

NEWS RELEASE

23 October 2018

Anglo American plc Production Report for the third quarter ended 30 September 2018

Anglo American reports a 1% increase in total production on a copper equivalent basis in the third quarter of 2018, compared to the same period of 2017, excluding the Minas-Rio stoppage⁽¹⁾.

Mark Cutifani, Chief Executive of Anglo American, said: “Our focus on driving efficiency and productivity across the business resulted in another strong quarter, with volumes 1% higher than the solid operational performance seen in Q3 2017. Production per employee has increased by 5% in 2018, compared to 2017, as we maintain relentless discipline on controllable costs. Strong operational performance at our Copper assets delivered a 17% increase in production, more than offsetting planned lower volumes at De Beers and the impact of rail infrastructure constraints at Kumba in the first half of the year.”

Highlights

- De Beers production decreased by 5% to 8.7 million carats due to expected lower grades at Jwaneng and lower volumes at Venetia, due to a shutdown to upgrade its processing plant ahead of its transition from open cut to underground operations.
- Copper production increased by 17% to 171,800 tonnes reflecting continued strong operational performance across all operations and planned higher grades.
- Platinum and palladium production increased by 4% to 649,000 ounces and 1% to 411,000 ounces respectively driven by an improved performance at Amandelbult and the joint venture operations.
- Kumba's iron ore production decreased by 9% to 10.5 million tonnes as planned, to offset elevated stock levels arising from Transnet rail constraints in H1 2018.
- Metallurgical coal production decreased by 3% to 5.4 million tonnes with the timing of longwall moves.
- Thermal coal export production increased by 13% to 7.7 million tonnes reflecting solid operational improvements at our coal assets.

Production Summary

	Q3 2018	Q3 2017	% vs. Q3 2017	YTD 2018	YTD 2017	% vs. YTD 2017
Diamonds (Mct) ⁽²⁾	8.7	9.2	(5)%	26.2	25.3	3%
Copper (kt) ⁽³⁾	172	147	17%	485	431	13%
Platinum (koz) ⁽⁴⁾	649	621	4%	1,882	1,810	4%
Palladium (koz) ⁽⁴⁾	411	408	1%	1,224	1,183	4%
Iron ore – Kumba (Mt)	10.5	11.5	(9)%	32.9	33.3	(1)%
Iron ore – Minas-Rio (Mt) ⁽⁵⁾	-	4.2	-	3.2	12.8	(75)%
Metallurgical coal (Mt)	5.4	5.5	(3)%	16.2	14.7	10%
Thermal coal (Mt) ⁽⁶⁾	7.7	6.8	13%	21.7	21.7	-
Nickel (kt) ⁽⁷⁾	11.5	11.2	3%	30.9	32.4	(5)%
Manganese ore (kt)	888	840	6%	2,635	2,506	5%

(1) Copper equivalent production is normalised for Bokoni being placed on care and maintenance in Q3 2017 and the Minas-Rio production stoppage in 2018. Including the Minas-Rio stoppage, production decreased by 3% compared to Q3 2017.

(2) De Beers production is on a 100% basis, except for the Gahcho Kué joint venture which is on an attributable 51% basis.

(3) Contained metal basis. Reflects copper production from the Copper business unit only (excludes copper production from the Platinum Group Metals business unit).

(4) Produced ounces. Reflects own mine production and purchases of metal in concentrate.

(5) Wet basis.

(6) Reflects export production from South Africa and Colombia.

(7) Reflects nickel production from the Nickel business unit only (i.e. excludes nickel production from the Platinum Group Metals business unit).

Anglo American plc

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DE BEERS

De Beers ⁽¹⁾		Q3 2018	Q3 2017	Q3 2018 vs. Q3 2017	Q2 2018	Q3 2018 vs. Q2 2018	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Botswana (Debswana)	000 carats	5,699	6,056	(6)%	6,279	(9)%	17,786	17,180	4%
Namibia (Namdeb Holdings)	000 carats	460	454	1%	515	(11)%	1,503	1,317	14%
South Africa (DBCM)	000 carats	1,337	1,548	(14)%	1,018	31%	3,448	4,059	(15)%
Canada	000 carats	1,178	1,120	5%	1,185	(1)%	3,432	2,764	24%
Total carats recovered	000 carats	8,674	9,178	(5)%	8,997	(4)%	26,169	25,320	3%

Rough diamond production decreased by 5% to 8.7 million carats due to planned volume reductions in Botswana (Debswana) and South Africa (DBCM).

Botswana (Debswana) production decreased by 6% to 5.7 million carats due to the planned processing of lower grade material at Jwaneng. Production at Orapa⁽²⁾ remained in line with Q3 2017 at 2.6 million carats.

Namibia (Namdeb Holdings) production was flat at 0.5 million carats.

South Africa (DBCM) production decreased by 14% to 1.3 million carats due to a planned shut down at Venetia to upgrade the processing plant ahead of the transition from open cut to underground operations.

Canada production increased by 5% to 1.2 million carats, driven by higher grades at Victor, which is approaching the end of its life. Gahcho Kué production was in line with Q3 2017.

Rough sales volumes amounted to 5.0 million carats (4.6 million carats on a consolidated basis⁽³⁾) from two sales cycles in Q3 2018, compared with 6.9 million carats (6.5 million carats on a consolidated basis⁽³⁾) from two sales cycles in Q3 2017. Rough sales volumes were down as a result of Sightholders being given the opportunity during the seventh Sight of 2018 to re-phase the allocation of some smaller, lower value rough diamonds. Rough sales revenues were broadly in line with Q3 2017.

Full Year Guidance

Full year production guidance⁽¹⁾ remains at 34-36 million carats but is expected to be at the higher end of the range.

(1) De Beers production is on a 100% basis, except for the Gahcho Kué joint venture which is on an attributable 51% basis.

(2) Orapa constitutes the Orapa Regime which includes Orapa, Lethakane and Damtshaa.

(3) Consolidated sales volumes exclude De Beers' JV partners' 50% proportionate share of sales to entities outside De Beers from Diamond Trading Company Botswana and the Namibia Diamond Trading Company, which are included in total sales volume (100% basis). 2017 includes pre-commercial production sales volumes from Gahcho Kué.

De Beers ⁽¹⁾	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q3 2018 vs. Q2 2018	Q3 2018 vs. Q3 2017	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Carats recovered (000 carats) 100% basis (unless otherwise stated)										
Jwaneng	3,143	3,025	2,984	2,512	3,477	4%	(10)%	9,152	9,345	(2)%
Orapa ⁽²⁾	2,556	3,254	2,824	2,992	2,579	(21)%	(1)%	8,634	7,835	10%
Botswana (Debswana)	5,699	6,279	5,808	5,504	6,056	(9)%	(6)%	17,786	17,180	4%
Debmarmine Namibia	322	349	365	328	353	(8)%	(9)%	1,036	1,050	(1)%
Namdeb (land operations)	138	166	163	160	101	(17)%	37%	467	267	75%
Namibia (Namdeb Holdings)	460	515	528	488	454	(11)%	1%	1,503	1,317	14%
Venetia	1,178	922	1,008	1,023	1,401	28%	(16)%	3,108	3,579	(13)%
Voorspoed	159	96	85	126	147	66%	8%	340	480	(29)%
South Africa (DBCM)	1,337	1,018	1,093	1,149	1,548	31%	(14)%	3,448	4,059	(15)%
Gahcho Kué (51% basis)	927	985	838	830	930	(6)%	(0)%	2,750	2,203	25%
Victor	251	200	231	163	190	26%	32%	682	561	22%
Canada	1,178	1,185	1,069	993	1,120	(1)%	5%	3,432	2,764	24%
Total carats recovered	8,674	8,997	8,498	8,134	9,178	(4)%	(5)%	26,169	25,320	3%
Sales volumes										
Total sales volume (100%) (Mct) ⁽³⁾	5.0	10.0	8.8	8.2	6.9	(50)%	(28)%	23.9	26.9	(11)%
Consolidated sales volume (Mct) ⁽³⁾	4.6	9.4	8.4	7.5	6.5	(51)%	(29)%	22.4	25.6	(13)%
Number of Sights (sales cycles)	2	3	2	3	2			7	7	

(1) De Beers production is on a 100% basis, except for the Gahcho Kué joint venture which is on an attributable 51% basis.

(2) Orapa constitutes the Orapa Regime which includes Orapa, Letlhakane and Damtshaa.

(3) Consolidated sales volumes exclude De Beers' JV partners' 50% proportionate share of sales to entities outside De Beers from Diamond Trading Company Botswana and the Namibia Diamond Trading Company, which are included in total sales volume (100% basis). 2017 includes pre-commercial production sales volumes from Gahcho Kué.

COPPER

Copper ⁽¹⁾		Q3 2018	Q3 2017	Q3 2018 vs. Q3 2017	Q2 2018	Q3 2018 vs. Q2 2018	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Los Bronces	t	95,800	78,100	23%	89,700	7%	270,600	232,900	16%
Collahuasi (44% share)	t	61,500	58,300	5%	54,700	12%	176,800	167,000	6%
El Soldado	t	14,500	10,900	33%	13,600	7%	37,400	30,800	21%
Total Copper	t	171,800	147,300	17%	158,000	9%	484,800	430,700	13%

(1) Copper production shown on a contained metal basis.

Copper production increased by 17% to 171,800 tonnes, with production increases at all operations.

Production from Los Bronces increased by 23% to 95,800 tonnes, driven by continued strong mine and plant performance, supported by significantly lower than usual winter snowfall and planned higher grades (0.76% vs. 0.69%).

At Collahuasi, attributable production increased by 5% to 61,500 tonnes reflecting planned higher grades (1.33% vs. 1.24%). Production increased by 12% compared with Q2 2018 owing to the completion of planned three-month major maintenance on 8 July.

El Soldado production increased by 33% to 14,500 tonnes due to a combination of strong mine and plant performance and planned higher grades.

Full Year Guidance

Full year production guidance is unchanged at 630,000 – 660,000 tonnes.

Copper ⁽¹⁾	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q3 2018 vs. Q2 2018	Q3 2018 vs. Q3 2017	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Collahuasi 100% basis (Anglo American share 44%)										
Ore mined	13,791,400	11,454,400	11,859,300	17,478,300	18,467,800	20%	(25)%	37,105,100	47,255,200	(21)%
Ore processed - Sulphide	12,332,800	10,605,100	12,894,200	13,658,400	13,084,900	16%	(6)%	35,832,100	36,228,400	(1)%
Ore grade processed - Sulphide (% TCu) ⁽²⁾	1.33	1.34	1.24	1.28	1.24	(1)%	7%	1.30	1.24	5%
Production - Copper cathode	-	-	-	-	-	-	-	-	100	-
Production - Copper in concentrate	139,700	124,500	137,600	144,400	132,600	12%	5%	401,800	379,500	6%
Total copper production for Collahuasi	139,700	124,500	137,600	144,400	132,600	12%	5%	401,800	379,600	6%
Anglo American's share of copper production for Collahuasi⁽³⁾	61,500	54,700	60,600	63,500	58,300	12%	5%	176,800	167,000	6%
Los Bronces⁽⁴⁾	95,800	89,700	85,000	75,400	78,100	7%	23%	270,600	232,900	16%
Ore mined	13,019,000	17,837,300	15,675,300	11,553,900	12,707,100	(27)%	2%	46,531,600	37,785,700	23%
Ore processed – Sulphide	13,089,300	12,346,700	12,477,100	10,610,600	11,675,700	6%	12%	37,913,100	35,429,400	7%
Ore grade processed - Sulphide (% TCu) ⁽²⁾	0.76	0.76	0.71	0.76	0.69	0%	10%	0.74	0.69	7%
Production - Copper cathode	10,300	10,000	8,500	9,800	9,800	3%	5%	28,800	28,500	1%
Production - Copper in concentrate	85,500	79,700	76,600	65,600	68,300	7%	25%	241,800	204,400	18%
El Soldado⁽⁴⁾	14,500	13,600	9,300	9,700	10,900	7%	33%	37,400	30,800	21%
Ore mined	3,361,000	2,905,800	2,112,500	1,698,500	1,462,200	16%	130%	8,379,300	3,639,900	130%
Ore processed - Sulphide	2,036,000	1,825,000	1,785,600	1,846,600	1,851,700	12%	10%	5,646,600	5,548,500	2%
Ore grade processed - Sulphide (% TCu) ⁽²⁾	0.87	0.90	0.67	0.65	0.73	(3)%	19%	0.82	0.70	17%
Production - Copper in concentrate	14,500	13,600	9,300	9,700	10,900	7%	33%	37,400	30,800	21%
Chagres Smelter⁽⁴⁾										
Ore smelted	37,700	39,300	34,700	35,600	35,400	(4)%	6%	111,700	98,200	14%
Production	36,900	38,400	33,800	34,700	34,400	(4)%	7%	109,100	95,300	14%
Total copper production⁽⁵⁾	171,800	158,000	154,900	148,600	147,300	9%	17%	484,800	430,700	13%
Total payable copper production	165,700	152,600	149,100	143,100	141,900	9%	17%	467,400	415,200	13%
Total sales volumes	159,900	174,400	131,600	156,400	163,900	(8)%	(2)%	465,900	423,300	10%
Total payable sales volumes	154,200	168,400	126,700	150,600	158,000	(8)%	(2)%	449,300	408,100	10%
Third party sales⁽⁶⁾	51,800	40,700	30,800	40,500	33,700	27%	54%	123,300	70,900	74%

(1) Excludes copper production from the Platinum Group Metals business unit. Units shown are tonnes unless stated.

(2) TCu = total copper.

(3) Anglo American's share of Collahuasi production is 44%.

(4) Anglo American ownership interest of Los Bronces, El Soldado and the Chagres Smelter is 50.1%. Production is stated at 100% as Anglo American consolidates these operations.

(5) Total copper production includes Anglo American's 44% interest in Collahuasi.

(6) Relates to sales of copper not produced by Anglo American operations.

PLATINUM GROUP METALS

		Q3 2018	Q3 2017	Q3 2018 vs. Q3 2017	Q2 2018	Q3 2018 vs. Q2 2018	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Platinum									
Produced M&C⁽¹⁾ ounces	000 oz	649.0	621.5	4%	619.6	5%	1,882.4	1,810.4	4%
<i>Own mined⁽²⁾</i>	000 oz	332.9	357.8	(7)%	340.2	(2)%	1,016.1	1,026.4	(1)%
<i>Purchase of concentrate⁽³⁾</i>	000 oz	316.1	263.7	20%	279.4	13%	866.3	784.0	10%
Palladium									
Produced M&C⁽¹⁾ ounces	000 oz	410.8	407.5	1%	406.0	1%	1,224.2	1,182.6	4%
<i>Own mined⁽²⁾</i>	000 oz	250.2	262.7	(5)%	260.8	(4)%	778.7	757.3	3%
<i>Purchase of concentrate⁽³⁾</i>	000 oz	160.6	144.8	11%	145.2	11%	445.5	425.3	5%
Refined production									
Platinum	000 oz	556.2	684.1	(19)%	572.7	(3)%	1,631.5	1,789.7	(9)%
Palladium	000 oz	321.5	450.6	(29)%	366.7	(12)%	1,008.0	1,177.0	(14)%
Rhodium	000 oz	65.2	79.4	(18)%	73.8	(12)%	201.5	235.8	(15)%
Gold	000 oz	27.4	31.1	(12)%	27.3	0%	77.6	85.0	(9)%
Nickel	t	5,600	7,000	(20)%	5,700	(2)%	16,400	18,200	(10)%
Copper	t	2,900	4,300	(33)%	4,000	(28)%	10,100	11,000	(8)%

(1) Mined and purchase of concentrate.

(2) Includes managed operations and 50% of joint venture production.

(3) Purchase of concentrate includes 50% of joint venture production, and the purchase of concentrate from associates (Bokoni and BRPM) and third parties.

Platinum production increased by 4% to 649,000 ounces and palladium production increased by 1% to 410,800 ounces due to improved operational performances across the majority of the portfolio, despite the placing of unprofitable production from Bokoni on care and maintenance in Q3 2017.

Own mined production

Own mined platinum production decreased by 7% to 332,900 ounces and palladium production decreased by 5% to 250,200 ounces due to the sale of Union mine to Siyanda Resources on 1 February 2018, after which its production was purchased as concentrate. Excluding Union, own mined platinum production increased by 5% and palladium production increased by 2%.

Mogalakwena platinum production decreased by 2% to 113,900 ounces and palladium production decreased by 2% to 127,100 ounces. This was the result of lower concentrator throughput and lower recovery due to concentrator maintenance, partially offset by higher grades. Grades of material processed are expected to be lower in Q4 2018, with an impact on production volume.

Amandelbult platinum production increased by 5% to 126,000 ounces and palladium production increased by 4% to 57,300 ounces. This was driven by continued operational improvement, supported by increased development at Dishaba, as mining activities transitioned to this section.

Unki platinum production increased by 13% to 22,400 ounces and palladium production increased by 15% to 19,700 ounces as a result of an increase in tonnes milled, improvements in recovery and higher grade.

Joint venture platinum production (Mototolo, Modikwa and Kroondal) increased by 14% to 141,200 ounces (of which 70,600 ounces is own mined production and 70,600 ounces is purchased concentrate). Palladium production increased by 10% to 92,200 ounces (of which 46,100 ounces is own mined production and 46,100 ounces is purchased concentrate). This was largely due to lower production in Q3 2017 when the Mototolo concentrator was temporarily stopped to carry out remedial work at a tailings facility.

Purchase of concentrate

Purchase of concentrate from joint ventures increased by 14% for platinum and 10% for palladium for the reasons outlined above.

Purchase of concentrate from associates decreased by 9% for platinum and 25% for palladium due to the removal of unprofitable ounces from Bokoni which was placed on care and maintenance in Q3 2017.

Purchase of concentrate from third parties increased by 40% for platinum and 31% for palladium due to concentrate purchased from Union mine following its sale.

Refined production and sales volumes

Refined platinum production decreased by 19% to 556,200 ounces and refined palladium production decreased by 29% to 321,500 ounces due to a rebuild of the Mortimer smelter in Q2 2018 and its progressive ramp up in Q3 2018 as well as the Polokwane smelter furnace repair that required a full shutdown for 35 days.

Platinum sales volumes (excluding refined metal purchased from third parties) decreased by 20% to 530,100 ounces and palladium sales volumes decreased by 30% to 324,300 ounces due to lower refined production.

Full year guidance

Due to strong operational performance across the portfolio, 2018 platinum production guidance has been revised upwards to 2.45-2.50 million ounces (previously 2.40-2.45 million ounces) and palladium production guidance has been tightened to 1.55-1.60 million ounces (previously 1.50-1.60 million ounces).

As a result of scheduled smelter rebuilds and maintenance at both Mortimer smelter and Polokwane smelter, there has been a build-up of work-in-progress inventory at the end of the third quarter, with platinum and palladium at ~270,000 ounces and ~160,000 ounces respectively, over and above targeted levels. The work-in-progress inventory is unlikely to be refined in full by year-end, and therefore full year refined production is expected to be lower than production of concentrate. Full year refined platinum production guidance is maintained at 2.40-2.45 million ounces and palladium refined production at the lower end of guidance of 1.50-1.60 million ounces. The remaining build-up in work-in-progress inventory will be processed and is expected to return to targeted levels in H1 2019. Platinum and palladium sales volumes are expected to remain in line with refined production.

Platinum	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q3 2018 vs. Q2 2018	Q3 2018 vs. Q3 2017	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Produced platinum (000 troy oz)	649.0	619.6	613.8	587.0	621.5	5%	4%	1,882.4	1,810.4	4%
Own mined	332.9	340.2	343.0	349.8	357.8	(2)%	(7)%	1,016.1	1,026.4	(1)%
Mogalakwena	113.9	133.4	139.4	121.7	116.3	(15)%	(2)%	386.7	342.1	13%
Amandelbult	126.0	116.3	103.9	114.8	119.5	8%	5%	346.2	323.2	7%
Unki	22.4	20.9	20.6	16.4	19.9	7%	13%	63.9	58.2	10%
Joint ventures ⁽¹⁾	70.6	69.6	67.5	59.8	62.2	1%	14%	207.7	185.5	12%
Union	-	-	11.6	37.1	39.9	-	(100)%	11.6	117.4	(90)%
Purchase of concentrate	316.1	279.4	270.8	237.2	263.7	13%	20%	866.3	784.0	10%
Joint ventures ⁽¹⁾	70.6	69.6	67.5	59.8	62.2	1%	14%	207.7	185.5	12%
Associates ⁽²⁾	66.7	54.3	52.3	54.8	73.5	23%	(9)%	173.3	210.7	(18)%
Third parties	178.8	155.5	151.0	122.6	128.0	15%	40%	485.3	387.8	25%
Palladium										
Produced palladium (000 troy oz)	410.8	406.0	407.4	374.9	407.5	1%	1%	1,224.2	1,182.6	4%
Own mined	250.2	260.8	267.7	251.5	262.7	(4)%	(5)%	778.7	757.3	3%
Mogalakwena	127.1	145.1	150.5	127.8	129.9	(12)%	(2)%	422.7	381.1	11%
Amandelbult	57.3	52.2	50.7	53.7	55.1	10%	4%	160.2	148.7	8%
Unki	19.7	18.4	17.8	14.2	17.2	7%	15%	55.9	50.2	11%
Joint ventures ⁽¹⁾	46.1	45.1	43.5	38.7	42.1	2%	10%	134.7	122.9	10%
Union	-	-	5.2	17.1	18.4	-	(100)%	5.2	54.4	(90)%
Purchase of concentrate	160.6	145.2	139.7	123.4	144.8	11%	11%	445.5	425.3	5%
Joint ventures ⁽¹⁾	46.1	45.1	43.5	38.7	42.1	2%	10%	134.7	122.9	10%
Associates ⁽²⁾	27.2	22.0	21.7	22.1	36.3	24%	(25)%	70.9	105.7	(33)%
Third parties	87.3	78.1	74.5	62.6	66.4	12%	31%	239.9	196.7	22%
Refined production										
Platinum (000 troy oz)	556.2	572.7	502.6	722.2	684.1	(3)%	(19)%	1,631.5	1,789.7	(9)%
Palladium (000 troy oz)	321.5	366.7	319.8	491.4	450.6	(12)%	(29)%	1,008.0	1,177.0	(14)%
Rhodium (000 troy oz)	65.2	73.8	62.5	87.4	79.4	(12)%	(18)%	201.5	235.8	(15)%
Gold (000 troy oz)	27.4	27.3	22.9	30.3	31.1	0%	(12)%	77.6	85.0	(9)%
Nickel (tonnes)	5,600	5,700	5,100	7,800	7,000	(2)%	(20)%	16,400	18,200	(10)%
Copper (tonnes)	2,900	4,000	3,200	4,700	4,300	(28)%	(33)%	10,100	11,000	(8)%
4E Head grade (g/tonne milled) ⁽³⁾	3.58	3.60	3.45	3.53	3.44	(1)%	4%	3.51	3.44	2%
Platinum sales volumes (000 troy oz)⁽⁴⁾	530.1	636.4	480.8	721.7	663.6	(17)%	(20)%	1,647.3	1,782.9	(8)%
Palladium sales volumes (000 troy oz)⁽⁴⁾	324.3	405.3	328.2	473.5	462.0	(20)%	(30)%	1,057.8	1,098.2	(4)%
Platinum third party sales volumes (000 troy oz)⁽⁵⁾	26.9	45.8	19.8	-	-	(41)%	-	92.5	-	-
Palladium third party sales volumes (000 troy oz)⁽⁵⁾	55.0	45.0	8.0	-	-	22%	-	108.0	-	-

(1) The joint venture operations are Mototolo, Modikwa and Kroondal. Platinum Group Metals owns 50% of these operations, which is presented under 'Own mined' production, and purchases the remaining 50% of production, which is presented under 'Purchase of concentrate'.

(2) Associates are Platinum Group Metals' 33% interest in BRPM and, also in 2017, its 49% interest in Bokoni, which was placed on care and maintenance in Q3 2017.

(3) 4E: the grade measured as the combined content of: platinum, palladium, rhodium and gold.

(4) Sales from own mined and purchased concentrate, excludes refined metal purchased from third parties.

(5) Relates to sales of metal not produced by Anglo American operations.

IRON ORE

Iron Ore		Q3 2018	Q3 2017	Q3 2018 vs. Q3 2017	Q2 2018	Q3 2018 vs. Q2 2018	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Kumba	000 t	10,508	11,486	(9)%	11,572	(9)%	32,936	33,340	(1)%
Minas-Rio ⁽¹⁾	000 t	-	4,171	-	106	-	3,155	12,837	(75)%

(1) Wet basis.

Kumba – Iron ore production volumes decreased by 9% to 10.5 million tonnes, as planned, following rail constraints in H1 2018, and a small decrease in plant yields as Kumba produced higher quality products to maximise the value of tonnes railed to port.

Sishen's production decreased by 10% to 7 million tonnes, while waste movement increased by 7% to 45 million tonnes (Q3 2017: 42 million tonnes).

Kolomela's production decreased by 6% to 3.5 million tonnes of ore, while waste movement remained flat at 16 million tonnes.

Export sales decreased by 10% to 9.7 million tonnes due to the scheduled refurbishment of a ship loader at the Saldanha Port that reduced loading capacity during the quarter. Total finished product stocks increased from 6.2 million tonnes at 30 June 2018 to 6.6 million tonnes at 30 September 2018, representing ~\$175 million of working capital.

Minas-Rio – As previously indicated, there was no production in Q3 2018 (Q3 2017: 4.2 million tonnes) as a result of the suspension of operations since March 2018 following two leaks in the iron ore slurry pipeline.

The detailed pipeline inspection work is on track, as well as the precautionary replacement of a 4 kilometre section of the pipeline where the leaks occurred. Both the inspection and replacement work are expected to be completed in Q4 2018, followed by the restart of the operation, subject to required clearance from the authorities. There is no change to the expected earnings impact of the pipeline incident from the guidance previously provided, with a 2018 loss of \$300-\$400 million in EBITDA.

Full Year Guidance

Full year production guidance for Kumba is unchanged at 43-44 million tonnes. Waste guidance for 2018 is unchanged at 170-180 million tonnes for Sishen and 55-57 million tonnes for Kolomela.

Full year production guidance for Minas-Rio is unchanged at 3 million tonnes, reflecting production delivered to date in 2018.

Iron Ore (tonnes)	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q3 2018 vs. Q2 2018	Q3 2018 vs. Q3 2017	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Kumba production	10,508,400	11,572,000	10,855,100	11,642,600	11,485,700	(9)%	(9)%	32,935,500	33,339,900	(1)%
Lump	7,159,800	7,889,600	7,243,500	7,719,100	7,609,200	(9)%	(6)%	22,292,900	22,092,200	1%
Fines	3,348,600	3,682,400	3,611,600	3,923,500	3,876,500	(9)%	(14)%	10,642,600	11,247,700	(5)%
Kumba production by mine										
Sishen	7,030,600	7,930,300	7,324,600	7,782,300	7,786,100	(11)%	(10)%	22,285,500	23,336,900	(5)%
Kolomela	3,477,800	3,641,700	3,530,500	3,860,300	3,699,600	(5)%	(6)%	10,650,000	10,003,000	6%
Kumba sales volumes										
Export iron ore	9,736,700	9,560,100	9,945,700	11,354,800	10,783,200	2%	(10)%	29,242,500	30,259,800	(3)%
Domestic iron ore	755,600	781,900	885,400	875,700	644,100	(3)%	17%	2,422,900	2,401,400	1%
Minas-Rio production										
Pellet feed (wet basis)	-	105,800	3,049,400	3,949,900	4,171,500	-	-	3,155,200	12,837,300	(75)%
Minas-Rio sales volumes										
Export – pellet feed (wet basis)	-	320,800	2,896,100	4,140,700	3,739,800	-	-	3,216,800	12,367,300	(74)%

COAL

Coal ⁽¹⁾		Q3 2018	Q3 2017	Q3 2018 vs. Q3 2017	Q2 2018	Q3 2018 vs. Q2 2018	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Metallurgical Coal (Australia)	000 t	5,382	5,532	(3)%	5,262	2%	16,183	14,737	10%
Export Thermal Coal (Australia)	000 t	455	421	8%	290	57%	954	1,205	(21)%
Export Thermal Coal (South Africa) ⁽²⁾	000 t	5,054	4,352	16%	4,440	14%	13,822	13,945	(1)%
Export Thermal Coal (Colombia)	000 t	2,658	2,497	6%	2,762	(4)%	7,863	7,728	2%
Domestic Thermal Coal (South Africa)	000 t	2,650	8,367	(68)%	2,780	(5)%	10,400	24,110	(57)%

(1) Anglo American's attributable share of production.

(2) Includes export primary production, secondary production sold into export markets and production sold domestically at export parity pricing.

Metallurgical Coal – Export metallurgical coal production decreased by 3% to 5.4 million tonnes, with the Grosvenor ramp up being offset by a longwall move at Moranbah, anticipated challenging geological conditions at Grasstree and lower production at Dawson.

Thermal Coal South Africa – Export thermal coal production increased by 16% to 5.1 million tonnes, following operational improvements in the quarter and the impact of a 100-hour safety stoppage in Q3 2017, partly offset by conveyor issues at Zibulo.

Domestic thermal coal production decreased by 68% to 2.7 million tonnes due to the completion of the sale of the Eskom-tied operations (New Vaal, New Denmark and Kriel) to Seriti on 1 March 2018.

Thermal Coal Colombia – Attributable export thermal coal production from Cerrejón increased by 6% to 2.7 million tonnes.

Full Year Guidance

Full year production guidance for Metallurgical Coal is unchanged at 20-22 million tonnes.

Full year production guidance for Export Thermal Coal is unchanged from Q2 at 28-30 million tonnes.

Coal, by product (tonnes) ⁽¹⁾	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q3 2018 vs. Q2 2018	Q3 2018 vs. Q3 2017	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Metallurgical Coal (Australia)	5,382,300	5,261,900	5,539,100	4,923,900	5,531,500	2%	(3)%	16,183,300	14,737,400	10%
Hard Coking Coal	4,545,800	4,534,800	4,853,200	4,300,300	4,696,200	-	(3)%	13,933,800	12,680,500	10%
PCI / SSCC	836,500	727,100	685,900	623,600	835,300	15%	-	2,249,500	2,056,900	9%
Thermal Coal	10,816,800	10,271,300	11,950,300	15,172,700	15,637,100	5%	(31)%	33,038,400	46,987,500	(30)%
Export (Australia)	455,100	289,900	208,700	408,600	421,400	57%	8%	953,700	1,205,100	(21)%
Export (South Africa) ⁽²⁾	5,054,400	4,439,600	4,327,500	4,647,800	4,352,000	14%	16%	13,821,500	13,944,700	(1)%
Export (Colombia)	2,657,600	2,761,500	2,444,300	2,913,600	2,496,700	(4)%	6%	7,863,400	7,728,000	2%
Domestic (South Africa)	2,649,700	2,780,300	4,969,800	7,202,700	8,367,000	(5)%	(68)%	10,399,800	24,109,700	(57)%
Total coal production	16,199,100	15,533,200	17,489,400	20,096,600	21,168,600	4%	(23)%	49,221,700	61,725,000	(20)%
Sales volumes										
Metallurgical Coal (Australia)	5,442,800	5,094,500	5,632,900	5,323,600	5,341,700	7%	2%	16,170,200	14,446,900	12%
Hard Coking Coal	4,834,100	4,402,800	4,885,500	4,653,000	4,707,600	10%	3%	14,122,500	12,834,400	10%
PCI / SSCC	608,700	691,700	747,400	670,600	634,100	(12)%	(4)%	2,047,700	1,612,500	27%
Thermal Coal	11,782,900	12,904,300	14,227,800	17,079,500	18,892,600	(9)%	(38)%	38,914,800	53,556,200	(27)%
Export (Australia)	331,600	357,800	293,800	466,900	468,500	(7)%	(29)%	983,100	1,364,500	(28)%
Export (South Africa) ⁽²⁾	3,679,600	4,092,700	4,615,700	4,843,500	4,921,200	(10)%	(25)%	12,387,900	13,765,300	(10)%
Export (Colombia)	2,589,100	2,762,900	2,480,200	2,619,400	2,517,500	(6)%	3%	7,832,200	7,934,300	(1)%
Domestic (South Africa)	3,305,800	3,146,500	4,711,000	7,370,300	8,549,300	5%	(61)%	11,163,300	24,652,800	(55)%
Third party sales	1,876,800	2,544,400	2,127,100	1,779,400	2,436,100	(26)%	(23)%	6,548,300	5,839,300	12%

(1) Anglo American's attributable share of production and sales.

(2) Includes export primary production, secondary production sold into export markets and production sold domestically at export parity pricing.

Coal, by operation (tonnes) ⁽¹⁾	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q3 2018 vs. Q2 2018	Q3 2018 vs. Q3 2017	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Metallurgical Coal (Australia)	5,382,300	5,261,900	5,539,100	4,923,900	5,531,500	2%	(3)%	16,183,300	14,737,400	10%
Moranbah North	1,275,800	1,064,300	1,936,700	1,979,800	1,316,800	20%	(3)%	4,276,800	3,421,500	25%
Grosvenor	1,239,800	1,342,000	825,600	161,300	1,012,500	(8)%	22%	3,407,400	1,905,900	79%
Capcoal (incl. Grasree)	1,564,700	1,324,200	1,396,000	1,604,900	1,712,100	18%	(9)%	4,284,900	4,881,500	(12)%
Dawson	478,700	714,100	534,500	319,700	670,300	(33)%	(29)%	1,727,300	2,163,000	(20)%
Jellinbah	823,300	817,300	846,300	858,200	819,800	1%	-	2,486,900	2,365,500	5%
Thermal Coal (Australia)	455,100	289,900	208,700	408,600	421,400	57%	8%	953,700	1,205,100	(21)%
Capcoal (incl. Grasree)	71,600	66,000	65,500	95,400	62,000	8%	15%	203,100	186,900	9%
Dawson	357,700	193,400	114,500	310,800	342,500	85%	4%	665,600	988,700	(33)%
Jellinbah	25,800	30,500	28,700	2,400	16,900	(15)%	53%	85,000	29,500	188%
Total Australia production	5,837,400	5,551,800	5,747,800	5,332,500	5,952,900	5%	(2)%	17,137,000	15,942,500	7%
Thermal (South Africa)⁽²⁾										
Goedehoop	1,527,000	1,185,900	1,138,000	1,114,300	1,085,400	29%	41%	3,850,800	3,538,400	9%
Greenside	1,264,300	941,500	1,043,600	1,041,200	906,700	34%	39%	3,249,400	2,789,200	16%
Zibulo	1,468,700	1,553,500	1,673,100	1,587,900	1,534,600	(5)%	(4)%	4,695,300	4,646,900	1%
Khwezela	1,468,800	1,297,200	1,244,000	1,371,300	1,265,300	13%	16%	4,010,000	4,336,300	(8)%
Mafube	402,700	172,100	105,600	350,900	361,200	134%	11%	680,500	1,210,300	(44)%
Other ⁽³⁾	604,100	1,076,700	-	-	-	(44)%	n/a	1,680,700	-	n/a
New Vaal ⁽⁴⁾	-	-	1,560,500	3,218,500	4,354,300	n/a	n/a	1,560,500	11,890,500	(87)%
New Denmark ⁽⁴⁾	-	-	560,100	963,300	673,700	n/a	n/a	560,200	2,397,600	(77)%
Kriel ⁽⁴⁾	-	-	704,900	1,237,400	1,392,700	n/a	n/a	704,900	4,151,400	(83)%
Isibonelo	968,500	993,000	1,267,500	965,700	1,145,100	(2)%	(15)%	3,229,000	3,093,800	4%
Total South Africa production	7,704,100	7,219,900	9,297,300	11,850,500	12,719,000	7%	(39)%	24,221,300	38,054,400	(36)%
Colombia (Cerrejón)	2,657,600	2,761,500	2,444,300	2,913,600	2,496,700	(4)%	6%	7,863,400	7,728,000	2%
Total Coal production	16,199,100	15,533,200	17,489,400	20,096,600	21,168,600	4%	(23)%	49,221,700	61,725,000	(20)%

(1) Anglo American's attributable share of production.

(2) Export and domestic production; New Vaal, New Denmark, Kriel and Isibonelo produce exclusively domestic volumes.

(3) Other production comes from the recovery of saleable product from mineral residue deposits.

(4) The sale of the Eskom-tied operations was completed on 1 March 2018.

NICKEL

Nickel		Q3 2018	Q3 2017	Q3 2018 vs. Q3 2017	Q2 2018	Q3 2018 vs. Q2 2018	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Nickel	t	11,500	11,200	3%	10,800	6%	30,900	32,400	(5%)

Nickel output increased by 3% to 11,500 tonnes driven by enhanced stability arising from operational improvements implemented at Barro Alto during 2018.

Full year production guidance is unchanged at 42,000-44,000 tonnes.

Nickel ⁽¹⁾	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q3 2018 vs. Q2 2018	Q3 2018 vs. Q3 2017	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Barro Alto										
Ore mined	1,640,400	1,208,800	1,001,500	978,600	1,895,000	36%	(13%)	3,850,700	5,294,200	(27%)
Ore processed	620,900	588,200	447,600	591,500	578,200	6%	7%	1,656,800	1,717,800	(4%)
Ore grade processed - %Ni	1.73	1.67	1.68	1.71	1.72	4%	0%	1.69	1.71	(1%)
Production	9,400	8,600	6,500	9,100	8,900	9%	6%	24,500	25,800	(5%)
Codemim										
Ore mined	-	-	-	-	-	-	-	-	7,500	-
Ore processed	139,100	150,600	141,100	147,200	152,200	(8%)	(9%)	430,900	439,800	(2%)
Ore grade processed - %Ni	1.69	1.62	1.66	1.70	1.70	4%	(1%)	1.65	1.68	(2%)
Production	2,100	2,200	2,100	2,300	2,300	(5%)	(9%)	6,400	6,600	(3%)
Total Nickel segment nickel production	11,500	10,800	8,600	11,400	11,200	6%	3%	30,900	32,400	(5%)
Sales volumes	10,400	10,800	9,200	10,900	11,300	(4%)	(8%)	30,500	32,100	(5%)

(1) Excludes nickel production from the Platinum Group Metals business unit.

MANGANESE

Manganese		Q3 2018	Q3 2017	Q3 2018 vs. Q3 2017	Q2 2018	Q3 2018 vs. Q2 2018	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Manganese ore ⁽¹⁾	000 t	888	840	6%	866	2%	2,635	2,506	5%
Manganese alloys ⁽¹⁾⁽²⁾	000 t	35	37	(7)%	43	(19)%	119	108	10%

(1) Saleable production.

(2) Production includes medium carbon ferro-manganese.

Manganese ore – Manganese ore production increased by 6% to 887,600 tonnes, a record production quarter.

Manganese alloy – Manganese alloy production decreased by 7% to 34,800 tonnes due to a planned maintenance shutdown of the furnace during the quarter.

Manganese (tonnes)	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q3 2018 vs. Q2 2018	Q3 2018 vs. Q3 2017	YTD 2018	YTD 2017	YTD 2018 vs. YTD 2017
Samancor										
Manganese ore ⁽¹⁾	887,600	866,200	880,800	979,600	839,500	2%	6%	2,634,600	2,505,900	5%
Manganese alloys ⁽¹⁾⁽²⁾	34,800	42,800	41,200	41,100	37,300	(19)%	(7)%	118,800	108,100	10%
Samancor sales volumes										
Manganese ore	840,400	910,100	824,200	874,900	846,900	(8)%	(1)%	2,574,700	2,570,500	0%
Manganese alloys	30,400	48,400	38,300	37,300	33,500	(37)%	(9)%	117,100	105,100	11%

(1) Saleable production.

(2) Production includes medium carbon ferro-manganese.

EXPLORATION AND EVALUATION

Exploration and Evaluation expenditure for the third quarter increased by 25% to \$74 million compared to the same period of 2017. Exploration expenditure increased by 24% to \$36 million driven by new greenfield opportunities in Brazil (copper-gold), Ecuador (copper-gold) and Canada (diamonds) as well as near-mine drilling. Evaluation expenditure increased by 27% to \$38 million driven by increased work at Los Bronces.

CORPORATE ACTIVITY AND OTHER ITEMS

There were a number of non-operating cashflows that occurred during the quarter or are anticipated prior to year-end. These include:

- Proceeds of \$851 million from the syndication of Quellaveco (that will be used to fund the project's capital expenditure during 2018);
- De Beers' acquisition of Peregrine Diamonds for \$82 million; and
- the expected completion in Q4 2018 of the acquisition of Glencore's share of the Mototolo platinum joint venture, with an up-front cash payment of approximately \$59 million.

In addition, the Group's purchase of shares for employee share schemes continues.

Working capital has built up in the quarter and is expected to unwind partially over the remainder of 2018 and be cleared during the first half of 2019. The inventory build-up is driven by:

- strong mining performance and lower refined volumes due to scheduled smelter rebuilds and maintenance at PGMs;
- the re-phasing of sales of low value diamonds at De Beers; and
- rail infrastructure constraints at Kumba Iron Ore.

NOTES

- This Production Report for the third quarter ended 30 September 2018 is unaudited.
- Production figures are sometimes more precise than the rounded numbers shown in this report.
- Copper equivalent production shows changes in underlying production volume. It is calculated by expressing each commodity's volume as revenue, subsequently converting the revenue into copper equivalent units by dividing by the copper price (per tonne). Long-term forecast prices (and foreign exchange rates where appropriate) are used, in order that period-on-period comparisons exclude any impact for movements in price.
- Please refer to page 14 for information on forward-looking statements.

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Forward-looking statements:

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

Such forward-looking statements are based on numerous assumptions regarding Anglo American's present and future business strategies and the environment in which Anglo American will operate in the future. Important factors that could cause Anglo American's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, mineral resource exploration and development capabilities, recovery rates and other operational capabilities, the availability of mining and processing equipment, the ability to produce and transport products profitably, the availability of transportation infrastructure, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, the effects of inflation, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as permitting and changes in taxation or safety, health, environmental or other types of regulation in the countries where Anglo American operates, conflicts over land and resource ownership rights and such other risk factors identified in Anglo American's most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements.

These forward-looking statements speak only as of the date of this announcement. Anglo American expressly disclaims any obligation or undertaking (except as required by applicable law, the City Code on Takeovers and Mergers (the "Takeover Code"), the UK Listing Rules, the Disclosure and Transparency Rules of the Financial Conduct Authority, the Listings Requirements of the securities exchange of the JSE Limited in South Africa, the SWX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange and any other applicable regulations) to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Anglo American's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Notes to editors:

Anglo American is a global diversified mining business and our products are the essential ingredients in almost every aspect of modern life. Our portfolio of world-class competitive mining operations and undeveloped resources provides the metals and minerals to meet the growing consumer-driven demands of the world's developed and maturing economies. With our people at the heart of our business, we use innovative practices and the latest technologies to discover new resources and mine, process, move and market our products to our customers around the world.

As a responsible miner – of diamonds (through De Beers), copper, platinum and other precious metals, iron ore, coal and nickel – we are the custodians of what are precious natural resources. We work together with our key partners and stakeholders to unlock the sustainable value that those resources represent for our shareholders, the communities and countries in which we operate and for society at large. Anglo American is re-imagining mining to improve people's lives.

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