OFFERING MEMORANDUM

US$2,000,000,000

Anglo American plc
Anglo American Capital plc
US$1,250,000,000 9.375% Senior Notes due 2014
US$750,000,000 9.375% Senior Notes due 2019

Anglo American Capital plc (the "Issuer") is offering US$1,250 million of its 9.375% Senior Notes due 2014 (the "2014 Notes") and US$750 million of its 9.375% Senior Notes due 2019 (the "2019 Notes" and, together with the 2014 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" or "us"). Interest will be paid on the Notes semi-annually and in arrears on April 8 and October 8 of each year, commencing on October 8, 2009. The 2014 Notes and the 2019 Notes will mature on April 8, 2014 and 2019, respectively.

We may choose to issue only one series of notes or two or more series of notes.

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 116.

An investment in the Notes involves risks. See "Risk Factors" beginning on page 9.

Offering Price for the 2014 Notes: 100% plus accrued interest, if any, from April 8, 2009

Offering Price for the 2019 Notes: 100% plus accrued interest, if any, from April 8, 2009

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 and outside the United States to certain non-US persons in accordance with Regulation S under the Securities Act. For further details about eligible offerees and transfer restrictions, see "Plan of Distribution" and "Transfer Restrictions".

Barclays Capital Inc., BNP Paribas Securities Corp., Goldman, Sachs & Co., Morgan Stanley & Co. Incorporated and RBS Securities Inc. (collectively, the "Joint Bookrunners" or the "Initial Purchasers") expect to deliver the Notes to purchasers on or about April 8, 2009.

Joint Bookrunners

Barclays Capital **BNP PARIBAS** **Goldman, Sachs & Co.**

Morgan Stanley **RBS**

Offering Memorandum dated April 6, 2009

TABLE OF CONTENTS

NOTICE TO INVESTORS	ii
MISCELLANEOUS INFORMATION	iii
PRESENTATION OF FINANCIAL INFORMATION	x
NON-IFRS FINANCIAL MEASURES	xi
OVERVIEW	1
RISK FACTORS	9
CAPITALIZATION	17
USE OF PROCEEDS	18
BUSINESS DESCRIPTION	19
ORE RESERVES	48
SELECTED FINANCIAL INFORMATION	58
OPERATING AND FINANCIAL REVIEW	59
REGULATION	90
SAFETY, HEALTH AND ENVIRONMENT, AND SUSTAINABLE DEVELOPMENT	94
MANAGEMENT OF ANGLO AMERICAN PLC	98
MAJOR SHAREHOLDER INFORMATION	114
RELATED PARTY TRANSACTIONS	115
DESCRIPTION OF THE NOTES AND THE GUARANTEES	116
BOOK-ENTRY SETTLEMENT AND CLEARANCE	136
UNITED KINGDOM TAX CONSIDERATIONS	138
MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS	141
PLAN OF DISTRIBUTION	143
TRANSFER RESTRICTIONS	146
LEGAL MATTERS	149
INDEPENDENT AUDITORS	149
DESCRIPTION OF ANGLO AMERICAN CAPITAL PLC	150
GENERAL INFORMATION	151

In connection with the issue of the Notes, any one of Goldman, Sachs & Co., Morgan Stanley & Co. Incorporated or RBS Securities 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 purposes 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 or state 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 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 or state 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; 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
"2014 Notes"	9.375% Senior Notes due 2014
"2019 Notes"	9.375% Senior Notes due 2019
"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" and "Company"	Anglo American plc
"Anglo American Group", "Group", "us" and "we"	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
"AP6"	The Asia-Pacific Partnership on Clean Development and Climate
"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
"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
"c/lb"	US cents per pound
"COP"	Communities of Practice
"DBCM"	De Beers Consolidated Mines Limited
"DBI"	DB Investments S.A., a Luxembourg company
"De Beers"	De Beers S.A.
"Deloitte"	Deloitte LLP (formerly known as Deloitte & Touche LLP)
"Directive on Markets in Financial Instruments"	Directive 2004/39/EC
"DTC"	Diamond Trading Company International
"DTCC"	Depository Trust Company
"DTCB"	Diamond Trading Company Botswana
"erpo"	Equivalent refined platinum ounce
"Eskom"	Eskom Holdings Limited (the South African electrical utility operator)
"ESOS"	Executive Share Option Scheme
"EU ETS"	The Emissions Trading System of the European Union

Defined Term	Definition
"EU IFRS"	International Financial Reporting Standards as adopted for use by the European Union
"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 2007 Financial Statements"	The audited consolidated financial statements of the Anglo American Group and notes thereto prepared in accordance with EU IFRS and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditors' report, as at and for the year ended December 31, 2007, together with the other materials referenced in sections (d), (e) and (f) on page xv hereof
"Group 2008 Financial Statements"	The audited consolidated financial statements of the Anglo American Group and notes thereto prepared in accordance with EU IFRS and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditors' report, as at and for the year ended December 31, 2008, together with the other materials referenced in sections (a), (b) and (c) on page xv hereof
"HDSAs"	Historically disadvantaged South Africans
"Hulamin"	Hulamin Limited
"Indenture"	The Indenture, to be dated on or about 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, Barclays Capital Inc., BNP Paribas Securities Corp., Goldman, Sachs & Co., Morgan Stanley & Co. Incorporated and RBS Securities Inc.
"Issuer" or "Anglo American Capital"	Anglo American Capital plc
"Issuer 2007 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' report, as at and for the year ended December 31, 2007
"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' report, as at and for the year ended December 31, 2008

Defined Term	Definition
"Joint Bookrunners"	Together, Barclays Capital Inc., BNP Paribas Securities Corp., Goldman, Sachs & Co., Morgan Stanley & Co. Incorporated and RBS Securities 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)
"Lbs"	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 Logistíca 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
"NDTC"	Namibia Diamond Trading Company
"Notes"	The 2014 Notes together with the 2019 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
"S&SD Committee"	The Safety & Sustainable Development Committee of the Board of Directors of Anglo American plc
"Samancor Manganese"	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

Defined Term	Definition
"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" or "RSA"	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
"TCRCs"	Treatment and refining charges
"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

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 consolidated financial statements of the Group and standalone financial statements of the Issuer as of December 31, 2007 and 2008 and for the years then ended that are incorporated by reference in this Offering Memorandum have been audited by Deloitte LLP (formerly known as Deloitte & Touche LLP) ("Deloitte"), as stated in their reports appearing therein. In December 2008, Deloitte & Touche LLP changed its name to Deloitte LLP. Because the consolidated financial statements for the year ended December 31, 2007 were issued in March 2008, the legal name used in the report remains as Deloitte & Touche LLP.

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. 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). The 2006 financial information was reclassified for these items in the comparatives presented in the Group 2007 Financial Statements.

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 2008 and 2007 financial statements incorporated by reference into this Offering Memorandum have been audited by Deloitte, our 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.

The Group 2007 and 2008 Financial Statements and the Issuer 2007 and 2008 Financial Statements, incorporated by reference herein, 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' reports, including language limiting the auditors' scope of responsibility 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 US Securities Exchange Act of 1934 (the "Exchange Act").

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 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, 2007 and 2008 which were unqualified and did not contain any statement as is described in Section 237(2) or (3) of the 1985 Act. 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, 2007 and 2008.

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 year 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 year to year.

Special items and remeasurements are defined in note 7 of the Group 2008 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 year's results and require separate disclosure in accordance with IAS 1 *Presentation of Financial Statements* paragraph 86. 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 significant legal provisions. Non-operating special items include profits and losses on disposals of investments and businesses.
- 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 year end (in respect of future transactions) and the reversal of the historical mark to market value of such instruments settled in the year. The full realized gains or losses are recorded in underlying earnings in the same year 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 in income tax expense.

"Underlying earnings" is defined as profit for the financial year 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 (on a continuing basis) to "Profit for the financial year attributable to equity shareholders of the Company — continuing operations" and "Operating profit — continuing operations",

respectively, in notes 12 and 3 of the Group 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 primarily 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 share of revenue and operating profit (as appropriate) from our associates. These measures are reconciled (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.

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 (excluding 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 30(b) of the Group 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. 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, 2006	Year ended December 31, 2007	Year ended December 31, 2008	3 Months ended March 31, 2009
South African rand				
High for period	7.91	7.59	11.57	10.61
Low for period	5.97	6.48	6.74	9.29
End of period	7.00	6.84	9.30	9.53
Average for period	6.77	7.05	8.27	9.93
Euro				
High for period	0.85	0.67	0.80	0.80
Low for period	0.75	0.77	0.63	0.72
End of period	0.76	0.68	0.72	0.75
Average for period	0.80	0.73	0.68	0.76
Chilean peso				
High for period	550.10	549.63	682.75	641.10
Low for period	511.20	493.25	429.55	573.10
End of period	532.75	497.95	637.25	582.50
Average for period	530.49	522.16	523.53	606.31
Australian dollar				
High for period	1.42	1.30	1.66	1.58
Low for period	1.26	1.07	1.02	1.39
End of period	1.27	1.14	1.44	1.47
Average for period	1.33	1.19	1.17	1.50
British pound				
High for period	0.58	0.52	0.69	0.73
Low for period	0.51	0.47	0.49	0.66
End of period	0.51	0.50	0.69	0.70
Average for period	0.54	0.50	0.54	0.70
Brazilian real				
High for period	2.36	2.15	2.51	2.43
Low for period	2.06	1.74	1.56	2.18
End of period	2.14	1.78	2.33	2.33
Average for period	2.18	1.95	1.84	2.32

The closing rates as at April 1, 2009, expressed as the relevant currency per US dollar, were as follows:

South African rand	9.38
Euro	0.76
Chilean peso	581.30
Australian dollar	1.44
British pound	0.70
Brazilian real	2.29

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 auditor's 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;

(b) 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;

(c) 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 (a) and (b) and this paragraph (c), together, the "Group 2008 Financial Statements");

(d) the auditor's report and audited consolidated annual financial statements for the financial year ended December 31, 2007 of Anglo American plc as included in the 2007 Annual Report of the Company, on pages 84 to 135 thereof;

(e) the critical accounting judgments and key sources of estimation uncertainty as included in the 2007 Annual Report of the Company, on page 57 thereof, which are incorporated by reference into the notes of the annual financial statements for the year ended December 31, 2007;

(f) director remuneration detailed in Section 10 (Remuneration outcomes for 2007) and Section 11 (Sums paid to third parties in respect of director services) of the Remuneration Report as included in the 2007 Annual Report of the Company, on pages 75 to 82 thereof, which are referred to in the notes of the annual financial statements for the year ended December 31, 2007 of the Company (the information referred to in paragraphs (d) and (e) and this paragraph (f), together, the "Group 2007 Financial Statements");

(g) the auditor's 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; and

(h) the auditor's report and audited non-consolidated annual financial statements for the year ended December 31, 2007 of Anglo American Capital plc (such information, the "Issuer 2007 Financial Statements") as included in the 2007 Report and Financial Statements of the Issuer, on pages 4 to 20 thereof.

No part of the 2008 or 2007 Annual Report of the Company is incorporated by reference herein, except as expressly stated above.

The documents which have been incorporated by reference into this Offering Memorandum may be accessed at www.angloamerican.co.uk/specialfinancialinformation (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" 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 45 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 for the financial year attributable to equity shareholders of the Company (on a total Group basis) was US$5,215 million, US$7,304 million and US$6,186 million, respectively, in 2008, 2007 and 2006. The Group's underlying earnings (on a total Group basis) were US$5,237 million, US$5,761 million and US$5,471 million in 2008, 2007 and 2006, respectively. Our continuing businesses' (excluding exploration and corporate activities) contribution to operating profit (including associates) before special items and remeasurements in 2006, 2007 and 2008 is summarized below:

	Year ended December 31,		
	2006(1)	2007	2008
	(US$m unless otherwise stated)		
Ferrous Metals	1,360	1,432	2,935
Base Metals	3,897	4,338	2,505
Coal	862	614	2,240
Platinum	2,398	2,697	2,226
Diamonds	463	484	508
Industrial Minerals	317	474	228

(1) In 2007, Copebrás and Yang Quarry were reclassified from Industrial Minerals to Base Metals and from Industrial Minerals to Coal, respectively. The 2006 financial information was reclassified in the comparatives presented in the 2007 Financial Statements. See "Presentation of Financial Information".

Business Overview

The core Anglo American business segments are:

- ***Ferrous Metals.*** The Anglo Ferrous Metals division has its principal operations in South Africa, South America, Australia and Canada, producing iron ore and manganese, as well as a diverse range of steel products. Anglo Ferrous Metals' primary business is iron ore. It holds a 63% shareholding in Kumba Iron Ore Limited ("Kumba") in South Africa and an effective interest of 99.4% in Anglo Ferrous Minas-Rio Mineração SA ("Minas-Rio") and 69.2% in Anglo Ferrous Amapá Mineração LTDA ("Amapá") in Brazil. Other interests principally comprise a 40% interest in Samancor Holdings (Proprietary) Limited (together with Groote Eylandt Mining Company (Proprietary) Limited and Tasmanian Electro Metallurgical Company (Proprietary) Limited: "Samancor Manganese") (manganese ore and alloy mining) and a controlling interest in Scaw Metals (carbon steel products).

- ***Base Metals.*** The Anglo Base Metals division conducts 13 operations in six countries, producing copper and associated by-products in Chile; nickel, niobium and phosphate fertilizers in Brazil and nickel in Venezuela; and zinc and associated by-products in Ireland and southern Africa.
- ***Coal.*** The Anglo Coal division conducts operations in South Africa, Australia and Canada and has associates in Colombia and Venezuela. It is one of the world's largest private sector coal producers and exporters based on production tonnes.
- ***Platinum.*** Our listed subsidiary, Anglo Platinum Limited ("Anglo Platinum"), located in the Republic of South Africa, is the world's largest primary producer of platinum by production volume, accounting for approximately 39% of the global supply in 2008. At December 31, 2008, the Group held a 79.6% interest in Anglo Platinum.
- ***Diamonds.*** De Beers is the world's leading diamond exploration, mining and marketing group. In 2008, De Beers produced approximately 40% of global rough diamond production by value. At December 31, 2008, the Group held a 45.0% interest in De Beers.

The other Anglo American business segment is:

- ***Industrial Minerals.*** The group of aggregates and building products companies operating under the Tarmac brand ("Tarmac") produces aggregates (particulate material used in construction), asphalt and ready-mixed concrete, with operations primarily in the UK, as well as in continental Europe and the Middle East. In August 2007, we announced the decision to sell Tarmac as it is not considered core to our future development as a focused mining group. However, we have decided not to proceed with the sale process until credit market and macroeconomic conditions improve.

Strategy

We aim to become the leading global mining company. To realize that ambition, the Group is striving to become the investment partner and employer of choice in the industry. Our asset base is focused on five core businesses — Base Metals, Platinum, Iron Ore (Ferrous Metals), Coal and Diamonds.

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 ownership of 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.

Our current organic growth pipeline holds approximately US$17 billion of approved projects. In the near term the Group has decided to reduce capital expenditure to approximately US$4.5 billion in 2009 (including US$1.3 billion stay-in-business capital expenditure). This is expected to be achieved principally through rescheduling many of the Group's development projects (including the Base Metals projects, Barro Alto and Los Bronces Development, which are now timed to enter production in 2011 and, in Ferrous Metals, phase 1 of the project involving Anglo Ferrous Minas-Rio Mineração SA and LLX Minas-Rio Logistíca SA (the "Minas-Rio Project"), now expecting first production in 2012). We also continue to pursue targeted, value enhancing acquisition opportunities, which are evaluated with a view to ensuring they are in the most attractive market segments, have scale, long lives and future growth potential, are cost competitive and offer significant value creation potential above the cost of investment.

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. We believe we have made good progress on this with major transactions highlighted under "— Restructuring".

In August 2007, we announced plans to sell Tarmac. Tarmac has a leading position in the UK construction materials industry, and is well positioned in certain key markets in continental Europe and the Middle East. The sale process has been delayed until credit market and macro-economic conditions improve.

However, Tarmac continues to be managed to maximize shareholder value while options for its sale are being explored.

Restructuring

We have been actively restructuring the Group in order to focus on our five core mining businesses. The significant transactions occurring in 2006, 2007 and 2008 are summarized as follows:

Exxaro: In November 2006, we completed the restructuring and unbundling of Kumba from Kumba Resources Limited ("Kumba Resources") and the subsequent listing on the Johannesburg stock exchange of Kumba as a pure-play iron ore company. We held a 63% interest in Kumba at December 31, 2008. The transaction also resulted in the creation of Exxaro Resources Limited ("Exxaro"), a BEE company that holds the remaining non-iron ore assets of Kumba Resources and certain coal assets. We held a 9.8% interest in Exxaro at December 31, 2008.

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. The first tranche of this sale was recorded in 2006.

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. At December 31, 2008 our voting interest in Tongaat-Hulett was 37.1% and in Hulamin was 38.4%.

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. This was preceded by sale of a 9.2% interest during 2006. As of December 31, 2008, we held a 16.2% interest in AngloGold.

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. Foxleigh currently produces 2.5 Million tpa ("Mtpa") of pulverized coal injection ("PCI") coal and expects to increase this to a capacity of 3.3 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. The Tarmac group continues to be managed to maximize shareholder value while options for its sale are being explored.

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 holds a 51% interest in Minas-Rio and a 70% interest in Amapá. At that time the Group committed to extend the offer to the minority shareholders of Anglo Ferrous Brazil SA. This offer was formally made on October 31, 2008 and, as a result, the Group's shareholding in Anglo Ferrous Brazil SA at December 31, 2008 was 98.9%. Total cash paid to acquire control and subsequent minority interests was US$5.5 billion. This was in addition to the 49% interest in each of Minas-Rio and LLX Minas-Rio Logística Comercial Exportadora SA ("LLX Minas-Rio")

acquired in July 2007 (for US$1.15 billion, plus an additional payment contingent on certain criteria being met).

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 US$330 million (subject to final contractual adjustments) 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.

In addition, the following transactions or announcements were made subsequent to December 31, 2008:

AngloGold: In January and February 2009, the Group disposed of 17.3 million shares in AngloGold for proceeds of US$488 million. On March 17, 2009 the Group announced the sale of its remaining 11.3% shareholding in AngloGold for proceeds of US$1.3 billion. Consistent with the Group's stated intention to dispose of this non-core holding, it no longer owns any shares in AngloGold.

Certain of our restructuring transactions in South Africa (including the Tongaat-Hulett and Hulamin transactions) 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 in terms of 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".

Recent 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 the year 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 are expected to continue to impact performance significantly in the near term; however 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 has taken a series of measures to address the near term pressures to ensure that the Group's operating and cost profiles are appropriate and that its balance sheet and capital structure have sufficient flexibility through the current downturn, while preserving the Group's growth options for the longer term. These include a more than 50% reduction in capital expenditure in 2009 (to approximately US$4.5 billion), production and headcount reductions, further cost cutting across the Group and the suspension of the share buyback program and dividend payments.

In addition, the Group continues its program of Asset Optimization ("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.

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$1,250 million principal aggregate amount of 9.375% Senior Notes due April 8, 2014 (the "2014 Notes"); and US$750 million principal aggregate amount of 9.375% Senior Notes due April 8, 2019 (the "2019 Notes", and together with the 2014 Notes, the "Notes"). Each series of the Notes will be issued under the Indenture among the Issuer, the Company and the Trustee. The 2014 Notes and the 2019 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	100% for the 2014 Notes; and 100% for the 2019 Notes.
Issue Date	April 8, 2009.
Maturity Date	April 8, 2014 for the 2014 Notes; and April 8, 2019 for the 2019 Notes.
Interest	The 2014 Notes and the 2019 Notes will bear interest from the Issue Date at the rate of 9.375% and 9.375%, respectively, per annum, payable semi-annually in arrears.
Interest Payment Dates	April 8 and October 8 of each year, commencing October 8, 2009, until the Maturity Date.
Regular Record Dates	March 22 and September 21 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 2014 Notes, 50 basis points and, in the case of the 2019 Notes, 50 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. It may also from time to time without the consent of the holders of the Notes issue further Notes having the same terms and conditions as the Notes issued hereunder.
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 April 8, 2009 (the "Settlement Date").
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 (negative outlook) by Moody's Investors Service, Inc. and BBB (negative 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 9 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, 2006, 2007 and 2008 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.

	Year ended December 31,		
	2006	2007	2008
	(US$m unless otherwise stated)		
Group revenue — continuing operations	24,991	25,470	26,311
Group revenue (including associates)[1] — total Group[2]	38,637	35,674	32,964
Operating profit before special items and remeasurements (including operating profit of associates)[1] — total Group[2]	9,832	10,116	10,085
Profit for the financial year attributable to equity shareholders of the Company — continuing operations	5,149	5,294	5,215
Profit for the financial year attributable to equity shareholders of the Company — total Group[2]	6,186	7,304	5,215
Underlying earnings[1] — continuing operations	5,019	5,477	5,237
Underlying earnings[1] — total Group[2]	5,471	5,761	5,237
Earnings per share — total Group (US$)[2]			
Basic	4.21	5.58	4.34
Basic — Underlying[1]	3.73	4.40	4.36
Dividends per share (US cents)[3]			
Ordinary	108.0	124.0	44.0
Special	67.0	—	—
Net assets	27,127	24,330	21,756
Net debt[1]	(3,324)	(5,239)	(11,043)
Net cash inflows from operating activities — total Group[2]	8,310	7,264	8,065

(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.

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 primarily 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 and in 2008 there was a very rapid and significant reduction in commodity prices during the second half of the year. The continuation of severe global economic conditions may continue to 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 December 2008, for example, we announced that we were reducing planned capital expenditures for 2009 by 50% in response to a changing 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, the ability of the Group 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 the Group's 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.

The Group is exposed to liquidity risk arising from the need to finance our ongoing operations and growth. During 2008 and continuing into 2009, global credit markets have been severely constrained, and our ability to obtain funding has been significantly reduced. Furthermore, the cost of obtaining funding has increased significantly.

In February 2009, both Standard & Poor's Ratings Services and Moody's Investor Services downgraded our long-term corporate and senior unsecured debt ratings to BBB (negative outlook) and Baa1 (negative outlook), respectively. Both the recent downgrade and any further 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.

In December 2009, our US$3 billion revolving bank facility will mature ($1.1 billion of such facility was drawn as of December 31, 2008 and, pursuant to certain reductions since the date of the facility, the amount of the commitments under such facility was US$1.2 billion as at March 19, 2009) and in December 2010, a £300 million (approximately US$437 million, based on the exchange rate on December 31, 2008) Euro bond will mature. In order to meet these and other debt service obligations, including payments of interest and principal on the Notes, the Group will need to refinance such indebtedness or use proceeds from operating cash flows or disposals of assets. 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, the Group is 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 the Group. Furthermore, the Treasury operations of the Group's joint ventures and associates, including De Beers, are independently managed and may expose the Group to liquidity, counterparty and other financial risks.

Should our counterparties be unable to meet their obligations to the Group, 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, the Group is 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 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 the Group's 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 the Group generally cannot control the market price at which commodities it produces are sold, it may be unable to pass through increased costs of production to its customers. As a result, it is possible that significantly higher future inflation in the countries in which the Group operates 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 the Group's 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 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 management can result in harm to the Group's 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, statutory liability for environmental remediation, and other financial consequences, which may be significant. We are currently subject to ongoing litigation relating to several of these areas of risk, and may face additional litigation in the future. We could also suffer impairment of the Group's 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 it produces 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 ("EU ETS"), could adversely affect the profitability of our greenhouse gas-intensive and energy-intensive assets. See "Safety, Health and Environment and Sustainable Development — Environment".

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

The Group's businesses may be affected by political or regulatory developments in any of the countries and jurisdictions in which the Group operates. 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 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 the Group's results of operations, cash flows and financial condition or deprive the Group of the economic benefits of ownership of its assets. In January 2008, for example, the Venezuelan Ministry of Basic Industries and Mining issued a notice cancelling 13 of the exploration and exploitation concessions of our subsidiary, Minera Loma de Níquel ("MLdN") due to MLdN's alleged failure to fulfil certain conditions of the concessions. See "Business Description — Base Metals — Other Information".

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 results of operations and the Group's 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 the Group's supplies or increase in costs would adversely affect the Group's operating results and cash flows, and such effects could be material.

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 the Group's 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, 2008 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. The Group's operations 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.

The ability to recruit, develop and retain appropriate skills for the Group is made difficult by global competition for skilled labor, particularly in periods of high commodity prices when demand for such personnel typically increases. The 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 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.

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 the Group's results of operations, cash flows and financial condition.

We may not achieve projected benefits of acquisitions.

The Group has 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 affects on financial performance, production volumes or product quality. Furthermore, the Group could find itself 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 transportation and utilities, may adversely affect our operations.

Inadequate supply of the critical infrastructure elements for mining activity could result in reduced production or sales volumes, 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 and therefore their provision of services, maintenance of networks and expansion and contingency plans are outside our control.

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 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 ourselves face increasing public scrutiny of their activities. In addition, the Group operates 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. The Group's 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 "Safety, Health and Environment, and Sustainable Development — Community". Failure to manage relationships with local communities, government and non-government organizations may adversely affect the Group's reputation, as well as its 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 the Group's operations are controlled and managed by joint venture partners, associates or by other companies. Management of non-controlled assets may not comply with the Group's 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 the 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, 2008, 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 19, 2009 report of Deloitte, with respect to the 2008 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 Section 235 of the Companies Act 1985. 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 December 31, 2008, on an actual basis and as adjusted to give effect to issuance of US$1,250,000,000 aggregate principal amount of the 9.375% Senior Notes due 2014 offered hereby and US$750,000,000 aggregate principal amount of the 9.375% Senior Notes due 2019 offered hereby, and the application of our estimated net offering proceeds as described under "Use of Proceeds". You should read the following table together with "Use of Proceeds", "Operating and Financial Review", "Description of the Notes and the Guarantees", and the Group 2008 Financial Statements and notes thereto incorporated by reference in this Offering Memorandum:

	As of December 31, 2008	
	Historical	As adjusted
	(US$m)	
Total debt[1]	13,995[2]	15,986[3]
Equity:		
Called-up share capital	738	738
Share premium account	2,713	2,713
Other reserves	(2,057)	(2,057)
Retained earnings	18,827	18,827
Equity attributable to equity shareholders of the Company	20,221	20,221
Total capitalization	34,216	36,207

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

(2) As of December 31, 2008, secured and unsecured debt totaled US$1,092 million and US$12,903 million, respectively. For more information regarding our secured and unsecured debt, see "Operating and Financial Review".

(3) Adjusted to include issuance of US$2,000,000,000 aggregate principal amount of Notes offered hereby after deducting the total estimated commissions, taxes, fees and expenses payable in connection with the issuance of the Notes.

USE OF PROCEEDS

We estimate the net proceeds to us from our sale of Notes pursuant to this Offering Memorandum to be approximately US$1,991 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 45 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 March 31, 2009 Anglo American's market capitalization was approximately US$20.3 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. To realize that ambition, the Group is striving to become the investment partner and employer of choice in the industry. Our asset base is focused on five core businesses — Base Metals, Platinum, Iron Ore (Ferrous Metals), Coal and Diamonds.

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 ownership of 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.

Our current organic growth pipeline holds approximately US$17 billion of approved projects. In the near term the Group has decided to reduce capital expenditure to approximately US$4.5 billion in 2009 (including US$1.3 billion stay-in-business capital expenditure). This is to be achieved principally through rescheduling many of the Group's development projects (including the Base Metals projects, Barro Alto and Los Bronces Development, which are now timed to enter production in 2011 and, in Ferrous Metals, phase 1 of the Minas-Rio Project, now expecting first production in 2012). We also continue to pursue targeted, value enhancing acquisition opportunities, evaluated to ensure they are in the most attractive market segments, have scale, long lives and future growth potential, are cost competitive and offer significant value creation potential above the cost of investment.

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. We believe we have made good progress in this with major transactions highlighted under "— Restructuring".

In August 2007, we announced plans to sell Tarmac. Tarmac has a leading position in the UK construction materials industry, and is well positioned in certain key markets in continental Europe and the Middle East. The sale process has been delayed until credit market and macro-economic conditions improve. However, Tarmac continues to be managed to maximize shareholder value while options for its sale are being explored.

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$5,215 million in the year ended December 31, 2008. Through our subsidiaries, joint ventures and associates, we are a global leader in the production of platinum and diamonds and have significant interests in coal, base and ferrous metals. We also currently have a significant industrial minerals business.

The core Anglo American business segments are:

- ***Ferrous Metals.*** The Anglo Ferrous Metals division has its principal operations in South Africa, South America, Australia and Canada, producing iron ore and manganese, as well as a diverse range of steel products. Anglo Ferrous Metals' primary business is iron ore. It holds a 63% shareholding in Kumba in South Africa and an effective interest of 99.4% in Minas-Rio and 69.2% in Amapá. Other interests principally comprise a 40% interest in Samancor Manganese (manganese ore and alloy mining) and a controlling interest in Scaw Metals (carbon steel products).

- ***Base Metals.*** The Anglo Base Metals division conducts 13 operations in six countries, producing copper and associated by-products in Chile; nickel, niobium and phosphate fertilizers in Brazil and nickel in Venezuela; and zinc and associated by-products in Ireland and southern Africa.

- ***Coal.*** The Anglo Coal division conducts operations in South Africa, Australia and Canada and has associates in Colombia and Venezuela. It is one of the world's largest private sector coal producers and exporters based on production tonnes.

- ***Platinum.*** Our listed subsidiary, Anglo Platinum Limited, located in South Africa, is the world's largest primary producer of platinum by production volume, accounting for approximately 39% of the global supply in 2008. At December 31, 2008, the Group held a 79.6% interest in Anglo Platinum.

- ***Diamonds.*** De Beers is the world's leading diamond exploration, mining and marketing group. In 2008, De Beers produced approximately 40% of global rough diamond production by value. At December 31, 2008, the Group held a 45.0% interest in De Beers.

The other Anglo American business segment is:

- ***Industrial Minerals.*** Tarmac produces aggregates (particulate material used in construction), asphalt and ready-mixed concrete, with operations primarily in the UK, as well as in continental Europe and the Middle East. In August 2007, we announced the decision to sell Tarmac because it is not considered core to our future development as a focused mining group. However, we have decided not to proceed with the sale process until credit market and macroeconomic conditions improve.

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 2008, the Group spent US$212 million on exploration activities in 21 countries.

Restructuring

Anglo American has been actively restructuring the Group in order to focus on its five core mining businesses. The following significant transactions took place in 2006, 2007 and 2008:

Exxaro: In November 2006, we completed the restructuring and unbundling of Kumba from Kumba Resources and the subsequent listing on the Johannesburg stock exchange of Kumba as a pure-play iron ore company. We held a 63% interest in Kumba at December 31, 2008. The transaction also resulted in the creation of Exxaro, a BEE company that holds the remaining non-iron ore assets of Kumba Resources and certain coal assets. We held a 9.8% interest in Exxaro at December 31, 2008.

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. The first tranche of this sale was recorded in 2006.

Tongaat-Hulett: In June 2007, the Tongaat-Hulett Group Limited (which has been renamed Tongaat-Hulett) concluded the demerger and separate listing of Hulett Aluminium (Pty) Limited (which has been renamed Hulamin) on the Johannesburg stock exchange, and simultaneous introduction of a broad-based BEE ("BBBEE") equity investment into both companies. At December 31, 2008 our voting interest in Tongaat-Hulett was 37.1% and in Hulamin was 38.4%.

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, a global gold mining company. This was preceded by sale of a 9.2% interest during 2006. As of December 31, 2008, we held a 16.2% interest in AngloGold.

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. Foxleigh currently produces 2.5 Mtpa of PCI coal and expects to increase this to a capacity of 3.3 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. The Tarmac group continues to be managed to maximize shareholder value while options for its sale are being explored.

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 holds a 51% interest in Minas-Rio and a 70%

interest in Amapá. At that time the Group committed to extend the offer to the minority shareholders of Anglo Ferrous Brazil SA. This offer was formally made on October 31, 2008 and as a result, the Group's shareholding in Anglo Ferrous Brazil SA at December 31, 2008 was 98.9%. Total cash paid to acquire control and subsequent minority interests was US$5.5 billion. This was in addition to the 49% interest in each of Minas-Rio and LLX Minas-Rio acquired in July 2007 (for US$1.15 billion, plus an additional payment contingent on certain criteria being met).

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 US$330 million (subject to final contractual adjustments) as well as 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.

In addition, the following transactions or announcements were made subsequent to December 31, 2008:

AngloGold: In January and February 2009, the Group disposed of 17.3 million AngloGold shares for proceeds of US$488 million. On March 17, 2009 the Group announced the sale of its remaining 11.3% shareholding in AngloGold for proceeds of US$1.3 billion. Consistent with the Group's stated intention to dispose of this non-core holding, it no longer owns any shares in AngloGold.

Certain of our restructuring transactions in South Africa (including the Tongaat-Hulett and Hulamin transactions) 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 BBBEE Act, the MPRDA and the Charter, see "Regulation — South Africa".

Operating Profit (including Associates) by Segment

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

(US$m unless otherwise stated)	Year ended December 31, 2006[1]	% of Continuing	Year ended December 31, 2007	% of Continuing	Year ended December 31, 2008	% of Continuing
Continuing operations						
Subsidiaries and joint ventures						
Base Metals	3,897	43.8	4,338	45.2	2,505	24.8
Platinum	2,337	26.3	2,635	27.5	2,206	21.9
Ferrous Metals	1,303	14.7	1,155	12.0	1,857	18.4
Coal	605	6.8	365	3.8	1,742	17.3
Industrial Minerals	315	3.5	474	4.9	228	2.3
Exploration	(132)	(1.5)	(157)	(1.6)	(212)	(2.1)
Corporate Activities	(277)	(3.0)	(292)	(2.9)	(345)	(3.4)
Total	8,048		8,518		7,981	
Associates						
Ferrous Metals	57	0.6	277	2.9	1,078	10.7
Diamonds	463	5.2	484	5.0	508	5.0
Coal	257	2.9	249	2.6	498	4.9
Platinum	61	0.7	62	0.6	20	0.2
Industrial Minerals	2	—	—	—	—	—
Total	840		1,072		2,104	
Total continuing Group operations including operating profit from associates	8,888	100	9,590	100	10,085	100
Discontinued operations[2]	944		526		—	
Total Group	9,832		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). The 2006 financial information was reclassified in the comparatives presented in the Group 2007 Financial Statements. See "Presentation of Financial Information".

(2) Discontinued operations comprise Mondi and AngloGold (the Paper and Packaging and Gold segments, respectively). The Paper and Packaging segment was demerged from the Group on July 2, 2007. Following a partial disposal on October 2, 2007 (which reduced the Group's shareholding to 17.3%), the Group ceased to equity account for the Gold segment. (Following a transaction on April 20, 2006, the Group previously ceased accounting for Gold as a subsidiary and commenced equity accounting.)

The above table presents 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 geographical segment, allocated by location of our operations, for the periods presented:

(US$m unless otherwise stated)	Year ended December 31, 2006	*%*	Year ended December 31, 2007	*%*	Year ended December 31, 2008	*%*
Subsidiaries and joint ventures						
South Africa	3,969	40.4	4,128	40.8	4,468	44.3
South America	3,423	34.8	3,697	36.5	2,612	25.9
Australia and Asia	267	2.7	(20)	(0.2)	1,082	10.7
Africa outside South Africa	213	2.2	359	3.5	78	0.8
Europe	844	8.6	644	6.4	(226)	(2.2)
North America	26	0.3	31	0.3	(33)	(0.3)
Total	8,742		8,839		7,981	
Associates						
Australia and Asia	79	0.8	335	3.3	656	6.5
South Africa	275	2.8	698	6.9	639	6.3
Africa outside South Africa	383	3.8	(231)	(2.2)	389	3.9
South America	212	2.2	441	4.4	373	3.7
Europe	108	1.1	101	1.0	43	0.4
North America	33	0.3	(67)	(0.7)	4	—
Total	1,090		1,277		2,104	
Total Group operations	9,832	100	10,116	100	10,085	100

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

Ferrous Metals

Anglo Ferrous Metals' primary business is iron ore. It holds a 63.0% shareholding in Kumba in South Africa and, in Brazil, an effective 99.4% interest in Minas-Rio, a 49% interest in LLX Minas-Rio, which owns the port of Açu, and an effective 69.2% interest in Amapá. Other interests include manganese ore and alloy operations and carbon steel products. Its principal business units are:

Kumba. Kumba is an iron ore company, listed on the Johannesburg stock exchange (following its unbundling from Kumba Resources in November 2006, see "— Restructuring"), which exported over 75% of its total iron ore sales volumes in 2008 (mostly to customers in Asia and Europe). Through its subsidiary Sishen Iron Ore Company (Proprietary) Limited ("SIOC") (of which Kumba owns 74%), Kumba currently operates two mines in South Africa: Sishen in the Northern Cape and Thabazimbi in Limpopo.

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 manufacturing 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 in the construction, railway, power generation, mining, cement, marine and offshore oil industries worldwide. 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.

Samancor Manganese. We also hold a 40% shareholding in Samancor Manganese, the world's largest integrated producer, by sales, of manganese ore and alloys. Samancor is a vertically integrated manganese ore and alloys producer with operations in South Africa and Australia.

Minas-Rio. In July 2007, we acquired a 49% ownership interest in Minas-Rio and LLX Minas-Rio and during 2008, we acquired 98.9% of Anglo Ferrous Brazil SA, which in turn owns the remaining 51% of Minas-Rio and 70% of Amapá (see "— Restructuring"). The Minas-Rio Project is being developed as an integrated iron ore project consisting of a number of iron ore mines in the State of Minas Gerais (Brazil), a slurry pipeline and an iron ore processing facility and port facilities in the state of Rio de Janeiro to handle Cape-size vessels. Planned annual capacity will be 26.5 Mtpa of iron ore pellet feed, with start up expected in the second quarter of 2012. Amapá, located in Amapá state in northern Brazil, produces both pellet feed and sinter feed, with an expected annual capacity of 6.5 Mtpa. It is currently ramping up to design capacity.

We also hold a 37.1% voting interest in Tongaat-Hulett and a 38.4% voting interest in Hulamin, which are both listed on the Johannesburg stock exchange. The Tongaat-Hulett agri-processing business includes integrated components of land management, agriculture and property development, with operations in South Africa, Zimbabwe, Mozambique and Swaziland. Hulamin, based in South Africa, is Africa's largest producer of aluminum rolled, extruded and other semi-fabricated and finished products. For a discussion of the 2007 transactions involving Tongaat-Hulett, see "— Restructuring".

Industry Overview

Iron ore. Steel is the most widely used of all metals. World crude steel production decreased from 2007 to 2008 by 1.2% to reach a total of 1.33 billion tonnes, according to the World Steel Association. Until mid-September 2008, when global economic conditions suddenly worsened, steel consumption for the year had been set to grow materially; however, for the first time since 2001, month-on-month output declined and continued to decline significantly through the remainder of 2008 and into 2009.

In response to declining demand, major steel producers across the industry, led by ArcelorMittal, announced and implemented deep production cuts (greater than 30% of capacity). For the first time in a decade, the decline in production has been synchronized across the world, including Europe, Japan, North America and China.

The seaborne iron ore market, which is driven by the global steel industry, grew from 442 Mtpa in 2000 to 795 Mtpa at the end of 2007, and 845 Mtpa at the end of 2008 (data from CRU). This general increase has arisen mainly from Chinese demand growth. In the final quarter of 2008, demand began to decline and Anglo American estimates that global production declined by 14% in the same period (on a year-on-year basis) in response.

The global market for iron ore has seen a change from a situation of supply shortage to a situation of significantly reduced demand over the latter months of 2008. This is expected to result in lower contract iron ore prices in 2009 (which will be effective from April 2009). In the medium term, however, supply shortages could return, as junior mining companies are currently finding it difficult to raise finance for new capacity and mining majors are scaling back capital expenditures on long term expansion projects. Logistical constraints associated with rail and port capacity and shortages in dry bulk vessel capacity, at times, could compound the impact on the supply side of the seaborne iron ore market.

Iron ore sales agreements can span a range of periods from a single shipment to 10 years or more of iron ore supply. The contract year in the iron ore industry corresponds with the Japanese fiscal year (April 1 to March 31).

Manganese. The majority of manganese ore is smelted to produce manganese ferro-alloys (such as ferromanganese and silicomanganese). The performance of the manganese alloy industry is dependent on the carbon steel industry, and directly impacted by the steel markets. Manganese alloy is used in steel alloying applications. Similar to the market for iron ore, 2008 was a mixed year with strong growth (in both demand and supply) in the months up to August and a rapid decline for the remainder of the year. Samancor's response

was to curtail production in line with market demand. Should steel production decline further in 2009, manganese ore and alloy prices are likely to remain under pressure. Lending support to prices is the expectation of lower exports of manganese alloys from China, as that country's government continues its efforts to curtail alloy production through such measures as increased export tariffs.

The key markets for Samancor's manganese ore sales are China, Japan, South Korea and India. Contracts into these regions are negotiated on a quarterly basis.

Strategy and Business Development

The core strategy of our Ferrous Metals business remains to grow our position in iron ore in order to consolidate it as the cornerstone of the Ferrous Metals portfolio.

During the year, we increased our effective interest in Minas-Rio from 49% (acquired in 2007) to 99.4% and we also acquired an effective 69.2% interest in Amapá. These additional shareholdings were achieved through the acquisition of a 98.9% shareholding in Anglo Ferrous Brazil SA (see "— Restructuring"). We also have a 49% interest in LLX Minas-Rio, the owner of port facilities being developed at the Port of Açu (acquired in 2007).

Sishen's jig plant made a 4.7 Mt contribution to production during the period, having been commissioned at the end of 2007. Ramp up continues and full design capacity of 13 Mtpa is expected to be achieved in the fourth quarter of 2009.

The Sishen South project, which involves the development of an opencast mine 80 kilometres south of Sishen mine, was approved in July 2008 and is expected to produce 9 Mtpa of iron ore. First production is forecast for 2012.

Base Metals

Anglo Base Metals has interests in 13 operations in six countries, producing copper, nickel, zinc, niobium and phosphate fertilizers, together with associated by-products including lead, molybdenum and silver.

In Chile, its six copper operations comprise the wholly owned Los Bronces, El Soldado, Mantos Blancos and Mantoverde mines, the Chagres smelter and a 44% interest in the Collahuasi mine. All of the copper mines are open pit (while El Soldado also has an underground element), producing copper in concentrate and copper cathodes. A portion of concentrate production from Los Bronces and El Soldado is smelted at Chagres and sold as copper blister/anodes. The mines also produce associated by-products such as molybdenum and silver.

Other South American operations are the 91.4% owned MLdN nickel mine in Venezuela, and the 100% owned Codemin nickel and Catalaõ niobium operations in Brazil. Anglo Base Metals also has a controlling interest in Copebrás, a leading Brazilian producer of phosphate fertilizers and phosphoric acid. Phosphate fertilizers are used to supplement natural soil nutrients in order to achieve high agricultural yields.

In southern Africa, the Skorpion mine produces zinc and the Black Mountain mine produces zinc and associated by-products such as lead, copper and silver. Anglo Base Metals' sole European operation is the Lisheen zinc and lead mine in Ireland.

In the second half of 2008, BEE company Exxaro Resources acquired Anglo Base Metals' Namakwa Sands mineral sands operation in South African, together with 26% of each of Black Mountain and the Gamsberg zinc project (see "— Restructuring"). Black Mountain and Gamsberg will continue to be managed by Anglo Base Metals (as we will continue to hold the remaining 74% interest following the completion of the transaction).

Industry Overview

The majority of copper produced is used by the wire and cable markets and takes advantage of the metal's electrical conductivity, corrosion resistance and thermal conductivity. Applications that make use of

copper's electrical conductivity, such as wires (including wiring used in buildings), cables and electrical connectors, account for the majority of total demand and it is also widely used in the construction industry, which uses copper 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.

Around 60% of all refined nickel goes into stainless steel. Other uses include high corrosion-resistant alloys for use in chemical plants, superalloys that can withstand extreme temperatures and are predominantly used in aviation, high-tech electronic uses and as a substrate for chromium plating.

Zinc is used predominantly in galvanizing and alloys. Steel coated with zinc (galvanized steel) exhibits high levels of corrosion resistance and this application is responsible for the largest proportion of total demand. Zinc based alloys are used in, for example, die casting, ranging from automotive components to toys and models. Zinc semis are used as roofing products and in dry cell batteries. Zinc is also used in a diverse range of other products and applications, including tires, paints, pharmaceuticals and chemical processing.

With the exception of nickel, base metals industry ownership is presently relatively fragmented. Based on Brook Hunt Cu, Ni and Zn "Metal Services" Q4 Data Volumes 2008, the global market shares of the four largest copper, nickel and zinc metal producers are approximately 35%, 46% and 25% respectively. Producers are price takers and there are relatively few opportunities for product differentiation.

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. Real prices of copper, nickel and zinc are cyclical but have tended to decline over the long term. The decline in real prices reflects the long-term trend in cost reduction as a result of advances in technology and lower input costs. Average margins have, therefore, tended to be maintained.

For much of this decade, the ongoing industrialisation and urbanisation of China has driven demand for a range of commodities. This contributed substantially to a base metal price up-cycle which was unprecedented both in its extent and its longevity with China accounting for an estimated 28%, 22% and 33% of global first-use demand for refined copper, nickel and zinc respectively based on Brook Hunt, Cu, Ni, and Zn "Metal Services" in January 2009.

The global credit crisis and significant slowing of economic growth in the second half of 2008, however, have caused a very sudden and extensive fall in base metals demand and prices (for average and closing copper, nickel and zinc prices see "Operating and Financial Review — Overview — Factors Affecting Results of Operations — Commodity prices"). This has already resulted in mine and smelter closures (particularly zinc and nickel), and the delaying of new projects and additions to existing capacity within the industry. Consistent with our announcement of a capital expenditure reduction in 2009 (see "Major Growth and Development Projects") we have delayed the completion of the Los Bronces expansion and Barro Alto projects.

Strategy and Business Development

Anglo Base Metals' 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.

Our base metals business is constantly developing and evaluating growth options from a combination of sources, including brownfield and greenfield projects, acquisitions, exploration, technology development and asset optimization programs.

We expect significant future growth to come from the approved expansion at Los Bronces in Chile and the Barro Alto project in Brazil (although the rate of development of these projects has been slowed in light of prevailing economic conditions), and studies are under way into further growth potential in particular at Collahuasi in Chile and Quellaveco in Peru (see "Business Description — Major Growth and Replacement Projects"). In addition, work continues on evaluating the potential and development options for Michiquillay in Peru and Pebble in Alaska (see "— Restructuring").

In 2008, Anglo Base Metals spent US$123 million on exploration and continues to focus around its Chilean copper and Brazilian nickel and phosphates mines, in addition to zinc exploration adjacent to operations in Namibia, South Africa and Ireland.

Other Information

In January 2008, MLdN was notified of the intention of the Venezuelan Ministry of Basic Industries and Mining ("MIBAM") to cancel 13 of its exploration and exploitation concessions due to MLdN's alleged failure to fulfil certain conditions of the concessions. These concessions do not include the concessions where the current mining operations and metallurgical facilities are located. MLdN believes that it has complied with the conditions of these concessions and 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 the MIBAM's ruling does not adequately protect its interests.

Anglo American and MLdN continue to strive to resolve the matter by way of constructive dialogue; however, Anglo American and MLdN believe that there is a valid legal basis to reverse the notices of termination and will pursue all appropriate legal and other remedies and actions to protect their respective interests both under Venezuelan and international law. As such, Anglo American anticipates restoration of these concessions and renewal of those that expire in 2012. As a result, the Group continues to consolidate MLdN and no impairment has been recorded for the year ended December 31, 2008.

At December 31, 2008, Anglo American's interest in the book value of MLdN, including its mineral rights, was US$443 million (as included in the Group's balance sheet). In the 12 months to December 2008, MLdN's production and contribution to Group operating profits were, respectively, 10,900 tonnes of nickel in ferronickel and US$30 million.

In a separate development, the environmental permit at MLdN for slag deposition expired on November 23, 2008. Pending reissuance of the permit, MLdN implemented a short-term contingency plan to allow operations to continue by storing the slag in various locations in the plant area. On December 23, 2008 MLdN suspended operations but a satisfactory temporary alternative operating and deposition approach was developed which enabled operations to restart on January 28, 2009.

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% minority 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, inter alia, take account of company profitability over a five year period.

COAL

Anglo Coal was the world's sixth largest private sector coal producer and exporter in 2008 (based on tonnes produced) with operations in South Africa, Australia, South America and Canada.

In South Africa, Anglo Coal wholly owns and operates eight mines and has a 50% interest in Mafube colliery, a joint venture with Exxaro. Four of these mines are in the Witbank coalfield and supply approximately 22 Mtpa of thermal coal to the export and local markets (coal is exported through the Richards Bay Coal Terminal in which Anglo Coal has a 27.5% interest). Three other mines, the New Vaal, New Denmark and Kriel mines, supply the approximately 35 Mtpa of thermal coal they produce to Eskom Holdings Limited ("Eskom"), the South African state-owned electric utility operator. Anglo Coal's coal supply contracts with Eskom cover the delivery of tonnages and quantities generally for the expected life of each relevant Eskom power station. Anglo Coal's Isibonelo mine produces approximately 5 Mtpa for Sasol Synthetic Fuels (Pty) Limited under a 20 year supply contract.

In Australia, Anglo Coal was the fourth largest producer of coal in 2008 and has significant undeveloped coal reserves (see "Ore Reserves"). Anglo Coal has one wholly-owned mine and a controlling interest in another five mines. The mines are located in Queensland and New South Wales and Anglo Coal's attributable share of their production was approximately 28 Mtpa in 2008, largely for the export market. Anglo Coal also owns a minority interest in the Jellinbah mine in Queensland which produces 1 Mtpa of metallurgical coal. Anglo Coal's Australian mines produce both high quality metallurgical coal used for steel production and thermal coal used for power generation and industrial applications.

In South America, Anglo Coal has a 33.3% shareholding in Carbones Cerrejón Coal Limited ("Cerrejón") in Colombia, which is a 32 Mtpa (10.4 Mtpa attributable) open cast operation, producing thermal coal for export to Europe and the Americas. In addition, Anglo Coal has a 24.9% interest in Carbones del Guasare ("CDG"), which owns and operates the Paso Diablo mine, in northern Venezuela, producing around 5 Mtpa of thermal and metallurgical coal.

In North America, Anglo Coal has a 73.8% interest in Peace River Coal, which produced 0.8 Mtpa of primarily metallurgical coal in 2008 after commencing production at the end of 2007.

Seasonal factors affect our sales, with sales being higher in the winter months. In general, decreases in sales into the northern hemisphere are offset by increases in sales into the southern hemisphere and vice-versa. The variety of uses for our coal products also diminishes the impact of seasonal factors.

Rail and port constraints continue to create challenges both in Australia and South Africa. The Richard's Bay Coal Terminal expansion from 76 Mtpa to 91 Mtpa of coal throughput is scheduled for completion in the first quarter of 2009. However, full utilization of this capacity will be dependent on Transnet Freight Rail scheduling from the mines to the terminal.

Industry Overview

Coal is the most abundant source of fossil fuel energy in the world. The bulk of coal produced worldwide is thermal coal, which is principally used for power generation. Thermal coal is also supplied as a fuel in other industries, such as the cement sector. Metallurgical coal is a key raw material for approximately 70% of the world's steel industry.

Approximately 5.3 billion tonnes of hard coal is produced globally each year, and the majority of this is used in the country of its production. A relatively small amount is traded across land borders, such as those between the United States and Canada or between countries that formerly comprised the Soviet Union. The international seaborne coal market comprises approximately 0.7 billion tonnes, of which approximately 0.5 billion tonnes are thermal coal and approximately 0.2 billion tonnes are metallurgical coal, according to the World Coal Institute.

Metallurgical coal. Metallurgical coal is produced in a relatively limited number of countries and is principally used in the steelmaking industry. It includes hard coking coal, semi-soft coking coal and PCI coal. The chemical composition of this type of coal is fundamental to the steel producers' raw material mix and product quality. The market for this coal is generally characterized by large volume, longer term and annually priced contracts, though increasingly some steel companies are using short-term contracts to meet their requirements.

Demand for metallurgical coal is fundamentally driven by demand for steel and is therefore affected by industrial and economic growth. Price negotiations between Australian suppliers and Japanese steel producers generally, but not always, set the trend that influences prices throughout the market. Anglo Coal is a significant supplier to virtually all the major steel producing groups in the world.

Thermal coal. Thermal coal is produced in a larger number of countries than metallurgical coal and is principally used for power generation, where it competes with oil, gas and nuclear generation (the nature of the competition and range of competitors vary from country to country and region to region). 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 is traded internationally, primarily through the seaborne market.

Demand for thermal coal is principally driven by demand for electricity and also is affected by the availability and price of competing fuels such as oil and gas, as well as nuclear power. Driven by varying degrees of deregulation in electricity markets, coal customers focus increasingly on securing the lowest cost fuel supply at any particular point in time. This has resulted in a move away from longer-term contracts towards a mix of short-term contracts, spot pricing, the development and use of various price indices, hedging and derivative instruments. However, the extent to which the full range of pricing instruments is used varies from region to region.

Anglo Coal exports thermal coal from its mines in South Africa, Australia, Canada and South America to customers throughout the Med-Atlantic and Indo-Pacific.

The balance of Anglo Coal's production is sold domestically in Australia and South Africa. In South Africa, a large portion of domestic sales are made to Eskom on long-term (i.e. life of mine) cost-plus contracts. Sales also take place to domestic industrial sector consumers. In Australia, domestic sales are predominantly to power utilities under long and shorter term contractual arrangements.

See "Operating and Financial Review — Coal — Outlook" for information on current markets and near term outlook.

Strategy and Business Development

Anglo Coal's strategy is focused on serving the power generation and steel making sectors from large, low cost, and predominantly export oriented coal basins. Anglo Coal delivers this strategy through its diverse, high quality asset portfolio in South Africa, Australia and the Americas, and also aims to be a long-term, reliable supplier to its customers. Anglo Coal's strategy is based on the three pillars of operational excellence, growth and securing the future.

Anglo Coal is focused on expanding from its existing strong position in the export metallurgical and export thermal coal markets, while maintaining its leading position in the South African domestic thermal market (where it is a key supplier to Eskom). This strategy will be delivered through its extensive portfolio of greenfield and brownfield expansion projects, supported by targeted acquisitions.

An example of the implementation of this strategy is the acquisition in December 2007 of 70% of the Foxleigh coal mine joint venture in Queensland, Australia, for US$606 million. This adds to Anglo Coal's existing coal mining operations in the Bowen Basin, one of the world's premier coking coal regions. Foxleigh currently produces in total 2.5 Mtpa of PCI coal for the steelmaking industry. The mine has production capacity of 3.3 Mtpa, which it is expected to reach following completion of rail and port expansion projects. The Foxleigh mine adjoins Anglo Coal's Capcoal (German Creek) operations and the associated Lake Lindsay mine development. The mine and surrounding tenements will be the subject of ongoing exploration and feasibility studies. In addition, Anglo Coal has substantially completed a major program of investment which includes the expansions at Cerrejón, Lake Lindsay and Dawson and ongoing projects at Mafube and Zondagsfontein.

The impact of climate change is an area of focus for the sector and Anglo Coal's strategy is to participate where appropriate to help address the issue as demand for energy continues to grow over time. 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 neighbouring power stations.

While Anglo Coal continues to grow and expand its operations in its existing locations, it is also looking at potential opportunities in new regions. It has spent US$35 million in 2008 on exploration and new business development activities, investigating resources for thermal and coking coal, and coal bed methane reserves and

resources, mainly in southern Africa, China, Australia and Canada. It has conducted an advanced resource evaluation of the Xiwan project in China and projects in South Africa, Canada and Australia. Anglo Coal commenced a coal bed methane exploration program in Botswana in late 2008.

In February 2007, Anglo Coal announced the creation of Anglo Inyosi Coal, a newly formed BEE company valued at approximately US$1 billion. Anglo American will own 73% of Anglo Inyosi Coal, with the remaining 27% held by Inyosi Coal (Pty) Ltd. following completion of the transaction. The new company incorporates several key Anglo Coal assets, including the existing Kriel colliery and the greenfield projects of Elders, Zondagsfontein, New Largo and Heidelberg. The transaction represents a major milestone in meeting the BEE objectives set out in South African legislation. The remaining conditions precedent to the completion of the transaction are expected to be fulfilled in the first half of 2009.

Platinum

Anglo Platinum Limited (a company listed on the Johannesburg stock exchange), of which the Group owned a 79.6% interest at December 31, 2008, is the world's leading primary producer of platinum, accounting for approximately 39% of global output in 2008. Based in South Africa, it mines, processes and refines the entire platinum group metals ("PGM") range: platinum, palladium, rhodium, ruthenium, iridium and osmium. Although PGMs are the primary products of its operations, base metals such as nickel, copper and cobalt sulphate are important secondary products and are significant contributors to earnings.

Anglo 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 has access to a portfolio of ore reserves meant to ensure that it is well placed to be the world's leading platinum producer for many years to come.

Anglo Platinum currently wholly owns five mining operations, a tailings re-treatment facility, three smelters, a base metals refinery and a precious metals refinery, all in the Limpopo and North West provinces of South Africa. Each of its mines operates its own concentrator facilities, with smelting and refining of the output being undertaken at its Rustenburg Platinum Mines' metallurgical facilities. The company's 100% owned mining operations comprise Rustenburg Platinum Mines' Rustenburg, Amandelbult, Mogalakwena and Twickenham sections as well as Lebowa Platinum Mines, 51% of which is held for sale. Rustenburg Platinum Mines' Union Section is 85% held, with a BEE partner, the Bakgatla-Ba-Kgafela traditional community, holding the remainder.

Anglo Platinum also has a 50:50 joint venture with a BEE consortium, led by African Rainbow Minerals, over the Modikwa platinum mine; a joint venture with Royal Bafokeng Resources, a BEE partner, over the combined Bafokeng-Rasimone platinum mine and Styldrift properties; and a joint venture with Xstrata plc over the Mototolo mine. In addition, Anglo Platinum has joint ventures with Aquarius Platinum covering the shallow reserves of the Kroondal and Marikana mines contiguous to Anglo Platinum's Rustenburg Section.

In September 2007, Anglo Platinum agreed, in principle, to sell assets for a total upfront cash consideration of R7.6 billion (about US$1.1 billion) to "historically disadvantaged South African" ("HDSA") companies Anooraq Resources Corporation ("Anooraq") and Mvelaphanda Resources Limited ("Mvela"). The transactions envisaged the sale of an effective 51% of the Lebowa Platinum Mine and a further 1% of the Ga-Phasha, Boikgantsho and Kwanda 50:50 JV projects to Anooraq, as well as the sale of Anglo Platinum's 50% interest in the Booysendal project and 22.4% shareholding in Northam Platinum Limited to Mvela.

In March and April 2008, the suite of definitive legal agreements for the transactions was entered into, which remained subject to various suspensive conditions. The sale of Anglo Platinum's investment in Northam was finalised in December 2008 and the only remaining condition for the Booysendal sale is consent (from South Africa's Department of Minerals and Energy) to transfer control, which is expected in the first quarter of 2009.

In respect of the transaction with Anooraq, owing to the significant deterioration in global market conditions, material decline in PGM prices and constrained debt and equity capital markets, the Lebowa mine plan and project pipeline, including the Middelpunt Hill UG2 expansion project, are under review. Anglo

Platinum and Anooraq intend to conclude the transaction as soon as is practically possible and have thus extended the date for fulfilment of the conditions until April 30, 2009.

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

Industry Overview

PGMs have a wide range of industrial and high-technology applications. Demand for newly mined 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 67% of net total new platinum demand in 2008 (according to data from Johnson Matthey). Platinum, however, also has a wide range of other 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 OTC 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. PGM miners are price takers.

For PGM sales, Anglo Platinum has long-term (typically five years) sales contracts with five of the major precious metals fabricators, who together account for the majority of all PGM-related products produced globally. In addition, Anglo Platinum also has long-term supply contracts with two major Japanese automobile manufacturers. Sales are typically made at or close to prevailing market prices. Anglo Platinum has appointed Johnson Matthey as its sole agent for all PGM sales outside of the contractual sales.

Platinum. Anglo Platinum is a major sponsor of the Platinum Guild International, which since its inception in 1975 has played a key role in stimulating demand for platinum and establishing new platinum jewelry markets. According to market data from Johnson Matthey, the four largest platinum jewelry markets (measured by offtake of new metal in 2008) are currently China, Europe, North America and Japan. Industrial applications for platinum are driven by technology and, especially in the case of autocatalysts, by legislation. With the rapid spread of exhaust emissions legislation, more than 94% of new vehicles sold in the world now have autocatalysts fitted (per Johnson Matthey). Increasingly stringent emissions legislation, coupled with growth in the number of vehicles produced globally, is expected to drive long term growth in platinum demand for autocatalysts, especially as and when new legislation is applied to trucks and offroad vehicles. In the shorter term, demand will be negatively affected by the reduction in auto manufacturing arising from the global economic slowdown.

Palladium. Palladium's principal application is in autocatalysts, which, according to market data from Johnson Matthey, currently account for approximately 50% of total newly mined palladium demand. Palladium is also used in electronic components, including multi-layer ceramic capacitors, in dental alloys and more recently as a jewelry metal and for investment. Palladium demand growth is expected to slow, while supply is expected to increase from South African producers' expansions and recycling from spent autocatalysts. However, in the longer term, palladium demand would also benefit from growth in the auto manufacturing industry.

Rhodium. Rhodium is principally used in autocatalysts, which, in 2008, accounted for nearly 80% of net demand. Rhodium is also used in industrial applications such as glass-making for flat panel display units. Based on the most recently available information, we believe that, in the short-term, the market demand is expected to decline, primarily as a result of the declining fortunes of the auto industry.

Ruthenium, iridium and osmium. In recent times, ruthenium has enjoyed strong uptake on the back of heavy demand from the electronics sector, where the metal is utilised to increase magnetic data-recording memory in hard disks and in plasma display panels of flat screen televisions. Ruthenium, along with iridium, is also used in chemical and electronic applications. Osmium is employed as a catalyst in the pharmaceutical industrial sector and to stain specimens for microscopic analysis.

The following table, based on estimates from Johnson Matthey, indicates regional demand for newly mined platinum, palladium and rhodium in 2008:

	Platinum	Palladium	Rhodium
Europe	43.9%	22.0%	13.8%
China	17.3%	19.7%	13.7%
Japan	12.2%	19.6%	29.6%
North America	8.1%	20.2%	14.8%
Rest of the World	18.6%	18.6%	28.0%

Strategy and Business Development

Anglo Platinum's strategy is to develop the market for PGMs, expand production to capitalize on that growth opportunity, and conduct its business safely, cost effectively and competitively.

Anglo Platinum seeks to develop markets and expand demand for PGMs by investing in research and development in new uses for PGMs, through working with partners and customers including Johnson Matthey plc (Anglo Platinum has a 17.5% stake in Johnson Matthey Fuel Cells Limited), and global development campaigns for jewelry through the Platinum Guild International.

In the second half of 2008, Anglo Platinum reviewed its capital expenditure program in response to the unprecedented rapid decline in PGM prices principally caused by rapidly slowing vehicle sales in North America, Europe and Japan having a negative effect on the outlook for PGMs in autocatalysis. Anglo Platinum's annual planning process included the evaluation of a number of initiatives to reduce costs and improve operational productivity as well as a critical examination of short-term supply and demand trends.

Capital expenditure is being curtailed by delaying spending across several major projects, including Amandelbult No. 4 shaft, Twickenham, Styldrift, the second slag cleaning furnace at Waterval and numerous smaller projects.

Anglo Platinum's announced expansion program and ore replacement projects underpin a sustained high level of exploration activities. Exploration is mainly directed at accumulating geological data in areas where PGM ore bodies are known to occur and is thus primarily focused on quantifying ore reserves and mineral resources in the Bushveld Complex.

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

DIAMONDS

Our diamond interests are held through a 45% shareholding in DB Investments S.A. ("DBI"), the ultimate holding company of the De Beers group. The other shareholders of DBI are Central Holdings Limited, a holding company controlled by the Oppenheimer family (40% interest), and the Government of the Republic of Botswana ("GRB") (15% interest). DBI owns 100% of De Beers, which explores for, mines, sorts, values and markets diamonds.

Because we do not control or jointly control DBI, it is treated as an associate rather than as a subsidiary or a joint venture. As a result, the financial results of DBI are accounted for in the consolidated financial statements of the Group using the equity method of accounting. In addition, DBI's 50% interest in its two joint ventures with the governments of Botswana and Namibia (described below) are accounted for using the equity method.

De Beers is the world's leading diamond business, with significant expertise in the exploration, mining and marketing of diamonds. De Beers and its joint venture partners operate in more than 20 countries across

five continents, employing approximately 20,000 people. From its mines across Botswana, Canada, Namibia and South Africa, De Beers produces approximately 40% of the world's rough diamonds by value.

De Beers holds a 50% interest in both the Debswana Diamond Company (Proprietary) Limited and Namdeb Diamond Corporation (Proprietary) Limited, owned jointly with the GRB and the Government of the Republic of Namibia ("GRN"), respectively, and a 70% shareholding in De Beers Marine Namibia.

In addition, De Beers holds a 74% interest in South African-based De Beers Consolidated Mines Limited ("DBCM"), with a broad-based BEE consortium (the Ponahalo group) holding the balance.

De Beers owns 100% of the Diamond Trading Company International ("DTC"), the sales and rough diamond distribution arm of De Beers. It also has a 50% interest with the GRB in a new entity, Diamond Trading Company Botswana ("DTCB"), which will sort, value and sell certain of Botswana's diamond output as well as performing selected local sales and marketing activities. Additionally, a 50% interest is held, along with the GRN, in Namibia Diamond Trading Company ("NDTC"), which will sort and value Namibia's diamond output and carry out selected local sales and marketing activities.

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

De Beers, through Element Six, an independently managed joint venture between De Beers and Umicore of Belgium, is a major producer of synthetic industrial diamond material. Applications include cutting, grinding, polishing, wire making and other technical and scientific uses.

Industry Overview

Approximately two thirds of the world's 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.

Rough or uncut diamonds are broadly classified either as gem diamonds or industrial quality diamonds, with gem representing by far the larger of the two markets by value. The primary global market for gem diamonds is in retail jewelry where aspects such as size, color, shape and clarity have a large impact on valuation. Synthetic diamonds are increasingly being introduced into the gem diamond segment by competitors to De Beers; however the vast majority of synthetic production is used in industrial applications.

De Beers, through the DTC and also DTCB and NDTC, supplies its customers — known as Sightholders — with parcels of rough or uncut diamonds that are specifically aligned to their respective cutting and polishing needs.

Much of the margin in the diamond business is in sales, with DTC earning a modest profit margin. As a result, a significant downturn in the price of diamonds could have a material adverse effect on the continued profitability of De Beers' business.

See "Operating and Financial Review — Diamonds — Outlook" for information on current markets and near term outlook.

Strategy and Business Development

During 2008, De Beers continued to focus on both investment and divestment activity to position the company for future growth. The strategy centers on exploration in central and southern Africa; driving profitable production growth across operations and seeking enhanced levels of organizational effectiveness. De Beers has been divesting from those mines that, under the company's current cost structures, are deemed marginal or loss-making. In 2008, De Beers completed the sale of the Kimberley underground mines, Cullinan Diamond Mine and the disposal of Williamson Diamond Mine in Tanzania all to Petra Diamonds Limited.

During 2008, De Beers officially opened its first mines in Canada at Victor mine in northern Ontario and Snap Lake mine in the Northwest Territories. Victor was completed and commissioned eight months ahead of schedule and Snap Lake commenced commercial production in early 2008 with both mines reaching full production in the second half of the year. In South Africa, the long-dormant Voorspoed mine was officially re-opened with its first diamonds being recovered in June. As a result of the coming on stream of these projects during the year, De Beers' capital expenditure has declined significantly.

In April 2008, De Beers commissioned a new US$83 million diamond facility in Gaborone, Botswana, the largest and most sophisticated of its kind in the world, which is now home to DTCB. This boost to beneficiation — adding downstream value to mining operations — in the producer country includes the process of sorting and valuing rough diamonds, their subsequent cutting and polishing, and the manufacture of diamond jewelry. The focus on beneficiation extends to Namibia through NDTC, to South Africa through the State Diamond Trader and to Canada through local supply agreements reached with the Governments of Ontario and the Northwest Territories respectively. All these initiatives seek to create an enabling environment through which each country's valuable diamond resources can be further transformed into a source of national wealth, pride and development.

DTC completed its Sightholder selection process in 2008, appointing 78 clients for the new three-year contract period. Clients will be receiving "Sights" through wholly owned and joint venture DTC operations around the world, with many of the Sightholders receiving Sights in several different countries. The selection criteria for Sightholders was designed to identify those applicants that demonstrated excellence in their technical ability, their distribution and marketing effectiveness and the core strengths of their diamond business. Financial transparency and ethical accountability were mandatory.

Other Information

Seven class actions were filed against De Beers in various federal and state courts 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 De Beers' group of companies used its market dominance to wrongfully raise the price of rough diamonds during the class period. In 2005 and 2006, De Beers entered into an omnibus agreement to settle all seven class actions outstanding against it in the United States. This agreement was preliminarily approved in March 2006. In May 2008, Judge Chesler entered an order in the United States Federal District Court in New Jersey approving the settlement which resolves all outstanding US class actions against De Beers without any admission of liability. A number of objectors to the settlement have appealed the Court's approval of the settlement, which will be addressed in accordance with ordinary legal processes. The financial impact is outlined under "Operating and Financial Review — Diamonds — Operating Special Items".

The Court of First Instance in Luxembourg announced in July 2007 that it had annulled the European Commission's decision to accept commitments offered by De Beers to cease all purchase of rough diamonds from Alrosa from January 1, 2009. De Beers continued to purchase goods from Alrosa, up to the agreed levels and within the proposed timeframe set out in the prior commitments. Purchases from Alrosa have now ceased. The European Commission has appealed the annulment decision.

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.

Industrial Minerals

Anglo Industrial Minerals' sole business is Tarmac, an international heavy building materials producer, in which we hold a 100% interest.

In the UK it is a market leader in aggregates, asphalt, mortar and ready-mixed concrete and it has significant operations in concrete products, lime and cement. It has operations in continental Europe and the

Middle East, where it is principally involved in the production of crushed rock, sand and gravel, asphalt, ready-mixed concrete and concrete products.

Tarmac's UK organization consists of two business units, Aggregate Products and Building Products, which are supported by a shared service centre based in central England. Aggregate Products comprises aggregates, asphalt, contracting, recycling and ready-mixed concrete 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 cement, lime, mortar and concrete products.

Tarmac's international businesses operate in 10 countries. It is a leading producer of hard rock, sand and gravel and concrete products in several Central European countries.

In 2008, Tarmac sold its Spanish operations.

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, materials are washed and graded prior to use.

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), other 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 market and is composed of sand, gravel, crushed rock, water, cement, cement replacements and other components depending upon the performance required from the resultant mix. Ready-mixed concrete is transported to site in specialist truck mixers designed to mix the material during transit.

Mortar and screeds consist of sand, cement and various admixtures, depending on their application and performance requirements. Mortar is predominantly used for masonry applications such as bricklaying and will often contain 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 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 employ similar production 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.

See "Operating and Financial Review — Industrial Minerals — Outlook" for information on current markets and near term outlook.

Strategy and Business Development

Following a strategic review and as announced in August 2007, the decision was taken to sell Tarmac. However, it was decided not to proceed with the sale process until credit market and macro-economic conditions improve. It is therefore unlikely that a sale will be completed in the first half of 2009.

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 to 100% its ownership of United Marine Holdings Limited, which owns a significant UK marine dredged aggregates

business. In August 2008, Tarmac disposed of its 100% ownership of Tarmac Iberia. Tarmac continues to focus on its core business activities, pursue further cost reductions in light of the weak market in the short term and reduce capital expenditure without harming its strong leadership position.

Several programs are under way across the UK and international businesses which are expected to deliver improvements in business performance and lay the foundations of a culture of continuous improvement in all businesses. Within Tarmac as a whole, we believe that there remains significant upside potential from operational and commercial business improvements and focused growth, with initiatives planned to deliver that upside by 2010. Tarmac aims to be the supplier of choice across its full product range.

Discontinued Operations

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

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 is accounted for as a financial asset investment (recorded at the fair value of the shares held).

In addition, 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.

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.

Major Growth and Replacement Projects

The Group's review at the end of 2008 for future planned capital expenditure resulted in a decision to reduce it for 2009 to approximately US$4.5 billion, including US$1.3 billion stay-in-business capital expenditure. These substantial changes to planned capital expenditure will be achieved principally by rescheduling many of the Group's development projects. The Group's capital expenditure programs for 2010 will continue to be monitored against prevailing and forecast market conditions. During 2008, the Group continued with the development of several major projects in its pipeline of approved projects. The total capital cost of these projects, across the Group's platinum, diamond, coal, base metals and ferrous metals businesses, amounts to US$17 billion on an attributable basis, an increase of US$5 billion relative to 2007, owing mainly to the approval in 2008 of two projects in South Africa, the Amandelbult No. 4 shaft platinum replacement project and the Sishen South iron ore project. For the longer term, the Group has an array of projects under active consideration at the pre-feasibility or feasibility stages. This pipeline of projects stretches well into the future, designed to ensure that the Group maintains a high degree of flexibility with regard to its significant organic growth potential.

Details of major approved projects are provided (based on current estimates), by business segment, as follows:

Ferrous Metals

Minas-Rio's capital expenditure program fell behind schedule during 2008, mainly due to the delay in obtaining several environmental licences and permits that prevented the initiation of works, particularly at the mine and beneficiation plant. The project also experienced delays in negotiations with groups of landowners, thereby slowing the progress on the pipeline, transmission line and the access roads to the port. However, a number of other key environmental licences were granted during the year, including the installation licences for the port and pipeline and the preliminary licences for the beneficiation plant and the mine. The pace of construction at Minas-Rio is driven by the timing of the environmental license and other permits, and there is therefore expected to be a 12 to 15 month commissioning delay to the first phase of the Minas-Rio project, with first iron ore production now expected in the second quarter of 2012. Planned annual capacity will be 26.5 Mtpa of iron ore pellet feed at an anticipated cost of US$3.6 billion which is currently being updated following the announced delay. Anglo American will continue to develop the Minas-Rio project during 2009, with planned capital expenditure for the year focusing on the port and pipeline units. The timing of the capital expenditure will be further adjusted in accordance with the granting of the environmental licence and other permits. The pre-feasibility study for the second phase of the Minas-Rio iron ore project was initiated during 2008, a phase which will further increase Anglo American's long-term iron ore production capacity.

Sishen's jig plant commenced commercial production during the year, having been commissioned at the end of 2007. Ramp-up continues and full design capacity of 13 Mtpa is expected to be achieved in the fourth quarter of 2009.

The Sishen South project, which involves the development of an opencast mine some 80 kilometres south of Sishen mine, was approved in July 2008. Earthworks have commenced and bulk construction is scheduled to begin with the establishment of the major civil contracts during the first quarter of 2009.

Base Metals

The Barro Alto nickel project in Brazil has been delayed by a year and first production is now planned for 2011 and is expected to increase existing nickel production by an average of 36,000 tonnes per annum ("tpa") from 2012. Owing to pressure on project costs and exchange rate fluctuations, total capital expenditure is now estimated between US$1.6 billion and US$1.8 billion, of which US$1.2 billion has been spent or committed.

Construction progress on the US$2.2 billion to US$2.5 billion Los Bronces expansion project in Chile was in line with plan; however targeted commissioning has now been pushed out by eight months to late 2011.

Coal

In South Africa, the US$473 million Zondagsfontein project is under construction and includes a 50:50 joint venture plant with BHP Billiton Energy Coal South Africa. The project is on track to deliver 6.6 Mtpa of export and Eskom coal from 2010. The Mafube project achieved the production rate of 5.4 Mtpa in 2008. Macwest is nearly complete with first production achieved in July 2008 and full production of 2.7 Mtpa expected in March 2009.

In Australia, the US$726 million Lake Lindsay coking coal project is progressing well; the coal handling and preparation plant has been commissioned, having achieved milestones on or ahead of plan, with the dragline starting operation in January 2009. The US$839 million Dawson expansion project was completed in 2008.

In Colombia, the US$42 million (attributable) expansion at Cerrejón to 32 Mtpa is complete and full production is expected to be achieved early in 2009. Feasibility studies are under review to expand the operation to around 40 Mtpa.

Platinum

The rapid decrease in revenue in the second half of 2008 led to declining margins, increased debt levels and confirmation that the global economic downturn would negatively influence short-term demand. In line with the Group, a review of Anglo Platinum's capital expenditure program was completed, resulting in the reduction of total expected capital expenditure for 2009 to approximately US$900 million through the deferral of expenditure across several major and numerous smaller projects.

The commissioning of the Mogalakwena North expansion project concentrator is complete. Capital expenditure planned for the accelerated removal of overburden at the new North pit has been deferred. As a result less ore will be exposed, thereby reducing the level of mining output originally planned for 2009.

Projects completed in the last 24 months

The table below sets forth selected major new or expansion projects that have been completed within the last 24 months.

Sector	Project	Country	Full Production Reached	Capital Expenditure (US$m)[1]	Estimated Production Volume[2]	Type of Mine
Base Metals . .	Collahuasi debottlenecking	Chile	2008	66	31kt copper[3]	Open pit
	El Soldado	Chile	2007	73	17-year life extension copper	Open pit
Coal	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
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 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".

Sector	Project	Country	Full Production Targeted	Estimated Capital Expenditure (US$m)[1]	Estimated Production Volume[2]	Type of Mine
Ferrous Metals	Sishen expansion	South Africa	2009	588	13.0 Mt iron ore	Open pit
	Minas-Rio phase 1	Brazil	2013	3,627	26.5 Mt iron ore pellet feed (wet base)	Open pit
	Sishen South	South Africa	2013	924	9.0 Mt iron ore	Open pit
Base Metals	Barro Alto	Brazil	2012	1,600 — 1,800	36 kt nickel	Open pit
	Los Bronces expansion	Chile	2012	2,200 — 2,500	173 kt copper[3][4]	Open pit
Coal	Lake Lindsay	Australia	2009	726	4.0 Mt coking and semi-soft	Open pit
	Mafube	South Africa	2008	214	5.4 Mt thermal	Open pit
	Cerrejón	Colombia	2009	134	3.0 Mt (2nd stage) thermal	Open pit
	MacWest	South Africa	2009	49	2.7 Mt thermal	Open pit
	Zondagsfontein	South Africa	2010	473	6.6 Mt thermal	Open pit
Platinum[5]	Mototolo JV	South Africa	2009	200	130,000 oz refined Pt	Underground
	Marikana JV	South Africa	2009	36	145,000 oz refined Pt	Underground
	Mogalakwena North expansion(6)	South Africa	2010	692	230,000 oz refined Pt	Open pit
	Mogalakwena North replacement(6)	South Africa	2010	230	Replace 200,000 oz refined Pt	Open pit
	MC plant capacity expansion — phase 1	South Africa	2009	80	11 kt waterval converter matte	n/a
	Mainstream inert grind projects	South Africa	2010	188	Improved process recoveries	n/a
	Lebowa Brakfontein Merensky	South Africa	2011	179	Replace 108,000 oz refined Pt	Underground
	Slag cleaning furnace 2	South Africa	2010	134	650 tonnes per day increased slag cleaning capacity	n/a
	Base metals refinery expansion	South Africa	2010	279	11,000 t nickel	n/a
	Amandelbult	South Africa	2012	224	100,000 oz refined Pt	Underground
	East Upper UG2 Townlands Ore Replacement	South Africa	2015	139	Replace 70,000 oz refined Pt	Underground
	Paardekraal	South Africa	2015	316	Replace 120,000 oz refined Pt	Underground
	Twickenham	South Africa	2016	800	180,000 oz refined Pt	Underground
	Amandelbult No 4 shaft project	South Africa	2019	1,602	Replace 271,000 oz refined Pt	Underground
	Styldrift Merensky phase 1	South Africa	2018	1,621	245,000 oz refined Pt	Underground

(1) Shown on 100% basis unless otherwise stated. Figures are estimates 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) Will produce molybdenum and silver by-products.

(4) Represents average over the first 10 years of the project.

(5) Anglo Platinum has rescheduled the timing of projects to match the planned 2009 production volume of 2.4 million ounces and project expenditure level of US$600 million. The impact of this rescheduling beyond 2009 is currently under review.

(6) Mogalakwena was formerly known as PPRust.

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".

Sector	Project	Country	Estimated Full Production	Estimated Capital Expenditure (US$m)(1)	Estimated Production Volume(2)	Type of Mine
Ferrous Metals	Sishen Expansion Project phase 1B	South Africa	2010	60	0.4 Mt iron ore	Open pit
	Sishen Expansion project 2	South Africa	2014	1,180	10.0 Mt iron ore	Open pit
	Sishen C Grade	South Africa	2014	TBD	10.0 Mt iron ore	Open pit
	Sishen Pellet	South Africa	2015	590	2.0 Mt iron ore pellets	Open pit
	Minas-Rio phase 2	Brazil	TBD	TBD	26.5 Mt pellet feed (wet basis)	Open pit
Base Metals	Collahuasi expansion phase 1	Chile	2011	450	485 kt copper(3)	Open pit
	Goias II	Brazil	2014	1,915	Fertilizer(4)	Open pit
	Quellaveco	Peru	2016	2,500-3,000	225 kt copper(3)	Open pit
	Gamsberg	South Africa	2018	1,930	400 kt zinc	Open pit
	Jacaré phase 1	Brazil	2017	2,200	40 kt nickel	Open pit
	Morro Sem Bone	Brazil	2018	1,670	32 kt nickel	Open pit
	Michiquillay	Peru	TBD	TBD	300 kt copper(3)	Open pit
	Pebble	USA	TBD	TBD	350 kt copper(3)	Open pit and Underground
Coal	Heidelberg opencast	South Africa	2010	30	0.9 Mt thermal	Open pit
	Elders opencast	South Africa	2011	475	6.4 Mt thermal	Open pit
	Elders underground	South Africa	2012	225	3.2 Mt thermal	Underground
	Cerrejón P40	Colombia	2014	1,065	8.0 Mt thermal	Open pit
	New Largo	South Africa	2015	660	14.7 Mt thermal	Open pit
	Heidelberg underground	South Africa	2014	290	4.2 Mt thermal	Underground

(1) Shown on 100% basis, approximate amounts, unless otherwise stated. Figures are estimates 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) 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.

(4) Incremental production of 70 ktpa DCP, 88 ktpa low analysis fertilizer and 414 ktpa high analysis fertilizer. The project will also produce sulphuric acid, phosphoric acid and niobium.

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 Base Metals (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.

Ferrous Metals

	Year ended December 31,		
	2006	2007	2008
	(tonnes)	*(tonnes)*	*(tonnes)*
Kumba			
Lump	18,639,800	19,043,000	22,042,000
Fines	12,470,300	13,357,000	14,657,000
Amapá[1]			
Sinter feed	—	—	128,000
Pellet feed	—	—	584,000
Total iron ore	31,110,100	32,400,000	37,411,000
Scaw Metals			
South Africa — Steel Products	723,000	776,000	771,000
International — Steel Products	696,000	803,000	879,000
Highveld Steel[2]			
Rolled Products	767,300	—	—
Continuous cast blocks	863,100	—	—
Vanadium slag	65,000	—	—
Samancor Manganese[3]			
Manganese ore	2,261,000	2,411,000	2,704,000
Manganese alloy	277,200	310,000	306,000

(1) Production from Amapá is included from August 5, 2008. Amapá is not currently in commercial production. Until commercial production is reached, all revenue and related costs are being capitalized. Amapá production for full year 2008 was 1.2 Mt.

(2) We disposed of Highveld Steel in 2006 and 2007.

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

Copper

	Year ended December 31,		
	2006	2007	2008
	(tonnes)	*(tonnes)*	*(tonnes)*
Collahuasi[1]	440,000	452,000	464,400
Anglo American Sur[2] — Los Bronces mine	226,000	231,200	235,800
Anglo American Sur[2]— El Soldado mine	68,700	72,800	49,800
Anglo American Sur[2]— Chagres Smelter			
Copper blister/anodes[3]	173,400	164,100	146,100
Anglo American Norte[4] — Mantos Blancos mine	91,700	88,900	86,400
Anglo American Norte[4] — Mantoverde mine	60,300	61,000	62,500
Black Mountain	3,400	2,200	2,500
Anglo Platinum[5]	11,400	11,100	8,800

(1) Production is quoted on a 100% basis (our share is 44%) for all periods presented.

(2) Formerly Minera Sur Andes.

(3) Excluded from total copper production.

(4) Formerly Mantos Blancos.

(5) Includes Anglo Platinum's 22.5% share of Northam Platinum Limited's production for 12 months in 2006 and for the 9 months up to September 30, 2007, at which time Anglo Platinum's investment in Northam Platinum was transferred to a disposal group.

Nickel

	Year ended December 31,		
	2006	2007	2008
	(tonnes)	*(tonnes)*	*(tonnes)*
Codemin	9,800	9,900	9,100
Loma de Níquel	16,600	15,700	10,900
Anglo Platinum[(1)]	21,700	19,200	15,500

(1) Includes Anglo Platinum's 22.5% share of Northam Platinum Limited's production for 12 months in 2006 and for the 9 months to September 30, 2007, at which time Anglo Platinum's investment in Northam Platinum was transferred to a disposal group.

Niobium

	Year ended December 31,		
	2006	2007	2008
	(tonnes)	*(tonnes)*	*(tonnes)*
Catalão	4,700	4,700	4,600

Mineral Sands

	Year ended December 31,		
	2006	2007	2008
	(tonnes)	*(tonnes)*	*(tonnes)*
Namakwa Sands[(1)]			
Production			
Ilmenite	272,200	300,300	240,900
Rutile	28,200	24,500	19,100
Zircon	128,400	114,800	97,400
Smelter production			
Slag tapped	133,900	151,300	118,500
Iron tapped	88,900	101,800	78,800

(1) We disposed of Namakwa Sands in 2008.

Phosphates

	Year ended December 31,		
	2006	2007	2008
	(tonnes)	*(tonnes)*	*(tonnes)*
Sodium tripolyphosphate	71,100	56,700	10,200
Phosphates	901,500	1,037,800	982,100

Zinc and Lead

	Year ended December 31,		
	2006	2007	2008
	(tonnes)	*(tonnes)*	*(tonnes)*
Black Mountain			
Zinc in concentrate	34,100	28,300	27,900
Lead in concentrate	48,300	41,900	47,000
Lisheen			
Zinc in concentrate	170,700	164,700	167,200
Lead in concentrate	23,100	20,200	15,900
Skorpion			
Zinc	129,900	150,100	145,400

Coal[1]

	Year ended December 31,		
	2006	**2007**	**2008**
	(tonnes)	*(tonnes)*	*(tonnes)*
South Africa			
Bank	477,600	51,900	—
Greenside	2,778,100	3,314,900	3,401,100
Goedehoop	8,534,500	8,456,200	7,449,400
Isibonelo	4,020,100	5,001,000	5,152,100
Kriel	12,318,400	11,210,100	10,344,400
Kleinkopje	3,898,400	3,490,700	4,545,600
Landau	4,102,400	4,058,200	4,089,300
New Denmark	5,508,500	5,134,700	5,272,500
New Vaal	16,275,000	17,119,500	17,034,400
Nooitgedacht	711,000	565,700	454,600
Mafube[1]	719,400	757,200	1,673,400
Australia			
Callide	9,816,100	10,031,100	9,582,700
Drayton	4,136,300	3,902,700	3,711,500
Dartbrook[2]	792,000	—	—
German Creek (Capcoal)	3,165,400	4,115,700	5,621,900
Jellinbah East[3]	887,400	891,800	1,033,900
Moranbah	2,928,500	3,211,600	3,181,500
Dawson Complex	3,520,300	3,051,800	3,537,200
Foxleigh	—	—	1,172,500
South America			
Carbones del Guasare[4]	1,531,700	1,384,400	1,074,200
Carbones del Cerrejón[5]	9,477,200	9,875,400	10,410,300
Canada			
Peace River Coal	—	—	772,400

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

(2) Dartbrook was closed during 2006.

(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).

(5) The Group owns 33% of the Carbones del Cerrejón mine (for all periods presented).

Platinum[1]

	Year ended December 31,		
	2006	2007	2008
	(thousands of ounces)	*(thousands of ounces)*	*(thousands of ounces)*
Rustenburg Section	942.0	731.9	700.1
Amandelbult Section	647.8	573.9	461.2
Union Section	327.2	309.6	309.0
Mogalakwena (formerly Potgietersrust Platinum)	185.5	162.5	177.4
Lebowa Platinum	102.9	94.2	72.6
Bafokeng-Rasimone	240.6	190.5	170.5
Modikwa Platinum Mine[3]	145.6	114.6	131.2
Western Limb Tailings Retreatment	49.0	44.1	41.8
Kroondal Pooling and Sharing Agreement[4]	148.3	128.8	196.3
Marikana[4]	12.8	22.4	32.8
Mototolo[5]	8.5	92.6	83.9
Twickenham	6.3	8.8	9.9
Northam Platinum[6]	47.4	34.8	—

(1) Information in the table reflects total refined production from both mining and purchases of metals in concentrate. All mines are based in South Africa.

(2) A 50:50 joint venture with Royal Bafokeng Resources became fully operational on March 1, 2004. However, Anglo 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.

(3) 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 Anglo Platinum purchases and converts the JV partner's 50% share of the metal concentrate.

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

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

(6) Attributable 22.5% share of Northam Platinum Limited's production for 12 months in 2006 and for the 9 months to September 30, 2007, at which time the investment was transferred to a disposal group.

Palladium[1]

	Year ended December 31,		
	2006	2007	2008
	(thousands of ounces)	*(thousands of ounces)*	*(thousands of ounces)*
Rustenburg Section	465.6	386.0	351.6
Amandelbult Section	298.1	279.5	217.3
Union Section	147.5	145.1	139.7
Mogalakwena (formerly Potgietersrust Platinum)	208.3	167.4	184.5
Lebowa Platinum	69.0	63.3	50.5
Bafokeng-Rasimone[2]	99.8	80.4	69.4
Modikwa Platinum Mine[3]	142.9	114.0	124.9
Western Limb Tailings Retreatment	18.9	16.9	13.6
Kroondal Pooling and Sharing Agreement[4]	71.8	63.5	94.0
Marikana[4]	6.0	9.6	14.2
Mototolo[5]	5.1	55.3	48.9
Twickenham	6.4	8.8	10.1
Northam Platinum[6]	23.6	16.5	—

(1) Information in the table reflects total refined production from both mining and purchases of metals in concentrate. All mines are based in South Africa.

(2) A 50:50 joint venture with Royal Bafokeng Resources became fully operational on March 1, 2004. However, Anglo 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.

(3) 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 Anglo Platinum purchases and converts the JV partner's 50% share of the metal concentrate.

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

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

(6) Attributable 22.5% share of Northam Platinum Limited's production for 12 months in 2006 and for the 9 months to September 30, 2007, at which time the investment was transferred to a disposal group.

Rhodium[1]

	Year ended December 31,		
	2006	**2007**	**2008**
	(thousands of ounces)	*(thousands of ounces)*	*(thousands of ounces)*
Rustenburg Section	108.5	100.1	89.2
Amandelbult Section	71.9	74.5	57.1
Union Section	50.6	51.3	47.1
Mogalakwena (formerly Potgietersrust Platinum)	12.5	11.5	11.2
Lebowa Platinum	10.7	10.9	7.7
Bafokeng-Rasimone[2]	14.2	13.2	10.6
Modikwa Platinum Mine[3]	27.1	23.1	24.0
Western Limb Tailings Retreatment	3.4	3.6	2.2
Kroondal Pooling and Sharing Agreement(4)	24.8	22.6	30.4
Marikana[4]	1.2	3.0	4.6
Mototolo[5]	—	13.8	13.5
Twickenham	1.1	1.3	1.7
Northam Platinum[6]	5.7	4.3	—

(1) Information in the table reflects total refined production from both mining and purchases of metals in concentrate. All mines are based in South Africa.

(2) A 50:50 joint venture with Royal Bafokeng Resources became fully operational on March 1, 2004. However, Anglo 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.

(3) 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 Anglo Platinum purchases and converts the JV partner's 50% share of the metal concentrate.

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

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

(6) Attributable 22.5% share of Northam Platinum Limited's production for 12 months in 2006 and for the 9 months to September 30, 2007, at which time the investment was transferred to a disposal group.

Diamonds[1][2]	Year ended December 31, 2006	2007	2008
	(carats)	*(carats)*	*(carats)*
Debswana	34,293,000	33,638,000	32,276,000
Namdeb	2,084,800	2,176,000	2,122,000
De Beers Consolidated Mines	14,568,900	14,998,000	11,960,000
Williamson[3]	189,400	220,000	134,000
Canada	—	81,000	1,640,000

(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) We disposed of Williamson in 2008.

Industrial Minerals	Year ended December 31, 2006	2007	2008
	(tonnes unless otherwise stated)		
Aggregates	92,268,200	95,393,300	93,095,000
Lime products	1,428,900	1,836,300	1,353,000
Concrete (m^3)	8,526,800	8,858,400	6,312,000

ORE RESERVES

This section contains tables setting forth the Proved and Probable Ore Reserves for the various business units 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, 2006, 2007 or 2008, 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.

Ferrous Metals

		Ore			Grade			Saleable product		
	Classification	2006	2007	2008	2006	2007	2008	2006	2007	2008
		(million tonnes)[3]			*(%Fe)*				*(million tonnes)*[3]	
Sishen Iron										
Ore Mine	Proved	813	805	709	58.1	59.5	59.7	567@65.8% Fe	598@65.2% Fe	536@65.0% Fe
Attributable%[1] — 36.6	Probable	241	227	248	57.2	60.0	59.3	226@63.9% Fe	174@65.3% Fe	187@65.1% Fe
	Total	1,054	1,033	957	57.9	59.6	59.6	793@65.3% Fe	772@65.2% Fe	723@65.0% Fe
Thabazimbi Iron										
Ore Mine	Proved	7	8	4	61.6	62.9	64.5	6@64.5% Fe	7@63.5% Fe	4@64.9% Fe
Attributable%[1] — 46.6	Probable	2	1	1	60.9	62.7	64.9	2@63.9% Fe	1@63.1% Fe	1@65.1% Fe
	Total	10	9	5	61.4	62.9	64.6	8@64.3% Fe	8@63.4% Fe	5@64.9% Fe
Sishen South Iron										
Ore Project	Proved	134	98	123	65.4	64.7	64.2	—	97@64.7% Fe	123@64.1% Fe
Attributable%[1] — 46.6	Probable	31	78	91	64.2	63.6	63.9	—	78@63.6% Fe	91@63.9% Fe
	Total	166	176	214	65.2	64.2	64.1	—	176@64.2% Fe	214@64.0% Fe

	Classification	Ore 2006	Ore 2007	Ore 2008	Grade 2006	Grade 2007	Grade 2008	% Yield 2006	% Yield 2007	% Yield 2008
		(million tonnes)[3]			(%Mn)					
Hotazel Manganese Mines[2]										
Mamatwan	Proved	42.3	44.0	40.5	37.6	37.6	37.7			
Attributable%[1] − 40.0	Probable	6.7	8.1	8.1	37.2	36.4	36.8			
	Total	49.0	52.1	48.6	37.5	37.4	37.6			
Wessels	Proved	2.4	4.6	3.9	48.0	46.0	46.5			
Attributable%[1] − 40.0	Probable	11.6	14.8	14.9	48.0	45.2	45.3			
	Total	14.0	19.4	18.8	48.0	45.4	45.5			
GEMCO[1]	Proved	55.5	81.8	71.9	48.5	48.2	48.2	53.4	49.3	49.4
Attributable%[1] − 40.0	Probable	36.0	44.7	43.9	47.2	47.2	47.1	51.0	47.0	47.0
	Total	91.5	126.5	115.8	48.0	47.8	47.8	52.5	48.5	48.5

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2008 is stated above.

(2) We own 40% of Hotazel Manganese Mines and Groote Eylandt Mining Company ("GEMCO") through our investment in Samancor Manganese.

(3) Tonnage: quoted as metric tonnes.

Base Metals[1]

	Classification	Ore 2006	Ore 2007	Ore 2008	Grade 2006	Grade 2007	Grade 2008	Contained Metal 2006	Contained Metal 2007	Contained Metal 2008
		(million tonnes)[1]			(%Cu)	(%Cu)	(%Cu)	(thousand tonnes)[1]		
Los Bronces										
Sulphide (TCu) Flotation	Proved	581.3	697.7	715.4	0.92	0.76	0.73	5,348	5,303	5,222
	Probable	190.3	782.7	890.7	0.74	0.58	0.55	1,408	4,540	4,899
	Total	771.6	1,480.4	1,606.1	0.88	0.66	0.63	6,756	9,842	10,121
Sulphide (TCu) Dump Leach	Proved	583.6	344.8	303.9	0.42	0.33	0.33	2,393	1,138	1,003
	Probable	553.8	672.6	492.6	0.34	0.25	0.22	1,883	1,682	1,084
	Total	1,137.4	1,017.4	796.5	0.38	0.28	0.26	4,276	2,819	2,087
El Soldado										
Sulphide (TCu) Flotation	Proved	76.1	68.7	71.2	1.05	1.04	1.00	796	715	712
	Probable	49.9	50.7	44.2	0.83	0.82	0.89	415	418	393
	Total	126.0	119.4	115.4	0.96	0.95	0.96	1,211	1,133	1,105
Oxide (TCu) Heap Leach	Proved	—	1.5	3.2	—	0.87	0.89	—	13	28
	Probable	—	3.0	2.8	—	0.74	0.57	—	22	16
	Total	—	4.6	6.0	—	0.78	0.74	—	36	44
Mantos Blancos										
Sulphide (ICu) Flotation	Proved	8.0	9.4	12.9	1.13	0.93	0.93	90	87	120
	Probable	24.8	19.3	18.5	0.88	1.05	0.94	217	203	173
	Total	32.8	28.7	31.3	0.94	1.01	0.94	307	291	293
Oxide (ASCu) Vat and Heap Leach	Proved	1.1	1.5	1.4	0.85	0.72	0.70	10	11	10
	Probable	28.7	44.0	37.6	0.56	0.44	0.45	160	195	169
	Total	29.8	45.5	39.0	0.57	0.45	0.46	170	205	179
Oxide (ASCu) Dump Leach	Proved	0.5	0.5	0.6	0.26	0.24	0.24	1	1	1
	Probable	8.2	9.4	11.6	0.29	0.27	0.26	24	26	30
	Total	8.7	10.0	12.1	0.29	0.27	0.26	25	27	31

	Classification	Ore 2006	Ore 2007	Ore 2008	Grade 2006	Grade 2007	Grade 2008	Contained Metal 2006	Contained Metal 2007	Contained Metal 2008
		(million tonnes)[1]			*(%Cu)*	*(%Cu)*	*(%Cu)*	*(thousand tonnes)*[1]		
Mantoverde										
Oxide (ASCu) Heap Leach	Proved	56.5	53.5	45.6	0.64	0.62	0.60	360	332	273
	Probable	10.7	11.2	8.0	0.59	0.57	0.54	63	64	43
	Total	67.2	64.7	53.6	0.63	0.61	0.59	423	395	317
Oxide (ASCu) Dump Leach . . .	Proved	32.3	28.1	20.9	0.37	0.36	0.36	120	101	75
	Probable	11.6	11.5	10.1	0.39	0.40	0.39	45	46	39
	Total	43.9	39.7	31.1	0.38	0.37	0.37	165	147	115
Collahuasi[2]										
Oxide, Mixed and Secondary Sulphides (TCu) Heap Leach	Proved	14.3	43.9	0.2	0.99	0.80	1.60	142	352	4
	Probable	16.9	31.2	20.3	0.97	0.88	0.77	164	275	156
	Total	31.2	75.2	20.5	0.98	0.83	0.78	306	626	160
Sulphide (TCu) Flotation — direct feed	Proved	193.5	279.0	315.4	1.09	0.99	0.99	2,108	2,762	3,123
	Probable	1,145.8	1,180.0	1,224.1	0.97	0.96	0.95	11,164	11,328	11,629
	Total	1,339.3	1,459.1	1,539.5	0.99	0.97	0.96	13,272	14,091	14,752
Low Grade Sulphide (TCu) Flotation — stockpile	Proved	—	—	—	—	—	—	—	—	—
	Probable	380.5	670.1	675.1	0.53	0.51	0.51	2,003	3,418	3,443
	Total	380.5	670.1	675.1	0.53	0.51	0.51	2,003	3,418	3,443
Black Mountain[2][3]										
Zinc					**(%Zn)**	**(%Zn)**	**(%Zn)**			
	Proved	0.2	1.3	2.9	2.34	2.50	3.71	6	32	109
	Probable	11.5	7.4	5.9	3.88	3.75	2.89	446	279	170
	Total	11.7	8.7	8.8	3.84	3.56	3.16	452	311	280
Copper					**(%Cu)**	**(%Cu)**	**(%Cu)**			
	Proved				0.25	0.21	0.45	1	3	13
	Probable				0.76	0.81	0.37	88	61	22
	Total				0.75	0.72	0.40	89	63	35
Lead					**(%Pb)**	**(%Pb)**	**(%Pb)**			
	Proved				3.27	4.48	3.16	8	59	93
	Probable				3.92	4.05	2.86	451	301	168
	Total				3.91	4.12	2.96	459	360	261
Lisheen[3]										
Zinc					**(%Zn)**	**(%Zn)**	**(%Zn)**			
	Proved	7.5	6.9	6.6	11.61	11.25	11.72	869	782	779
	Probable	3.8	2.7	1.6	12.69	13.68	12.01	487	373	192
	Total	11.3	9.7	8.2	11.97	11.94	11.78	1,356	1,155	970
Lead					**(%Pb)**	**(%Pb)**	**(%Pb)**			
	Proved				2.07	1.98	1.91	155	138	127
	Probable				1.43	1.61	1.81	55	44	29
	Total				1.85	1.88	1.89	210	182	156
Skorpion										
Zinc					**(%Zn)**	**(%Zn)**	**(%Zn)**			
	Proved	7.7	6.4	4.8	12.72	12.74	12.94	982	821	624
	Probable	5.2	5.1	4.1	9.68	9.72	10.06	506	491	417
	Total	13.0	11.5	9.0	11.49	11.41	11.61	1,488	1,312	1,041

	Classification	Ore 2006	Ore 2007	Ore 2008	Grade 2006	Grade 2007	Grade 2008	Contained Metal 2006	Contained Metal 2007	Contained Metal 2008
		(million tonnes)[1]			*(%Cu)*	*(%Cu)*	*(%Cu)*	*(thousand tonnes)[1]*		
Loma de Níquel*[2][4]										
Laterite					**(%Ni)**	**(%Ni)**	**(%Ni)**			
	Proved	11.9	11.9	12.1	1.51	1.49	1.48	180	178	179
	Probable	22.6	22.1	21.0	1.46	1.47	1.46	329	324	306
	Total	34.5	34.0	33.1	1.48	1.48	1.47	509	502	485
Codemin										
Laterite					**(%Ni)**	**(%Ni)**	**(%Ni)**			
	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										
Laterite					**(%Ni)**	**(%Ni)**	**(%Ni)**			
	Proved	13.2	12.3	9.5	1.64	1.61	1.66	216	199	158
	Probable	27.2	27.1	31.2	1.81	1.81	1.72	492	491	535
	Total	40.4	39.5	40.7	1.75	1.75	1.70	708	690	693
Catalão										
Carbonate					**($\%Nb_2O_5$)**	**($\%Nb_2O_5$)**	**($\%Nb_2O_5$)**			
	Proved	7.0	11.9	10.6	1.15	1.24	1.21	80	147	128
	Probable	6.8	4.2	4.0	1.44	1.15	1.14	98	48	46
	Total	13.8	16.0	14.6	1.29	1.21	1.19	178	195	174
Copebrás[2]										
Phosphate					**($\%P_2O_5$)**	**($\%P_2O_5$)**	**($\%P_2O_5$)**			
	Proved	84.3	79.6	78.7	13.3	13.3	13.4			
	Probable	152.3	152.1	160.4	13.4	13.4	13.3			
	Total	236.6	231.7	239.1	13.3	13.3	13.3			
Namakwa Sands[3][5]										
Ilmenite					**(%Ilm)**	**(%Ilm)**	**(%Ilm)**			
	Proved	79.9	76.5	—	5.0	4.9	—	4.0	3.7	—
	Probable	268.9	250.4	—	3.7	3.7	—	9.9	9.2	—
	Total	348.8	326.8	—	4.0	4.0	—	13.9	12.9	—
Zircon					**(%Zir)**	**(%Zir)**	**(%Zir)**			
	Proved				1.2	1.2	—	1.0	0.9	—
	Probable				0.9	0.9	—	2.5	2.4	—
	Total				1.0	1.0	—	3.5	3.3	—
Rutile					**(%Rut)**	**(%Rut)**	**(%Rut)**			
	Proved				0.2	0.2	—	0.2	0.2	—
	Probable				0.2	0.2	—	0.5	0.5	—
	Total				0.2	0.2	—	0.7	0.7	—
Quellaveco[2]										
Copper Sulphide Flotation					**(%Cu)**	**(%Cu)**	**(%Cu)**			
	Proved	250.1	250.1	253.3	0.76	0.76	0.76	1,901	1,901	1,925
	Probable	688.3	688.3	636.8	0.59	0.59	0.61	4,061	4,061	3,885
	Total	938.4	938.4	890.1	0.64	0.64	0.65	5,962	5,962	5,810
Gamsberg[2]										
Zinc					**(%Zn)**	**(%Zn)**	**(%Zn)**			
	Proved	34.4	34.3	34.2	7.55	7.55	7.55	2,597	2,585	2,580
	Probable	110.3	110.3	110.3	5.55	5.55	5.55	6,124	6,124	6,124
	Total	144.7	144.5	144.4	6.03	6.03	6.03	8,721	8,709	8,704

(1) Tonnage: quoted as metric tonnes.

(2) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2008 is 100% except for Collahuasi (44%), Black Mountain (74%), Loma de Níquel (91.4%), Copébras (73%), Quellaveco (81.9%) and Gamsberg (74%).

(3) Tonnage data applies to all metal groups within a shaded area.

(4) Includes Ore Reserves in concessions cancelled by MIBAM, which Anglo American anticipates will be restored (see "Base Metals — Other Information").

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

Coal

		Run Of Mine (ROM)			Saleable Heat content			Saleable		
Coal Reserves[1]	**Classification**	**2006**	**2007**	**2008**	**2006**	**2007**	**2008**	**2006**	**2007**	**2008**
		(million tonnes)[10]			*CSN[9](kcal/kg)[2]*			*(million tonnes)[10]*		
Australia										
Callide						***(kcal/kg)[2]***				
Domestic Power	Proved	210.8	204.8	134.6	4,610	4,610	4,530	206.4	202.1	131.0
Attributable%[8] — 100.0	Probable	32.5	27.0	87.7	4,530	4,480	4.550	31.7	26.5	87.0
	Total	243.3	231.8	222.3	4,600	4,590	4,540	238.0	228.5	218.0
Capcoal[11]						***(kcal/kg)[2]***				
Export Thermal.	Proved	139.1	135.6	125.8	7,400	7,400	7,400	64.5	57.8	53.1
Attributable%[8] — 71.6	Probable	96.1	90.1	90.3	7,400	7,400	7,400	33.9	38.6	38.6
	Total	235.2	225.6	216.1	7,400	7,400	7,400	98.4	96.5	91.7
						CSN[9]				
Coking	Proved				8.5	8.5	8.5	43.2	42.6	39.1
Attributable%[8] — 71.6	Probable				8.5	8.5	8.5	26.4	16.3	16.3
	Total				8.5	8.5	8.5	69.6	58.9	55.4
Dawson[11]						***(kcal/kg)[2]***				
Export Thermal.	Proved	222.0	213.6	205.1	6,620	6,610	6,600	111.2	117.8	114.1
Attributable%[8] — 51.0	Probable	123.0	123.0	123.0	6,570	6,570	6,620	39.1	39.1	38.9
	Total	345.0	336.6	328.1	6,600	6,600	6,610	150.3	156.9	153.0
						CSN[9]				
Coking	Proved				7.5	7.5	7.5	76.7	62.9	59.6
Attributable%[8] — 51.0	Probable				7.5	7.5	7.5	61.4	61.4	61.4
	Total				7.5	7.5	7.5	138.2	124.3	121.0
Drayton[11]						***(kcal/kg)[2]***				
Export Thermal.	Proved	41.0	30.7	26.5	6,240	6,720	6,720	35.7	21.4	18.5
Attributable%[8] — 88.2	Probable	12.5	14.6	14.4	6,240	6,740	6,740	12.1	10.2	10.1
	Total	53.5	45.3	40.9	6,240	6,730	6,730	47.8	31.6	28.6
Domestic Power	Proved				5,140	5,780	5,780	4.3	7.7	6.6
Attributable%[8] — 88.2	Probable				—	5,780	5,780	—	3.7	3.6
	Total				5,140	5,780	5,780	4.3	11.3	10.2
Moranbah North						***CSN[9]***				
Coking	Proved	113.3	119.5	118.4	8.0	8.0	7.5	90.1	97.7	95.0
Attributable%[8] — 88.0	Probable	21.3	23.3	17.3	8.0	7.5	8.0	16.0	17.9	13.6
	Total	134.6	142.8	135.8	8.0	8.0	7.5	106.1	115.6	108.6

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2006	2007	2008	Saleable Heat content 2006	2007	2008	Saleable 2006	2007	2008
		(million tonnes)[10]			CSN[9](kcal/kg)[2]			(million tonnes)[10]		
Australia[3][11]						***(kcal/kg)***[2]				
Export Thermal	Proved	726.3	704.1	610.4	6,790	6,860	6,840	211.4	197.1	185.7
Attributable%[8] — 61.8	Probable	285.3	278.0	332.8	6,850	6,950	6,980	85.1	87.9	87.6
	Total	1,011.6	982.1	943.2	6,810	6,890	6,880	296.5	285.0	273.3
						CSN[9]				
Coking	Proved				8.0	8.0	8.0	210.1	203.1	193.7
Attributable%[8] — 69.1	Probable				8.0	7.5	8.0	103.8	95.7	91.4
	Total				8.0	8.0	8.0	313.9	298.9	285.0
						(kcal/kg)[2]				
Domestic Power	Proved				4,620	4,650	4,590	210.6	209.7	137.6
Attributable%[8] — 99.5	Probable				4,530	4,640	4,600	31.7	30.1	90.7
	Total				4,610	4,650	4,590	242.3	239.9	228.3
Canada[11]										
Trend						***(kcal/kg)***[2]				
Export Thermal	Proved	—	11.4	10.4	—	—	5,660	—	—	0.2
Attributable%[8] — 74.0	Probable	—	4.2	4.2	—	—	5,660	—	—	0.1
	Total	—	15.6	14.6	—	—	5,660	—	—	0.3
						CSN[9]				
Coking	Proved				—	7.0	7.0	—	8.0	7.4
Attributable%[8] — 74.0	Probable				—	7.0	7.0	—	2.8	3.0
	Total				—	7.0	7.0	—	10.8	10.4
Canada[5][11]						***(kcal/kg)***[2]				
Export Thermal	Proved	—	11.4	10.4	—	—	5,660	—	—	0.2
Attributable%[8] — 74.0	Probable	—	4.2	4.2	—	—	5,660	—	—	0.1
	Total	—	15.6	14.6	—	—	5,660	—	—	0.3
						CSN[9]				
Coking	Proved				—	7.0	7.0	—	8.0	7.4
Attributable%[8] — 74.0	Probable				—	7.0	7.0	—	2.8	3.0
	Total				—	7.0	7.0	—	10.8	10.4
Colombia										
Cerréjon						***(kcal/kg)***[2]				
Export Thermal[6]	Proved	622.7	649.0	519.3	6,130	6,130	6,200	634.3	661.2	502.9
Attributable%[8] — 33.3	Probable	193.8	211.2	241.0	6,220	6,220	6,200	197.7	215.4	233.4
	Total	816.5	860.2	760.2	6,160	6,160	6,200	832.0	876.6	736.3
Colombia						***(kcal/kg)***[2]				
Export Thermal[6]	Proved	622.7	649.0	519.3	6,130	6,130	6,200	634.3	661.2	502.9
Attributable%[8] — 33.3	Probable	193.8	211.2	241.0	6,220	6,220	6,200	197.7	215.4	233.4
	Total	816.5	860.2	760.2	6,160	6,160	6,200	832.0	876.6	736.3
South Africa Goedehoop[11]						***(kcal/kg)***[2]				
Export Thermal	Proved	57.0	46.7	50.5	6,200	6,160	6,200	35.2	27.5	26.3
Attributable%[8] — 100.0	Probable	111.8	103.7	81.2	6,170	6,170	6,130	67.2	56.1	45.1
	Total	168.9	150.4	131.7	6,180	6,160	6,150	102.4	83.6	71.4
Metallurgical	Proved				7,030	7,080	6,990	2.4	1.5	1.0
Attributable%[8] — 100.0	Probable				7,080	7,010	—	6.3	4.4	—
	Total				7,060	7,030	6,990	8.7	5.9	1.0

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2006	2007	2008	Saleable Heat content 2006	2007	2008	Saleable 2006	2007	2008
		(million tonnes)[10]				CSN[9](kcal/kg)[2]		*(million tonnes)*[10]		
Greenside						***(kcal/kg)***[2]				
Export Thermal.	Proved	1.8	9.3	19.5	6,220	6,200	6,240	1.3	6.3	12.6
Attributable%[8] — 100.0	Probable	34.4	47.6	12.2	6,230	6,190	6,220	20.8	30.4	7.5
	Total	36.2	56.9	31.7	6,230	6,200	6,230	22.1	36.7	20.1
Isibonelo						***(kcal/kg)***[2]				
Domestic Synfuel	Proved	99.1	91.5	90.6	4,820	4,870	4,660	98.9	91.3	90.6
Attributable%[8] — 100.0	Probable	—	—	—	—	—	—	—	—	—
	Total	99.1	91.5	90.6	4,820	4,870	4,660	98.9	91.3	90.6
Kleinkopje[11]						***(kcal/kg)***[2]				
Export Thermal.	Proved	85.8	75.2	81.9	6,170	6,170	6,220	50.6	43.8	27.3
Attributable%[8] — 100.0	Probable	98.8	64.0	25.4	6,180	6,180	6,230	52.6	33.9	12.6
	Total	184.6	139.2	107.4	6,170	6,170	6,220	103.1	77.7	39.9
Domestic Power	Proved				—	—	4,530	—	—	33.2
Attributable%[8] — 100.0	Probable				—	—	—	—	—	—
	Total				—	—	4,530	—	—	33.2
Kriel						***(kcal/kg)***[2]				
Domestic Power	Proved	97.1	94.8	82.1	5,000	4,920	4,800	97.1	94.8	82.1
Attributable%[8] — 73.0	Probable	78.1	61.4	62.4	4,820	4,730	4,500	78.1	61.4	62.4
	Total	175.2	156.2	144.5	4,920	4,850	4,670	175.2	156.2	144.5
Landau[11]						***(kcal/kg)***[2]				
Export Thermal.	Proved	43.2	37.8	37.5	6,280	6,250	6,270	25.1	22.2	18.8
Attributable%[8] — 100.0	Probable	16.3	35.7	27.8	6,260	5,730	6,260	9.2	23.5	13.4
	Total	59.6	73.5	65.3	6,280	5,980	6,270	34.3	45.7	32.3
Domestic Power	Proved				—	—	3,340	—	—	4.0
Attributable%[8] — 100.0	Probable				—	—	4,690	—	—	4.2
	Total				—	—	4,040	—	—	8.2
Mafube[11]						***(kcal/kg)***[2]				
Export Thermal.	Proved	2.1	44.3	40.6	—	6,260	6,290	—	23.9	22.0
Attributable%[8] — 50.0	Probable	42.7	—	66.8	6,260	—	6,270	22.1	—	24.7
	Total	44.8	44.3	107.3	6,260	6,260	6,280	22.1	23.9	46.7
Domestic Power	Proved				5,460	5,050	5,380	2.1	12.1	11.4
Attributable%[8] — 50.0	Probable				5,170	—	5,080	10.9	—	20.9
	Total				5,220	5,050	5,190	13.0	12.1	32.3
New Denmark						***(kcal/kg)***[2]				
Domestic Power	Proved	65.7	62.6	41.9	4,940	5,140	4,900	65.7	62.6	41.9
Attributable%[8] — 100.0	Probable	115.4	102.1	87.6	4,910	5,100	4,850	115.4	102.1	87.6
	Total	181.1	164.7	129.5	4,920	5,120	4,870	181.1	164.7	129.5

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2006	2007	2008	Saleable Heat content 2006	2007	2008	Saleable 2006	2007	2008
		(million tonnes)[10]				*CSN*[9]*(kcal/kg)*[2]		*(million tonnes)*[10]		
New Vaal										
Domestic Power	Proved	388.6	477.2	444.9	3,690	3,720	3,500	374.0	448.0	417.6
Attributable%[8] — 100.0	Probable	—	—	—	—	—	—	—	—	—
	Total	388.6	477.2	444.9	3,690	3,720	3,500	374.0	448.0	417.6
Nooitgedacht 5 Seam[11]						***(kcal/kg)***[2]				
Export Thermal	Proved	2.8	3.6	2.9	—	—	6,200	—	—	1.2
Attributable%[8] — 100.0	Probable	1.8	—	—	—	—	—	—	—	—
	Total	4.6	3.6	2.9	—	—	6,200	—	—	1.2
Metallurgical	Proved				6,420	6,470	6,510	1.7	2.6	0.9
Attributable%[8] — 100.0	Probable				6,420	—	—	1.1	—	—
	Total				6,420	6,470	6,510	2.8	2.6	0.9
Zondagsfontein[11]						***(kcal/kg)***[2]				
Export Thermal	Proved	—	—	—	—	—	—	—	—	—
Attributable%[8] — 73.0	Probable	—	—	117.7	—	—	6,340	—	—	47.5
	Total	—	—	117.7	—	—	6,340	—	—	47.5
Domestic Power	Proved				—	—	—	—	—	—
Attributable%[8] — 73.0	Probable				—	—	4,880	—	—	49.8
	Total				—	—	4,880	—	—	49.8
South Africa[4][11]						***(kcal/kg)***[2]				
Export Thermal	Proved	843.3	943.0	892.4	6,200	6,200	6,240	112.2	123.8	108.2
Attributable%[8] — 86.0	Probable	499.4	414.5	481.0	6,200	6,100	6,240	171.8	143.8	150.9
	Total	1,342.7	1,357.5	1,373.4	6,200	6,150	6,240	284.0	267.6	259.1
						(kcal/kg)[2]				
Metallurgical	Proved				6,780	6,700	6,760	4.1	4.2	1.9
Attributable%[8] — 100.0	Probable				6,980	7,010	—	7.4	4.4	—
	Total				6,910	6,860	6,760	11.5	8.6	1.9
						(kcal/kg)[2]				
Domestic Power	Proved				4,090	4,070	3,870	538.9	617.5	590.1
Attributable%[8] — 91.6	Probable				4,890	4,970	4,780	204.4	163.5	225.0
	Total				4,310	4,260	4,120	743.3	780.9	815.1
						(kcal/kg)[2]				
Synfuel	Proved				4,820	4.870	4,660	98.9	91.3	90.6
Attributable%[8] — 100.0	Probable				—	—	—	—	—	—
	Total				4,820	4,870	4,660	98.9	91.3	90.6
Venezuela										
Guasare						***(kcal/kg)***[2]				
Export Thermal[7]	Proved	147.6	141.0	136.6	7,120	7,100	7,320	152.4	145.5	141.1
Attributable%[8] — 25.0	Probable	—	—	—	—	—	—	—	—	—
	Total	147.6	141.0	136.6	7,120	7,100	7,320	152.4	145.5	141.1
Venezuela						***(kcal/kg)***[2]				
Export Thermal[7]	Proved	147.6	141.0	136.6	7,120	7,100	7,320	152.4	145.5	141.1
Attributable%[8] — 25.0	Probable	—	—	—	—	—	—	—	—	—
	Total	147.6	141.0	136.6	7,120	7,100	7,320	152.4	145.5	141.1

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2006	2007	2008	Saleable Heat content 2006	2007	2008	Saleable 2006	2007	2008
		(million tonnes)[10]			CSN[9](kcal/kg)[2]			(million tonnes)[10]		
Total Coal Reserves[11]						*(kcal/kg)*[2]				
Export Thermal[4]	Proved	2,339.8	2,448.5	2,169.1	6,400	6,390	6,500	1,110.3	1,127.6	938.1
Attributable%[8] — 47.7	Probable	978.5	907.9	1,059.0	6,330	6,330	6,360	454.6	447.2	472.0
	Total	3,318.3	3,356.4	3,228.0	6,380	6,370	6,450	1,564.9	1,574.7	1,410.1
						(kcal/kg)[2]				
Metallurgical[4]	Proved				6,780	6,700	6,760	4.1	4.2	1.9
Attributable%[8] — 100.0	Probable				6,980	7,010	—	7.4	4.4	—
	Total				6,910	6,860	6,760	11.5	8.6	1.9
						CSN[9]				
Coking	Proved				8.0	8.0	8.0	210.1	211.1	201.1
Attributable%[8] — 69.3	Probable				8.0	7.5	7.5	103.8	98.5	94.3
	Total				8.0	8.0	8.0	313.9	309.7	295.4
						(kcal/kg)[2]				
Domestic Power[4]	Proved				4,240	4,220	4,010	749.5	827.2	727.7
Attributable%[8] — 93.3	Probable				4,840	4,910	4,730	236.1	193.6	315.6
	Total				4,380	4,350	4,230	985.6	1,020.8	1,043.4
						(kcal/kg)[2]				
Synfuel	Proved				4.820	4.870	4,660	98.9	91.3	90.6
Attributable%[8] — 100.0	Probable				—	—	—	—	—	—
	Total				4.820	4,870	4,660	98.9	91.3	90.6

(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.

(2) The coal quality for the coal reserves is quoted as a weighted average of the heat content of all saleable coal products on a gross as received basis except where otherwise noted.

(3) Australian Export mining operations include Drayton, German Creek, Jellinbah East, Moranbah and Dawson Complex. Domestic Australian mining operations include Callide.

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

(5) Canadian Export operations include Peace River Coal (Anglo American's interest in Peace River Coal at December 31, 2007 was 65.9%).

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

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

(8) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2008 is stated above.

(9) Saleable Heat content has been quoted using the Crucible Swell Number (CSN).

(10) Tonnage: quoted as metric tonnes.

(11) Tonnage data applies to all coal products within a shaded area.

Platinum[4]

	Classification	Ore			Grade[2]			Contained Metal		
		2006	2007	2008	2006	2007	2008	2006	2007	2008
		(million tonnes)[1]			*(4E PGE g/t)*			*(tonnes)*[1]		
Merensky Reef[3]	Proved	95.5	88.7	88.6	5.54	5.22	5.28	529.1	462.6	467.4
	Probable	105.9	117.2	129.4	5.78	5.11	5.21	612.4	598.5	674.1
	Total	201.4	205.8	217.9	5.67	5.16	5.24	1,141.5	1,061.1	1,141.5
UG2 Reef[3]	Proved	347.2	415.7	469.9	4.57	4.37	4.19	1,585.1	1,816.0	1,970.8
	Probable	403.5	413.5	382.6	4.37	4.32	4.43	1,761.6	1,787.1	1,695.8
	Total	750.7	829.2	852.5	4.46	4.35	4.30	3,346.7	3,603.1	3,666.6
Platreef	Proved	319.6	284.6	274.5	3.27	3.24	3.21	1,045.5	923.2	880.7
	Proved (stockpiles)	16.4	19.8	20.6	2.66	2.54	2.58	43.6	50.1	53.1
	Probable	110.8	114.0	112.8	3.67	3.51	3.56	406.9	400.1	401.8
	Total	446.9	418.3	407.9	3.35	3.28	3.27	1,496.0	1,373.4	1,335.6
All Reefs	Proved	778.7	808.6	853.6	4.11	4.02	3.95	3,203.3	3,251.9	3,372.1
	Probable	620.3	644.6	624.7	4.48	4.32	4.44	2,781.0	2,785.7	2,771.7
	Total	1,399.0	1,453.3	1,478.3	4.28	4.15	4.16	5,984.2	6,037.6	6,143.7
Tailings	Proved	—	—	—	—	—	—	—	—	—
	Probable	43.6	38.6	33.4	1.00	0.92	0.88	43.6	35.5	29.5
	Total	43.6	38.6	33.4	1.00	0.92	0.88	43.6	35.5	29.5

(1) Tonnage: quoted as metric tonnes.

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

(3) Merensky Reef and UG2 Reef: In 2008 Anglo Platinum sold its' 22.4% share in Northam to Mvelapanda Resources. The associated Merensky Reef and UG2 Reef Ore Reserves have been excluded from the 2008 Ore Reserves figures(16.1Mt).

(4) The figures reported represent 100% of the Ore Reserves. Of these reserves at December 31, 2008 we owned 79.64% (2007: 76.53% and 2006: 75.73%) through Anglo American plc's interest in Anglo Platinum Limited.

SELECTED FINANCIAL INFORMATION

The selected financial information for the Group set forth below for the years ended December 31, 2008, 2007 and 2006 has been derived from, and should be read in conjunction with, the consolidated financial statements of the Company, for 2008, 2007 and 2006, 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. 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). The 2006 financial information was reclassified for these items in the comparatives presented in the Group 2007 Financial Statements.

(US$m)	**Year ended December 31, 2006**	**Year ended December 31, 2007**	**Year ended December 31, 2008**
Income statement measures			
Group revenue — continuing operations	24,991	25,470	26,311
Group revenue (including associates)[1] — total Group[2]	38,637	35,674	32,964
Operating profit from subsidiaries and joint ventures before special items and remeasurements — continuing operations	8,048	8,518	7,981
Operating profit before special items and remeasurements (including associates) — continuing operations	8,888	9,590	10,085
Profit for the financial year — continuing operations	5,925	6,128	6,120
Profit for the financial year — total Group	6,922	8,172	6,120
Underlying earnings — continuing operations	5,019	5,477	5,237
Underlying earnings — total Group	5,471	5,761	5,237
Earnings per share (US$)			
Basic — continuing operations	3.51	4.04	4.34
Basic — total Group	4.21	5.58	4.34
Diluted — total Group	4.12	5.50	4.29
Dividends per share (US cents)[3]			
Ordinary	108.0	124.0	44.0
Special	67.0	—	—
Balance sheet measures			
Total assets	46,483	44,762	49,738
Medium and long-term borrowings	(4,220)	(2,404)	(7,211)
Net debt	(3,324)	(5,239)	(11,043)
Cash flow measures			
Net cash inflows from operating activities — continuing operations	7,337	6,800	8,065
Net cash used in investing activities — continuing operations	(1,620)	(4,836)	(11,750)
Net cash (used in) / inflows from financing activities — continuing operations	(6,360)	(5,661)	3,542

(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.

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 to understand and interpret the financial statements incorporated by reference in this Offering Memorandum. This section should be read in conjunction with our Group Financial Statements for 2007 and 2008 (together with the accompanying notes) 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 the years ended December 31, 2008, 2007 and 2006, and should be read in conjunction with those financial statements and notes. In this analysis, all references to "2008" are to the year ended December 31, 2008, all references to "2007" or the "prior year" are to the year ended December 31, 2007 and all references to "2006" are to the year ended December 31, 2006.

As a result of disposal and demerger transactions in 2007, the Paper and Packaging business and AngloGold are considered to be discontinued and therefore, in accordance with EU IFRS, their contribution to Group profit (in 2006 and 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.

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

Overview

The Group's underlying earnings in 2008, 2007 and 2006 were US$5,237 million, US$5,477 million and US$5,019 million, respectively. 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 (primarily 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 (primarily higher realized coal and iron ore contract 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 iron ore, partially offset by higher operating costs at these operations).

The 9% increase from 2006 to 2007 was due to record contributions from Base Metals, Platinum and Ferrous Metals' core businesses (Kumba, Scaw Metals and Samancor Manganese) primarily as a result of high realized commodity prices in those segments as well as increased copper, zinc and iron ore volumes. Group underlying earnings also benefited from record profits at Anglo Industrial Minerals mainly as a result of realized price increases. This increase was partially offset by a lower contribution from Anglo Coal's Australian operations (resulting from lower sales prices, a strengthening Australian dollar compared to the US dollar and port and rail constraints) and decreased profits following sale of non-core businesses within the Ferrous Metals segment.

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

(US$m)	Year Ended December 31,		
	2006[1]	**2007**	**2008**
Profit for the financial year — continuing operations	5,925	6,128	6,120
Minority interests	(776)	(834)	(905)
Profit for the financial year attributable to equity shareholders of the Company	5,149	5,294	5,215
Operating special items including associates	458	713	477
Operating remeasurements including associates	(35)	(2)	880
Net profit on disposals including associates	(447)	(484)	(1,027)
Financing special items	4	—	—
Financing remeasurements including associates:			
Exchange (gain) / loss on De Beers preference shares	(40)	3	(28)
Unrealized net gains on non-hedge derivatives related to net debt	(4)	(28)	(8)
Tax remeasurements	—	—	153
Tax on special items and remeasurements including associates	(58)	15	(264)
Minority interests on special items and remeasurements including associates	(8)	(34)	(161)
Underlying earnings — continuing operations	5,019	5,477	5,237
Underlying earnings — discontinued operations	452	284	—
Underlying earnings — total Group	5,471	5,761	5,237

(1) Adjusted to exclude discontinued operations to enable comparison on a consistent basis.

The Group's profit for the year attributable to equity shareholders for 2008, 2007 and 2006 was US$5,215 million, US$5,294 million and US$5,149 million, respectively. The 1% decrease from 2007 to 2008 was caused principally 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 iron ore prices and volumes, increased profits on disposal and a reduced impairment charge.

The 3% increase from 2006 to 2007 was principally due to increases in the realized price of a number of our commodities as well as volume increases in certain commodities and an increase in profits on disposal of non-core businesses, partially offset by higher impairment charges recorded in 2007, lower contribution from Anglo Coal's Australian operations and decreased profits following sale of non-core businesses.

Restructuring

In 2006, 2007 and 2008, we made significant progress restructuring our portfolio with the significant sell down of our interest in AngloGold, the restructuring of Kumba Resources, the demerger and separate listing of Hulamin from Tongaat-Hulett (and concurrent reduction in our shareholding of both companies), the disposal of Highveld, Tarmac Iberia and Namakwa Sands, the demerger of Mondi and the Minas-Rio & Amapá, Michiquillay, Pebble and Foxleigh transactions. 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.

	Year ended December 31,		
	2006	**2007**	**2008**
Iron ore (US \$/tonne)[1]	48	54	88
Copper (US cents/lb)[2]	305	323	315
Zinc (US cents/lb)[2]	148	147	85
Nickel (US cents/lb)[2]	1,095	1,686	953
Coal (US \$/tonne)[3]	51	63	120
Platinum (US \$/oz)[4]	1,142	1,304	1,585
Palladium (US \$/oz)[4]	321	355	355

(1) Average price represents Kumba's achieved price on export sales.

(2) Average London Metals Exchange price.

(3) Average price represents RSA-API 4 index.

(4) Source: Johnson Matthey.

Set forth below is the impact on 2008 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.

	10% sensitivity *(US\$m)*[1]
Iron ore[2]	+/−88
Copper[3]	+/−275
Zinc	+/−45
Nickel	+/−50
Coal[4]	+/−349
Platinum	+/−144
Palladium	+/−22

(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 2008. Increases in commodity prices increase underlying earnings and vice versa.

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

(3) Copper sensitivity excludes the impact of provisionally priced copper from 2007. As at December 31, 2008, there were 145,066 tonnes of provisionally priced copper sales, marked at 139 US ¢/lb (compared to 140,137 tonnes marked at 302 US ¢/lb at December 31, 2007).

(4) Sensitivity reflects the impact of a 10% change in the average price across the entire Anglo Coal product portfolio.

We estimate that increases in the average price of many of our commodities, particularly with respect to coal, iron ore, manganese ore and alloys, platinum and rhodium (driven by price increases in the first half 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. In 2007, the impact was approximately US\$1,300 million compared to 2006, particularly as a result of increases in the average price of nickel and PGMs.

The table below sets forth the spot market prices for certain of our key commodities at year end demonstrating the significant decrease in commodity prices in the second half of 2008.

	December 31,		
	2006	2007	2008
Iron ore (US $/tonne)[1]	75	164	80
Copper (US cents/lb)[2]	285	303	132
Zinc (US cents/lb)[2]	196	104	51
Nickel (US cents/lb)[2]	1,551	1,170	490
Coal (US $/tonne)[3]	51	94	76
Platinum (US $/oz)[4]	1,124	1,537	922
Palladium (US $/oz)[4]	327	368	186

(1) December US $/tonne average for iron ore concentrate 66% 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 contracts (rather than in the spot market), this information is given only to provide an indication of the movement in iron ore prices to the end of 2008 and not as an indication of prices realized by Kumba.

(2) London Metals Exchange closing price.

(3) RSA-API 4 index closing.

(4) Source: Johnson Matthey.

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 primarily 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.

	Year ended December 31,		
	2006	2007	2008
Average spot prices for the year (per US dollar)			
South African rand	6.77	7.05	8.27
Australian dollar	1.33	1.19	1.17
Chilean peso	530.49	522.16	523.53
Euro	0.80	0.73	0.68
British pound	0.54	0.50	0.54
Closing spot prices (per US dollar)			
South African rand	7.00	6.84	9.30
Australian dollar	1.27	1.14	1.44
Chilean peso	532.75	497.95	637.25
Euro	0.76	0.68	0.72
British pound	0.51	0.50	0.69

Set forth below is the impact on the 2008 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)]	+/−279
Australian dollar/US dollar[(2)]	+/−110
Chilean peso/US dollar[(2)]	+/−45
British pound/US dollar[(2)]	+/−14

(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 2008.

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

We estimate that currency movements in aggregate positively affected underlying earnings of our subsidiaries and joint ventures in 2008 by approximately US$725 million compared to 2007 and positively affected underlying earnings of our subsidiaries and joint ventures in 2007 by approximately US$25 million compared to 2006.

Operating results in 2008 benefited principally from a weaker average exchange rate for the South African rand. Operating results in 2007 benefited from a weaker average exchange rate for the South African rand, largely offset by the stronger Australian dollar, Brazilian real and Chilean peso. The Industrial Minerals segment also benefited in 2007 from the strength of certain European exchange rates against the US dollar (as its sales are priced in local currencies unlike the rest of the Group).

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 geographical segment, allocated based on the location of our operations, for the periods presented:

(US$m)	December 31, 2006	% of Total Group	December 31, 2007	% of Total Group	December 31, 2008	% of Total Group
Total Group[(1)]						
South Africa	4,244	43.2	4,826	47.7	5,107	50.7
South America	3,635	37.0	4,138	40.9	2,985	29.6
Australia and Asia	346	3.5	315	3.1	1,738	17.2
Africa outside South Africa	596	6.1	128	1.3	467	4.6
Europe[(2)]	952	9.7	745	7.4	(183)	(1.8)
North America	59	0.5	(36)	(0.4)	(29)	(0.3)
Total	9,832	100.0	10,116	100.0	10,085	100.0

(US$m)	December 31, 2006	% of Continuing	December 31, 2007	% of Continuing	December 31, 2008	% of Continuing
Continuing operations[(1)]						
South Africa	3,854	43.4	4,291	44.7	5,107	50.7
South America	3,579	40.3	3,895	40.6	2,985	29.6
Australia and Asia	319	3.6	151	1.6	1,738	17.2
Africa outside South Africa	508	5.7	693	7.2	467	4.6
Europe[(2)]	574	6.5	513	5.3	(183)	(1.8)
North America	54	0.5	47	0.6	(29)	(0.3)
Total	8,888	100.0	9,590	100.0	10,085	100.0

(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) The contribution of our European operations is expected to decline when the announced disposal of Tarmac is undertaken.

The increase in operating profit from continuing operations from 2007 to 2008, as noted above, principally reflected increased operating profits from Australia (mainly from Coal) and South Africa (mainly from Coal and Ferrous Metals) partially offset by lower operating profit in South America (mainly from Base Metals) and Europe (mainly from Industrial Minerals). See "Results of Operation" for further information.

Group Outlook

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 the year resulted in substantial and rapid declines in both prices and demand across most of our commodities (including our base metals, platinum and diamonds).

These weak economic conditions are expected to continue to impact performance significantly in the near term; however 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 has taken a series of measures to address the near term pressures to ensure that the Group's operating and cost profiles are appropriate and that its balance sheet and capital structure have sufficient flexibility through the current downturn, while preserving the Group's growth options for the longer term. These include a more than 50% reduction in capital expenditure in 2009 (to approximately US$4.5 billion), production and headcount reductions, further cost cutting across the Group and the suspension of the share buyback program and dividend payments.

In addition, the Group continues its program of Asset Optimization ("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.

For discussion of individual business segment outlooks see "Segment Discussion".

RESULTS OF OPERATIONS

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 2008 and 2007 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 profit, together with any profits generated on their disposal, have been separately presented. Financial information for 2006 was adjusted when included in the Group 2007 Financial Statements.

(US$m)	**Year ended December 31, 2006**	**Year ended December 31, 2007**	**Year ended December 31, 2008**
Income statement			
Group revenue	24,991	25,470	26,311
Total operating costs before special items and remeasurements	(16,943)	(16,952)	(18,330)
Operating profit from subsidiaries and joint ventures before special items and remeasurements	8,048	8,518	7,981
Operating special items	(424)	(251)	(352)
Operating remeasurements	18	5	(779)
Operating profit from subsidiaries and joint ventures	7,642	8,272	6,850
Net profit on disposals	265	460	1,009
Share of net income from associates[1]	607	197	1,113

(US$m)	Year ended December 31, 2006	Year ended December 31, 2007	Year ended December 31, 2008
Total profit from operations and associates	8,514	8,929	8,972
Net finance costs before special items and remeasurements	(110)	(137)	(452)
Financing special items and remeasurements	39	29	51
Profit before tax	8,443	8,821	8,571
Income tax expense	(2,518)	(2,693)	(2,451)
Profit for the financial year — continuing operations	5,925	6,128	6,120
Profit for the financial year — discontinued operations	997	2,044	—
Profit for the financial year — total Group	6,922	8,172	6,120
Operating profit including associates before special items and remeasurements — continuing operations[2]	8,888	9,590	10,085
Underlying earnings — continuing operations	5,019	5,477	5,237
Underlying earnings — discontinued operations	452	284	—
Underlying earnings — total Group	5,471	5,761	5,237
Earnings per share (US$)			
Basic — total Group	4.21	5.58	4.34
Basic — continuing operations	3.51	4.04	4.34
Diluted — total Group	4.12	5.50	4.29
Dividends per share (US cents)[3]			
Ordinary	108.0	124.0	44.0
Special	67.0	—	—
Balance sheet			
Total assets	46,483	44,762	49,738
Net assets	27,127	24,330	21,756
Total share capital	3,484	3,451	3,451
Net debt	(3,324)	(5,239)	(11,043)

(1) Associates' operating profit is reconciled to 'Share of net income from associates' as follows:

	2006	2007	2008
Operating profit from associates before special items and remeasurements — continuing operations	840	1,072	2,104
Operating special items and remeasurements	(17)	(465)	(226)
Operating profit from associates after special items and remeasurements — continuing operations	823	607	1,878
Net profit on disposals	182	24	18
Net finance costs (before remeasurements)	(70)	(85)	(147)
Financing remeasurements	1	(4)	(15)
Income tax expense (after special items and remeasurements)	(300)	(303)	(606)
Minority interests (after special items and remeasurements)	(29)	(42)	(15)
Share of net income from associates — continuing operations	607	197	1,113

(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 2008, 2007 and 2006 was US$26,311 million, US$25,470 million and US$24,991 million, respectively. The 3% increase in revenue in 2008 was primarily 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. The 2% increase in revenue in 2007 from 2006 was primarily a result of higher prices across many of the Group's commodities (particularly PGMs, nickel and iron ore). Revenue also benefited from increased sales volumes for iron ore, copper and coal (following increased market demand and production) and a reduction in copper treatment and refining charges ("TCRCs") (principally at Base Metals) which are deducted from revenue. These were largely offset by loss of revenues from disposed operations (including Highveld and the non-iron ore operations of Kumba), a decrease in PGM and nickel volumes and a decrease in the realized coal price in Australia.

Total Operating Costs

Total operating costs before special items and remeasurements for 2008, 2007 and 2006 were US$18,330 million, US$16,952 million and US$16,943 million, respectively.

The 8% increase in 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. This was partially offset by changes in exchange rates (primarily 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.

Cost increases in the first half of 2008 for certain raw materials were partly mitigated by market price reductions in the second half (for example, the market price of oil resulted in cost increases of US$164 million in the first half and only US$21 million in the second half, compared to 2007). However, reduction in most costs typically lag behind commodity price declines and therefore market driven cost reductions in the second half of 2008 were limited.

Operating costs remained virtually unchanged from 2006 to 2007 as above inflation increases in materials and labor costs and the impact of a strengthening Australian dollar (against the US dollar) were completely offset by the impact of disposals, achievement of cost savings (at a number of our operations) and the impact of a weaker South African rand.

Operating Special Items and Remeasurements

Operating special items in 2008, 2007 and 2006 were a US$352 million loss, US$251 million loss and US$424 million loss, respectively, and operating remeasurements were a US$779 million loss, US$5 million gain and US$18 million gain, respectively. For an explanation of the nature of special items and remeasurements see "Non-IFRS Financial Measures".

Operating special items and remeasurements in 2008 of US$1,131 million comprised US$352 million in respect of impairments, restructuring and one-off initiatives. These include a US$140 million impairment relating to Base Metals 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 (principally advisory costs associated with procurement, shared services and information systems). Operating special items and remeasurements also includes remeasurement losses of US$779 million which were primarily net losses on non-hedge capital expenditure derivatives held by Anglo Ferrous Brazil (in Ferrous Metals) and Los Bronces (in Base Metals), as well as an unrealised loss on an embedded derivative at MLdN (in Base Metals).

Operating special items and remeasurements in 2007 of US$246 million include 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.

Operating special items and remeasurements in 2006 were US$406 million, with US$418 million relating to impairments, restructurings and operation closures, including a US$250 million combined impairment and restructuring charge relating to certain non-core assets to be sold and other assets to be restructured in our

Industrial Minerals division, and an impairment and related closure costs of US$125 million at Anglo Coal's Dartbrook mine in Australia.

Net Profit on Disposals

Net profit on disposals in 2008, 2007 and 2006 amounted to US$1,009 million, US$460 million and US$265 million, respectively. The 2008 amount includes profit of US$551 million on disposal of our interest in China Shenhua Energy, US$142 million on sale of our interest in Minera Santa Rosa SCM, US$101 million disposal of Northam Platinum Limited and disposal of Tarmac Iberia (US$65 million).

The 2007 amount includes profits recorded on the sales of shares held in Exxaro (US$234 million) and AngloGold following cessation of equity accounting (US$67 million), 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 loss recorded on the Tongaat-Hulett and Hulamin BBBEE transactions (US$68 million).

The 2006 net profit on disposals included a gain of US$301 million on partial disposal of Highveld. This gain was partly offset by a loss of US$52 million on the partial disposal of Kumba's non-iron ore assets.

Share of Net Income from Associates

Our share of net income from associates in 2008, 2007 and 2006 was US$1,113 million, US$197 million and US$607 million, respectively. The more than four fold increase from 2007 to 2008 is primarily as a result of Samancor Managanese (Ferrous Metals) 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 (Diamonds) 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). The 68% decrease from 2006 to 2007 is primarily as a result of an impairment charge recorded against De Beers' Canadian operations in 2007, partially offset by the positive income effects of high manganese prices and record demand experienced by Samancor Manganese.

Net Finance Costs before Special Items and Remeasurements

Net finance costs before special items and remeasurements in 2008, 2007 and 2006 were US$452 million, US$137 million and US$110 million, respectively. The more than three fold increase in net finance costs before 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 into the value of the asset being funded. The 25% increase in net finance costs before special items and remeasurements from 2006 to 2007 reflects higher interest costs due to higher net debt. For a profile of our debt, see "— Liquidity and Capital Resources — Funding Sources".

Financing Special Items and Remeasurements

Financing special items and remeasurements in 2008, 2007 and 2006 were net gains of US$51 million, US$29 million and US$39 million, respectively.

Remeasurements in 2008 include a US$28 million foreign exchange gain on De Beers US dollar preference shares held by a South African rand denominated entity (2007: US$3 million loss; 2006: US$40 million gain) and a US$23 million net unrealized gain on non-hedge derivatives related to net debt (2007: US$32 million gain; 2006: US$3 million gain).

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 remeasurement.

Income Tax Expense before Special Items and Remeasurements

Income tax expense before special items and remeasurements in 2008, 2007 and 2006 was US$2,545 million, US$2,676 million and US$2,598 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 2008 decrease of 5% is principally due to lower profit before tax partially offset by a higher effective tax rate. The increase in 2007 of 3%, is principally the result of increased profit before tax partially offset by a decrease in the effective tax rate. Effective tax rate movements are analysed in greater detail after the table below.

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

	Year ended December 31, 2006			Year ended December 31, 2007			Year ended December 31, 2008		
(US$m)	Subsidiaries and Joint Ventures	Associates' tax and minority interests	Including associates	Subsidiaries and Joint Ventures	Associates' tax and minority interests	Including associates	Subsidiaries and Joint Ventures	Associates' tax and minority interests	Including associates
Profit before tax	8,401	307	8,708	9,021	347	9,368	8,832	654	9,486
Tax	(2,598)	(278)	(2,876)	(2,676)	(305)	(2,981)	(2,545)	(623)	(3,168)
Profit for the financial year	5,803	29	5,832	6,345	42	6,387	6,287	31	6,318
Effective tax rate including associates			33.0%			31.8%			33.4%

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 total tax charge on the face of the income statement. Associates' tax (before special items and remeasurements) included within "Share of net income from associates" in 2008, 2007 and 2006 was US$623 million, US$305 million and US$278 million, respectively.

The effective rate of tax, before special items and remeasurements (including share of associates' tax before special items and remeasurements), in 2008, 2007 and 2006 was 33.4%, 31.8% and 33.0%, respectively. 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. The net decrease from 2006 to 2007 reflects the reduced levels of tax on distributions, announced changes in statutory tax rates, prior year adjustments and the availability of enhanced tax depreciation on certain assets.

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 a credit of US$247 million (2007: US$17 million expense; 2006: US$80 million credit). In addition, a tax remeasurements charge of US$153 million in 2008 was recorded (nil in both of 2007 and 2006) relating to foreign currency translation of deferred tax balances.

Profit for the Financial Year

Profit for the financial years 2008, 2007 and 2006 was US$6,120 million, US$6,128 million and US$5,925 million, respectively. The period on period movements are explained by reference to the movements of the component parts which are discussed above.

Segment Discussion

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 and 2006).

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, 2006[1]**	**% of Continuing[2]**	**Year ended December 31, 2007**	**% of Continuing[2]**	**Year ended December 31, 2008**	**% of Continuing[2]**
Ferrous Metals	1,360	14.6	1,432	14.3	2,935	27.6
Base Metals	3,897	41.9	4,338	43.2	2,505	23.5
Coal	862	9.3	614	6.1	2,240	21.1
Platinum	2,398	25.8	2,697	26.9	2,226	20.9
Diamonds	463	5.0	484	4.8	508	4.8
Industrial Minerals	317	3.4	474	4.7	228	2.1

(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). The 2006 financial information was reclassified in the comparatives presented in the 2007 Financial Statements. See "Presentation of Financial Information".

(2) 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,**		
	2006	**2007**	**2008**
Revenue	6,519	5,400	6,849
Operating profit before special items and measurements	1,360	1,432	2,935
Kumba[1]	778	834	1,618
Scaw Metals	160	172	274
Samancor Manganese	52	225	980
Highveld[2]	230	108	—
Tongaat-Hulett/Hulamin[3]	154	114	92
Anglo Ferrous Brazil	—	(9)	(8)
Other	(14)	(12)	(21)
Net operating assets	2,796	3,987	11,167
Capital expenditure (including biological assets)	582	471	832
Share of Group operating profit	15%	15%	29%
Share of Group net operating assets	13%	15%	34%

(1) The non-iron ore business of Kumba Resources was sold during 2006.

(2) 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.

(3) The Group partially disposed of its interests in Tongaat-Hulett and Hulamin at the end of June 2007. From this time the remaining investments have been equity accounted.

Ferrous Metals' operating profit in 2008, 2007 and 2006 was US$2,935 million, US$1,432 million and US$1,360 million, respectively. The 105% increase from 2007 to 2008 was principally due to higher contracted 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). The 5% increase from 2006 to 2007 was as a result of higher prices and volumes in both iron ore and manganese, as well as the benefit of a weaker rand (against the US dollar). These were largely offset by loss of profit from disposed non-core

businesses (particularly Highveld and the non-iron ore business of Kumba Resources) as well as above inflation cost increases.

Revenue in 2008, 2007 and 2006 was US$6,849 million, US$5,400 million and US$6,519 million, respectively. The 27% increase from 2007 to 2008 was principally as a result of increased revenues from Kumba, Samancor Manganese and Scaw Metals. At Kumba, this principally resulted from higher realized export iron ore prices and to a lesser extent, improved iron ore export volumes and increased revenue from shipping operations. At Samancor Manganese, 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 primarily from rolled products and grinding media. The 17% decrease from 2006 to 2007 resulted from loss of revenue from disposed entities, partially offset by increased iron ore and manganese prices and volumes.

Operating performance

Kumba. Operating profit in 2008, 2007 and 2006 was US$1,618 million, US$834 million and US$778 million, respectively. The 94% increase from 2007 to 2008 arose principally as a result of higher iron ore prices, the benefit of the weaker South African rand as well as improved sales volumes and increased freight revenue. 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). The 7% increase from 2006 to 2007 arose from higher iron ore prices and volume increases (particularly in export sales, fueled by increasing demand for seaborne iron ore in China and other developing markets), as well as the benefit of a weaker rand, which decreased operating costs. This was partially offset by loss of contribution from the non-iron ore assets of Kumba Resources and above inflation cost increases, particularly in energy, labor, contractors and raw materials.

Kumba's iron ore production for 2008, 2007 and 2006 was 36.7 Mt, 32.4 Mt and 31.1 Mt, respectively. The 13% increase from 2007 to 2008 is principally driven by the commissioning of the Sishen jig plant.

In November 2006, Kumba was unbundled from Kumba Resources, resulting in the listing on the Johannesburg stock exchange of Kumba (in which we held 63% at December 31, 2008). At the same time, the Group's shareholding in Kumba Resources (renamed Exxaro) was substantially reduced. At December 31, 2008, the Group held a 9.8% investment in Exxaro. Kumba is the Group's ongoing business. On a stand alone basis, its contribution to the Group's operating profit increased significantly in each of 2008, 2007 and 2006 as a result of the reasons previously given.

Scaw Metals. Operating profit for 2008, 2007 and 2006 was US$274 million, US$172 million and US$160 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. The 8% increase from 2006 to 2007 reflected strong demand (driving up price and volume) across all products with the exception of wire rods, where sales volumes decreased.

Samancor Manganese. Our attributable share of Samancor's operating profit in 2008, 2007 and 2006 was US$980 million, US$225 million and US$52 million, respectively. The more than four fold 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. The more than four-fold increase from 2006 to 2007 resulted from a significant increase in manganese ore and alloy prices in the second half of 2007 (resulting from strong global demand for both manganese ore and alloys, together with constrained global manganese ore production) and higher ore and alloy sales volumes.

Tongaat-Hulett and Hulamin. Tongaat-Hulett and Hulamins's operating profit (on the basis set out in the table) in 2008, 2007 and 2006 was US$92 million, US$114 million and US$154 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. The 26% decrease from 2006 to 2007 arose for the same reason (partial disposal took place on June 25, 2007). 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.

Highveld. Operating profit in 2008, 2007 and 2006 was US$nil, US$108 million and US$230 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 into the Group's operating profit until completion of the second transaction on May 4, 2007.

Minas-Rio & Amapá: Minas-Rio is currently under development and Amapá is in its pre-operational ramp-up phase.

In 2008, the ramp-up of Amapá operations was significantly slower than previously envisaged. The Group, together with its partner at Amapá, Cliffs Natural Resources Inc., is studying all aspects of the mine and taking proactive steps to ensure that production is ramped up to design capacity.

In accordance with EU IFRS, pre-operational costs (and associated revenue) have been capitalized. See "— Restructuring" for details of the acquisition of these operations.

Outlook. World crude steel production decreased by 1.2% in 2008 to 1.33 billion tonnes. As a result of the decline in steel demand globally in the final quarter of 2008, demand for iron ore has decreased significantly, resulting in reduced production and delays to project capital spend from major iron ore producers.

Kumba plans to increase iron ore production by approximately 10% during 2009 as the ramp-up of the jig plant continues. Kumba expects to continue to target customers in China in order to redirect any lower contract sales volumes in Europe or Japan. In the short-term, minor production cutbacks may be appropriate to produce a higher quality product. More substantial production cutbacks may be required due to decreasing demand from Europe and Japan and the extent to which these can be offset by demand from China. On the basis that contract and spot prices typically converge at the time of the annual settlement, lower spot prices are expected to result in lower contract iron ore prices in 2009 (effective April), however price negotiations remain a key area of uncertainty in the volatile economic conditions. Nonetheless, Kumba believes that iron ore market fundamentals remain robust in the medium to long term.

The manganese ore and alloy market served by Samancor Manganese was characterized by increasing stocks and falling prices towards the end of 2008, as steel mills delayed or cancelled their purchases. As a result, major suppliers announced plans to reduce production in the fourth quarter of 2008. The market for manganese ore and alloys is dependent on the carbon steel industry and is therefore directly impacted by the current weak steel markets. Should global steel production decline further during 2009, manganese ore and alloy prices are expected to remain under pressure.

Demand for Scaw Metals' products is expected to remain strong, driven by demand from the mining and infrastructure sectors in particular countries. However, profitability is likely to remain under pressure from increasing input costs.

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, 2006[1]	2007	2008
Revenue	6,534	7,129	5,878
Operating profit before special items and remeasurements	3,897	4,338	2,505
Copper	3,019	2,983	2,017
Zinc	516	654	136
Nickel, niobium, mineral sands and phosphates	426	786	507
Other	(64)	(85)	(155)
Net operating assets	4,599	4,989	5,474
Capital expenditure	315	610	1,494
Share of Group operating profit	44%	45%	25%
Share of Group net operating assets	22%	19%	17%

(1) In 2007, Copebrás was reclassified from Industrial Minerals to Base Metals to (align with internal management reporting). The 2006 financial information was reclassified in the Comparatives presented in the 2007 Financial Statements. See "Presentation of Financial Information".

Anglo Base Metals' operating profit for 2008, 2007 and 2006 was US$2,505 million, US$4,338 million and US$3,897 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. The 11% increase from 2006 to 2007 was principally driven by strong nickel and lead prices, a reduction in copper TCRCs and increased copper and zinc volumes, partially offset by above inflation cost increases (including materials, labor and energy costs) and the adverse impact of strong Brazilian and Chilean currencies against the US dollar, as well as the impact of indirect taxes in Venezuela and a reduction in nickel volumes.

Revenues in 2008, 2007 and 2006 were US$5,878 million, US$7,129 million and US$6,534 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. The 9% increase in revenue from 2006 to 2007 primarily reflects higher realized prices for nickel and lead, assisted by a reduction in copper TCRCs (which are reported against revenue) and higher copper and zinc volumes. These were partly offset by a reduction in nickel volumes.

Sales of certain base metal commodities are "provisionally priced" such that the price is not settled until a predetermined future date based on the market price at that time. 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 previously announced sale of Namakwa Sands, and 26% of each of Black Mountain and Gamsberg to Exxaro Resources was completed on October 1, 2008 for proceeds 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. Although the average London Metal Exchange copper price was higher than in 2006, a significant mark to market and final liquidation adjustment as at December 31, 2007 resulted in realized copper prices being little changed from 2006.

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:

	Year ended December 31,		
(US$m unless otherwise stated)	2006	2007	2008
Revenue	4,537	4,507	3,907
Operating profit before special items and measurements	3,019	2,983	2,017
Attributable production (tonnes)	643,800	655,000	641,300
Copper (US cents/lb)[1]	305	323	315

(1) Average London Metals Exchange price.

Copper division operating profit in 2008, 2007 and 2006 was US$2,017 million, US$2,983 million and US$3,019 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.

The 1% decrease from 2006 to 2007 reflects rises in the cost of energy and labor, as well as a minor reduction in the realized copper price, largely offset by volume increases at all copper operations (with the exception of Mantos Blancos) and the benefit of lower TCRCs.

In 2008, all of the division's mines, with the exception of El Soldado and Mantos Blancos, increased production in comparison to 2007. Collahuasi increased its attributable production by 3% (2007: 3% increase) and Los Bronces increased output by 2% (2007: 2% increase) mainly driven by an increase in concentrate production due to higher ore grades. Output from Mantoverde increased by 2% (2007: marginal increase). This was partially offset by decreases in production at El Soldado of 32% (2007: 6% increase) mainly 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 (2007: 3% reduction). The Chagres copper smelter, which treats concentrate from Los Bronces and El Soldado mines as well as external concentrates, decreased output by 11% (2007: 5% decrease) mainly 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,		
	2006	**2007**	**2008**
Revenue	916	1,039	590
Operating profit before special items and measurement	516	654	136
Attributable zinc production (tonnes)	334,700	343,100	340,500
Attributable lead production (tonnes)	71,400	62,100	62,900
Zinc (US cents/lb)[1]	148	147	85

(1) Average London Metals Exchange price.

Zinc division operating profit in 2008, 2007 and 2006 was US$136 million, US$654 million and US$516 million, respectively. The 79% decrease from 2007 to 2008 was principally due to lower realized zinc prices as well as lower lead prices. The 27% increase from 2006 to 2007 was due to higher realized lead prices (impacting Lisheen and Black Mountain) as well as higher zinc volumes and an improved unit cost at Skorpion. These were partially offset by the reduced volumes at both Lisheen and Black Mountain.

Zinc production volumes remained relatively unchanged with an increase at Lisheen of 2% (2007: 4% decrease) as a result of higher feed grades and improved metallurgical recoveries, mostly offset by decreases at Skorpion of 3% (2007: 16% increase), 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% (2007: 17%) 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 (2006: 129,900 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.

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:

(US$m unless otherwise stated)	Year ended December 31,		
	2006[1]	**2007[1]**	**2008**
Revenue	1,081	1,583	1,381
Operating profit before special items and measurements	426	786	507
Attributable nickel production (tonnes)	26,400	25,600	20,000
Nickel (US cents/lb)[2]	1,095	1,686	953

(1) In 2007, Copebrás was reclassified from Industrial Minerals to Base Metals (to align with internal management reporting). The 2006 financial information was reclassified in the comparatives presented in the 2007 Financial Statements. See "Presentation of Financial Information".

(2) Average London Metals Exchange price.

Nickel, niobium, mineral sands and phosphates division operating profit in 2008, 2007 and 2006 was US$507 million, US$786 million and US$426 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 (mainly in respect of sulfur 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. The

85% increase from 2006 to 2007 was driven by a significant increase in the nickel price. This was further assisted by improved fertilizer prices. These were partially offset by increased operating costs (particularly materials and maintenance costs, as well as indirect taxes at MLdN), a volume decline (particularly at MLdN), and the impact of a strengthening Brazilian real.

Total nickel production declined 22% to 20,000 tonnes (2007: 25,600 tonnes). This was principally due to MLdN whose production decreased 31% (2007: 5% decrease) to 10,900 tonnes (2007: 15,700 tonnes) following strike action and a consequential series of operational difficulties on restarting the plant, as well as two nationwide power outages. The 2007 decrease in MLdN was due to heavy rains and strike action, while tonnage processed was affected by a planned maintenance stoppage and a series of refractory and equipment failures. At Codemin, output decreased by 8% to 9,100 tonnes (2007: 9,900 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 (2007: largely unchanged with higher mill throughput being offset by lower metallurgical recoveries arising from a change in ore characterization).

Phosphate production volumes decreased 5% (2007: 15% increase) at Copebras from a high of 1,037,800 tonnes in 2007, mainly due to significantly lower demand in the second half of 2008 (specifically the last four months of the year). 2007 volumes were in line with an increase in demand due to higher corn and soya crop demand and the resulting demand for fertilizers.

Outlook. Production of nickel, subject to operating difficulties in Venezuela, and copper are each forecast to increase in 2009, with zinc and phosphate production remaining at similar levels to 2008. Operating margins are expected to start to benefit from declining costs of certain key inputs, such as fuel, energy, sulfur, sulfuric acid, ammonia and explosives.

For all base metals, a period of price weakness is anticipated due to the weak outlook for global growth. Across the industry, persistent supply side constraints, in the case of copper and, for nickel and zinc, the closure of operations or deferral of projects, should support price recoveries once signs of a sustained improvement in demand start to emerge.

Coal

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

	Year ended December 31,		
(US$m unless otherwise stated)	2006[1]	2007[1]	2008
Revenue	3,364	3,574	6,436
Operating profit before special items and measurements	862	614	2,240
South Africa	380	414	736
Australia	279	9	1,144
South America	227	227	396
Canada	—	—	8
Projects and corporate	(24)	(36)	(44)
Net operating assets	2,870	3,984	3,962
Capital expenditure	782	1,052	933
Share of Group operating profit	10%	6%	22%
Share of Group net operating assets	13%	15%	12%

(1) In 2007, Yang Quarry was reclassified from Industrial Minerals to Coal (to align with internal management reporting). The 2006 financial information has been reclassified in the comparatives presented in the 2007 Financial Statements. See "Presentation of Financial Information".

Anglo Coal's operating profit in 2008, 2007 and 2006 was US$2,240 million, US$614 million and US$862 million, respectively. The over three fold increase from 2007 to 2008 is 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. The 29% decrease from 2006 to 2007 was mainly brought about by a disappointing performance from Australian operations (primarily as a result of lower realized prices and the impact of a stronger Australia dollar, as well as higher port demurrage charges and port and rail infrastructure constraints across the industry, only partially offset by an increase in sales volumes largely due to new mines coming on line). This decrease was marginally offset by increased profit from South African operations (where higher realized prices together with a weaker South African rand increased profits, partially offset by an export volume decline and cost pressures).

Revenues in 2008, 2007 and 2006 were US$6,436 million, US$3,574 million and US$3,364 million, respectively. The 80% increase from 2007 to 2008 reflects increased metallurgical and thermal coal prices (particularly higher export coal 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). The 6% increase from 2006 to 2007 reflects increased export sales prices in South Africa and higher volumes in Australia (as a result of production from new mines), mostly offset by lower realized prices in Australia and a decline in export volumes in South Africa.

Operating Performance

South Africa. Operating profit for South African sourced coal in 2008, 2007 and 2006 was US$736 million, US$414 million and US$380 million, respectively. The increase from 2007 to 2008 was mainly 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 2006, 2007 and 2008.

Aggregate South African production for 2008, 2007 and 2006 was 59.4 Mt, 59.2 Mt and 59.3 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. In 2007, the marginal reduction for the trade mines was offset by a modest increase from Eskom and domestic production.

Total sales from South African mines were 59.9 Mt, 58.7 Mt and 59.3 Mt in 2008, 2007 and 2006, respectively. Sales volumes remained virtually unchanged with marginal variations between domestic and export sales. The 1% decrease from 2006 to 2007 was mainly due to a reduction in export sales volumes due to poor rail performance, adverse weather conditions at the Richards Bay Coal Terminal and some production issues.

Australia. Operating profit for the Australian operations in 2008, 2007 and 2006 was US$1,144 million, US$9 million and US$279 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. The 97% decrease from 2006 to 2007 was a result of lower realized prices and an unfavorable exchange rate, as well as higher port demurrage charges and port and rail constraints. These were marginally offset by volumes increases arising from a full year's production for the Grasstree longwall operation and the commencement of production at Bunboora.

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, 2007 and 2006 was US$396 million, US$227 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. Operating profit in 2007 was unchanged from 2006 — coal sales at Cerrejón increased by 4% as the expansion project progressed; however, operating costs also rose as a result of the appreciation of the Colombian peso against the US dollar and high fuel prices. Sales volumes at CdG were only marginally ahead of 2006.

Canada. Peace River Coal commenced commercial production of high quality coking coal in January 2008 at its Trend Mine in British Columbia, delivering total coal production of 0.8 Mt.

Outlook. Global economic weakness has led to a rapid decline in global steel production following falling demand from the construction and automotive sectors in particular. This continues to have a significant impact on the metallurgical coal market. In the thermal coal market, underlying demand remains relatively strong, primarily due to unusually cold temperatures experienced in recent months in the Northern Hemisphere, as well as uncertainty regarding Russian gas supply in Europe, although the decline in the oil price is having a significant impact. The outlook for 2009 for both metallurgical and thermal coal remains uncertain in a difficult macro-economic environment where global energy prices, and therefore coal prices, are expected to be highly volatile.

In response to weakening markets, Anglo Coal's plans to grow metallurgical coal production by 10% during 2009 were curtailed and output is expected to be marginally below 2008 levels. In addition, cost saving initiatives are underway, including headcount reductions at a number of operations. Should conditions change materially, Anglo Coal will respond with further adjustments to its metallurgical coal production.

Platinum

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

	Year ended December 31,		
(US$m unless otherwise stated)	**2006**	**2007**	**2008**
Revenue	5,861	6,789	6,327
Operating profit before special items and measurements	2,398	2,697	2,226
Net operating assets	7,078	9,234	9,045
Capital expenditure	923	1,479	1,563
Share of Group operating profit	27%	28%	22%
Share of Group net operating assets	33%	35%	27%

Anglo Platinum's operating profit in 2008, 2007 and 2006 was US$2,226 million, US$2,697 million and US$2,398 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). The 12% increase from 2006 to 2007 was mainly due to a higher price achieved for the basket of metals sold as well as a weaker average South African rand, partially offset by lower sales volumes on the back of reduced production from mining operations and above inflation cost increases (particularly labor costs).

Revenues in 2008, 2007 and 2006 were US$6,327 million, US$6,789 million and US$5,861 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 16% increase from 2006 to 2007 was due to a higher price achieved from the basket of metals sold (particularly platinum, rhodium and nickel), partially offset by lower sales volumes (mainly platinum).

The average dollar price realized for the basket of metals sold by Anglo Platinum in 2008, 2007 and 2006 was to US$2,764, US$2,579 and US$2,030 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. In 2006 and 2007, the increase was largely due to higher platinum, rhodium and nickel prices.

The average realized price for platinum in 2008, 2007 and 2006 was US$1,570, US$1,302 and US$1,140 per ounce, respectively. The price achieved for rhodium in 2008, 2007 and 2006 averaged US$5,174, US$4,344 and US$3,542 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 was US$9.79, US$17.04 and US$10.74 per pound in 2008, 2007 and 2006, respectively.

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.

Refined platinum production for 2008 decreased by 4% to 2.39 million ounces. The decrease is 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 (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.

Refined platinum production for 2007 decreased by 12% to 2.47 million ounces compared to 2006. The decrease was due to the intervention aimed at achieving a significant improvement in employee safety, as well as reduced production efficiency following a shortage of skilled labor, strike action at joint ventures, the unsettled labor situation associated with wage negotiations and lower grades at Mogalakwena, and the one-off release of 112,000 ounces from the process pipeline in 2006 (due to the effect of the shutdown of the Polokwane smelter in late 2005).

The cash operating cost per equivalent refined platinum ounce ("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. The 34% increase in cash operating cost per erpo (in South African rand terms) from 2006 to 2007 was due to substantial inflationary pressures including above inflation increases in wages, diesel, tires, chemicals and steel grinding media, reduced production, costs associated with the safety intervention, increased support costs and ramp up costs at Mototolo and Marikana. In addition, an increase in labor complement to support a planned increase in production in mining operations in 2007 further contributed to the increase in unit cost.

Outlook. 2008 was a year of unprecedented price volatility in the platinum market with platinum reaching a record of $2,276 per ounce in March before falling sharply as economic conditions deteriorated. In the second half of the year, the global economic downturn reduced credit availability for vehicle purchases. Anglo Platinum estimates that demand from the autocatalyst segment decreased by more than 8% or 330,000 ounces when compared to 2007, owing to the smaller number of vehicles produced and a rundown of the stock levels by major auto companies. Although not immune to the global economic downturn, industrial demand held up reasonably well in 2008, with demand increasing in some areas such as the chemical sector as investment in new capacity reached a peak. The Group believes that high prices in the first half of the year discouraged consumer purchases of jewelry and increased the recycling of old jewelry, thereby reducing demand for new metal. In the second half of the year, the declining price of platinum encouraged purchases of metal by jewelers and investors alike.

The Group estimates that the global supply of platinum has decreased by 11%, or 740,000 ounces, over the past two years and is not expected to increase in the current global economic environment; however, there has more recently been a surge in investment demand following the price declines in 2008.

Anglo Platinum expects a balanced platinum market in 2009. It also believes that the price of platinum was adversely affected by wide ranging market speculation in the latter part of 2008, resulting in a market low of US$774/oz. The average market price from the beginning of 2009 to March 12, 2009 is above US$1000/oz,

and Ango Platinum believes this is due to market forecasts of the price of platinum becoming more closely aligned and investor confidence in this metal returning.

Anglo Platinum considers the long-term prosperity of the business when taking short-term action and it will continue to respond to the challenges that face the platinum industry. While the planned level of refined platinum production of 2.4 million ounces is currently expected to be appropriate for 2009, Anglo Platinum will take appropriate action should economic conditions affecting net platinum demand deteriorate further. Production levels will be continually monitored against global economic developments and revised production guidance will be provided when appropriate.

In order to maintain positive operating margins at the planned 2009 production level of 2.4 million ounces of refined platinum we intend to reduce the current cost of production. This will be achieved through active management of the supply chain to realize, without delay, the benefits of any significant reduction of input commodity prices, safely reducing units of consumption where possible, managing labor more effectively to improve efficiencies through re-skilling and re-deployment where required, avoiding recruitment of non-critical positions, and reducing the number of contract employees at operations.

Diamonds

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

	Year ended December 31,		
(US$m unless otherwise stated)	2006	2007	2008
Share of associate's revenue	3,148	3,076	3,096
Share of associate's operating profit before special items and remeasurements	463	484	508
Group's aggregate investment in associate(1)	2,062	1,802	1,623
Share of Group operating profit	5%	5%	5%

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

The Group's share of operating profit from De Beers in 2008, 2007 and 2006 was US$508 million, US$484 million and US$463 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). The 5% increase from 2006 to 2007 was largely as a result of improved earnings from joint ventures in Botswana and Namibia, assisted by a modest rise in diamond prices during 2007. This was mostly offset by lower sales volumes and the weakening of the US dollar (relative to the Canadian dollar, South African rand and Botswanan pula) in the second half of the year (impacting costs and margins).

Our attributable share of De Beers' revenue was US$3,096 million, US$3,076 million and US$3,148 million for 2008, 2007 and 2006, respectively. The 1% increase from 2007 to 2008 is reflective of diamond price increases in each month to July, offset by declining prices and volumes from September onward as a result of the economic downturn. The 2% decrease from 2006 to 2007 largely reflects lower sales volumes (resulting from diminishing supplies of rough diamonds to DTC from Russian state producer, Alrosa), largely offset by improved contribution from joint ventures and a modest rise in prices during 2007.

Total De Beers production (100% basis) was 48 million carats in 2008 and 51 million carats in each of 2007 and 2006. In 2008, output from the African operations decreased, mainly due to reduced production in the DBCM and Debswana mines totalling 4.4 million carats (2007: reduction of 0.2 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 Namaqaland 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 (compared with 0.1 million carats in 2007). The industrial diamond arm, Element Six, continued to expand and recorded sales growth in 2008 of 25% (2007: 18% growth) following the inclusion of a full year's trading by Barat Carbide (acquired in 2007) as well as organic growth.

An agreement settling all outstanding class actions against De Beers in the United States was granted preliminary approval in March 2006. Settlement amounts were paid into an escrow account pending conclusion of the settlement process. In May 2008, Judge Chesler entered an order in the US Federal District Court in New Jersey approving in all respects the settlement of the class actions. Such payments and other directly related costs were recorded as special items in the years they arose (2005 to 2008), totaling US$146 million (our attributable share). See "Business Description — Diamonds — Other Information".

Outlook. Global retail sales showed steady growth during the first half of 2008 driven principally by the emerging markets of China, India and the Middle East. However, in the fourth quarter of 2008, the traditional key buying period between Thanksgiving and Christmas took place amidst significant weakness in US economic sentiment, with American consumers, the world's major diamond purchasers, cutting back sharply on spending. The luxury goods sector appears to have been particularly impacted, with jewelry retailers in the US reporting double-digit year on year declines. As a result, we estimate that global diamond retail sales were down, in the low single digits, for the year as a whole.

The global economic crisis continues to have a significant impact on sales of retail diamond jewelry, liquidity and demand for rough diamonds in the cutting centers. This, in turn, has resulted in a reduction in sales of rough diamonds by the DTC. Trading conditions are expected to remain challenging throughout 2009. De Beers has taken steps to significantly reduce production levels, costs and capital expenditure across all operations. However, De Beers is a margin business and, as a result, a further significant downturn in the price of or demand for diamonds would have a material adverse effect on the continued profitability of the business.

Recent market research undertaken by De Beers in the US and China confirms that consumers' desire for diamonds remains strong. As economic conditions improve, De Beers expects that emerging demand, coupled with the decline in long-term diamond supply, will form a positive foundation for future increases in diamond prices.

Industrial Minerals

The following table summarizes the results of operations of Anglo Industrial Minerals for the periods indicated:

	Year ended December 31,		
(US$m unless otherwise stated)	**2006[(1)]**	**2007[(1)]**	**2008**
Revenue	3,978	4,591	4,378
Operating profit before special items and measurements	317	474	228
Net operating assets	4,185	4,509	3,335
Capital expenditure	279	274	301
Share of Group operating profit	4%	5%	2%
Share of Group net operating assets	20%	17%	10%

(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). The 2006 financial information has been reclassified in the comparatives presented in the 2007 Financial Statements. See "Presentation of Financial Information".

Anglo Industrial Minerals' operating profit in 2008, 2007 and 2006 was US$228 million, US$474 million and US$317 million, respectively. The 52% decrease from 2007 to 2008 was principally due to the impact of significant above inflation cost increases (mainly 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. The 50% increase from 2006 to 2007 was primarily due to price increases across all products (resulting from healthy demand in the UK and milder weather and buoyant markets in France, Poland and the Czech Republic), assisted by strong local exchange rates (particularly the British pound) relative to the US dollar (because sales are based on local currencies) and higher sales volumes, partially offset by higher raw material costs (which in turn, were partly offset by procurement cost savings).

Revenues in 2008, 2007 and 2006 were US$4,378 million, US$4,591 million and US$3,978 million, respectively. The 5% decrease from 2007 to 2008 was primarily 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. The 15% increase from 2006 to 2007 was primarily due to price increases as well as the benefit of strengthening local currencies and sales volume increases.

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 prompted a portfolio review. Forty five operating sites have been 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 UMA acquisition 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.

Overall, in 2007 within the UK market, volumes in aggregates and concrete products were in line with growth in the construction markets, with lower demand in housing and roads being offset by improved demand in the commercial and infrastructure sectors. In the UK Aggregate Products business, operating profits increased compared with 2006, mainly as a consequence of the business being well placed to capitalize on benign markets as well as successful cost savings initiatives aimed at ensuring that aggregates and asphalt deliveries come from the lowest cost source available. In the UK Building Products business, operating profits increased compared with 2006 primarily due its commercial strategy being focused around offering customers comprehensive building solutions and Cement achieved a record turnover in 2007, driven by increasing output from the new plant in a favorable market environment.

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. 2007 witnessed a rebalancing of the company's international activities, with an expansion program in growth areas such as Dubai, and the benefits coming through in 2006 and 2007 from the disposal of non-core or underperforming businesses in 2006 (including assets in Hong Kong and Germany).

Outlook. The outlook in the short to medium-term is for continued demand weakness in UK and international markets. Tarmac will continue to take steps to adapt to market challenges through capacity reductions as appropriate. Additional cost saving and a continued focus on cash generation, while maintaining existing market leadership will ensure that the business remains both resilient and well positioned for the future.

In August 2007, we announced plans to sell Tarmac; however we have decided not to proceed with the sale process until credit market and macroeconomic conditions improve.

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).

The following information is provided for completeness but as AngloGold is no longer material to the Group no discussion of movements is provided:

	Year ended December 31,		
(US$m)	2006[1]	2007[2]	2008
Revenue	1,740	1,004	—
Operating profit before special items and remeasurements	467	202	—
Net operating assets	—	—	—
Capital expenditure	196	—	—
Group's aggregate investment in associate	1,623	—	—

(1) The results for 2006 are reported as a subsidiary up to April 20, 2006 and thereafter as an associate at 42% attributable share.

(2) The results for 2007 are reported as an associate up to October 2, 2007, at which point equity accounting ceased.

In addition, during the first quarter of 2009, we disposed of our remaining shares in AngloGold (see "— Restructuring").

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:

	Year ended December 31,		
(US$m)	2006	2007[1]	2008
Revenue	7,493	4,111	—
Operating profit before special items and measurements	477	324	—
Net operating assets	7,019	—	—
Capital expenditure (including biological assets)	644	212	—

(1) The results for 2007 are reported as a subsidiary until Mondi's demerger at the beginning of July.

Liquidity and Capital Resources

Anglo American focuses on ensuring 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 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 short-term cash requirements. In addition, to enable greater short-term flexibility the decision was taken to suspend the dividend.

For more information on our borrowing arrangements and liquidity sources, see "— Cash Flow-Funding Sources" below, and Notes 22 and 23 to the Group 2008 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 were 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:

	Year ended December 31,		
(US$m)	2006	2007	2008
Cash inflows from continuing operations	9,012	9,375	9,579
Dividends from associates	241	275	609
Dividends from financial asset investments	10	36	50
Income tax paid	(1,926)	(2,886)	(2,173)
Net cash inflows from operating activities — continuing operations	7,337	6,800	8,065
Net cash inflows from operating activities — discontinued operations	973	464	—
Net cash inflows from operating activities — total Group	8,310	7,264	8,065
Net cash used in investing activities — continuing operations	(1,620)	(4,836)	(11,750)
Net cash (used in) / inflows from investing activities — discontinued operations	(185)	2,575	—
Net cash used in investing activities — total Group	(1,805)	(2,261)	11,750
Net cash (used in) / inflows from financing activities — continuing operations	(6,360)	(5,661)	3,542
Net cash (used in) / inflows from financing activities — discontinued operations	(315)	692	—
Net cash (used in) / inflows from financing activities — total Group	(6,675)	(4,969)	3,542
Net (decrease) / increase in cash and cash equivalents	(170)	34	(143)

Net cash inflows from operating activities (on a continuing basis) in 2008, 2007 and 2006 were US$8,065 million, US$6,800 million and US$7,337 million, respectively. 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.

The 7% decrease from 2006 to 2007 resulted from a US$960 million increase in tax paid, partially offset by increased operating profits.

Net cash used in investing activities (on a continuing basis) in 2008, 2007 and 2006 was US$11,750 million, US$4,836 million and US$1,620 million, respectively. The 143% increase from 2007 to 2008 reflects acquisitions of Minas-Rio and Amapá (US$5,282 million), an increase in our shareholding of Anglo Platinum, an increase in capital expenditure and US$661 million of realized derivative losses relating to acquisitions (principally related to the acquisition of Anglo Ferrous Brazil SA), offset by a decrease in joint venture acquisitions (following the acquisition of a joint venture interest in Minas-Rio in 2007). The 199% increase from 2006 to 2007 reflects amounts paid to acquire a 49% interest in Minas-Rio (US$1.15 billion) and 4.4 million ordinary shares in Anglo Platinum (US$658 million), together with a US$1 billion increase in capital expenditure. For a table showing capital expenditures, see "— Capital Expenditure".

Net cash inflows from / (used in) financing activities (on a continuing basis) in 2008, 2007 and 2006 was US$3,542 million, US$(5,661) million and US$(6,360) million, respectively. The 163% increase from 2007 to 2008 is due to a reduction in the purchase of treasury shares (including suspension of the share buyback), 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). The 11% decrease in cash outflow from 2006 to 2007 is due to the

receipt of an additional US$2.4 billion of borrowings and a reduction in dividend payments (due to the level of special dividends paid in 2006), partially offset by higher cash outflows in respect of share buy backs.

This, together with cash movements from discontinued operations, resulted in a net decrease in cash and cash equivalents of US$143 million in 2008 (increase of US$34 million in 2007; decrease of US$170 million in 2006).

Capital Expenditure

The following table summarizes capital expenditure, on a cash flow basis, by business segment for the periods indicated:

	Year ended December 31,		
(US$m)	2006	2007	2008
Platinum	923	1,479	1,563
Base Metals	315	610	1,494
Coal	782	1,052	933
Ferrous Metals	581	470	831
Industrial Minerals	279	274	301
Other	29	46	24
Purchase of tangible assets — continuing operations	2,909	3,931	5,146
Investment in biological assets	1	1	1
Capital expenditure on tangible assets and biological assets — continuing operations	2,910	3,932	5,147
Gold	196	—	—
Paper and Packaging	581	186	—
Purchase of tangible assets — discontinued operations	777	186	—
Investment in biological assets	63	26	—
Capital expenditure on tangible assets and biological assets — discontinued operations	840	212	—
Total Group	3,750	4,144	5,147

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 $4.5 billion, including $1.3 billion stay-in-business capital expenditure. These substantial changes to planned capital expenditure will be achieved principally by rescheduling many of the Group's development projects. The Group's capital expenditure programs for 2010 will continue to be monitored against prevailing and forecast market conditions.

For a description of the Group's project pipeline, see "Business Description — Major Growth and Replacement Projects".

Net Debt

Net debt, excluding the impact of hedges, in 2008, 2007 and 2006 was US$11,043 million, US$5,239 million and US$3,324 million, respectively. Net debt was made up of the following:

(US$m)	Year ended December 31,		
	2006	2007	2008
Cash and cash equivalents	2,980	3,074	2,744
Short-term borrowings	(2,076)	(5,909)	(6,749)
Medium and long-term borrowings	(4,228)	(2,404)	(7,211)
Current financial assets investments	—	—	173
Net debt, excluding the impact of hedges	(3,324)	(5,239)	(11,043)

Net debt to total capital (calculated as net debt divided by net assets excluding net debt, less investments in associates) in 2008, 2007 and 2006 was 37.8%, 20.0% and 12.9%, respectively.

The 111% increase in net debt from 2007 to 2008 reflects increased planned capital expenditure on projects in Platinum, Base Metals, Ferrous Metals and Industrial Minerals and debt taken on to fund the acquisitions of Minas-Rio and Amapá and the additional shareholding in Anglo Platinum Limited. This was partly offset by operating cash inflows and $1.5 billion proceeds from disposals.

The 58% increase in net debt from 2006 to 2007 is principally from the payment of announced share buybacks (US$6.2 billion) and the draw down of additional borrowings to fund acquisitions in the year, partially offset by cash inflows from operating activities, the funds received on the sell down of AngloGold and the deconsolidation of Mondi net debt following demerger.

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, 2008 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	346	93	284	301	1,024
Obligations under finance leases	12	1	1	54	68
Total secured loans	358	94	285	355	1,092
Unsecured					
Bonds issued under EMTN program	154	520	66	2,093	2,833
Bank loans and overdrafts	5,114	40	3,295	—	8,449
Commercial paper	1,116	—	—	—	1,116
Obligations under finance leases	4	6	5	2	17
Other loans	38	23	339	88	488
Total unsecured loans	6,426	589	3,705	2,183	12,903
Total borrowings	6,784	683	3,990	2,538	13,995

Anglo American had available undrawn committed borrowing facilities of US$6,105 million as of December 31, 2008, US$7,064 million as of December 31, 2007 and US$5,952 million as of December 31, 2006. The undrawn committed borrowing facilities at December 31, 2008 include the US$3 billion revolving

facility, which pursuant to certain reductions since the date of the facility was US$1.2 billion as at March 31, 2009. In addition, in 2008 the Group obtained dedicated, committed financing facilities for Minas-Rio and Barro Alto totalling $1.6 billion, subject to certain disbursement conditions.

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 can not 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 Board. 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 (or with Board approval).

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 2008, 2007 and 2006, 25%, 34% and 51%, 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 mainly 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 mainly of financial asset investments and cash. Equity investments are fully liquid and have no maturity period.

Commodity price risk. The Group's operations are primarily 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 December 31, 2008, 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. Derivatives that are designated as hedges (for accounting purposes) are classified as current or non-current depending on the maturity of the derivative. Derivatives that are not designated as hedges are classified as current in accordance with IAS 1 even when their actual maturity is expected to be greater than one year. 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.

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 is US$548 million as of December 31, 2008 (2007: US$488 million). These primarily 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, 2008, 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]	16,172	7,287	1,074	4,725	3,086
Operating lease obligations	489	64	60	168	197
Purchase obligations[2]	3,465	2,040	1,088	314	23
Other liabilities[3]	5,099	4,623	71	370	35
Total Long-Term Debt Obligations	25,225	14,014	2,293	5,577	3,341

(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, 2008.

(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 28 of the Group 2008 Financial Statements.

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 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 licences;
- 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 consolidated statement of recognized income and expense.

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

Operating 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.

Differences Between EU IFRS and US GAAP

The financial information included in this Offering Memorandum in respect of the years ended December 31, 2006, 2007 and 2008 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 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 "Safety, Health and Environment, and Sustainable Development".

SOUTH AFRICA

Our South African operations represent a material contribution to the business of the Group, representing 50.6% of operating profit (before special items and remeasurements) in 2008.

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 under new 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 primarily 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 Minerals and Energy 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.

In order to qualify for conversion of its older order mining rights, we have sought to meet the requirements relating to ownership mainly by selling portions of our South African assets to BEE companies. These transactions are referred to in this Offering Memorandum as BEE transactions.

Since 1994, we have transferred approximately South African rand 65 billion of assets as part of our BEE deals.

2008 Developments

Anglo Platinum received letters of grant in 2008 for new order mining rights for Rustenburg, Amandelbult, Union, Lebowa, Mogalakwena, Twickenham, Der Brochen and BRPM from the South African Department of Minerals and Energy. Some of these are conditional on the submission of revised social and labor plans. The application for conversion of mineral rights associated with Anglo Platinum's 50:50 joint venture with the African Rainbow Minerals consortium over the Modikwa mine is being prepared for joint submission by both joint venture partners.

The South African Department of Minerals and Energy granted the conversions of Anglo American's old order mining rights for its other managed South African mining operations, as provided for in the MPRDA.

New mining rights are granted for a maximum period of 30 years, with renewals of up to 30 years each and, in the case of prospecting or exploration rights, a maximum period of five years with one renewal of up to three years. 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 Minerals and Energy 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 Minerals and Energy 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 or mining activities. If recent amendments to the MPRDA are approved by the South African President, 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 Environmental Affairs and Tourism. In terms of this alignment, the Minister of Minerals and Energy 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 Environmental Affairs and Tourism will be the appeal authority in terms of the NEMA.

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 proposed 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 (regarded as the first saleable condition of the mineral resource), 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 SARB approval, although there may be some 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. In addition, there are certain local borrowing limits applicable to these resident companies in terms of current exchange control regulations.

UNITED KINGDOM

We 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.

SAFETY, HEALTH AND ENVIRONMENT, AND SUSTAINABLE DEVELOPMENT

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 is actively involved in all matters related to safety, health, the environment and sustainable development, including through its Safety and Sustainable Development ("S&SD") Committee. The S&SD Committee is responsible for developing framework policies and guidelines for the management of sustainable development issues, including safety, health and environmental matters, and ensuring their progressive implementation throughout the Group.

Safety

Safety regulation varies among jurisdictions. The Group has adopted a consistent management approach based on Group safety standards, and we view occupational safety as one of our most significant challenges.

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. To support this vision, a global framework of risk management systems and standards is being rolled out across the business.

We have shown that we are prepared to do what is necessary to meet this challenge, by shutting down mine shafts where safety has not been up to standard, to retrain affected employees and conduct a thorough investigation of mining operations.

We are making progress but there is more to do. In 2008, 27 people lost their lives working for our businesses, compared with 40 in 2007.

Health

Although the specific requirements and systems for managing occupational health and safety vary from country to country, most of the countries in which we operate abide by the International Labor Organization conventions. In addition to complying with national legislation, the Group has developed a set of best practice guidelines and is working at an industry level to promote a more consistent international approach to setting occupational exposure limits. The use of appropriate personal protective equipment is stipulated at all sites.

We recognize that the HIV/AIDS epidemic in sub-Saharan Africa is a significant threat to economic growth and development in that region. 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. Since that time, the South African public health service has initiated an increasingly effective program with which we partner where possible. Our program was extended, in principle, to include dependents in 2008 although we recognize the delivery of such 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.

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 dengue fever in recent years in several of these areas. In addition to programs for treatment of infectious disease, alcoholism and drug abuse programs are in place at a number of operations. In countries such as China, India and Russia, the incidence of HIV and AIDS is rising.

Environment

Our operations are subject to various national, regional and local laws and regulations governing the protection of the environment. Because regulatory standards and expectations are constantly developing, we may be exposed to increased litigation, compliance costs and unforeseen environmental remediation expenses. 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.

We invest considerable resources in research and development to minimize the impact that our operations have on the environment. We report on the full range of environmental, social, governance and economic issues from a sustainable development perspective through our annual Report to Society. We report on energy use and carbon emissions annually and are committed to ongoing operational efforts to reduce our impact. We are also actively engaged in long-term international research and development programs for zero emissions power generation and carbon sequestration, although in the current economic climate much of this collaborative work is on hold.

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.

We perceive that environmental awareness and concern are increasing, particularly in relation to climate change. We recognize that international concern expressed through the 1997 Kyoto Protocol, as well as other policy developments at an international, national and sub-national level will lead to pressure on companies to improve energy efficiency and reduce carbon intensity. These initiatives include the EU ETS and the Asia-Pacific Partnership on Clean Development and Climate (“AP6”) (the latter focused on technology more than policy), as well as various regulatory measures to improve energy efficiency and to reduce greenhouse gas emissions. The EU ETS, to which our European-based operations are subject and which began its first phase of emissions trading in January 2005, imposes formal caps on the emission of greenhouse gases by certain industries. For certain of our customers in supportive jurisdictions, in particular customers for coal, we expect that pressure to reduce carbon emissions could be pronounced. We participate in a number of industry, policy and technical development programs to promote “clean coal” solutions to address this trend.

The EU’s European Registration, Evaluation and Authorization of Chemicals System (“REACH”) directive 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 also to provide appropriate safety information to users. The extent to which our operations and customers are affected by these changes is expected to be fully understood only when the annex that sets forth priorities for authorization is completed. Group substances that will ultimately require registration (26 in total) were successfully pre-registered in 2008. Natural substances including specifically ores and ore-concentrates are currently exempt from the requirement to register. Substances may, however, still require authorization on the basis of volume or hazard, with priority accorded to substances that are persistent, bioaccumulative or toxic or contain contaminants that may impact on 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 technical guidance to the implementation of REACH is not yet complete. The primary burden will fall on European-based importers of the products.

Community

Community relations are governed primarily by local legislation and a growing body of ‘soft law’, such as conventions, voluntary principles, codes of conduct, and understanding of best practice. The Group has voluntarily adopted a number of requirements for operations to have a formalized community engagement program. Our Business Principles commit us to engagement with the communities in which we operate. 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 applying the 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 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.

Amongst the most significant social risks that our operations 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 our coal project in Xiwan in China or our Michiquillay copper project in Peru, we will be required to engage in resettlement operations.

Sustainable Development

In 2000, the Group made a firm commitment to sustainable development, and we aim to ensure that our policies and strategies address the key economic, social and environmental risks and concerns that underpin this agenda through good business practice, as well as through work in partnership with other industry leaders, international agencies and non-governmental organizations.

Our sustainable development strategic process is reviewed annually, but has as a core theme the need to embed sustainable development thinking into our business practice and systematically to address risks and opportunities.

The sustainable development strategic process in Anglo American is reviewed annually and includes consultation at various levels and input from subject experts through Communities of Practice ("COP"), which enable knowledge-sharing and the dissemination of best practice among the professionals in various parts of the Group.

Human Rights. 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.

Security. Certain of the countries in which we operate, including the Democratic Republic of the Congo 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.

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 Mark Moody-Stuart, 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 Executive Committee, which she chairs. On September 1, 2008, the Chief Executive's Committee and the Executive Committee were merged. See "— Executive Committee".

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 nine non-executive directors, eight of whom are independent according to the definition contained in the UK Combined Code on Corporate Governance June 2006.

EXECUTIVE COMMITTEE ("EXCO")

Until September 1, 2008, the Chief Executive's Committee ("CeCom") was responsible for implementing the strategies and policies determined by the Board, managing the business and affairs of the Company, prioritizing the allocation of capital, technical and human resources and establishing best management practices. CeCom was also (until September 1, 2008) responsible for senior management appointments and monitoring their performance and acts as the risk committee for the purpose of reviewing and monitoring Anglo American's systems of internal control.

With effect from September 1, 2008, ExCo assumed all of the responsibilities of CeCom in addition to its own responsibilities of developing corporate and business unit strategy, monitoring strategic progress in terms of key milestones and reviewing operational and safety procedures of the Group's business units.

ExCo meets for a two day session at least every two months on a formal basis and when required in the intervening periods.

The current members of ExCo are Cynthia Carroll (chair), René Médori, Russell King, Philip Baum, Brian Beamish, Ian Cockerill, Kuseni Dlamini, Neville Nicolau, David Weston and Mervyn Walker.

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 ExCo, 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 ExCo and/or the Board on these matters. The Committee meets as required.

The Investment Committee presently comprises: René Médori (chairman), Dorian Emmett and Gareth Mostyn.

CONFLICTS OF INTEREST

During the year a full survey of the Board members' interests and appointments was carried out, the Board was fully briefed on the 2006 Act provisions in relation to conflicts of interest which came in to effect

on October 1, 2008 and conflict management procedures were agreed. Anglo American policy dictates that if a director becomes aware that he/she has a direct or indirect interest in an existing or proposed transaction with Anglo American, he/she should notify the Board at the next Board meeting or by a written declaration. A director should notify the Board of interests in proposed transactions before the transaction is entered into, and directors have a continuing duty to update the Board about any changes in these interests.

There were no such notifications of interests in proposed transactions during the year. 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 and are reviewed on an annual basis. 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.

Executive Directors

Cynthia Carroll, MSc, MBA (52), was appointed chief executive in March 2007, having joined the Board in January 2007. Cynthia Carroll chairs 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, Anglo Platinum Limited and De Beers.

René Médori, Doctorate in Economics (51), was appointed to the Board in June 2005, becoming finance director in September 2005. René Médori is a member of 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, DB Investments 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. To this end, Sir CK Chow was appointed and Bobby Godsell retired from the Board at the conclusion of the 2008 Annual General Meeting ("AGM").

Sir Mark Moody-Stuart, PhD, MA, FGS (68), was appointed a non-executive director in July 2002 and non-executive chairman in December 2002. He also sits on the Remuneration, S&SD and Nomination Committees. He is a director of HSBC Holdings plc, Accenture Ltd and Saudi Aramco. Sir Mark was chairman of the Shell Transport and Trading Company plc from 1997 to 2001 and is a member of the board of the UN Global Compact and chairman of the Global Compact Foundation.

David Challen, MA, MBA (66), joined the Board in September 2002. He was appointed as the senior independent non-executive director in April 2008. He is chairman of the Audit Committee and a member of the Remuneration Committee. David Challen is currently vice chairman of Citigroup European Investment Bank and a non-executive director of Smiths Group plc and 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.

Sir Rob Margetts, BA, FREng (62), joined the Board in March 1999. He is chairman of the Remuneration Committee and a member of the Nomination Committee. He is chairman of Legal & General Group plc, Ensus Limited, Ordnance Survey and the Energy Technologies Institute. He is also a director of Falck Renewables and Neochimiki SA. He was formerly the chairman of The BOC Group plc and vice chairman of ICI PLC. Sir Rob Margetts was also chairman of the UK Natural Environment Research Council and a member of the UK Council for Science and Technology.

Fred Phaswana, MA, BCom (64), joined the Board in June 2002. He is chairman of the Nomination Committee and a member of the Audit Committee. Fred Phaswana is currently chairman of Anglo Platinum

and Transnet Limited and a director of Naspers and was previously BP regional president: Africa, a director of BP Oil (Benelux), an associate president of BP Netherlands and chairman and chief executive of BP Southern Africa. He is also a member of the South African Institute of International Affairs.

Professor Karel Van Miert, Graduate in Diplomatic Sciences (67), joined the Board in March 2002. He is a member of the Audit and Nomination Committees. He currently is a member of the supervisory boards of the German utility RWE, Philips NV, Munich Re and Vivendi Universal. He also is a member of the advisory boards of Goldman Sachs Group, Inc. and Eli Lilly and a member of the boards of Solvay s.a. and Agfa-Gevaert. He was previously President of Nyenrode University, Netherlands Business School, a member of the European Parliament from 1979 to 1985 and a member of the European Commission from 1989 to 1999.

Nicky Oppenheimer, MA (63), joined the Board in March 1999. He is a member of the Nomination Committee. Nicky Oppenheimer joined the Group in 1968 and subsequently became an executive director and a deputy chairman of Anglo American South Africa Limited. He became deputy chairman of De Beers Consolidated in 1985 and has been chairman of De Beers since 1998.

Dr. Chris Fay, CBE, BSc, PhD, FREng, FRSE, FICE, FEI (63), joined the Board in April 1999. He is chairman of the S&SD Committee and a member of the Remuneration and Audit Committees. He is non-executive chairman of Brightside Group plc, Iofina plc and Stena International S.àr.l. He is a former non-executive director of BAA plc and a former chairman of Shell UK and of the British government's Advisory Committee on Business and the Environment.

Dr. Mamphela Ramphele, PhD, BComm (61), joined the Board in April 2006. She is a member of the Nomination and S&SD Committees. Dr. Ramphele is the chair of Circle Capital Ventures, a black empowerment company, a non-executive director of Mediclinic and Business Partners S.A. and 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 of the University of Cape Town.

Peter Woicke, MBA (66), joined the Board in January 2006 and is a member of the Audit, Nomination and S&SD Committees. From 1999 to January 2005 he was CEO of the International Finance Corporation. He also was a managing director of the World Bank. Prior to joining the International Finance Corporation, Peter Woicke held numerous positions over nearly 30 years with J.P. Morgan. He is currently chairman of the International Save the Children Alliance, a member of the Saudi Aramco board and was previously a member of the Plugpower Inc, Raiffeisen International Holding and MTN Group boards.

Sir CK Chow, DEng (Hon), CEng, FREng, HonFHKIE, FIChemE (58), joined the Board in April 2008. He is currently CEO of the MTR Corporation, a position he has held since December 2003. He was formerly chief executive of Brambles Industries and GKN. Prior to joining GKN he worked for the BOC Group 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.

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 Audit 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, Interim 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 judgments. 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), Chris Fay, Karel Van Miert, Fred Phaswana and Peter Woicke, all of whom are independent non-executive directors. In view of his appointment to other committees, Peter Woicke will step down as a member at the conclusion of the 2009 AGM. The Board, in consultation with the Audit Committee chairman, makes appointments to the Audit Committee. The Board has determined that the Audit Committee members have the skills and experience necessary to contribute meaningfully to the Audit Committee's deliberations. In addition, the Audit Committee chairman has requisite experience in accounting and financial management. The Committee met three times during 2008 and on one of those occasions the members held discussions with the external auditors 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 presently comprises: Sir Rob Margetts (chairman), David Challen and Chris Fay, all of whom are independent non-executive directors, and Sir Mark Moody-Stuart. Sir CK Chow and Peter Woicke will join the Committee with effect from the conclusion of the 2009 AGM.

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.

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 Nomination Committee presently comprises: Fred Phaswana (chairman), Sir Rob Margetts, Sir Mark Moody-Stuart, Nicky Oppenheimer, Mamphela Ramphele, Karel Van Miert and Peter Woicke. In accordance with the provisions of the Combined Code, the majority of members and the chairman of the Nomination Committee are independent non-executive directors. With effect from the conclusion of the 2009 AGM, the Committee will consist of Sir Mark Moody-Stuart (chairman), Fred Phaswana, Mamphela Ramphele, Karel Van Miert, 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 S&SD Committee. The S&SD Committee presently comprises: Chris Fay (chairman), Cynthia Carroll, Sir Mark Moody-Stuart, Mamphela Ramphele and Peter Woicke.

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".

Russell King, BAHons (51), joined the Group in 2001 as executive vice president, Group human resources and business development and became chief strategy officer in April 2008. Prior to this he held a variety of positions with ICI PLC and was managing director of Orica Consumer Products from 1997 to 2000. He is also a non-executive director of Aggreko plc.

Kuseni Dlamini, BSSc(Hon), MPhil (41), is head of AASA. He was previously executive chairman of the Richards Bay Coal Terminal Limited. He previously held a number of positions at De Beers Consolidated Mines Limited and AngloGold Ashanti.

Brian Beamish, BSc (52), is chief executive of Anglo Base Metals. From 1995 to 1999 he was executive director: operations at Anglo Platinum. He transferred to Anglo Base Metals in January 2000 and was chief operating officer from April 2005 until April 2007 when he became chief executive.

Philip Baum, BCom, LLB, Higher Dip Tax Law (54), is chief executive of Anglo Ferrous Metals. He joined the Group in 1979 and has held a variety of positions, including CEO Anglo American Zimbabwe, acting CEO Anglo American South Africa and first head of what is now Anglo Zimele. He is a director of Kumba Iron Ore, Anglo Ferrous Brazil, Samancor Manganese, Exxaro, Tongaat-Hulett and Hulamin.

Ian Cockerill, BSc, MSc (54), is chief executive of Anglo Coal. Prior to this, he was executive officer, business development for AngloGold and a senior executive with Gold Fields Limited for nine years, the last six as chief executive.

Neville Nicolau, BTech, MBA (49), is chief executive of Anglo Platinum. He joined the Group in March 2008 as Group Head of Asset Optimisation. Previously, he was with AngloGold Ashanti, where he held a number of senior executive positions, most recently as chief operating officer.

David Weston, MBA, BSc (50), is the chief executive of Anglo Industrial Minerals. He spent 25 years at Shell and was president, Shell Canada Products, before joining the Anglo American Group in 2006.

Mervyn Walker, MA (49), is the Group head of human resources. A solicitor by profession, he joined the Group in September 2008 from the Mondi Group where he was the group human resources and legal director. He had previously spent 19 years at British Airways holding a variety of senior positions. He is non-executive chairman of AMEC plc's pension schemes.

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 six times during 2008.

For the composition of the committee, see "— Composition of Board". The Group's chief executive attends the Committee meetings by invitation and assists the Committee in its considerations, except when issues relating to her own compensation are discussed. No directors are involved in deciding their own remuneration.

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-caliber 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 Group 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 2009 and subsequent years, subject to ongoing review as appropriate.

Representatives of the Group's principal investors are consulted on 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 the chief executive) of total executive director remuneration is performance-related. In 2008, 71% of the chief executive's remuneration on an expected-value basis was performance-related; for the finance director, the figure was also 71%.

The Bonus Share Plan and the Long-Term Incentive Plan 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 that are calculated using underlying earnings (reconciled in note 12 of the Group 2008 Financial Statements incorporated by reference herein). The key individual objectives are designed to support the Company's strategic priorities and in 2008 included value-enhancing cost savings, strategic initiatives, safety improvements, productivity growth, talent management and operational efficiencies;

- 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 2008, 50% of each annual bonus was based on the corporate financial measure and the remaining 50% on key individual 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 in recent years, 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;

- in the case of the directors and ExCo, half of the bonus has in previous years been paid in cash, and the maximum cash element has been 75% of basic salary in the case of both the chief executive and finance director. The maximum bonus is payable only for meeting targets which, in the opinion of the Remuneration Committee, represent an exceptional performance for the Group. The other part of the bonus has been in the form of a conditional award of Bonus Shares hitherto equal in value to the cash element. Despite another strong financial performance in 2008, conditions in the mining industry over the past six months have deteriorated rapidly and, in order to further strengthen the longer-term alignment with shareholders, the Remuneration Committee has determined that for the 2008 performance year, the portion of the bonus payable in cash should be reduced from 50% to 25%, with the balance being awarded in the form of Bonus Shares. 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"); 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 2008 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. At the end of each performance period, the level of performance achieved and the proportion of awards vesting will be published in the subsequent remuneration report.

Share options and all-employee share schemes

No share options have been granted to executive directors under the Company's Executive Share Option Scheme ("ESOS") in 2008 and there is currently no intention to make future grants under the ESOS to executive directors. However, the ESOS is retained for use in special circumstances relating to the recruitment or retention of key executives. Accordingly, as the current ESOS will expire in early 2009, the ESOS will be replaced by the Anglo American Discretionary Option Plan which was approved by shareholders at the AGM in April 2008.

Executive directors remain eligible to participate in the Company's Save As You Earn ("SAYE") and Share Incentive Plan ("SIP") schemes. Performance conditions do not apply to these schemes because they are offered to all UK-based employees. As the current SAYE scheme will expire in early 2009, it will be replaced 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 200% of basic salary and it is anticipated that, in 2009, conditional grants under the LTIP will be made at 200% of basic salary for all the executive directors, including the chief executive. The Remuneration Committee is content that the performance conditions that need to be satisfied 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 after considering median expected value of long-term incentives relative to other companies of a similar size. These awards are discretionary and considered on a case-by-case basis.

Performance measures. As in previous years, vesting of the LTIP awards made during 2008 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 will be published in the subsequent remuneration report. There is no retesting of performance.

The LTIP closely aligns 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. The Committee considers comparative TSR to be a suitable long-term performance measure for the Company's LTIP awards. Executives would benefit only if shareholders have enjoyed returns on their investment which are superior to those that could have been obtained in other comparable companies.

The portion of each award that is based on TSR is measured 50% against a sector index and 50% against the constituents of the FTSE 100. Maximum vesting on the TSR element of an award will be possible only if the Company outperforms by a substantial margin both the sector benchmark (as outlined 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 natural resource 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 2008, 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 the 2008 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 considers this to be among the most important factors which drive sustainable improvements in shareholder value in a natural resource business, as well as one of the most important measures of differentiation in performance in this sector.

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 2008 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	45.54%	10%
Maximum ROCE Target	47.54%	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 former ESOS 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 shares (although Matching Shares may be forfeited in some circumstances).

In the event that a director's employment is terminated, vesting of outstanding share options under the former ESOS is dependent upon the reasons the contract is terminated. Performance conditions fall away in the event of redundancy. However, if the executive resigns voluntarily, then all such options lapse unless the Remuneration Committee determines otherwise.

In the case of LTIP interests, 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, 2008, the Trust held 4,445,244 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, 2008, Cynthia Carroll and René Médori each retained fees from such appointments, amounting to £93,000 and £61,000, 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 2009 and subsequent years, subject to ongoing review as appropriate.

The Board reviews non-executive directors' fees periodically to ensure they remain market-competitive. The most recent review in February 2009, concluded that no change should be made to these fees for 2009. Additional fees are paid to the chairmen of Board committees and to the senior independent director. Should non-executive directors acquire executive board roles within subsidiaries of the Company, then they might also receive additional remuneration from the relevant subsidiaries on account of these increased responsibilities.

Chairman's fees

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 2010
René Médori (finance director)[1]	June 1, 2005	April 2011

(1) At each AGM all those directors who have been in office for three years or more since their election or last re-election shall retire from office. Details of those retiring by rotation this year are contained in the notice of AGM.

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 Mark Moody-Stuart (chairman)[(1)(2)]	July 16, 2002	April 2009
David Challen (chairman, Audit Committee and senior independent director)[(1)(2)]	September 9, 2002	April 2009
Sir CK Chow[(1)(2)]	April 15, 2008	April 2011
Chris Fay (chairman, S&SD Committee)[(1)(2)(3)]	April 19, 1999	April 2009
Sir Rob Margetts (chairman, Remuneration Committee)[(1)(2)(3)]	March 18, 1999	April 2009
Nicky Oppenheimer[(1)(2)]	March 18, 1999	April 2010
Fred Phaswana (chairman, Nomination Committee)[(1)(2)]	June 12, 2002	April 2009
Mamphela Ramphele[(1)(2)]	April 25, 2006	April 2009
Karel Van Miert[(1)(2)]	March 19, 2002	April 2011
Peter Woicke[(1)(2)]	January 1, 2006	April 2009

(1) At each AGM, all those directors who have been in office for three years or more since their election or last re-election shall retire from office. Details of those retiring by rotation this year are contained in the Notice of AGM.

(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.

(3) In accordance with the provisions of the Combined Code, independent non-executive directors who have served longer than nine years are subject to annual re-election and, accordingly, Chris Fay and Sir Rob Margetts are being proposed for re-election at the AGM in April 2009.

REMUNERATION OUTCOMES (EXCLUDING PENSIONS AND STOCK COMPENSATION) DURING 2008

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, 2007:

Executive directors[(1)]

	Basic salary as paid		Plus: Basic salary sacrificed into Pension Scheme[(2)]		Total basic salary		Annual performance bonus - Cash element[(2)(3)(4)]		Benefits in kind and other[(5)]		Total	
	Year ended December 31, 2007 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2007 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2007 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2007 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2007 (£000)	Year ended December 31, 2008 (£000)	Year ended December 31, 2007 (£000)	Year ended December 31, 2008 (£000)
Cynthia Carroll[(6)]	900	1,050	—	—	900	1,050	641	319	1,126	198	2,667	1,567
Tony Trahar[(7)]	333	—	200	—	533	—	857	—	1,351	—	2,741	—
David Hathorn	290	—	—	—	290	—	435	—	75	—	800	—
René Médori	565	660	45	—	610	660	407	208	28	55	1,045	923
Simon Thompson[(8)]	238	—	4	—	242	—	224	—	542	—	1,088	—

(1) Subsequent to his retirement from the Board in 2004, Bill Nairn provided consultancy services to Anglo American, receiving £3,000 (2007: £38,000) for the provision of these services during the year. He resigned his non-executive directorships with certain listed subsidiaries of the Group in September 2007 and therefore received £nil fees during 2008 (2007: £15,000).

(2) In 2008, René Médori contractually agreed with his employing company that supplementary pension contributions be made into his pension arrangements in return for an equivalent-cost reduction in the cash element of his BSP award for the 2007 performance period.

(3) The split between the cash and share elements of the Bonus Share Plan has been set out previously.

(4) The annual bonus amounts for 2007 in respect of Tony Trahar, David Hathorn and Simon Thompson include the release of the share element of the BSP paid in cash as well as the cash element, in view of the executives' departure from the Company.

(5) 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.

(6) Cynthia Carroll was, in accordance with her terms upon joining, entitled to be reimbursed by the Company for certain expenses incurred as a result of her recruitment and relocation to the United Kingdom. Accordingly, the Company incurred expenses in 2007 amounting in the aggregate to £402,000, which are included in the above table (under Benefits in kind and other). This includes the cost of temporary accommodation, physical removal costs and the provision of specialist relocation services. The Company has agreed to reimburse Cynthia Carroll for the additional income tax payable in due course on such expenses. Also included in Cynthia Carroll's Benefits in kind and other emoluments are a relocation allowance and compensation made in respect of incentives forgone at her previous employer.

(7) In 2007, Tony Trahar's Benefits in kind and other emoluments included the prorated value of the 2006 BSP and 2007 LTIP which was paid out in cash upon his retirement from the Company. Subsequent to his leaving service in 2007, the Remuneration Committee agreed that Tony Trahar could purchase a residential property from the Group, on the basis that the property be valued by three independent specialist valuers and that the selling price would be the average of the two highest valuations. The property was subsequently valued on this basis and was sold to Tony Trahar for £6,930,000, which was paid on completion. The Committee also agreed that certain contents of the property could be sold to Tony Trahar at their market value as assessed by an independent valuer and such contents were subsequently sold to Tony Trahar for £61,800.

(8) Subsequent to his leaving service, Simon Thompson received £899,000, comprising payments in lieu of notice for salary and benefits, including a pro rated bonus (all included in the above table) and pension contributions amounting to £152,000.

Non-executive directors[1]

The fees paid to non-executive directors during the year ended December 31, 2008 amounted to £1,177,000 (2007: £1,237,000) and are as set out below.

	Total Fees	
	Year ended December 31, 2007 (£000)	Year ended December 31, 2008 (£000)
Sir Mark Moody-Stuart	450	450
Ralph Alexander (resigned October 26, 2007)	54	—
David Challen	80	89
Sir CK Chow (appointed April 15, 2008)	—	46
Chris Fay	80	80
Bobby Godsell (retired April 15, 2008)[2]	71	20
Sir Rob Margetts	93	84
Nicky Oppenheimer[2]	71	71
Fred Phaswana[2]	143	142
Mamphela Ramphele	65	65
Karel Van Miert	65	65
Peter Woicke	65	65

(1) Each non-executive director, with the exception of Sir Mark Moody-Stuart, is paid a fee of £65,000 (2007: £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 (2007: £15,000) per annum. The chairman of the Nomination Committee is paid an additional sum of £7,500 (2007: £7,500) per annum. The senior independent director (SID) received fees of £13,000 (2007: £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 (2007: £nil) and £4,000 (2007: £13,000) respectively.

(2) Bobby Godsell and Nicky Oppenheimer received fees for their services as non-executive directors of Anglo American South Africa Limited amounting to £1,000 (2007: £6,000) and £6,000 (2007: £6,000) respectively, 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 £69,000 (2007: £71,000), which are included in the above table.

Directors' share interests

The interests of directors who held office during the period January 1, 2008 to December 31, 2008 in Shares of the Group and its subsidiaries were as follows:

Shares in Anglo American plc

	As at December 31, 2008 (or if earlier, date of resignation)					
	Beneficial	Conditional				
		SIP	LTIP	BSP Bonus Shares	BSP Enhancement Shares	Other
Cynthia Carroll[1]	92	182	140,523	22,731	17,048	48,309
René Médori[2]	44,819	239	145,368	38,012	30,257	—
Sir Mark Moody-Stuart[3]	25,651	—	—	—	—	—
David Challen	1,820	—	—	—	—	—
Sir CK Chow[4]	5,500	—	—	—	—	—
Chris Fay	6,827	—	—	—	—	—
Bobby Godsell[5]	83	—	—	—	—	—
Sir Rob Margetts[6]	13,343	—	—	—	—	—
Nicky Oppenheimer[7]	33,557,017	—	—	—	—	—
Fred Phaswana	12,739	—	—	—	—	—
Mamphela Ramphele	1,487	—	—	—	—	—
Karel Van Miert	455	—	—	—	—	—
Peter Woicke	4,440	—	—	—	—	—

(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 will be released to her in February 2010, subject to her continued employment.

(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 CK Chow was appointed to the Board at the AGM on April 15, 2008.

(5) Bobby Godsell resigned from the Board at the conclusion of the AGM on April 15, 2008.

(6) Sir Rob Margetts' beneficial interest arises as a result of his wife's interest in these Shares.

(7) 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.

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, 2006	2007	2008
Base Metals	8	10	9
Ferrous Metals	37	13	15
Platinum	44	53	56
Industrial Minerals	13	11	11
Coal	10	12	13
Corporate Activities	1	1	1
Total	113	100	105

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, 2006	2007	2008
South Africa	77	76	79
Rest of Africa	14	1	1
Europe	12	11	10
North America	—	1	1
South America	6	7	9
Australia and Asia	4	4	5
Total	113	100	105

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 cost represents the actual contributions payable by the Group to the various plans. At December 31, 2008, 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, 2008, 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 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 Investment Holdings Limited ("Tarl")(2)	47,275,613	3.59%
Epoch Two Investment Holdings Limited	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 Investment Holdings Limited ("Tarl")(2)	47,275,613	3.58%

As of February 20, 2007, 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)	369,129,227	24.84%
Old Mutual plc	104,284,426	7.02%
Legal & General plc	61,215,523	4.12%

As of February 21, 2006, 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)	472,952,514	31.65%
Old Mutual plc	133,568,567	8.94%
Legal & General plc	52,878,665	3.53%
E. Oppenheimer & Son Holdings Limited	52,250,206	3.49%

(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) Tarl is one of the independent companies which purchases shares as part of Anglo American's share buyback program. Tarl has waived its right to vote all the shares it holds or will hold in Anglo American plc.

RELATED PARTY TRANSACTIONS

The Group has a related party relationship with its subsidiaries, joint ventures and associates.

As of December 31, 2008, the Group held US$88 million (2007: US$131 million) of 10% noncumulative redeemable preference shares in DB Investments, the holding company of De Beers. The Group has also made loans to De Beers during 2008 totaling US$118 million. The loans are interest free for two years, at which point they will bear interest at market rates, and are convertible into ordinary shares. These loans are included within the balance sheet category, Financial Asset Investments.

In addition to the Group's normal funding requirements, the shareholders of De Beers have agreed to provide loans to De Beers, proportionate to their shareholdings, totaling US$500 million. Anglo American holds a 45% interest in De Beers and expects therefore to provide a loan of US$225 million.

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 the year totaled US$609 million (2007: US$275 million), excluding US$nil (2007: US$52 million) from discontinued operations.

As of December 31, 2008, the directors of the Group and their immediate relatives control 3% (2007: 3%) of the voting shares of the Company.

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 2008 Group Financial Statements.

Information relating to pension fund arrangements is disclosed in Note 27 to the 2008 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$1,250,000,000 9.375% Notes due 2014 (the "2014 Notes") and the US$750,000,000 9.375% Notes due 2019 (the "2019 Notes" and, together with the 2014 Notes, the "Notes") will be issued in and treated as two separate series of debt securities under an Indenture expected to be 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"). We may choose to issue only one series of notes or two or more series of notes.

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.

Barclays Capital Inc., BNP Paribas Securities Corp., Goldman, Sachs & Co., Morgan Stanley & Co. Incorporated and RBS Securities 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 2014 Notes and the 2019 Notes are initially issuable in aggregate principal amounts not to exceed US$1,250 million and US$750 million, respectively, and will mature on April 8, 2014 and April 8, 2019, respectively. The 2014 Notes and the 2019 Notes will bear interest at 9.375% and 9.375%, 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 April 8 and October 8, commencing October 8, 2009, to the person in whose name any 2014 Note or 2019 Note, as applicable, is registered at the close of business on the March 22 or September 21 (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 2014 Notes or the 2019 Notes, as applicable, not less than 15 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 2014 Notes or the 2019 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 2014 Notes or the 2019 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.

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 2014 Notes, 50 basis points and, in the case of the 2019 Notes, 50 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 2014 Notes or the 2019 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 Barclays Capital Inc., BNP Paribas Securities Corp., Goldman, Sachs & Co., Morgan Stanley & Co. Incorporated and RBS Securities 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 New York City (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 "Notice" 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 Redemption

Unless previously purchased or redeemed by the Issuer or the Company or any of their Subsidiaries, and cancelled, the principal amount of the 2014 Notes and the 2019 Notes will mature and become due and payable on April 8, 2014 and April 8, 2019, 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 April 8, 2009 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 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 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 primarily 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's 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, 2010), 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 "Negative Pledge", "Provision of Financial Information" and "Limitation on Sale and

Leaseback Transactions" and the condition relating to the absence of any events of default under "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 April 8, 2009 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; or
- 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 Holders" 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, ("DTCC") and registered in the name of Cede & Co., as nominee of DTCC. 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, DTCC will credit the respective principal amounts of the Notes represented by the Global Notes to the accounts of institutions that have accounts with DTCC or its nominee (called participants of DTCC), 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 DTCC 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 DTCC, or its nominee, is the registered owner or holder of the Global Notes, DTCC 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 DTCC, 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 DTCC or its nominee will be made to DTCC 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 DTCC, 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 DTCC. 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 DTCC to DTCC or another nominee of DTCC.

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 DTCC or its nominee for such Global Notes only if:

- DTCC 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, or
- 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 DTCC 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 DTCC 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 DTCC and registered in the name of Cede & Co., as nominee of DTCC.

Ownership of beneficial interests in each Global Note will be limited to persons who have accounts with DTCC, or DTCC participants, or persons who hold interests through DTCC participants. We expect that under procedures established by DTCC:

- upon deposit of each Global Note with DTCC's custodian, DTCC will credit portions of the principal amount of the Global Note to the accounts of the DTCC 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 DTCC (with respect to interests of DTCC participants) and the records of DTCC 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 DTCC, 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 DTCC, 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. DTCC, 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 DTCC, 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 DTCC, Euroclear and Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

DTCC 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.

DTCC 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. DTCC's participants include securities brokers and dealers, including the Initial Purchasers; banks and trust companies; clearing corporations and other organizations. Indirect access to DTCC'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 DTCC participant, either directly or indirectly. Investors who are not DTCC participants may beneficially own securities held by or on behalf of DTCC only through DTCC participants or indirect participants in DTCC.

So long as DTCC'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 DTCC 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 DTCC, on the procedures of the DTCC 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 DTCC'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 DTCC, or for maintaining, supervising or reviewing any records of DTCC relating to those interests.

Payments by participants and indirect participants in DTCC 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 DTCC.

Transfers between participants in DTCC will be effected under DTCC'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 DTCC participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected within DTCC through the DTCC 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 DTCC depositary to take action to effect final settlement by delivering or receiving interests in the relevant Global Notes in DTCC, and making or receiving payment under normal procedures for same-day funds settlement applicable to DTCC. Euroclear and Clearstream participants may not deliver instructions directly to the DTCC 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 DTCC participant will be credited on the business day for Euroclear or Clearstream immediately following the DTCC settlement date. Cash received in Euroclear or Clearstream from the sale of an interest in a Global Note to a DTCC participant will be received with value on the DTCC 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 DTCC settlement date.

DTCC, 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 DTCC, Euroclear or Clearstream or their participants or indirect participants of their obligations under the rules and procedures governing their operations.

UNITED KINGDOM TAX CONSIDERATIONS

UK Taxation

The summary below is of a general nature and describes certain United Kingdom ("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 US and the UK 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," the withholding obligation is disapplied (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, 2009. 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, Belgium, 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).

MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS

UNITED STATES 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 UNITED STATES 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 United States federal income tax consequences to a United States 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 United States 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 United States 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 currently in effect. 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 Internal Revenue Code and the laws of any other taxing jurisdiction.

You are a United States holder if you are a beneficial owner of a note and you are:

- a citizen or resident of the United States,
- a domestic corporation or an entity treated as a domestic corporation for purposes of the Internal Revenue Code,
- an estate whose income is subject to United States federal income tax regardless of its source, or
- a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States 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 or the depositary receives 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, subject to the rules regarding the foreign tax credit allowable to a United States holder. The interest will, depending on your circumstances, be either "passive" or "general" income for purposes of computing the foreign tax credit.

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 United States holder that is recognized in taxable years beginning before January 1, 2011 is generally taxed at a maximum rate of 15% where the holder has a holding period greater than one year.

Backup Withholding and Information Reporting

If you are a noncorporate United States holder, information reporting requirements, on Internal Revenue Service Form 1099, generally will apply to:

- payments of principal and interest 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 United States office of a broker.

Additionally, backup withholding will apply to such payments if you are a noncorporate United States 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.

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 United States 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 United States person,
- a controlled foreign corporation for United States tax purposes,
- a foreign person 50% or more of whose gross income is effectively connected with the conduct of a United States 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 United States 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 United States 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 2014 Notes	Principal Amount of 2019 Notes
Barclays Capital Inc.	250,000,000	150,000,000
BNP Paribas Securities Corp.	250,000,000	150,000,000
Goldman, Sachs & Co.	250,000,000	150,000,000
Morgan Stanley & Co. Incorporated	250,000,000	150,000,000
RBS Securities Inc.	250,000,000	150,000,000
Total	1,250,000,000	750,000,000

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 and may also offer Notes to selling group members at the offering price less a selling concession. 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.

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 section 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 Initial Purchasers 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 Initial Purchasers 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 Initial Purchasers may conduct these transactions in the over-the-counter market or otherwise. If the Initial Purchasers 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 Company, 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, 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, 2007 and 2008 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. In December 2008, Deloitte & Touche LLP changed its legal name to Deloitte LLP. As the consolidated financial statements for the year ended December 31, 2007 were issued in March 2008, the legal name used in the report remains as Deloitte & Touche LLP.

The auditor's reports incorporated by reference herein 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
Peter Whitcutt	Director	Director of DB Investments and an alternate director of Anglo Platinum Limited
René Médori	Director	Director of Scottish and Southern Energy, plc, De Beers, DB Investments and Anglo Platinum Limited

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, 2008. 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 February 17, 2009 and of the Board of Directors of Anglo American Capital plc dated March 16, 2009.

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 April 9, 2009, 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 £750,000.

3. Clearing Reference Numbers

The Notes have been accepted for clearance through DTCC's book-entry settlement system. The CUSIP and ISIN numbers for the Notes are as follows:

2014 Notes distributed pursuant to Rule 144A: CUSIP 034863 AA8, ISIN US034863AA86

2014 Notes distributed pursuant to Regulation S: CUSIP G03762 HF4, ISIN USG03762HF42

2019 Notes distributed pursuant to Rule 144A: CUSIP 034863 AB6, ISIN US034863AB69

2019 Notes distributed pursuant to Regulation S: CUSIP G03762 HG2, ISIN USG03762HG25

The address of DTCC 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 Issuer or the Company and its subsidiaries since December 31, 2008 being the date of the last published financial statements.

There has been no material adverse change in the prospects of the Issuer or the Company since December 31, 2008 being the date of the last published financial statements.

5. Litigation

AASA, a wholly owned subsidiary of the Company, is a defendant in eleven 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 eleven claims is less than US$3 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 by means of arbitration in 2010, but the arrangements have not yet been agreed.

AASA has a number of defences 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 in the first four paragraphs under "Business Description — Base Metals — Other Information", 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 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, 2007 and 2008 which were unqualified and did not contain any statement as is described in Section 237(2) or (3) of the 1985 Act. 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, 2007 and 2008.

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 2014 Notes will be 9.375% and of the 2019 Notes will be 9.375%. 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 2007 Financial Statements, the Group 2008 Financial Statements, the Issuer 2007 Financial Statements and the Issuer 2008 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	xi
OVERVIEW	1
RISK FACTORS	9
CAPITALIZATION	17
USE OF PROCEEDS	18
BUSINESS DESCRIPTION	19
ORE RESERVES	48
SELECTED FINANCIAL INFORMATION	58
OPERATING AND FINANCIAL REVIEW	59
REGULATION	90
SAFETY, HEALTH AND ENVIRONMENT, AND SUSTAINABLE DEVELOPMENT	94
MANAGEMENT OF ANGLO AMERICAN PLC	98
MAJOR SHAREHOLDER INFORMATION	114
RELATED PARTY TRANSACTIONS	115
DESCRIPTION OF THE NOTES AND THE GUARANTEES	116
BOOK-ENTRY SETTLEMENT AND CLEARANCE	136
UNITED KINGDOM TAX CONSIDERATIONS	138
MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS	141
PLAN OF DISTRIBUTION	143
TRANSFER RESTRICTIONS	146
LEGAL MATTERS	149
INDEPENDENT AUDITORS	149
DESCRIPTION OF ANGLO AMERICAN CAPITAL PLC	150
GENERAL INFORMATION	151

US$2,000,000,000

Anglo American plc
Anglo American Capital plc

US$1,250,000,000 9.375%
Senior Notes due 2014

US$750,000,000 9.375%
Senior Notes due 2019

Joint Bookrunners

Barclays Capital
BNP PARIBAS
Goldman, Sachs & Co.
Morgan Stanley
RBS

BOWNE
U06490