

IRON ORE

estimates as at 31 December 2011

KUMBA IRON ORE

The Ore Reserve and Mineral Resource estimates were compiled in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, (The SAMREC Code, 2007). The figures reported represent 100% of the Ore Reserves and Mineral Resources, the percentage attributable to Anglo American plc is stated separately. Rounding of figures may cause computational discrepancies.

Kumba Iron Ore – Operations		Mine Life	Classification	Tonnes		Grade		Saleable product			
ORE RESERVES	Attributable %			2011	2010	2011	2010	2011		2010	
Kolomela Mine (OP) ⁽¹⁾	48.2	23		Mt	Mt	%Fe	%Fe	Mt	%Fe	Mt	%Fe
Proved			109.7	118.5	64.9	64.5	110	65.0	118	64.5	
Probable			93.7	84.0	64.3	64.1	94	64.4	84	64.1	
Total			203.4	202.4	64.6	64.3	203	64.7	202	64.3	
Sishen Mine (OP) ⁽²⁾	48.2	18			%Fe	%Fe					
Proved			525.8	576.3	58.9	59.8	393	65.0	439	65.5	
Probable			458.1	500.6	59.3	58.7	351	65.1	366	65.1	
Total			983.9	1,077.0	59.1	59.3	744	65.0	805	65.3	
Thabazimbi Mine (OP) ⁽³⁾	48.2	4			%Fe	%Fe					
Proved			2.7	9.0	61.4	61.1	2	63.2	8	62.6	
Probable			7.7	4.9	60.4	60.6	6	63.0	4	61.9	
Total			10.4	13.9	60.7	61.0	8	63.1	12	62.3	

Kumba Iron Ore – Operations		Attributable %	Classification	Tonnes		Grade	
MINERAL RESOURCES				2011	2010	2011	2010
Kolomela Mine (OP) ⁽⁴⁾	48.2		Mt	Mt	%Fe	%Fe	
Measured		46.6	49.1	65.0	65.1		
Indicated		16.1	20.0	65.1	65.0		
Measured and Indicated		62.7	69.2	65.0	65.1		
Inferred (in LOMP)		45.9	35.1	64.3	65.7		
Inferred (ex. LOMP)		53.7	47.7	62.7	62.5		
Total Inferred		99.6	82.7	63.4	63.9		
Sishen Mine (OP) ⁽⁵⁾	48.2			%Fe	%Fe		
Measured		111.1	127.0	61.3	59.4		
Indicated		274.8	410.5	61.6	58.5		
Measured and Indicated		385.9	537.5	61.5	58.7		
Inferred (in LOMP)		173.4	17.9	49.1	59.7		
Inferred (ex. LOMP)		217.2	116.2	53.8	59.6		
Total Inferred		390.6	134.1	51.7	59.6		
Thabazimbi Mine (OP) ⁽⁶⁾⁽⁷⁾	48.2			%Fe	%Fe		
Measured		1.1	3.4	61.1	61.8		
Indicated		7.2	1.2	62.0	61.2		
Measured and Indicated		8.3	4.6	61.9	61.6		
Inferred (in LOMP)		3.0	0.9	61.8	61.9		
Inferred (ex. LOMP)		3.9	0.9	61.8	61.5		
Total Inferred		6.9	1.8	61.8	61.7		

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

Kumba Iron Ore – Projects		Attributable %	Classification	Tonnes		Grade	
MINERAL RESOURCES				2011	2010	2011	2010
Phoenix Project ⁽⁷⁾	48.2		Mt	Mt	%Fe	%Fe	
Inferred		11.3	–	63.0	–		

Mining method: OP = Open Pit. Mine Life = The extraction period in years for scheduled Ore Reserves comprising Proved and Probable Reserves only.

The tonnage is quoted as dry metric tonnes and abbreviated as Mt for million tonnes.

The Mineral Resources are constrained by a resource pit shell, which defines the spatial limits of eventual economic extraction.

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

The Zandrivierspoort Project is not reported as Anglo American's shareholding is below the internal threshold for reporting. Details of this project are presented in the Kumba Iron Ore Annual Report.

⁽¹⁾ **Kolomela Mine – Ore Reserves:** The increase is primarily due to production which has been offset by a lowering of the cut-off grade applied during the Life of Mine Plan scheduling to equalise plant feed grade in the initial years which previously exceeded client quality specifications. A revision of the Mineral Resource classification using a quantitative scorecard approach was carried out in 2011 and impacts on the Ore Reserve classification. The calculated 2011 Mine Life excludes Inferred Reserves.

⁽²⁾ **Sishen Mine – Ore Reserves:** The net decrease is due to production as well as a revision of the Life of Mine schedule necessitated by a downgrade of Banded Iron Formation Mineral Resources. The impact of this reduction was offset by blending in lower quality material that in the previous Life of Mine Plan remained on run-of-mine stockpiles after the Mine Life ran out and were considered as mining losses. Inclusion of this material has been confirmed by economic studies. The calculated 2011 Mine Life excludes Inferred Reserves.

⁽³⁾ **Thabazimbi Mine – Ore Reserves:** The decrease is due to a revision of the geological interpretations, geological modelling and subsequent Mineral Resource estimation, the effects of which were carried through to the Ore Reserves, especially in the Kumba mining area.

⁽⁴⁾ **Kolomela Mine – Mineral Resources:** The net increase is primarily the result of geological model refinements undertaken in 2011 to consider a structural re-interpretation conducted for the ore bodies scheduled in the Life of Mine Plan by an external structural geology expert. 3.6 Mt of the Inferred Mineral Resources are extrapolated Inferred Mineral Resources as opposed to the rest being interpolated Inferred Mineral Resources.

⁽⁵⁾ **Sishen Mine – Mineral Resources:** The significant increase in Mineral Resources can primarily be attributed to a re-allocation of Banded Iron Formation lower grade iron ore (Jig beneficiation feed) Mineral Resources to an Inferred status to appropriately reflect the uncertainty in grade estimates associated with historical selective high grade sampling practices. This caused a decrease in the overall average grade above the 40% Fe cut-off.

⁽⁶⁾ **Thabazimbi Mine – Mineral Resources:** The primary contributing factor to the increase in Mineral Resources was a significant increase in the long term forward looking iron ore price, which is converted to a revenue factor to derive an optimistic pit shell which spatially defines eventual economic extraction for the Kumba Iron Ore Group. This had the effect of converting Mineral Inventory into Mineral Resources, especially at the Kumba mining area. The increase was offset by the revised geological model which resulted in Mineral Resource write-offs, particularly at the Kumba mining area as well as Mineral Resource classification downgrading to consider the fact that Thabazimbi Mine mainly relies on percussion drilling to define Mineral Resources as compared to other Kumba operations which use a combination of percussion and core drilling, with the latter a large portion of the data used for Mineral Resource grade estimations.

⁽⁷⁾ **Phoenix Project:** The Phoenix Project addresses possible or potential beneficiation opportunities for the Hematite ore (reported as Vanderbijl Pit Hematite in 2010 for the ring-fenced Vanderbijl mining area) in combination with other low grade material in the same area (not reported in 2010). The total Hematite Mineral Resource for this project has been reclassified as Inferred, primarily due to the low confidence associated with the historical information currently considered in the project resource definition.

Assumption with respect to Mineral Tenure

Sishen Mine: On 21 December 2011 judgment was delivered in the North Gauteng High Court regarding the status of the Mining Rights at the Sishen Mine. The High Court held that, upon the conversion of Sishen Iron Ore Company's (SIOC) Old Order Mining Right relating to the Sishen Mine properties in 2008, SIOC became the exclusive holder of a converted Mining Right for iron ore and quartzite in respect of the Sishen Mine properties. Accordingly, Kumba Iron Ore Group attributable percentage in SIOC increased to 73.9% in 2011. As a consequence, the Anglo American plc attributable percentage in Sishen Mine increases to 48.2%. On 3 February 2012 both the South African Department of Mineral Resources, as well as Imperial Crown Trading 289 (Pty) Ltd, submitted applications seeking leave to appeal against the High Court order.

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IRON ORE BRAZIL

The Minas Rio project is located in the state of Minas Gerais, Brazil and will include open pit mines and a beneficiation plant producing high grade pellet feed which will be transported, through a slurry pipeline, over 500km to the Port of Açu in the state of Rio de Janeiro. The project will largely be based on the two main deposits of Serra do Sapo and Itapanhoacanga. Two ore types, Friable and Compact Itabirite, have been identified at Serra do Sapo and Itapanhoacanga. Only the friable material is being considered for Phase 1 of the project. The planned annual capacity of Phase 1 is 26.5 Mtpa of iron ore pellet feed (wet tonnes), for start up during in the second half of 2013.

The Mineral Resource estimates were compiled in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as a minimum standard. The figures reported represent 100% of the Mineral Resources. Rounding of figures may cause computational discrepancies.

Iron Ore Brazil – Operations

MINERAL RESOURCES	Attributable %	Classification	Tonnes		Grade	
			2011	2010	2011	2010
			Mt	Mt	%Fe	%Fe
Amapá (OP)⁽¹⁾⁽²⁾	70.0					
Canga		Measured	2.6	-	54.2	-
		Indicated	10.5	12.0	48.5	53.1
		Measured and Indicated	13.1	12.0	49.6	53.1
		Inferred	1.3	3.9	41.5	45.1
Colluvium		Measured	12.0	13.5	40.4	41.9
		Indicated	56.0	34.3	38.3	40.5
		Measured and Indicated	68.0	47.9	38.7	40.9
		Inferred	18.6	25.8	34.7	35.6
Friable Itabirite and Hematite		Measured	33.5	14.7	40.5	44.5
		Indicated	112.0	78.9	41.7	42.6
		Measured and Indicated	145.5	93.7	41.4	42.9
		Inferred	26.0	54.5	40.1	40.3

Iron Ore Brazil – Projects

MINERAL RESOURCES	Attributable %	Classification	Tonnes		Grade	
			2011	2010	2011	2010
			Mt	Mt	%Fe	%Fe
Itapanhoacanga (OP)⁽³⁾⁽⁴⁾	100					
Friable Itabirite and Hematite		Measured	25.0	25.0	42.5	42.5
		Indicated	219.2	219.2	41.6	41.6
		Measured and Indicated	244.2	244.2	41.7	41.7
		Inferred	74.7	74.7	41.7	41.7
Compact Itabirite		Measured	10.9	10.9	33.2	33.2
		Indicated	95.8	95.8	33.8	33.8
		Measured and Indicated	106.7	106.7	33.7	33.7
		Inferred	43.9	43.9	33.2	33.2
Serra do Sapo (OP)⁽³⁾⁽⁵⁾	100					
Friable Itabirite and Hematite		Measured	561.3	502.7	35.3	37.8
		Indicated	1,278.5	1,070.0	38.5	37.2
		Measured and Indicated	1,839.8	1,572.6	37.5	37.4
		Inferred	165.1	275.8	36.3	39.9
Compact Itabirite		Measured	565.0	497.7	31.0	31.5
		Indicated	2,253.9	1,819.8	31.1	31.0
		Measured and Indicated	2,818.9	2,317.5	31.1	31.1
		Inferred	477.3	709.2	31.1	30.2
Serro (OP)⁽³⁾⁽⁶⁾	100					
Friable Itabirite and Hematite		Measured	-	-	-	-
		Indicated	9.5	9.5	63.6	63.6
		Measured and Indicated	9.5	9.5	63.6	63.6
		Inferred	74.2	74.2	35.3	35.3
Compact Itabirite		Measured	-	-	-	-
		Indicated	-	-	-	-
		Measured and Indicated	-	-	-	-
		Inferred	308.2	308.2	31.6	31.6

Mining method: OP = Open Pit.

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

⁽¹⁾ **Amapá – Mineral Resources:** The cut-off grade used is 25% Fe. Assays are on a dry basis. Tonnages are reported on a wet basis with an average moisture content of 11.3 wt% for Canga, 10.5 wt% for Colluvium and 9.9 wt% for Friable Itabirite and Hematite ore. Mineral Resources increase due to new in-fill drilling information and the inclusion of the Dragão area. The classification methodology was also refined during 2011. Additional metallurgical studies will be completed to assess the viability of processing Hydrothermally Altered Itabirite (ZAH) and Magnetite-bearing carbonated rock (RCB).

⁽²⁾ **Amapá:** Friable Itabirite and Hematite includes Friable Itabirite, Altered Friable Itabirite and Friable Hematite. The Mineral Resources comprise the Mário Cruz, Mário Cruz Leste, Martelo, Taboca, Taboca Leste, Vila do Meio, Vila do Meio Leste and Dragão areas.

⁽³⁾ **Minas Rio Project – Mineral Resources:** The cut-off grade used is 25% Fe. Assays are on a dry basis. Tonnages are reported on a wet basis with an average moisture content of 4.2 wt% for Friable ore. Friable Itabirite and Hematite includes Friable Itabirite, Semi-Compact Itabirite, High Alumina Itabirite, Soft Hematite and Canga.

The Minas Rio Project comprises the following sub-areas: Itapanhoacanga, Serra do Sapo and Serro.

⁽⁴⁾ **Itapanhoacanga:** Friable Itabirite and Hematite includes Friable Itabirite, Semi-Compact Itabirite, Soft Hematite and Hard Hematite.

⁽⁵⁾ **Serra do Sapo:** Friable Itabirite and Hematite includes Friable Itabirite, Semi-Compact Itabirite, High Alumina Itabirite, Soft Hematite and Canga. The Mineral Resources increase due to new information obtained from infill drilling in the North Domain (100x100m) and deep drill holes as well as a refinement to the geotechnical model resulting in new geotechnical domains and slope angles. The classification methodology was also refined during 2011. The Canga material (Indicated: 34.5 Mt at 60.6% Fe; Inferred: 6.8 Mt at 56.5% Fe) is included and supported by geometallurgical tests.

⁽⁶⁾ **Serro:** Friable Itabirite and Hematite includes Friable Itabirite, Semi-Compact Itabirite and Hard Hematite (9.5 Mt @ 63.6% Fe).

Audits related to the generation of the Mineral Resource statements were carried out by independent consultants during 2011 at the following operations and projects: Amapá.