foreign tax credit allowable to a US holder. The interest will, depending on your circumstances, be either "passive" or "general" income for purposes of computing the foreign tax credit.

If a Change of Control Repurchase Event occurs, the Issuer or Company will be required to make an offer to each holder of notes to repurchase all or any part of that holder's notes at a repurchase price in cash equal to 101% of the aggregate principal amount of notes repurchased (see "Description of the Notes and the Guarantees — Change of Control Repurchase Event"). This obligation could potentially subject the notes to special rules that apply to contingent payment debt instruments. These special rules generally require a holder of a contingent payment debt instrument to accrue interest income at a rate higher than the stated interest rate on the debt instrument and to treat as interest income (rather than capital gain) any gain recognized on a sale, exchange or retirement of the debt before the resolution of the contingencies.

Notwithstanding the possibility of such contingent payments, under applicable US Treasury regulations, payments on a note that are subject to a remote or incidental contingency may be ignored. We believe that the prospect that such payments will be made should be considered a remote or incidental contingency, and therefore that the notes are not subject to the rules governing contingent payment debt instruments. For the purpose of filing tax or information returns with the Internal Revenue Service, we will not treat the notes as contingent payment debt instruments. Our determination that the notes are not contingent payment debt instruments is binding on you unless you explicitly disclose in the manner required by applicable US Treasury regulations that your determination is different from ours. It is possible, however, that the Internal Revenue Service may take a contrary position from that described above, in which case the timing and character of your income from the notes may be different from that described herein.

Purchase, Sale and Retirement of the Notes. Your tax basis in your note generally will be its cost. You will generally recognize capital gain or loss on the sale or retirement of your notes equal to the difference between the amount you realize on the sale or retirement, excluding any amounts attributable to accrued but unpaid interest, and your tax basis in your notes. Capital gain of a noncorporate US holder is generally taxed at preferential rates where the property is held for more than one year.

Medicare Tax. For taxable years beginning after December 31, 2012, a US holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will be subject to a 3.8% tax on the lesser of (1) the US holder's "net investment income" for the relevant taxable year and (2) the excess of the US holder's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000, depending on the individual's circumstances). A holder's net investment income will generally include its interest income and its net gains from the disposition of notes, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are a US holder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the notes.

Information with Respect to Foreign Financial Assets. Under recently enacted legislation, individuals that own "specified foreign financial assets" with an aggregate value in excess of $50,000 in taxable years beginning after March 18, 2010 will generally be required to file an information report with respect to such assets with their tax returns. "Specified foreign financial assets" include any financial accounts maintained by foreign financial institutions, as well as any of the following, but only if they are not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-US persons, (ii) financial instruments and contracts held for investment that have non-US issuers or counterparties, and (iii) interests in foreign entities.

Backup Withholding and Information Reporting.

If you are a noncorporate US holder, information reporting requirements, on Internal Revenue Service Form 1099, generally will apply to:

- payments on a note within the United States, including payments made by wire transfer from outside the United States to an account you maintain in the United States, and
- the payment of the proceeds from the sale of a note effected at a US office of a broker.

Additionally, backup withholding will apply to such payments if you are a noncorporate US holder that:

- fails to provide an accurate taxpayer identification number,
- is notified by the Internal Revenue Service that you have failed to report all interest and dividends required to be shown on your federal income tax returns, or
- in certain circumstances, fails to comply with applicable certification requirements.

Pursuant to recently enacted legislation, certain payments in respect of the notes made to corporate US holders after December 31, 2011 may be subject to information reporting and backup withholding.

Payment of the proceeds from the sale of a note effected at a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, a sale of a note that is effected at a foreign office of a broker will generally be subject to information reporting and backup withholding if:

- the proceeds are transferred to an account maintained by you in the United States,
- the payment of proceeds or the confirmation of the sale is mailed to you at a US address, or
- the sale has some other specified connection with the United States as provided in US Treasury regulations.

In addition, a sale of a note effected at a foreign office of a broker will generally be subject to information reporting if the broker is:

- a US person,
- a controlled foreign corporation for US tax purposes,
- a foreign person 50% or more of whose gross income is effectively connected with the conduct of a US trade or business for a specified three-year period, or
- a foreign partnership, if at any time during its tax year:
  - one or more of its partners are "US persons," as defined in US Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership, or
  - such foreign partnership is engaged in the conduct of a US trade or business.

Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that you are a US person.

PLAN OF DISTRIBUTION

Subject to the terms and conditions of a purchase agreement among the Issuer, the Company and the Initial Purchasers, the Issuer has agreed to sell to the Initial Purchasers, and each Initial Purchaser has severally agreed to purchase from the Issuer, the principal amount of Notes indicated in the following table.

Initial Purchasers	Principal Amount of 2013 Notes	Principal Amount of 2020 Notes
Banc of America Securities LLC	$187,500,000	$125,000,000
Barclays Capital Inc.	$187,500,000	$125,000,000
Citigroup Global Markets Inc.	$187,500,000	$125,000,000
Mizuho Securities USA Inc.	$187,500,000	$125,000,000
Total	$750,000,000	$500,000,000

The obligations of the Initial Purchasers under the purchase agreement, including their agreement to purchase Notes from the Issuer, are several and not joint. The purchase agreement provides that the Initial Purchasers will purchase all the Notes if any of them are purchased.

The Initial Purchasers initially propose to offer and sell the Notes at the respective prices set forth on the cover page of this Offering Memorandum. The Initial Purchasers may change such offering prices and any other selling terms at any time without notice. The offering of the Notes by the Initial Purchasers is subject to receipt and acceptance and subject to the Initial Purchasers' right to reject any order in whole or part. The Initial Purchasers may offer and sell Notes through certain of their affiliates.

In the purchase agreement, the Issuer and the Company have agreed to indemnify each Initial Purchaser, its affiliates, directors, officers, employees and controlling persons against certain liabilities in connection with this offering, including liabilities under the Securities Act, and to contribute to payments that the Initial Purchasers may be required to make in respect thereof.

The Initial Purchasers expect that delivery of the Notes will be made against payment therefore on the Settlement Date, which will be the fifth business day following the pricing date of the offering (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 under the Securities and Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the pricing date or the immediately following business day will be required, by virtue of the fact that the Notes initially will settle on a delayed basis, to agree to a delayed settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisors.

Each of the Notes and the Guarantees have not been, and will not be, registered under the Securities Act or qualified for sale under the securities laws of any state or any jurisdiction inside or outside the United States. The Initial Purchasers propose to resell the Notes and the Guarantees to (i) qualified institutional buyers in reliance on Rule 144A under the Securities Act and (ii) outside the United States to certain non-US persons in reliance on Regulation S under the Securities Act. Each purchaser of the Notes offered hereby in making its purchase will be deemed to have made by its purchase certain acknowledgments, representations, warranties and agreements as set forth under the sections entitled "Notice to Investors" and "Transfer Restrictions."

In connection with sales outside the United States, the Initial Purchasers have agreed that they will not offer, sell or deliver the Notes to, or for the account or benefit of, US persons (i) as a part of the Initial Purchasers' distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering or the date the Notes are originally issued. The Initial Purchasers will send to each broker/dealer to whom they sell such Notes during such 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, US persons.

In addition, until the expiration of the 40-day distribution compliance period referred to above, an offer or sale of the Notes within the United States by a broker/dealer, whether or not participating in this offering, may

violate the registration requirements of the Securities Act if such sale is made otherwise than in accordance with Rule 144A under the Securities Act or pursuant to another exemption from registration under the Securities Act.

The Notes are a new issue of securities for which there currently is no market. The Issuer has made an application for the admission of each series of the Notes to listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Regulated Market, a regulated market. The Initial Purchasers have advised the Issuer that following the completion of this offering, they presently intend to make a market in the Notes. They are not obligated to do so, however, and any market-making activities with respect to the Notes may be discontinued at any time at their sole discretion without notice. In addition, such market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, the Issuer cannot give any assurance as to the development of any market or the liquidity of any market for the Notes.

In connection with this offering, the Stabilizing Managers may engage in over-allotment, stabilizing transactions, syndicate covering transactions and penalty bids. Over-allotment involves sales in excess of the offering size, which creates a short position for the Initial Purchasers. Stabilizing transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing or maintaining the price of the Notes. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Penalty bids permit the Stabilizing Managers to reclaim a selling concession from a broker/dealer when the Notes originally sold by such broker/dealer are purchased in a stabilizing or syndicate covering transaction to cover short positions. Any of these activities may prevent a decline in the market price of such Notes, and may also cause the price of such Notes to be higher than it would otherwise be in the absence of these transactions. The Stabilizing Managers may conduct these transactions in the over-the-counter market or otherwise. If the Stabilizing Managers commence any of these transactions, they may discontinue them at any time.

The Issuer and the Company have each agreed not to, for a period from the date hereof until the date of delivery of the Notes, without the prior written consent of the Initial Purchasers, directly or indirectly, issue, sell, offer to sell, grant any option for the sale of, or otherwise dispose of, any securities similar to the Notes, or any securities convertible into or exchangeable for the Notes or any such similar securities or the Guarantees, except for the Notes sold to the Initial Purchasers pursuant to the purchase agreement.

The Initial Purchasers and certain of their affiliates have provided and may in the future provide certain financial advisory, investment banking and commercial banking services in the ordinary course of business for the Group and certain of its member companies and affiliates, for which they receive customary fees and expense reimbursement. In particular, affiliates of certain of the Initial Purchasers are lenders under certain of our existing credit facilities, and proceeds from the sale of the Notes may be used to service or repay these facilities.

* * * * *

Each Initial Purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA") received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Company; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything in relation to the Notes in, from or otherwise involving the United Kingdom.

The Notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of

any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

This Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

The securities offered hereby have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1998 as amended, the "FIEL") and each Initial Purchaser has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan. As used in this paragraph, resident of Japan means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

In relation to each Member State of the European Economic Area (the "EEA") which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Initial Purchaser has represented and agreed that with effect from and including the date on which Directive 2003/71/EC of the European Parliament and of the Council (the "Prospectus Directive") is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of the Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than EUR 43,000,000 and (3) an annual net turnover of more than EUR 50,000,000, as shown in its last annual or consolidated accounts;

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or

(d) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression "Prospectus Directive" includes any relevant implementing measure in each Relevant Member State.

TRANSFER RESTRICTIONS

Each of the Notes and the Guarantees have not been registered under the Securities Act or any other applicable securities laws, and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any US person, except pursuant to an effective registration statement or in a transaction not subject to the registration requirements of the Securities Act or in accordance with an applicable exemption from the registration requirements and those other laws. Accordingly, the Notes and the Guarantees are being offered and sold only (i) to qualified institutional buyers in a private sale exempt from the registration requirements of the Securities Act pursuant to Rule 144A and any other applicable securities laws and (ii) outside the United States to non-US persons in compliance with Regulation S.

Each purchase of Notes is subject to restrictions on transfer as summarized below. By purchasing Notes, each purchaser will be deemed to have made the following acknowledgements, representations to and agreements with us and the Initial Purchasers:

(1) The purchaser understands and acknowledges that:

- each of the Notes and the Guarantees have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and
- unless so registered, the Notes and the Guarantees may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and in each case in compliance with the conditions for transfer set forth in paragraph (3) below.

(2) The purchaser is not an affiliate (as defined in Rule 144 under the Securities Act) of the Company or the Issuer, that the purchaser is not acting on its behalf and that either:

- the purchaser is a qualified institutional buyer (as defined in Rule 144A under the Securities Act), is aware that the sale to it is being made in reliance on Rule 144A and is purchasing Notes for its own account or for the account of another qualified institutional buyer; or
- the purchaser is not a US person (as defined in Regulation S under the Securities Act) or is acquiring the Notes for its own account or as a fiduciary or agent for others in a transaction outside the United States pursuant to Regulation S.

(3) The purchaser represents that it is purchasing Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the Notes in violation of the Securities Act, subject to any requirement of law that the disposition of its property or the property of that investor account or accounts be at all times within its or their control and subject to its or their ability to resell the Notes pursuant to Rule 144A or any other available exemption from registration under the Securities Act. The purchaser agrees on its own behalf and on behalf of any investor account for which it is purchasing Notes, and each subsequent holder of the Notes by its acceptance of the Notes will agree, that until the end of the Resale Restriction Period (as defined below), the Notes may be offered, sold or otherwise transferred only: (a) to us; (b) under a registration statement that has been declared or become effective under the Securities Act; (c) for so long as the Notes are eligible for resale under Rule 144A, to a person the seller reasonably believes is a qualified institutional buyer that is purchasing for its own account or for the account of another qualified institutional buyer and to whom notice is given that the transfer is being made in reliance on Rule 144A; (d) through offers and sales that occur outside the United States within the meaning of Regulation S under the Securities Act; (e) to an institutional accredited investor (within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act) that is not a qualified institutional buyer and

that is purchasing for its own account or for the account of another institutional accredited investor, in each case in a minimum principal amount of Notes of US$250,000; or (f) under any other available exemption from the registration requirements of the Securities Act; in each case in compliance with any applicable state securities laws; subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investor account or accounts be at all times within the seller's or account's control.

The purchaser also acknowledges that:

- the above restrictions on resale will apply from the closing date until the date after which such Notes may be freely transferred pursuant to Rule 144 under the Securities Act (in the case of the Notes sold pursuant to Rule 144A) or 40 days (in the case of the Notes sold pursuant to Regulation S) after the later of the closing date and the last date that we or any of our affiliates was the owner of the Notes or any predecessor of the Notes (the "Resale Restriction Period"), and will not apply after the applicable Resale Restriction Period ends;
- if a holder of Notes proposes to resell or transfer Notes under clause (e) above before the applicable Resale Restriction Period ends, the seller must deliver to us and the Trustee a letter from the purchaser in the form set forth in the indenture which must provide, among other things, that the purchaser is an institutional accredited investor that is acquiring the Notes not for distribution in violation of the Securities Act;
- we and the Trustee reserve the right to require in connection with any offer, sale or other transfer of Notes under clauses (d), (e) and (f) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the Trustee; and
- each Note being sold pursuant to Rule 144A will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME OR BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, (E) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT IS AN INSTITUTIONAL ACCREDITED INVESTOR ACQUIRING THE SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF SUCH AN INSTITUTIONAL ACCREDITED INVESTOR, IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF THE SECURITIES OF US$250,000, FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO OR FOR OFFER OR SALE IN CONNECTION WITH ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, (F) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (G) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE

REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D), (E), (F) OR (G) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/ OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

- each Note being sold pursuant to Regulation S will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD OR DELIVERED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY US PERSON, UNLESS SUCH NOTES ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREOF IS AVAILABLE. THIS LEGEND WILL BE REMOVED AFTER THE EXPIRATION OF FORTY DAYS FROM THE LATER OF (i) THE DATE ON WHICH THESE NOTES WERE FIRST OFFERED AND (ii) THE DATE OF ISSUE OF THESE NOTES.

(4) The purchaser has received a copy of the Offering Memorandum relating to the offering of the Notes and the Guarantees and acknowledges that (a) neither we nor the Initial Purchasers or any person representing us or the Initial Purchasers have made any representation to it with respect to us or the offering and the sale of the Notes and the Guarantees other than the information contained in and incorporated by reference into this Offering Memorandum and (b) it has had access to such financial and other information and has been offered the opportunity to ask questions of us and received answers thereto, as it deemed necessary in connection with the decision to purchase Notes.

(5) The purchaser understands that we, the Company, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements and agrees that if any of the representations and acknowledgements deemed to have been made by it by its purchase of the Notes are no longer accurate, the purchaser shall promptly notify us and the Initial Purchasers. If the purchaser is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing representations, acknowledgements and agreements on behalf of such account.

(6) The purchaser: (a) is able to fend for itself in the transactions contemplated by this Offering Memorandum; (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Notes; and (c) has the ability to bear the economic risks of its prospective investment and can afford the complete loss of such investment.

(7) By acceptance of a Note, each purchaser and subsequent transferee will be deemed to have represented and warranted that either (a) no portion of the assets used by such purchaser or transferee to acquire or hold the Notes constitutes assets of any employee benefit plan that is subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), a plan, individual retirement account or other arrangement that is subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "Code") or provision under any federal, state, local, non-US or other laws, rules or regulations that are similar to such provisions or ERISA or the Code (collectively, "Similar Laws") or entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement or (b) the purchase and holding of the Notes will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation under any applicable Similar Laws.

LEGAL MATTERS

Certain legal matters in connection with this offering will be passed upon for us by Sullivan & Cromwell LLP, as to matters of United States federal, New York State law and English law. Certain legal matters in connection with this offering will be passed upon for the Initial Purchasers by Davis Polk & Wardwell LLP, as to matters of United States federal and New York State law.

INDEPENDENT AUDITORS

The consolidated financial statements of the Group, incorporated by reference in this Offering Memorandum, were prepared in accordance with EU IFRS for the years ended December 31, 2008 and 2009 and audited by Deloitte, independent auditors and current member of the Institute of Chartered Accountants of England & Wales, as stated in their reports incorporated by reference herein.

The auditors' reports and, with respect to the condensed interim financial statements of the group for the six months ended June 30, 2010, the auditors' review report incorporated by reference herein each contain language purporting to limit the scope of Deloitte's duty of care in relation to such reports and the financial statements to which they relate. If a US court (or any other court) were to give effect to this limiting language, the recourse that investors in the Notes may have against Deloitte based on their reports or the aforementioned financial statements to which they relate could be limited. The SEC would not permit such limiting language to be included in a registration statement or a prospectus used in connection with an offering of securities registered under the Securities Act, or in a report filed under the Exchange Act.

DESCRIPTION OF ANGLO AMERICAN CAPITAL PLC

Incorporation, Registered Office and Purpose

Anglo American Capital, a wholly-owned subsidiary of Anglo American, was incorporated and registered in England and Wales under the registered number 04658814 on February 6, 2003 and operates under the Companies Act 1985 as a public limited company. Its registered office is at 20 Carlton House Terrace, London SW1Y 5AN. Anglo American Capital was formed as a special purpose company solely for the purposes of issuing debt securities and has no subsidiaries.

Anglo American Capital's authorized share capital is £50,000 and US$1,000,000,000 divided into 50,000 3% cumulative preference shares of £1.00 each and 1,000,000,000 ordinary shares of US$1.00 each, of which 50,000 cumulative preference shares and 1,000 ordinary shares are in issue and fully paid up. All of Anglo American Capital's issued shares are beneficially owned by Anglo American.

Board of Directors

The Directors of Anglo American Capital and their functions and principal directorships outside Anglo American Capital are as follows:

Name	Title	Principal directorships outside Anglo American Capital
Andrew Hodges	Secretary and Director	None
Nicholas Jordan	Director	None
Douglas Smailes	Director	None
Keith Tucker	Director	None
René Médori	Director	Director of Scottish and Southern Energy, plc, De Beers, DB Investments and Anglo Platinum Limited
Andrew Hodges	Secretary and Director	None

The business address of each of the above is 20 Carlton House Terrace, London SW1Y 5AN and the telephone number of Anglo Capital's registered office is: +4420 7968 8888.

No potential conflicts of interest exist between the Directors' duties to Anglo American Capital and their private interests or other duties.

Financial Statements

Deloitte have audited Anglo American Capital's accounts, without qualification, in accordance with generally accepted auditing standards in the United Kingdom for the period from February 6, 2003 (Anglo American Capital's date of incorporation) to December 31, 2004 and in accordance with International Standards on Auditing (UK and Ireland) from December 31, 2005 to December 31, 2009. Anglo American Capital does not publish interim financial statements.

GENERAL INFORMATION

1. Authorization

The issue of the Notes, or, in the case of the Company, the giving of the guarantee, has been duly authorized by the resolutions of the Board of Directors of Anglo American plc dated July 28, 2010 and of the Board of Directors of Anglo American Capital plc dated September 8, 2010.

2. Listing

Application has been made to the UK Listing Authority for the Notes to be admitted to the Official List and to the London Stock Exchange for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market and is expected to be effective as of September 28, 2010, subject only to the issuance of the Global Notes. The listing of the Notes on the Official List will be expressed as a percentage of their nominal amount (exclusive of accrued interest). Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working date after the day of the transaction.

The Issuer's and the Company's out-of-pocket expenses in relation to the admission to trading of the Notes on the London Stock Exchange's Regulated Market are expected to amount to £400,000.

3. Clearing Reference Numbers

The Notes have been accepted for clearance through DTC's book-entry settlement system. The CUSIP and ISIN numbers for the Notes are as follows:

2013 Notes distributed pursuant to Rule 144A: CUSIP 034863 AC4 , ISIN US034863AC43

2013 Notes distributed pursuant to Regulation S: CUSIP G03762 CD4, ISIN USG03762CD49

2020 Notes distributed pursuant to Rule 144A: CUSIP 034863 AD2, ISIN US034863AD26

2020 Notes distributed pursuant to Regulation S: CUSIP G03762 CE2, ISIN USG03762CE22

The address of DTC is The Depository Trust Company, 55 Water Street, New York, NY 10041-009, USA.

4. Financial and Trading Position and Prospects

There has been no significant change in the financial or trading position of the Group since June 30, 2010 being the date of its last published interim financial statements. There has been no material adverse change in the prospects of the Company since December 31, 2009 being the date of its last published audited financial statements.

There has been no significant change in the financial or trading position of the Issuer and no material adverse change in the prospects of the Issuer since December 31, 2009 being the date of its last published audited financial statements.

5. Litigation

AASA, a wholly owned subsidiary of the Company, is a defendant in twenty five separate lawsuits, each one on behalf of a former mineworker (or his dependents or survivors) who allegedly contracted silicosis working for gold mining companies in which AASA was a shareholder and to which AASA provided various technical and administrative services. The aggregate amount of the twenty five claims is less than US$5 million, although if these claims are determined adversely to AASA, there are a substantial number of additional former mineworkers who may seek to bring similar claims. The first trial of these claims is expected to be in 2011 or 2012.

AASA has a number of defenses to liability and intends to contest these claims vigorously, although it is not possible to predict the outcome of litigation or the amount of liability that could arise from the existing or possible future claims.

Other than as disclosed in the preceding two paragraphs and under "Business Description — Iron Ore and Manganese — Other Information" on page 32, neither the Issuer nor the Company nor any member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such

proceedings which are pending or threatened of which the Issuer or the Company is aware) during the 12 months prior to the date of this Offering Memorandum, which may have or have had a significant effect on the financial position or profitability of the Issuer or the Company or the Group.

6. Nature of Financial Information and Auditors

The financial information included in this Offering Memorandum (other than that which is incorporated by reference) does not constitute the statutory accounts of the Company or the Issuer within the meaning of Section 240 of the 1985 Act and Section 435 (1) and (2) of the Companies Act 2006 for any period presented. The auditors have made reports under Section 235 of the 1985 Act on the statutory accounts of the Company and the Issuer for the year ended December 31, 2008, which were unqualified and did not contain any statement as is described in Section 237(2) or (3) of the 1985 Act. The auditors have made reports under Chapter 3 of Part 16 of the Companies Act 2006 of the Company and the Issuer for the year ended December 31, 2009, which were unqualified and did not contain any statement as is described in Sections 498 (2) or (3)of the Companies Act 2006. Statutory accounts of the Company and the Issuer have been delivered to the Registrar of Companies in England and Wales for each of the years ended December 31, 2008 and 2009.

The auditors of the Company and the Issuer are Deloitte of 2 New Street Square, London EC4A 3BZ, who are Chartered Accountants and Registered Auditors with the Institute of Chartered Accountants in England and Wales and regulated by the Audit Inspection Unit of the Professional Oversight Board of the Financial Reporting Council in the United Kingdom, whose address is Eighth Floor, 1 Canada Square, Canary Wharf, London E14 5AG.

Each of the reports of Deloitte contained the following statement: "To the fullest extent possible by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed."

The auditors of the Issuer and the Company have no interest in the Issuer or the Company.

7. Yield

The projected yield of the 2013 Notes will be 2.179% and of the 2020 Notes will be 4.453%. Such projection has been calculated on the basis of the offering prices as at the date of this Offering Memorandum and is not an indication of actual future returns for investors.

8. Interests of Natural and Legal Persons involved in the Issue

Save for any fees payable to the Initial Purchasers, so far as the Company and the Issuer are aware, no person involved in the issue of the Notes has an interest material to the offer.

9. Documents on display

For the period of 12 months following the date of this Offering Memorandum, copies of the following documents will be available for inspection during normal office hours (local time) on any weekday (Saturdays, Sundays and public holidays excluded) at the registered office of the Company and the Issuer:

(a) this Offering Memorandum;

(b) the Memorandum and Articles of Association of Anglo American plc and Anglo American Capital plc;

(c) the Group 2008 Financial Statements, the Group 2009 Financial Statements, the Group 2010 Condensed Interim Financial Statements, the Issuer 2008 Financial Statements and the Issuer 2009 Financial Statements; and

(d) the Indenture.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Offering Memorandum. You must not rely on any unauthorized information or representations. This Offering Memorandum is an offer to sell only the Notes offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Offering Memorandum is current only as of its date.

TABLE OF CONTENTS

	Page
NOTICE TO INVESTORS	ii
MISCELLANEOUS INFORMATION	iii
PRESENTATION OF FINANCIAL INFORMATION	x
NON-IFRS FINANCIAL MEASURES	xii
OVERVIEW	1
RISK FACTORS	12
CAPITALIZATION	20
USE OF PROCEEDS	21
BUSINESS DESCRIPTION	22
ORE RESERVES	61
SELECTED FINANCIAL INFORMATION	73
OPERATING AND FINANCIAL REVIEW	74
REGULATION	133
SUSTAINABLE DEVELOPMENT (INCLUDING SAFETY, HEALTH AND ENVIRONMENT)	137
MANAGEMENT OF ANGLO AMERICAN PLC	142
MAJOR SHAREHOLDER INFORMATION	159
RELATED PARTY TRANSACTIONS	160
DESCRIPTION OF THE NOTES AND THE GUARANTEES	162
BOOK-ENTRY SETTLEMENT AND CLEARANCE	182
UK TAX CONSIDERATIONS	184
MATERIAL US FEDERAL TAX CONSIDERATIONS	187
PLAN OF DISTRIBUTION	190
TRANSFER RESTRICTIONS	194
LEGAL MATTERS	197
INDEPENDENT AUDITORS	197
DESCRIPTION OF ANGLO AMERICAN CAPITAL PLC	198
GENERAL INFORMATION	199

US$1,250,000,000

Anglo American Capital plc

US$750,000,000 2.150%
Senior Notes due 2013

US$500,000,000 4.450%
Senior Notes due 2020

Guaranteed by Anglo American plc

Joint Bookrunners

BofA Merrill Lynch
Barclays Capital
Citi
Mizuho

BOWNE
U09661