

COAL

estimates as at 31 December 2011

METALLURGICAL COAL

The Coal Reserve and Coal 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 Coal Reserves and Coal Resources, the percentage attributable to Anglo American plc is stated separately. Rounding of figures may cause computational discrepancies. Anglo American Metallurgical Coal comprises export metallurgical and thermal coal operations located in Australia and Canada.

Metallurgical Coal – Australia Operations				ROM Tonnes ⁽³⁾		Yield ⁽⁴⁾		Saleable Tonnes ⁽³⁾		Saleable Quality ⁽⁵⁾	
COAL RESERVES ⁽¹⁾	Attributable % ⁽²⁾	Mine Life	Classification	2011	2010	2011	2010	2011	2010	2011	2010
Callide (OC)	100	25		Mt	Mt	ROM %	ROM %	Mt	Mt	kcal/kg	kcal/kg
Thermal – Domestic			Proved	199.9	130.6	98.0	98.1	195.8	128.1	4,380	3,740
			Probable	52.0	90.6	98.0	99.5	51.0	90.1	4,250	3,890
			Total	251.9	221.2	98.0	98.7	246.8	218.2	4,350	3,800
Capcoal (OC)	76.8	25								CSN	CSN
Metallurgical – Coking			Proved	77.1	84.7	20.4	21.2	16.3	18.7	7.0	7.0
			Probable	72.5	72.5	16.4	16.8	12.3	12.3	6.5	6.5
			Total	149.5	157.1	18.5	19.2	28.6	31.0	7.0	7.0
Metallurgical – Other			Proved			46.3	44.3	37.0	39.0	6,970	6,970
			Probable			46.5	46.7	35.0	35.0	6,990	6,990
			Total			46.4	45.4	72.1	74.0	6,980	6,980
Thermal – Export			Proved			2.8	3.0	2.3	2.7	7,060	7,060
			Probable			2.3	2.3	1.7	1.7	7,030	7,030
			Total			2.6	2.7	4.0	4.4	7,050	7,050
Capcoal (UG)	70.0	12								CSN	CSN
Metallurgical – Coking			Proved	40.6	45.7	73.7	72.9	31.6	35.2	9.0	9.0
			Probable	14.7	14.7	72.0	72.0	11.2	11.2	9.0	9.0
			Total	55.3	60.4	73.2	72.7	42.7	46.3	9.0	9.0
Dawson (OC)	51.0	11								CSN	CSN
Metallurgical – Coking			Proved	15.0	17.9	19.9	22.1	3.1	4.0	7.5	7.5
			Probable	149.0	156.0	16.0	17.7	24.5	28.4	7.5	7.5
			Total	163.9	173.8	16.4	18.2	27.5	32.4	7.5	7.5
Thermal – Export			Proved			65.2	61.3	10.0	11.2	6,500	6,500
			Probable			59.4	57.6	90.9	92.4	6,500	6,500
			Total			59.9	58.0	101.0	103.7	6,500	6,500
Drayton (OC)	88.2	5								kcal/kg	kcal/kg
Thermal – Export			Proved	3.2	4.2	75.3	76.7	2.4	3.2	6,260	6,260
			Probable	19.7	24.3	75.6	76.7	14.9	18.6	6,260	6,260
			Total	22.9	28.5	75.6	76.7	17.3	21.8	6,260	6,260
Foxleigh (OC)	70.0	4								kcal/kg	kcal/kg
Metallurgical – Other			Proved	4.1	5.8	79.3	76.9	3.5	4.8	6,940	6,960
			Probable	13.7	14.7	77.2	76.8	11.3	12.0	6,810	6,810
			Total	17.8	20.5	77.7	76.8	14.8	16.8	6,840	6,850
Moranbah North (UG)	88.0	18								CSN	CSN
Metallurgical – Coking			Proved	114.8	116.8	76.4	76.9	92.6	94.8	8.0	8.0
			Probable	11.3	13.1	72.7	72.3	8.7	10.0	8.0	8.0
			Total	126.1	130.0	76.1	76.4	101.3	104.8	8.0	8.0
Australia Metallurgical – Coking	77.5			Mt	Mt	Plant %	Plant %	Mt	Mt	CSN	CSN
			Proved	454.6	405.5	68.2	62.3	143.5	152.7	8.0	8.0
			Probable	332.8	385.8	35.8	29.6	56.6	61.9	7.5	7.5
			Total	787.4	791.4	59.0	52.4	200.1	214.5	8.0	8.0
Australia Metallurgical – Other	75.6									kcal/kg	kcal/kg
			Proved			49.1	34.0	40.5	43.7	6,970	6,970
			Probable			54.0	48.3	46.3	47.1	6,940	6,940
			Total			51.7	40.8	86.8	90.8	6,960	6,960
Australia Thermal – Export	57.1									kcal/kg	kcal/kg
			Proved			57.3	55.0	14.7	17.1	6,550	6,540
			Probable			60.7	59.9	107.5	112.7	6,480	6,470
			Total			60.3	59.2	122.2	129.8	6,480	6,480
Australia Thermal – Domestic	100									kcal/kg	kcal/kg
			Proved			98.0	98.1	195.8	128.1	4,380	3,740
			Probable			98.0	99.5	51.0	90.1	4,250	3,890
			Total			98.0	98.7	246.8	218.2	4,350	3,800
Metallurgical Coal – Canada Operations				ROM Tonnes ⁽³⁾		Yield ⁽⁴⁾		Saleable Tonnes ⁽³⁾		Saleable Quality ⁽⁵⁾	
COAL RESERVES⁽¹⁾	Attributable %⁽²⁾	Mine Life	Classification	2011	2010	2011	2010	2011	2010	2011	2010
Trend (OC)	100	13		Mt	Mt	ROM %	ROM %	Mt	Mt	CSN	CSN
Metallurgical – Coking			Proved	20.3	20.4	65.0	64.6	13.9	13.9	7.0	7.0
			Probable	2.3	2.4	61.7	62.2	1.5	1.5	7.0	7.0
			Total	22.6	22.8	64.7	64.4	15.4	15.4	7.0	7.0
Thermal – Export			Proved			0.7	0.7	0.1	0.2	5,070	5,300
			Probable			1.1	1.1	0.0	0.0	5,070	5,300
			Total			0.7	0.7	0.2	0.2	5,070	5,300

Mining method: OC = Open Cut, UG = Underground. Mine Life = The extraction period in years for scheduled Ore Reserves comprising Proved and Probable Reserves only. For the multi-product operations, the ROM tonnage figures apply to each product. The Saleable tonnage cannot be calculated directly from the ROM reserve tonnage using the air dried yields as presented since the difference in moisture content is not taken into account. Attributable percentages for country totals are weighted by Saleable tonnes and should not be directly applied to the ROM tonnage. Additional footnotes appear at the end of the section.

Metallurgical – Coking refers to a high-, medium- or low-volatile semi-soft, soft or hard coking coal primarily for blending and use in the steel industry; quality measured as Crucible Swell Number (CSN). **Metallurgical – Other** 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 or domestic market with a wider range of properties than Coking Coal; quality measured by calorific value (CV). **Thermal – Export** refers to low- to high-volatile thermal coal primarily for export in the use of power generation; quality measured by calorific value (CV). **Thermal – Domestic** refers to low- to high-volatile thermal coal primarily for domestic consumption for power generation; quality measured by calorific value (CV).

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Metallurgical Coal – Australia Operations

COAL RESOURCES ⁽⁶⁾	Attributable % ⁽⁹⁾	Classification	Tonnes		Coal Quality	
			2011	2010	2011	2010
Callide	100		MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	260.7	220.0	4,940	4,870
		Indicated	265.1	324.0	4,810	4,790
		Measured and Indicated	525.7	543.9	4,870	4,820
		Inferred (in LOMP) ⁽⁸⁾	15.3	12.1	4,240	4,260
Capcoal (OC)	76.8					
		Measured	13.8	13.8	7,080	7,080
		Indicated	27.9	27.9	7,080	7,080
		Measured and Indicated	41.7	41.7	7,080	7,080
		Inferred (in LOMP) ⁽⁸⁾	36.6	36.6	6,710	6,710
Capcoal (UG)	70.0					
		Measured	76.3	76.3	6,730	6,730
		Indicated	68.0	68.0	6,620	6,620
		Measured and Indicated	144.3	144.3	6,680	6,680
		Inferred (in LOMP) ⁽⁸⁾	0.3	0.3	6,630	6,630
Dawson	51.0					
		Measured	163.1	163.1	6,670	6,670
		Indicated	278.6	278.6	6,660	6,660
		Measured and Indicated	441.7	441.7	6,660	6,660
		Inferred (in LOMP) ⁽⁸⁾	103.5	103.5	6,870	6,870
Drayton	88.2					
		Measured	2.4	2.4	6,870	6,870
		Indicated	12.3	12.3	6,850	6,850
		Measured and Indicated	14.7	14.7	6,850	6,850
		Inferred (in LOMP) ⁽⁸⁾	0.4	0.4	6,050	6,050
Foxleigh	70.0					
		Measured	17.3	17.3	7,130	7,130
		Indicated	16.1	16.1	7,090	7,090
		Measured and Indicated	33.3	33.3	7,110	7,110
		Inferred (in LOMP) ⁽⁸⁾	7.0	7.0	6,830	6,830
Moranbah North	88.0					
		Measured	55.7	39.5	6,670	6,630
		Indicated	21.3	20.4	6,570	6,500
		Measured and Indicated	76.9	59.9	6,640	6,590
		Inferred (in LOMP) ⁽⁸⁾	0.1	0.2	6,980	6,680
Australia – Mine Leases	77.3					
		Measured	589.2	532.3	5,940	5,960
		Indicated	689.2	747.3	5,970	5,870
		Measured and Indicated	1,278.4	1,279.6	5,960	5,910
		Inferred (in LOMP) ⁽⁸⁾	163.3	160.2	6,580	6,630

THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Metallurgical Coal – Canada Operations

COAL RESOURCES ⁽⁶⁾	Attributable % ⁽⁹⁾	Classification	Tonnes		Coal Quality	
			2011	2010	2011	2010
Trend (OC)	100		MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	15.9	15.9	6,500	6,500
		Indicated	5.3	5.3	6,500	6,500
		Measured and Indicated	21.2	21.2	6,500	6,500
		Inferred (in LOMP) ⁽⁸⁾	1.4	1.4	6,500	6,500

THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Metallurgical Coal – Australia Projects

COAL RESERVES ⁽¹⁾	Attributable % ⁽⁹⁾	Mine Life	Classification	ROM Tonnes ⁽⁵⁾		Yield ⁽⁴⁾		Saleable Tonnes ⁽³⁾		Saleable Quality ⁽⁵⁾	
				2011	2010	2011	2010	2011	2010	2011	2010
Grosvenor	100	21		Mt	Mt	ROM %	ROM %	Mt	Mt	CSN	CSN
			Proved	76.1	63.3	66.2	64.9	53.2	43.3	8.5	8.5
			Probable	62.6	49.9	65.2	64.3	43.1	33.8	8.0	8.0
			Total	138.7	113.2	65.7	64.6	96.3	77.2	8.5	8.5

Metallurgical Coal – Australia Projects

COAL RESOURCES ⁽⁶⁾⁽⁸⁾	Attributable % ⁽⁹⁾	Classification	Tonnes		Coal Quality	
			2011	2010	2011	2010
Dartbrook	83.3		MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	386.1	386.1	5,720	5,720
		Indicated	24.8	24.8	5,460	5,460
		Measured and Indicated	410.9	410.9	5,700	5,700
Drayton South	88.2					
		Measured	405.7	405.7	6,580	6,580
		Indicated	173.4	173.4	6,540	6,540
		Measured and Indicated	579.2	579.2	6,570	6,570
Grosvenor	100					
		Measured	145.1	168.5	6,420	6,410
		Indicated	72.5	55.3	6,550	6,430
		Measured and Indicated	217.6	223.8	6,460	6,410
Moranbah South	50.0					
		Measured	191.5	146.4	6,050	6,030
		Indicated	307.1	325.4	6,350	6,300
		Measured and Indicated	498.6	471.7	6,230	6,220
Theodore	51.0					
		Measured	-	-	-	-
		Indicated	258.5	258.5	6,260	6,260
		Measured and Indicated	258.5	258.5	6,260	6,260
Australia – Projects	73.9					
		Measured	1,128.4	1,106.7	6,180	6,180
		Indicated	836.3	837.4	6,350	6,320
		Measured and Indicated	1,964.7	1,944.1	6,250	6,240

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Metallurgical Coal – Australia Operations and Projects

COAL RESOURCES ⁽⁶⁾	Attributable % ⁽²⁾	Classification	Tonnes		Coal Quality	
			2011	2010	2011	2010
Total	75.2					
			MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	1,717.6	1,638.9	6,090	6,110
		Indicated	1,525.5	1,584.7	6,180	6,110
		Measured and Indicated	3,243.1	3,223.6	6,130	6,110
		Inferred (in LOMP) ⁽⁸⁾	172.8	196.0	6,570	6,590

THE COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Metallurgical Coal – Canada Projects

COAL RESOURCES ⁽⁶⁾⁽⁸⁾	Attributable % ⁽²⁾	Classification	Tonnes		Coal Quality	
			2011	2010	2011	2010
Belcourt Saxon	50.0					
			MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	166.7	166.7	6,500	7,000
		Indicated	4.3	4.3	6,500	7,000
		Measured and Indicated	171.0	171.0	6,500	7,000
Roman Mountain	100					
		Measured	20.0	20.0	6,640	6,970
		Indicated	6.8	6.8	6,660	6,970
		Measured and Indicated	26.7	26.7	6,650	6,970
Canada – Projects	56.8					
		Measured	186.7	186.7	6,510	7,000
		Indicated	11.0	11.0	6,600	6,980
		Measured and Indicated	197.7	197.7	6,520	7,000

Metallurgical Coal – Canada Operations and Projects

COAL RESOURCES ⁽⁶⁾	Attributable % ⁽²⁾	Classification	Tonnes		Coal Quality	
			2011	2010	2011	2010
Total	61.0					
			MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	202.7	202.7	6,510	6,960
		Indicated	16.3	16.3	6,570	6,830
		Measured and Indicated	219.0	219.0	6,520	6,950
		Inferred (in LOMP) ⁽⁸⁾	1.4	1.4	6,500	6,920

- (1) Coal Reserves are quoted on a Run Of Mine (ROM) reserve tonnage basis which represents the tonnes delivered to the plant. Saleable reserve tonnage represents the product tonnes produced. Coal Reserves (ROM and Saleable) are on the applicable moisture basis.
- (2) Attributable (%) refers to 2011 only. For the 2010 Reported and Attributable figures, please refer to the 2010 Annual Report.
- (3) The tonnage is quoted as metric tonnes. ROM tonnages on an As Delivered moisture basis, and Saleable tonnages on a Product moisture basis.
- (4) Yield – ROM % represents the ratio of Saleable reserve tonnes to ROM reserve tonnes and is quoted on a constant moisture basis or on an air dried to air dried basis whereas Plant % is based on the 'Feed to Plant' tonnes. The product yields (ROM %) for Proved, Probable and Total are calculated by dividing the individual Saleable reserves by the total ROM reserves per classification.
- (5) 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 Domestic Synfuels 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.
- (6) Coal Resources are quoted on a Mineable Tonnage In-Situ (MTIS) basis in million tonnes which are in addition to those resources which have been modified to produce the reported Coal Reserves. Coal Resources are on an in-situ moisture basis.
- (7) The coal quality for the Coal Reserves is quoted on an in-situ heat content as Calorific Value (CV) using kilo-calories per kilogram (kcal/kg) units on a Gross As Received (GAR) basis. CV is rounded to the nearest 10 kcal/kg.
- (8) Inferred (in LOMP) refers to Inferred Coal Resources that are included in the life of mine extraction schedule of the respective collieries and are not reported as Coal Reserves. Inferred Coal Resources outside the Life of Mine Plan but within the mine lease area are not reported due to the uncertainty attached to such resources in that it cannot be assumed that all or part of the Inferred Resource will necessarily be upgraded to Indicated or Measured categories through continued exploration, such Inferred Resources do not necessarily meet the requirements of reasonable prospects for eventual economic extraction, particularly in respect of future mining and processing economics.

Jellinbah is not reported as Anglo American's shareholding is below the internal threshold for reporting. Monash Energy's resources have been removed from the 2011 report following the cancellation of their tenure near Flynn in the Latrobe Valley, Victoria. Anglo American is in liaison with the Victorian Government regarding the cancellation. Estimates for the following operations were updated by depletion and new geological models and revised Life of Mine Plans are scheduled for 2012: Capcoal (OC), Capcoal (UG), Dawson and Foxleigh.

Summary of material changes (±10%) at reporting level

Callide:	Increase in Coal Reserves mainly due to conversion of resources to reserves following re-estimation based on a revised Life of Mine Plan.
Drayton:	Decrease in Coal Reserves due to production.
Moranbah North:	Increase in Coal Resources resulting from changes in mine design (wider panels and shorter blocks).
Trend:	Estimates by depletion due to time constraints following incorporation of Peace River Coal into Anglo American Metallurgical Coal (AAMC). Minor differences in coal qualities are as a result of a detailed review of available quality data and subsequent update to the appropriate default quality values.
Grosvenor:	Increase in Coal Reserves as a result of additional drilling information and model update as part of the requirements for a Feasibility Study and conversion of resources to reserves.
Moranbah South:	Increase in Coal Resources due to new exploration data incorporated into the geological model, including a new mine plan as part of Pre-Feasibility study.
Belcourt Saxon:	Minor differences in coal qualities are as a result of a detailed review of available quality data and subsequent update to the appropriate default quality values.
Roman Mountain:	Minor differences in coal qualities are as a result of a detailed review of available quality data and subsequent update to the appropriate default quality values.

Assumption with respect to Mineral Tenure

Callide:	A Mining Lease Application has been lodged for the northern part of the Kilburnie area and AAMC has reasonable expectation that it will be granted. A Mining Lease Application has been lodged for the Amy's Find area as an extension to the existing mining area at The Hut and AAMC has reasonable expectation that it will be granted.
Foxleigh:	A Mining Lease Application has been submitted for part of the Plains area, and an application for the remainder together with the associated Environmental Impact Statement (EIS) will be submitted in early 2012. AAMC has reasonable expectation that both will be granted.
Grosvenor:	A Mining Lease Application has been submitted and AAMC has a reasonable expectation that it will be granted; land purchase is currently in progress.

Reviews by independent third parties were carried out in 2011 on the following operations and projects:
Foxleigh, Moranbah North and Grosvenor.