ANGLO PLATINUM

Site Visit: Mogalakwena Mine and Polokwane Smelter

April 12th 2010

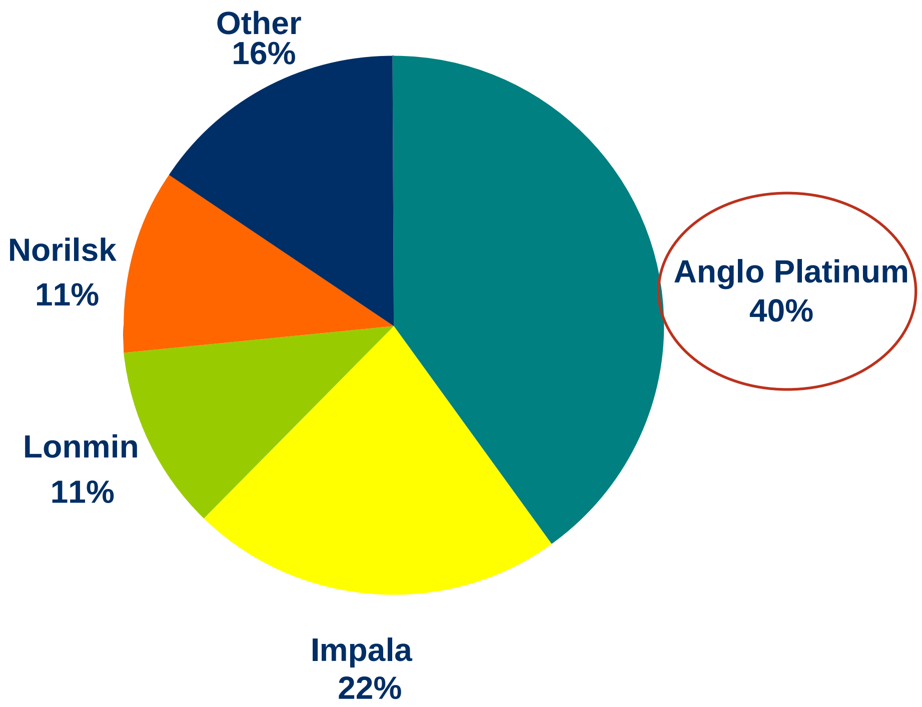
Agenda

- **Welcome and Introduction**
- **Overview of Platinum industry and Anglo Platinum**
  - Neville Nicolau, CEO
- **Presentation on Mogalakwena Mine**
  - Ted Muhajir, General Manager
- **Question and Answer session**

MARKET OVERVIEW

Global platinum supply: only 4 major players – extremely high geographical concentration

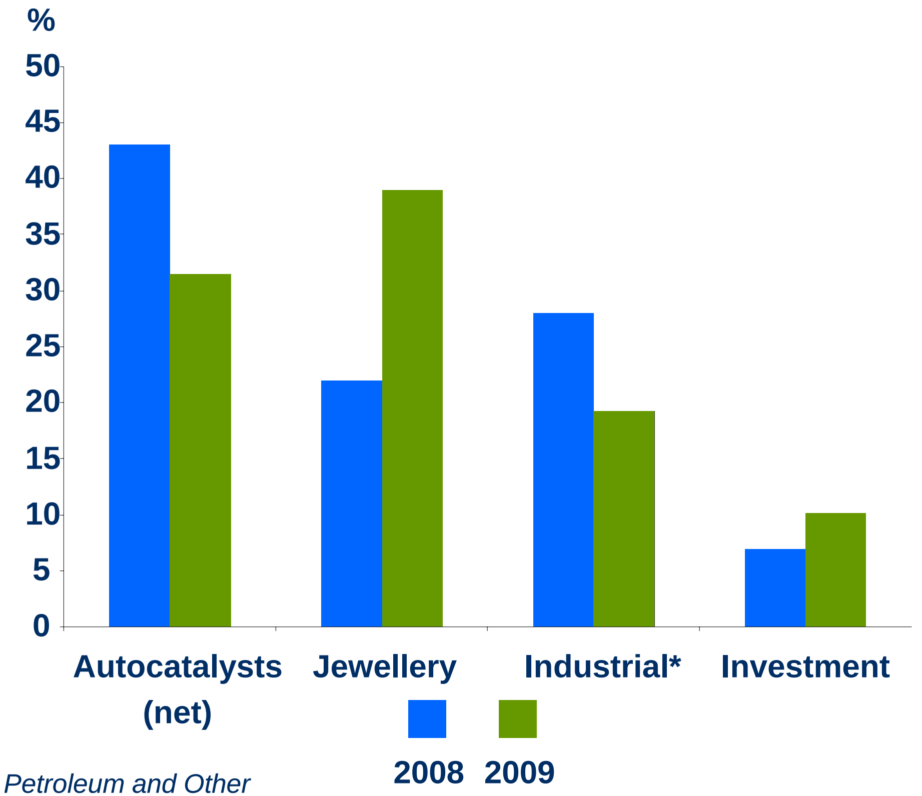
2009: Global platinum supply: 6,060m oz



- c.20% of platinum is produced as a by-product to nickel or palladium

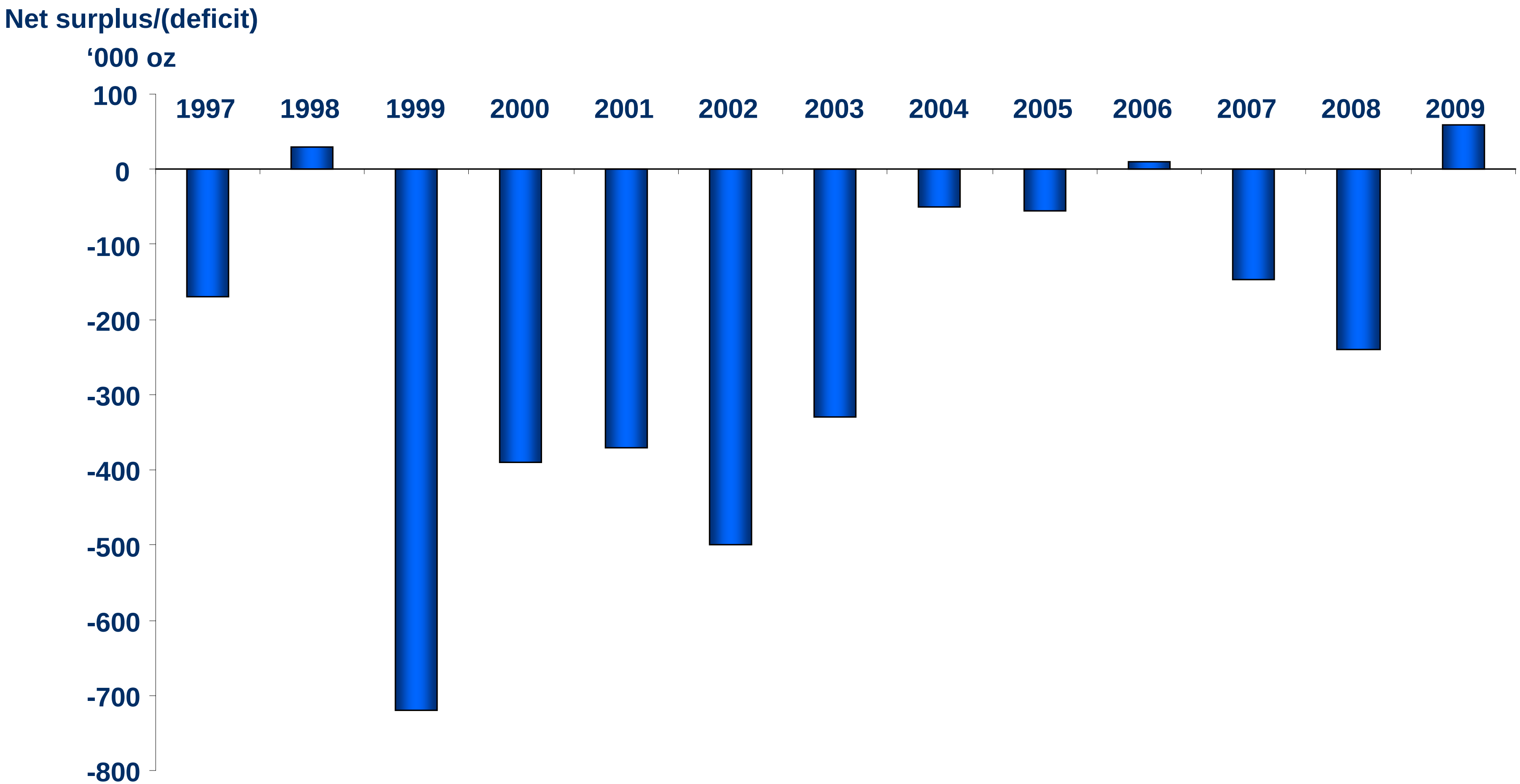
Unique metal market dynamics

- Diverse application base
- Balance of elastic and inelastic applications – beneficial price role from 2H08
- Geographically diverse demand



Includes Chemical, Electrical, Glass, Petroleum and Other

Platinum market: In deficit for 10 of last 13 years

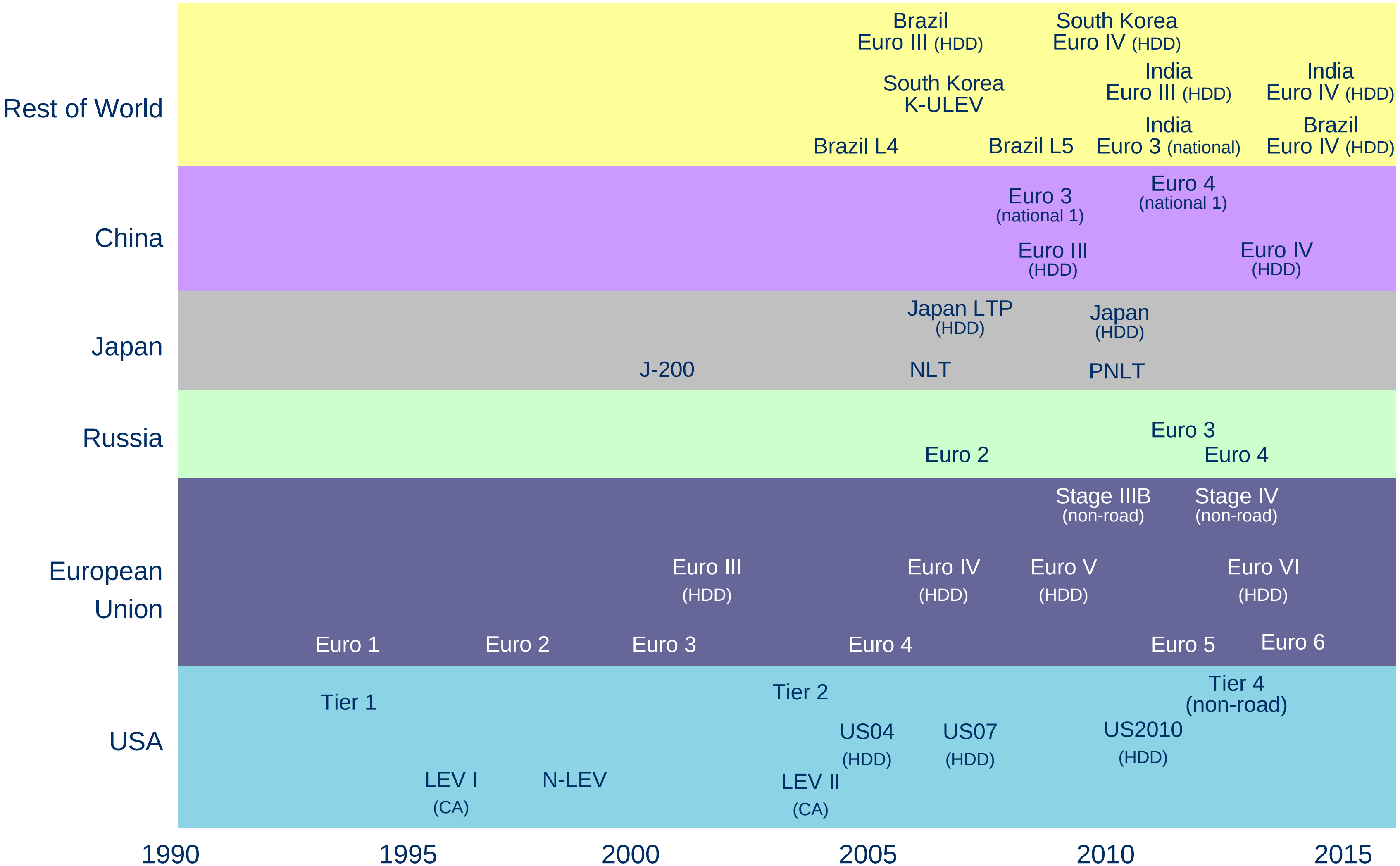


Source: Johnson Matthey, Anglo Platinum estimates

Autocatalyst demand driver: emissions legislation

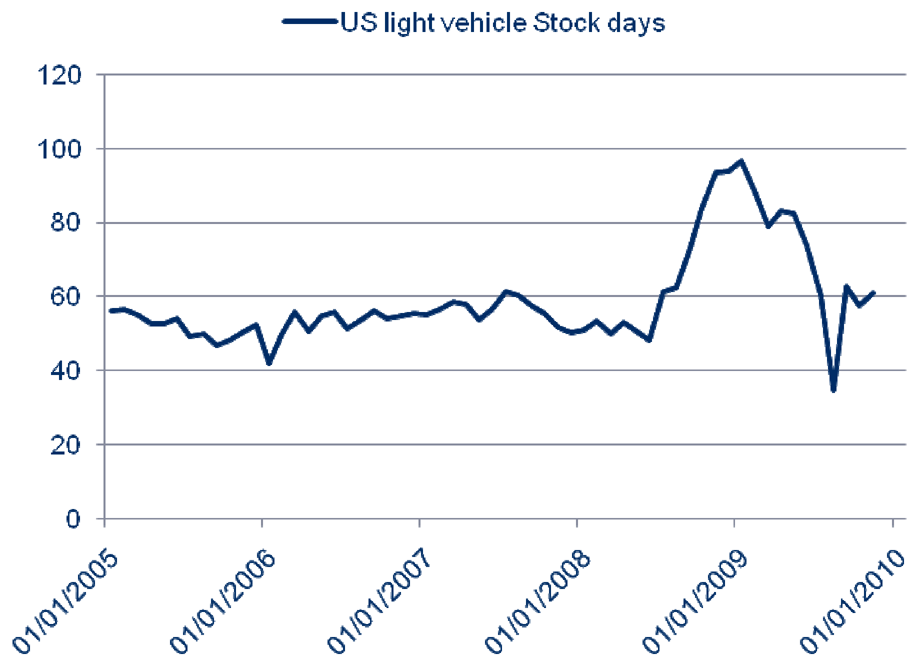
- Continued tighter legislation - Euro V 2011
- Continued increase in diesel car popularity – cost and emissions efficiency
- Early voluntary particulate filter fitment
- Heavy duty vehicle retrofitting - high loadings
- Vehicle volume growth in China

Autocatalyst demand driver: emissions legislation timetable



Source: Johnson Matthey

Autocatalyst demand rebuilding



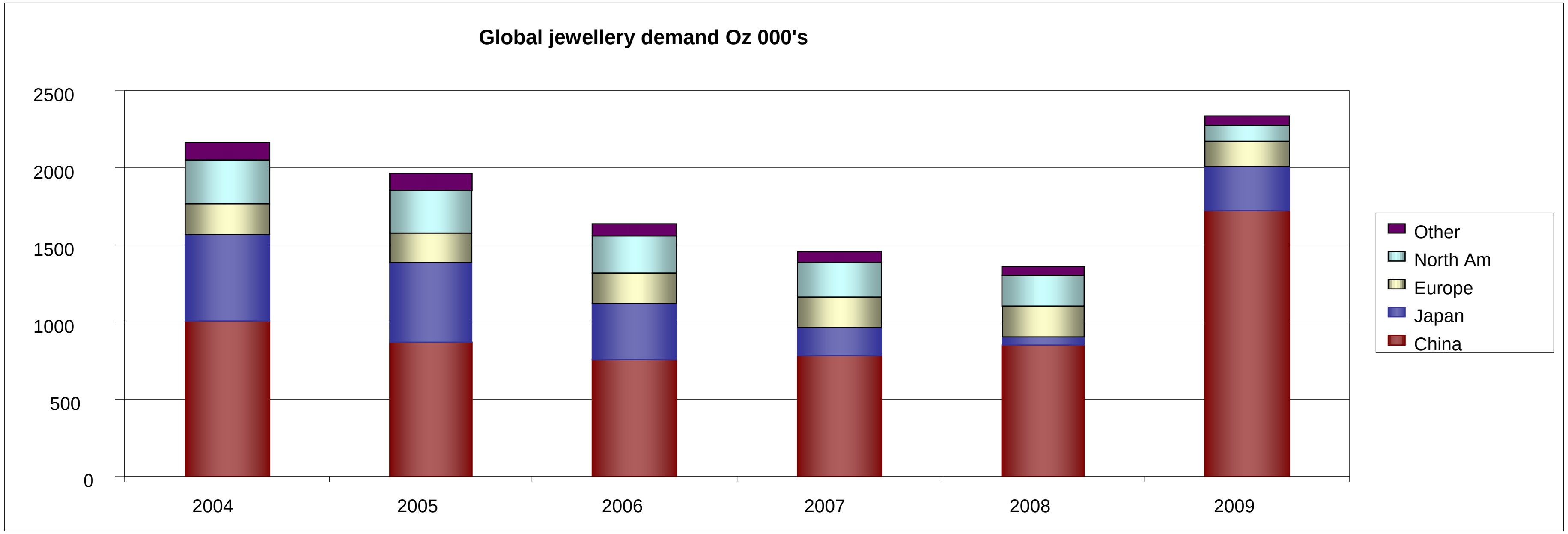
2009

- Vehicle stock adjustments exacerbated poor production performance in mature markets
- Stimulus schemes boosted small car sales favouring palladium
- Chinese vehicle production growth exceptional

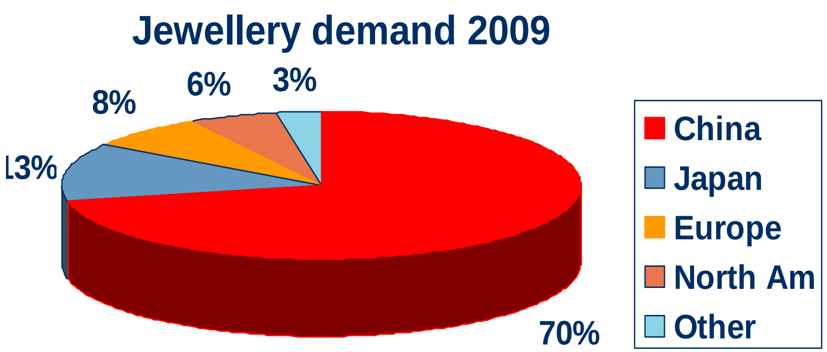
2010

- Vehicle production forecast to increase to match sales
- Diesel share in Europe re-established through fleet purchases

Asia delivers on platinum jewellery



- Asian markets – provide the volume
- Rest of World – provides influence and style
- Chinese consumer demand remains firm and margins are robust
- Development campaign in India revitalised



Platinum jewellery: unique source of price support

Shock-absorber effect at differing price levels

- Jewellery demand: price elastic vs. Industrial demand: price inelastic
- Demand balance results in lower price volatility

Price tension (upward pressure on price):

- Strong consumer demand
    - Sophisticated marketing: PGI focus on niche and new markets
    - High brand awareness
    - Well-established bridal support
- Consumer has adjusted to higher prices over time

China is different….

- Platinum jewellery sales in China increased by over 600,000 ounces 1H09 vs. 1H08
- Unique market characteristics
- Majority of purchases are self-purchase or non-bridal gift
- Over 70% metal-only pieces (< $300)
- Unsaturated market – retail store growth

Platinum jewellery: China is different

Primary consumer – demographics and behaviour

- Better educated urban employee between 20 and 40
- Buys her own plain platinum pieces; fashion and emotion
- Average value of her purchase: US$250
- Remained employed through global crisis
- Well aware of the low price opportunity; jewellery sold by weight
- High appeal of price dip to first time buyer; unsaturated market

Beijing retailer - May holiday

Shanghai retailer - Valentines day

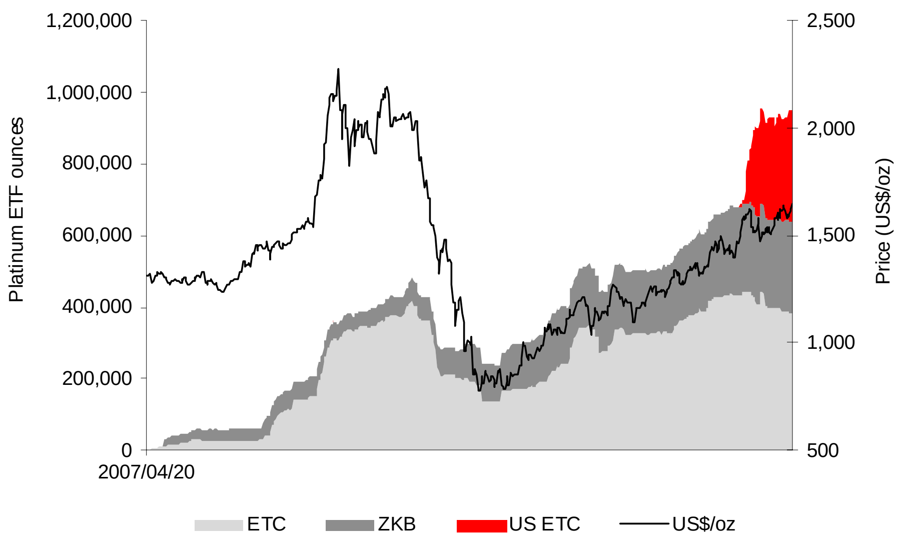
Investment: a growing source of visible demand

• Platinum and palladium ETFs introduced in April-May 2006 by ETF Securities and Zurcher Kantonal Bank and in January 2010 in the US by ETF Securities

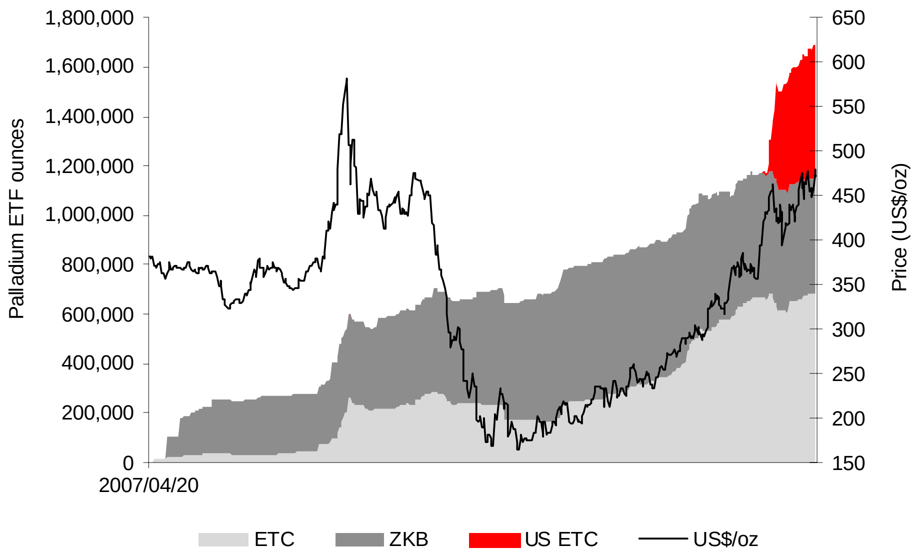
• Platinum ETF holdings currently at 947k oz, including 309k oz in US ETF

• Palladium ETF holdings currently at 1695k oz, including 549k oz in US ETF

Platinum ETF positions to end March 2010



Palladium ETF positions to end March 2010



Palladium: Moving into a sustained production deficit

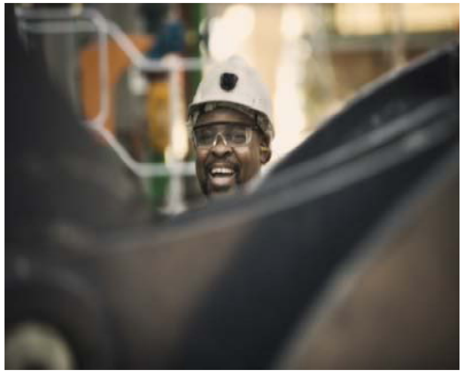
- Increasing autocatalyst demand from BRIC car production and sales
- Palladium use in diesel catalysts: 25-30% of PGM loadings medium to longer-term
- Investment activity and Exchange Traded Funds continue to increase
- Potential for further jewellery development
- Overhang of Russian stockpiles remains for now
- Potential to move into a sustained production deficit once Russian stockpiles deplete

COMPANY OVERVIEW

Our Strategy

Our strategy is to maximise value by understanding and developing the market for platinum group metals, to expand our production into that opportunity and to conduct our business safely, cost-effectively and competitively

Safe, Profitable Platinum

World leader in platinum production

- The world's largest primary producer of platinum, c.40% market share
- Refined production (000' oz):

	2009	2008	2007
Platinum	2,452	2,387	2,474
Palladium	1,361	1,319	1,390
Rhodium	350	299	329
PGMs	4,751	4,531	4,787

- Headline Earnings:

	2009	2008	2007
R m	710	13,292	12,325
US$ m	359	1,722	1,741

	2009	2008	2007
Ordinary shares in issue (m)*:	236.8	237.1	236.4
Market capitalization (US$ bn):	25.6	13.3	35.0
Anglo American plc shareholding:	79.7%	79.6%	76.5%

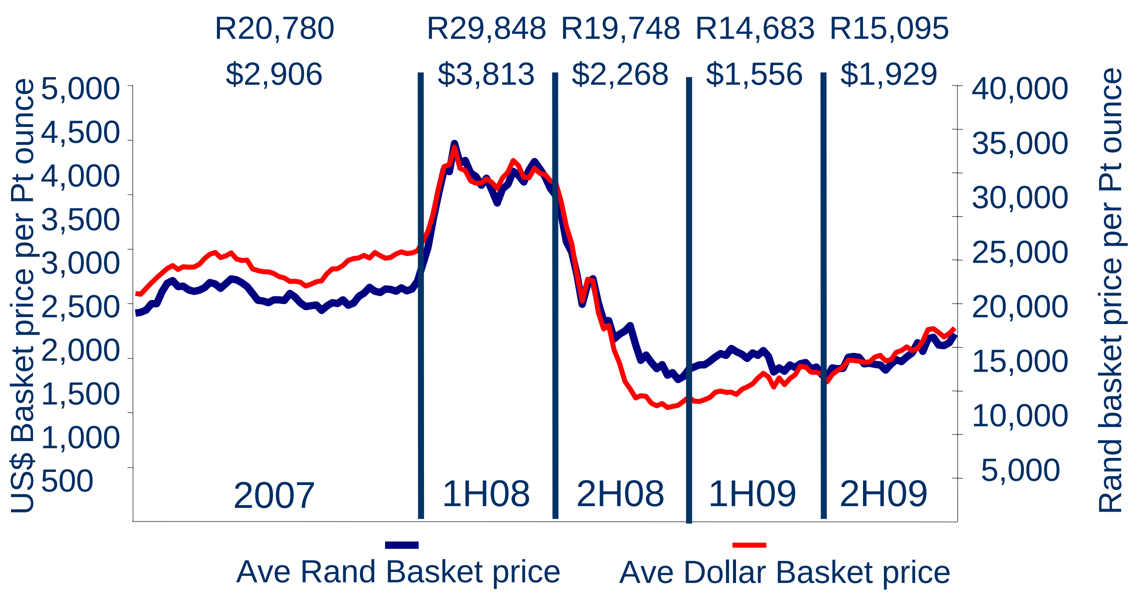
**As at 31st December*

Primary platinum production drives our strategy

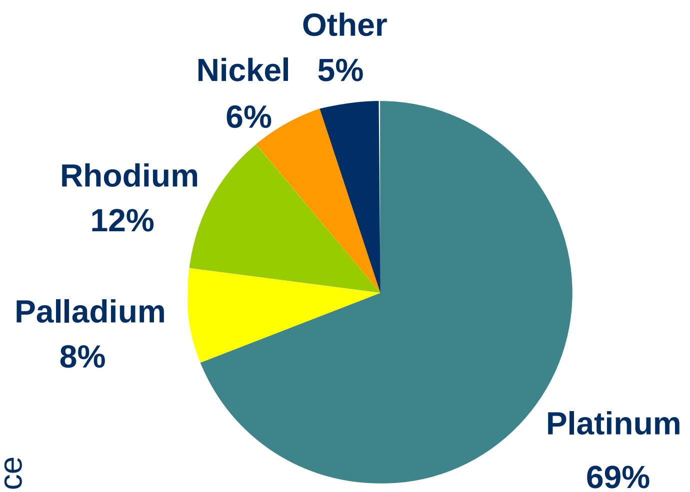
- Expansion decisions based on platinum demand growth

- Value and return based on rand revenue of basket of metals sold

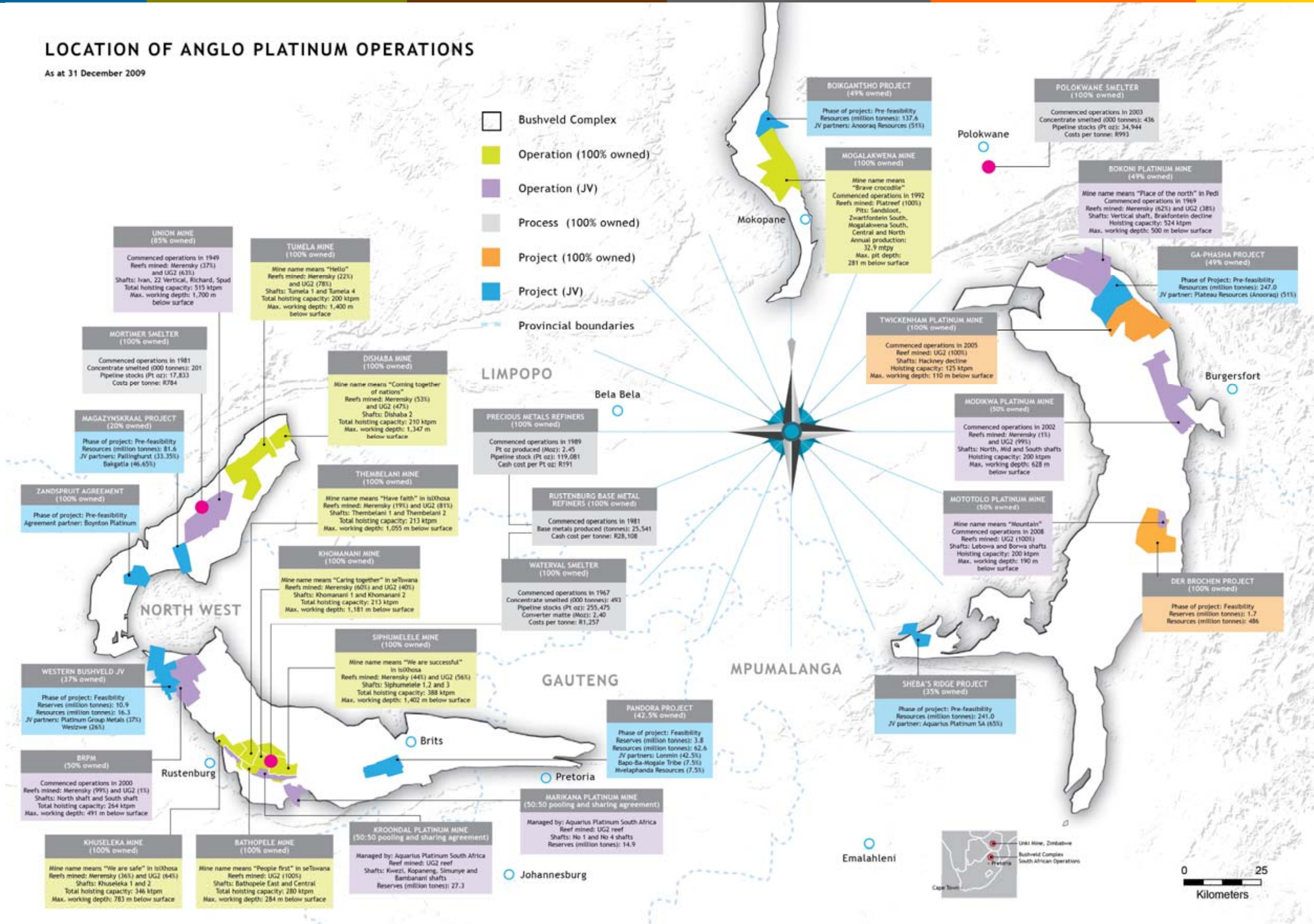
- Anglo Platinum basket price: net sales revenue (all metals) per platinum ounce refined in FY09



2009: split of gross revenue by metal



South Africa Bushveld Complex and our operations



Extensive high quality ore reserves and resources

- Proved and probable reserves of 1,315 Mt @ 4.03 g/t: 170.5m oz (4E)
  - Implied life of mines: c.55 years
- Measure and Indicated resource: 2,406 Mt @ 3.95 g/t: 305m oz (4E)
  - Implied life of mines: c.50 years
- Total implied life of mines (reserves and resources): +100 years
- c.60% of South Africa’s Pt and 4E reserves

Our wholly-owned mines: FY09 statistics

Mine area	Mine (Shafts)	Refined Pt Production	% UG2	M^2 per total operating employee	Cash operating cost per equivalent refined Pt oz	Comments
Rustenburg	Siphumele (1, 2 & 3 shafts)	110.6	56	4.2	13,297	2 and 3 shafts on care and maintenance
	Bathopele (East and Central shafts)	133.6	100	15.6	10,647	Mechanised mine
	Khomanani (1 & 2 shafts)	105.5	40	5.5	12,659	
	Thembelani (1 & 2 shafts)	79.3	81	5.4	13,972	2 shaft is a project shaft
	Khuseleka (1 & 2 shafts)	157.0	64	5.4	13,118	2 shaft on care and maintenance
	TOTAL	**586.0**				
Amandelbult	Tumela (1 & 4 shafts)	293.8	78	6.1	9,245	4 shaft is a project
	Dishaba (2 shaft)	150.1	47	4.4	10,291	East Upper UG2 Project
	TOTAL	**443.9**				
Union(1)	Ivan, 22 Vertical, Richard and Spud shafts	291.9	63	4.5	10,268	
Mogalakwena		233.3	NA	1,141(2)	11,710	Platreef
TOTAL		**1,555.1**				

(1) 85% owned (2) Tonnes mined per total employee per month

Our Joint-Venture Operations: FY09 statistics

Mine	AP ownership	Structure	Other information	FY09 mined ounces	FY09 PoC*	% UG2	Cash operating cost per equivalent refined Pt oz	M^2 per total operating employee
BRPM	50%	50% Royal Bafokeng Resources	Managed by Anglo Platinum	84.5	88.8	1	9,992	6.5
Modikwa	50%	50% African Rainbow Minerals	Managed by ARM	67.2	67.2	99	13,740	10.2
Mototolo	50%	50% Xstrata	Managed by Xstrata	54.5	54.5	100	9,132	15.8 (some mechanised)
Kroondal	50%	50% Aquarius	Managed by Aquarius	115.8	115.8	100	10,437	12.7
Marikana	50%	50% Aquarius	Managed by Aquarius	45.4	19.8	100	11,037	6.2
Bokoni**	49%	51% Anooraq Resources	Managed by Anooraq Resources	28.6	28.6	38	18,920	3.5

**PoC: 'Purchase of Concentrate'; ** Formerly known as Lebowa; Ounces information to 30/06/09 only; accounted for as an Associate from 1/7/09*

Unique competitive advantages

- Extensive high quality ore reserves
- Building flexibility into portfolio of long-life assets
- Superior market intelligence
- Extensive HDSA JV experience
- Conversion of all mining rights granted, including at project level

Latest financial results: 2009 highlights

- **Safety: continued progress**
  - 4 month fatality-free record as at 20 January 2010
- **Financial results:**
  - Headline Earnings down 95% to R710 million due to the metal price decline
- **Strong recovery in PGM prices since 2H09 and continued positive market outlook**
- **Operational improvement targets met:**
  - Production of 2.4 million ounces of platinum, as planned
  - Employee complement reduction of 15,752 since January 2009
  - Cash operating costs per equivalent refined platinum ounce kept essentially flat at R11,236
  - Mining productivity average 6.33m^2 per operating employee during year, 13% improvement yr/yr
  - Capital expenditure of R9.7 billion
- **Balance Sheet restructured:**
  - Rights Offer of R12.5 billion now concluded, 2.8x over-subscribed by minority shareholders
  - Future financial and operational flexibility secured and capacity for growth created

Key opportunities and issues for Anglo Platinum

Safety:	– Focus on achieving zero harm
Cost management:	– Targeting unit costs to remain flat until 2011 – Three-stage process of (i) reducing employee numbers and improving productivity, (ii) reducing overhead and allocated costs; (iii) improving efficiency of infrastructure
Declining grade and recovery:	– Increased UG2 and quality of Merensky
Project pipeline management:	– Production of metal to meet market demand – Reduction in capex: R8 bn per annum for next two years
Balance sheet management:	– Successful R12.5 billion Rights Issue – Resumption of dividend payments

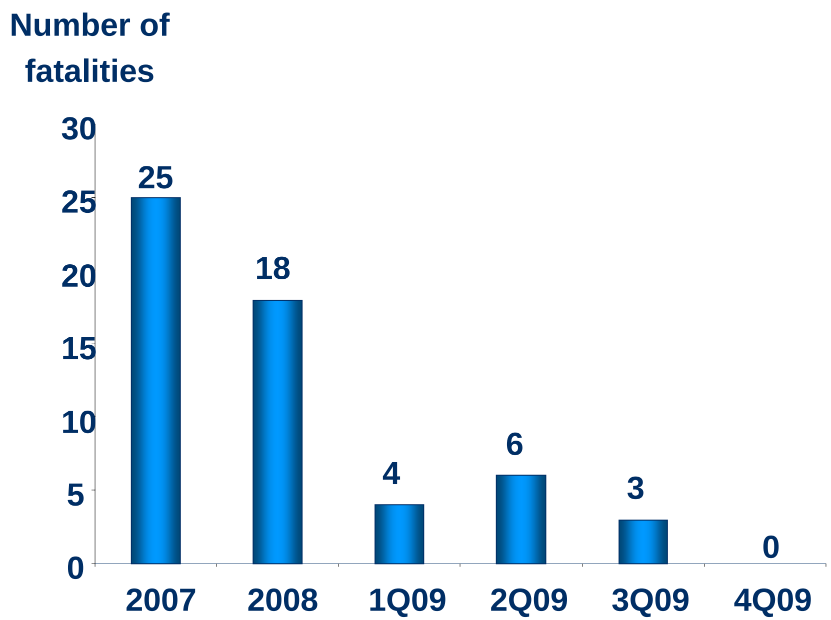
Safety

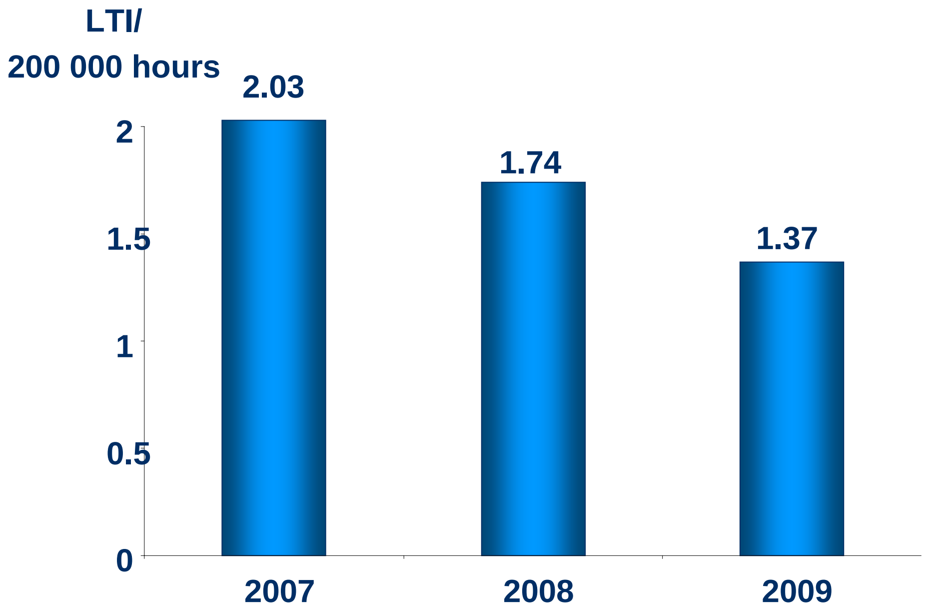
Safety is our first value

Zero is possible

Solid progress towards ‘zero-harm’

- Marked improvement in safety:
  - LTIFR down 32.5% since 2007
  - 4Q09 fatality free, a first in the history of the Company
  - Fatality-free shift achievements in 2010:
    - – Dishaba Mine: 3.5 million; Tumela Mine: 4 million; Khuseleka 1 Shaft: 2 million; Khomanani 1 Shaft: 1 million





Turning Anglo Platinum around: some key actions taken

- Restructuring of our largest mines into smaller, more manageable units
- Introducing a matrix management structure at Head Office
- Instilling cost management into our corporate culture
- Matching our capex spend to our production profile
- Solid progress on road to ‘zero harm’

Cost management being instilled across the group

<u>Target: flat nominal cash operating costs per equivalent refined platinum ounce FY09-FY11</u>

A three-step process to reinforce cost management:

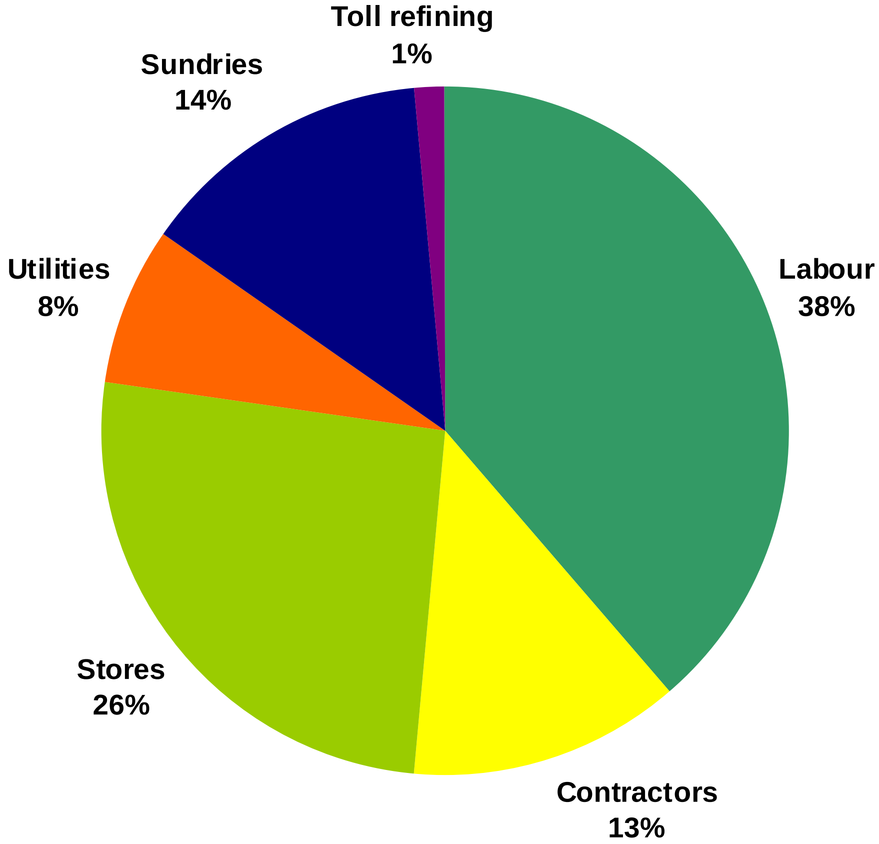
1. Employee complement reduction and productivity improvements
2. Correct allocation of costs across mines; reduction of overhead costs and removal of overheads from shafts on ‘care and maintenance’
3. Improving efficiency of infrastructure

…in a high inflation environment

Solid progress in meeting cost target

- Rand cash operating costs per equivalent refined platinum ounce flat in 2009 versus 2008

2009: split of cash operating costs*

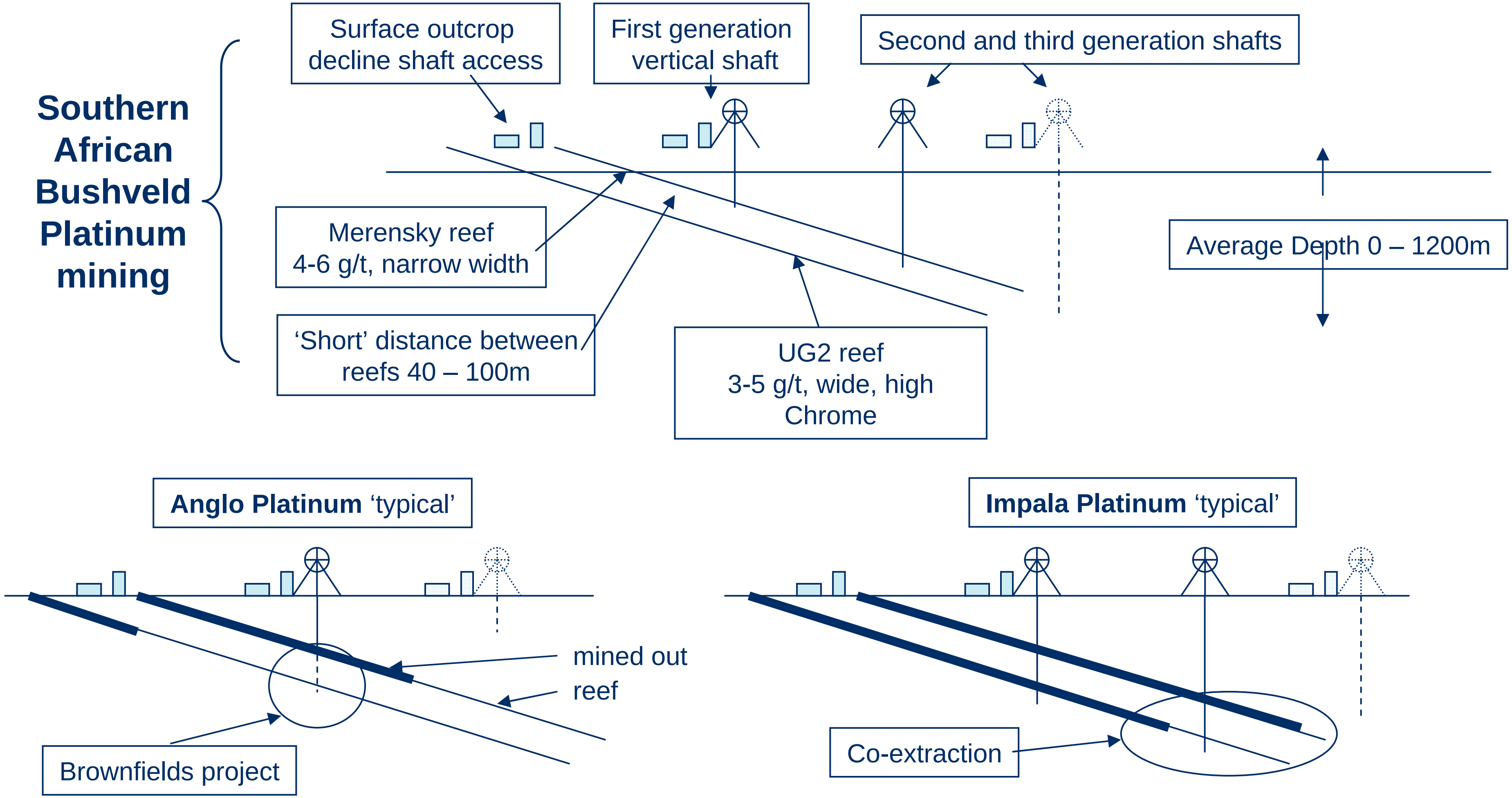


**Includes On-mine costs (comprise mining and concentrating costs) smelting and refining costs*

FY09 saw a turning point in cost management

- **Cash operating unit costs essentially flat year-on-year**
  - Cash operating costs per equivalent refined platinum ounce of R11,236 vs. R11,096 in 2008, a c.6% reduction in real terms
  - Cash operating cost per tonne milled decreased 5% to R453 in nominal terms
- **Employee complement reduction:**
  - Reduction of 724 positions in corporate and regional offices in 2009; total reduction of 1,150 since July 2008
  - 15,752 reduction in total complement since January 2009, against initial expectation of 10,000; reduction of 18,786 since October 2008
- **Asset Optimisation and Supply Chain**
  - Asset Optimisation operating profit benefit: R2,731 million
  - Supply Chain savings: R821 million

Improving our infrastructure efficiencies

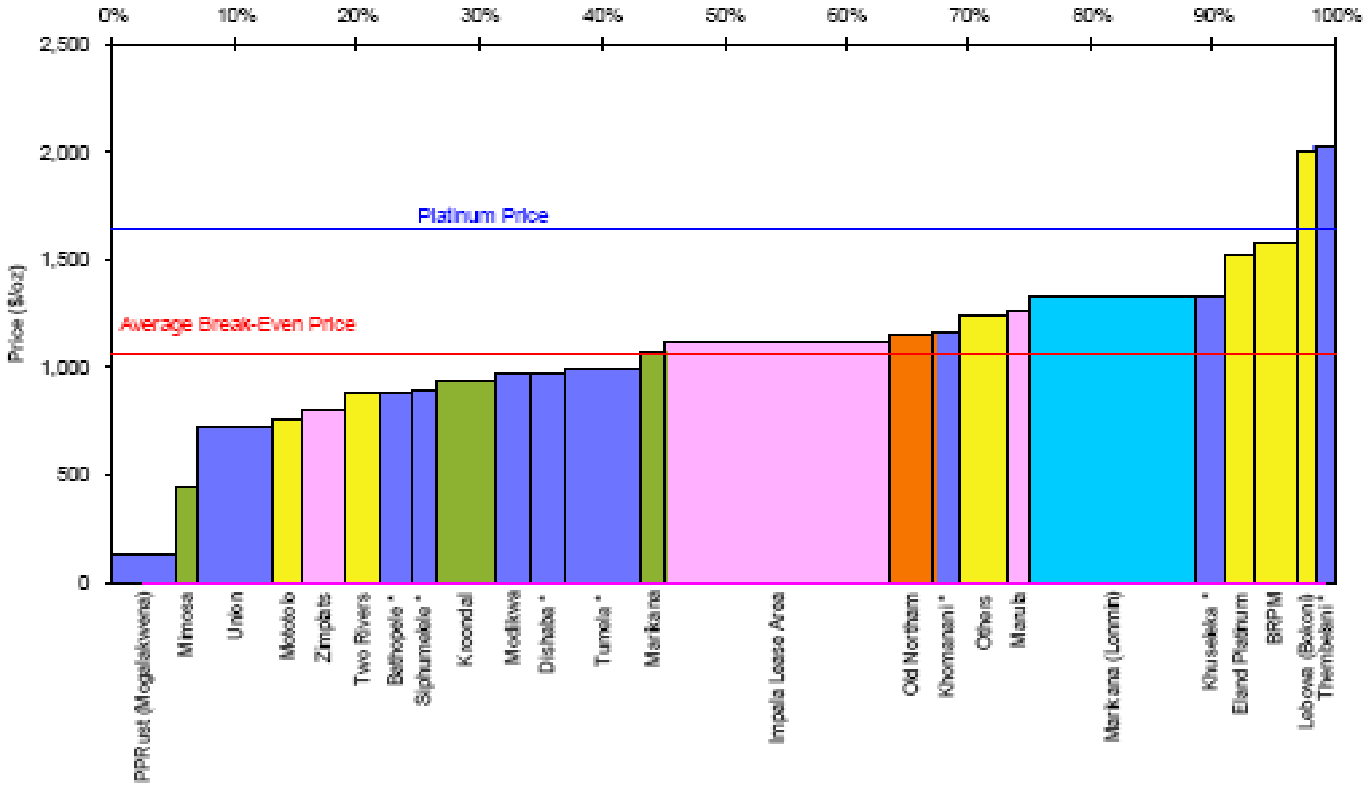


<u>At Rustenburg, c.70% of employees are more than 2.5 km away from infrastructure, vs. c.30% at Impala's Lease Area</u>

Improving our infrastructure efficiencies

- **Improving mine development layout and design of new mining areas**
  - Example: transition from manual to hybrid mining at Union
- **Shaft optimisation to fully utilise capacity and maximise low cost ounces**
  - Examples:
    - Reduce activity at Union Merensky Deeps and Merenksy levels at Rustenburg
    - Increase UG2 production close to existing shafts whilst reducing Merensky mining at a distance
- **Infrastructure optimization**
  - Example: closure of Thembelani 1 shaft to route all activity through Thembelani 2 shaft, once completed
- **Implementing reclamation/refurbishment strategies**
  - Examples:
    - Salvage and reuse of mining equipment
    - In-sourcing of equipment repair and maintenance

Moving to lower half of cost curve



Source: J.P. Morgan estimates. Prices used: Prices used: Pt: $1,641/oz, Pd: $480/oz, Rh: $2,575/oz, Ni: $24,300, R/$: 7.33

Asset Optimisation and Supply Chain deliver value

- Asset Optimisation FY09 operating profit benefit:
  - R2,731 million or $332 million*

Main contributing projects:

•Mogalakwena volume increases

•Smelter capacity improvements

•Labour productivity improvements

•Steel ball reduction in milling circuits

•Process chemicals reduction

- Supply Chain FY09 savings:
  - Supply Chain savings: R821 million

Main contributing projects:

• Steel balls and grinding media

• Tyres

• Mobile cranes

• Caustic soda

- Sustainable Asset Optimisation and Supply Chain savings targets:
  - 2010: $250m (AO), $195m (SC)
  - 2011: $335m (AO), $349m (SC)

** Sustainable savings of $233 million*

Declining grade and recovery – an industry issue

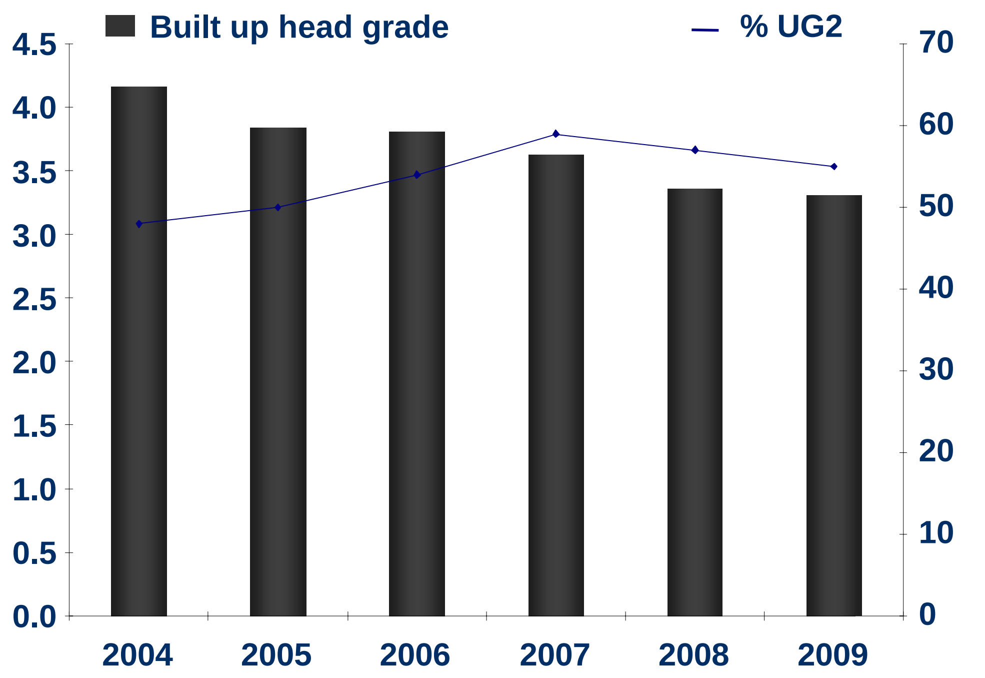
- Increasing proportion of UG2: lower grade and recovery

- Increased UG2 mined vs. total output: 2004: 48% to 2009: 55%

- Built-up head grade decreased from 2004: 4.16 to 2009: 3.31 g/tonne milled

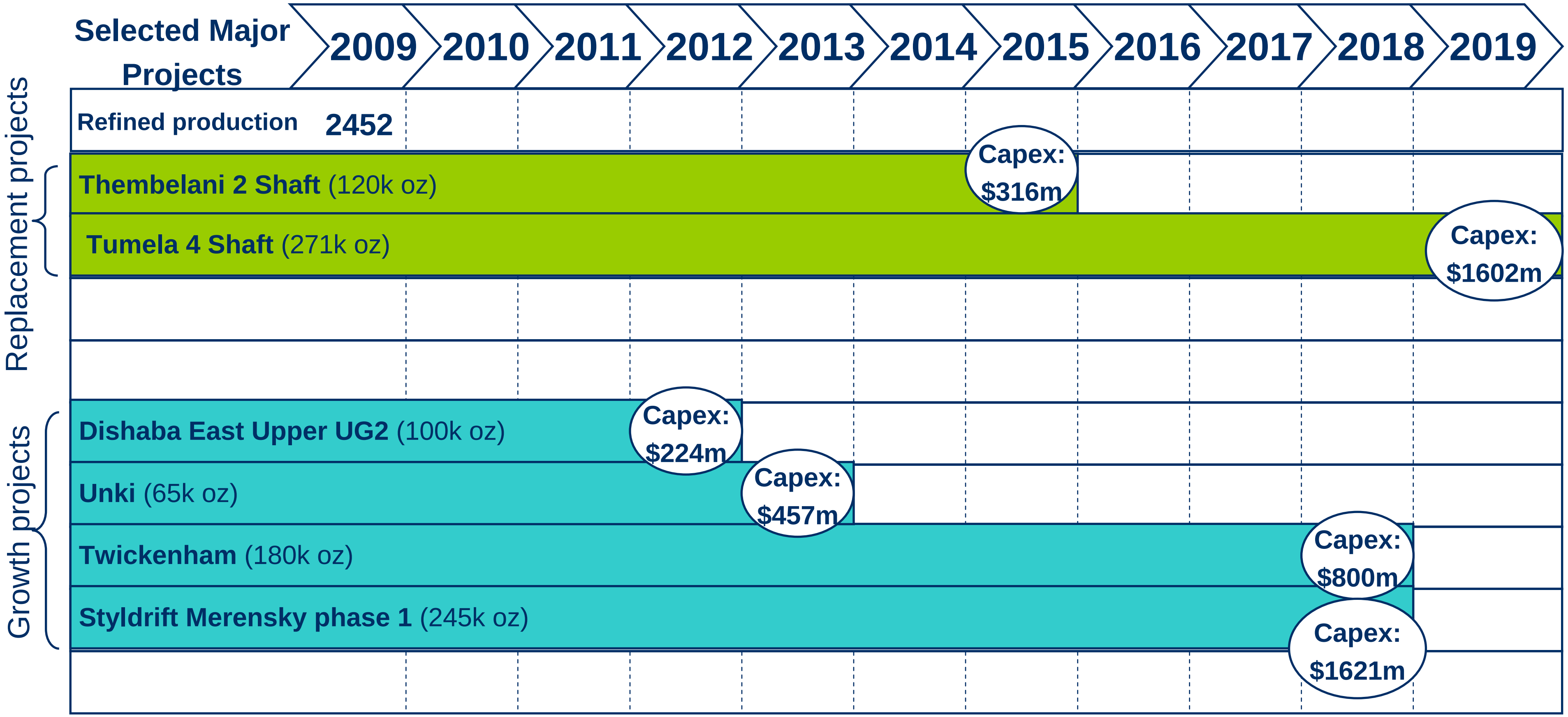
- Ore mix management and process recovery optimisation

- Focus on improving flexibility by increasing ore reserve development



Project pipeline management: rigorous capital allocation management

- Approved projects form pipeline of $5 billion
- Stay-in-business and Project capital expenditure reduced from R14 billion ($1.5b) in 2008 to R8 billion (c.$1b) per annum for 2010 and 2011



All production shown at 100% full ramp up and in '000 ounces per annum; dates show full production dates

Balance sheet management: Successful R12.5 billion Rights Issue

- R12.5 billion, equating to 24,891,473 million shares
- Issue price of R502.18, set at 25% discount to Theoretical Ex-Rights Price (5 February 2010)
- Anglo American followed its rights (79.72%) and fully underwrote the balance of the offering
- Pro-forma net debt post Rights Issue: R6.8 billion
- Reduction in pro-forma interest charge expected to be c. R800 million
- Dividend payments to be resumed when market conditions and the operating environment permit

In summary

- **Fundamentally attractive market:**
  – Strategic industrial metals
  – Strong demand recovery – restocking, autocat demand returning, Chinese jewellery remains strong
  – Geological concentration and scarcity of PGMs
  – Stable industry structure – well established fabricators and users – concentrated supply

- **Performance improvement underway:**
  – Commitment to optimising value from diverse portfolio of assets:
    – Three high cost shafts placed on care and maintenance
    – Additional output from lower cost operations can be flexed to keep production steady
  – Disciplined capital allocation
  – Rigorous cost management, including supply chain and asset optimisation initiatives

- **Anglo Platinum is the largest platinum producer globally:**
  – Largest suite of mining, smelting and refining assets in industry
  – 40% of global platinum market; 21% share of global palladium market

- **Strong growth prospects:**
  – Largest resources and reserves of any PGM player
  – Unrivalled PGM optionality through portfolio of assets and presence on all four Southern African reefs