AN INTRODUCTION TO ANGLO AMERICAN

Robert Craike, Peace River Coal Operations, General Manager

Presentation to the 2013 Northeast British Columbia Community Coal and Energy Forum
ANGLO AMERICAN

Anglo American is a global diversified miner with a market capitalisation of more than $70bn and interests in 45 countries

**Our economic contribution**

- **Global revenue**
  - $33 billion
  - USD

- **Operating profit**
  - $10 billion
  - USD

- **Global CAPEX**
  - $5 billion
  - USD

- **Project pipeline**
  - $70 billion
  - USD

- **Employees**
  - 80,000
  - Permanent employees, and
  - 50,000
  - Contractors worldwide

**Our social commitment**

- **Lost Time Injuries**
  - 50 per cent reduction
  - Since 2007

- **Investing in reducing carbon emissions**
  - Climate Change Strategy

- **Achieved**
  - Gold Class Status
  - Dow Jones Sustainability Index

- **Implementing**
  - Anglo Social Way
  - Leading social management system

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**WHERE WE OPERATE**

- **Headquarters**
  - London, United Kingdom

- **Corporate and representative offices**
  - Beijing, China
  - Brussels, Belgium
  - Johannesburg, South Africa
  - Kinshasa, DRC

- **WHERE WE OPERATE**
  - **North America**
  - **Africa**

- **OUR SEVEN COMMODITY BUSINESSES**
  - **PLATINUM**
  - **DIAMONDS**
  - **COPPER**
  - **NICKEL**

- **OUR SEVEN COMMODITY BUSINESSES**
  - **IRON ORE AND MANGANESE**
  - **METALLURGICAL COAL**
  - **THERMAL COAL**

- **Other Mining and Industrial**
  - OTHER MINING AND INDUSTRIAL

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- **External Affairs – Canada, Anglo American**
ANGLO AMERICAN METALLURGICAL COAL
A GLOBAL COAL BUSINESS FOCUSSING ON PREMIUM HARD COKING COAL

Scale
2nd largest Australian and 3rd largest global seaborne metallurgical coal producer

Operations
• 5 in Australia
• 1 in Canada

Products
• 15 Mt metallurgical coal
• 6 Mt export thermal coal

Total Production 20 Mt

Our Seaborne Metallurgical Coal Position (Mt)

Source: Annual Reports & Quarterly Results  Excludes SSCC production.  All figures are attributable production 2011.
PEACE RIVER COAL INC.

Background and Tenures:

• 2006: Peace River Coal Inc. (PRC) formed to manage the assets

• 2011: Peace River Coal Inc. becomes a wholly owned subsidiary of Anglo American plc.

<table>
<thead>
<tr>
<th>Coal Tenure</th>
<th>Hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal Leases (100% ownership)</td>
<td>4989</td>
</tr>
<tr>
<td>Coal Licenses (100% ownership)</td>
<td>36,931</td>
</tr>
<tr>
<td>Pending (100% ownership)</td>
<td>253,650</td>
</tr>
<tr>
<td>Coal Licenses (50% Joint Venture)</td>
<td>73,219</td>
</tr>
<tr>
<td>Pending (50% Joint Venture)</td>
<td>300</td>
</tr>
</tbody>
</table>

• External Affairs – Canada, Anglo American
The Trend Mine is a conventional truck and shovel open-pit operation and has been in operation since 2005.

From 2005 to 2011, Trend averaged a production of 0.7 Mtpa of clean coal. In 2011 production was 0.9Mt.

Decision taken in 2011 to incorporate Canadian operations into the Met Coal portfolio.

In 2012, clean coal production reached 1.4 Mt. Our forecast for 2013 is 1.8Mt.

The current mine operations are located in the northwest portion of the Extension Block (Phases 4 and 5) with mining activities in the South Block (Phases 1 to 3) nearing completion.

At present the Trend Mine employs approximately 471 people with 21% female employees and 9% employees of Aboriginal descent.
PERFORMANCE IMPROVEMENTS – DOING THE BASICS RIGHT

• Lost time injury frequency rates

- LTIFR

- Employee Productivity (units/FTE)

- Clean Coal Production (kt)

• External Affairs – Canada, Anglo American
CURRENT TREND MINE OPERATIONS
TREND MINE – CURRENT OPERATIONS
Visual – 2013

• External Affairs – Canada, Anglo American
TREND/ROMAN OVERVIEW
• The Roman Project is located directly adjacent to the existing Trend Mine and has three parallel open-pits, to be mined in stages from west to east.

• An Environmental Assessment Certificate for the Roman Coal Mine Project was granted on December 14, 2012 (Certificate #M12-02).
DELIVERING ON OUR COMMITMENTS

• Main issues identified through Environmental Assessment review (granted in December 2012):
  ➢ Potential effects to caribou and caribou habitat,
  ➢ Potential water quality effects, specifically around selenium and nitrate

On Caribou:
  ❖ Anglo American had secured approx. 2,000 hectares of our tenures for caribou habitat – first company to secure its own tenures for the protection of caribou,
  ❖ Anglo American has delivered $2.566 million funding for the South Peace Northern Caribou Plan
  ❖ This is the largest contribution by a mining company for caribou mitigation measures under the Peace Northern Caribou Plan,

On Water Quality Effects:
  ❖ Anglo American has started construction of the first water treatment facility in the Northeast of British Columbia
  ❖ The facility addresses selenium and nitrate levels
  ❖ Commissioning of the water treatment facility is expected by mid. 2014
PHASE 1 TREND-ROMAN MAPA - APPROVED

The Phase 1 Trend-Roman MAPA issue on August 7th approved:

• Timber clearing and grubbing for the construction of water management and sediment control structures, access roads, and soil stockpile areas

• Construction of sediment ponds RP1 and RP2 to treat effluent from future mine disturbances and associated stockpiled soil salvage

• Construction of collector ditches (RN1, RN2 and RN3) that feed RP1 and RP2 to capture surface water flows from areas disturbed by the future Roman Phase 1 mining activities

• Development of access roads to support the construction of the water management structures

• Construction started in August, with Dunne-za Contracting (West Moberly First Nations)

• External Affairs – Canada, Anglo American
PHASE 2 TREND-ROMAN MAPA – PENDING REVIEW

• The Trend-Roman Mine will mine 51.2 Mt run-of-mine of met coal (35.2 Mt, clean coal) at an average rate of 2.5 Mtpa from 2013 – 2029, effectively extending the mine life by 14 years.

• Mining will continue to progress in Extension Block, Phases 4 and 5, until 2015 when equipment will transition over to Roman. Extension Block mining will resume in 2023 and continue through end of mine (2029).

• This strategy was selected in order to take advantage of:
  » Lower strip ratio
  » Higher quality coal
  » Lower production costs through this period of reduced coal prices

• The Trend-Roman Mine MAPA application was submitted for screening June 10, 2013.
• External Affairs – Canada, Anglo American
TREND – ROMAN PROJECT MINES ACT PERMIT AMENDMENT

External Affairs – Canada, Anglo American
THANK YOU