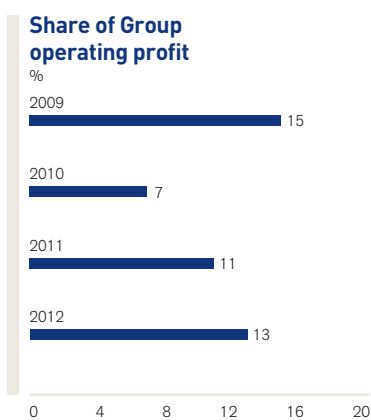
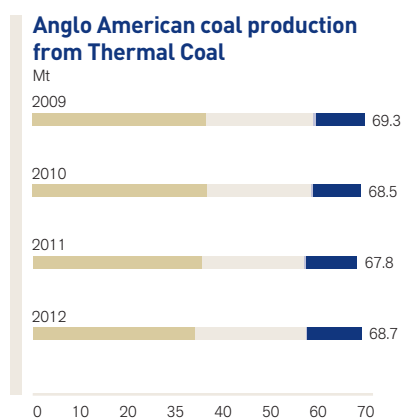
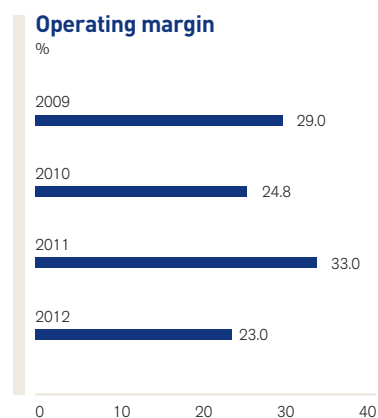
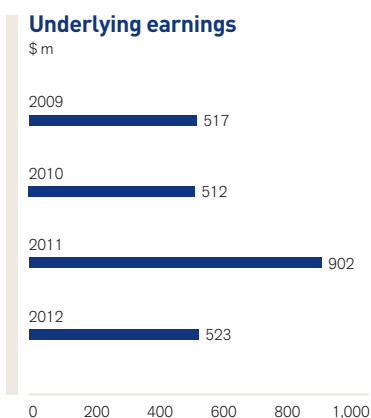
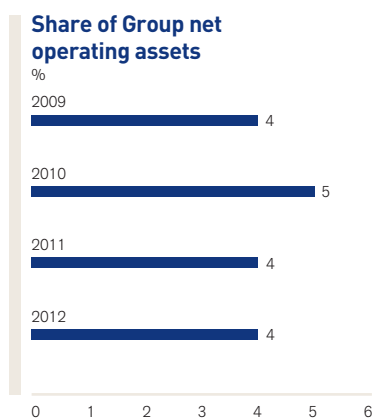


THERMAL COAL

In South Africa, Thermal Coal owns and operates nine mines. In Colombia, we have a one-third shareholding (with BHP Billiton and Xstrata each owning one-third) in Cerrejón, Colombia's biggest thermal coal exporter.

Thermal coal is the most abundant source of fossil fuel energy in the world. Exceeding known reserves of oil and gas, it accounts for more than 40% of electricity generation.

FINANCIAL HIGHLIGHTS



■ Eskom
■ Trade - Thermal South Africa
■ Trade - Metallurgical South Africa
■ Trade - Thermal Cerrejón

FINANCIAL DATA

\$ million	2012	2011	2010	2009
Turnover				
Subsidiaries	2,477	2,642	2,105	1,748
Joint ventures	–	–	–	–
Associates	970	1,080	761	742
Total turnover	3,447	3,722	2,866	2,490
Of which:				
South Africa	2,477	2,642	2,105	1,748
South America	970	1,080	761	742
EBITDA	972	1,410	872	875
Of which:				
South Africa	607	906	539	550
South America	412	535	358	352
Projects and corporate	(47)	(31)	(25)	(27)
Depreciation and amortisation	179	180	162	154
Operating profit before special items and remeasurements	793	1,230	710	721
Of which:				
South Africa	482	779	426	442
South America	358	482	309	305
Projects and corporate	(47)	(31)	(25)	(26)
Operating special items and remeasurements	1	1	(2)	(6)
Operating profit after special items and remeasurements	794	1,231	708	715
Net interest, tax and non-controlling interests	(270)	(328)	(198)	(204)
Underlying earnings	523	902	512	517
Of which:				
South Africa	312	613	314	328
South America	251	318	223	215
Projects and corporate	(40)	(29)	(25)	(26)
Net operating assets	1,965	1,886	2,111	1,707
Capital expenditure	266	190	274	400

BUSINESS OVERVIEW

UNDERLYING OPERATING PROFIT

(2011: \$1,230 m)

\$793 m

SHARE OF GROUP UNDERLYING OPERATING PROFIT

(2011: 11%)

13%

UNDERLYING EBITDA

(2011: \$1,410 m)

\$972 m

Key financial and non-financial performance indicators

\$ million (unless otherwise stated)	2012	2011
Underlying operating profit	793	1,230
South Africa	482	779
Colombia	358	482
Projects and corporate	(47)	(31)
Underlying EBITDA	972	1,410
Net operating assets	1,965	1,886
Capital expenditure	266	190
Share of Group underlying operating profit	13%	11%
Share of Group net operating assets	4%	4%
Non-financial indicators	2012	2011
Number of fatal injuries	2	2
Lost-time injury frequency rate	0.20	0.19
Total energy consumed in 1,000 GJ	5,742	5,823
Total greenhouse gas emissions in 1,000 tonnes CO ₂ e	1,620	2,583
Total water used for primary activities in 1,000 m ³	8,525	8,260

Our Thermal Coal business operates in South Africa and Colombia. In South Africa, Thermal Coal wholly owns and operates seven mines. It also has a 73% stake in two mines, Kriel and the Zibulo colliery, a multi-product operation which produces thermal coal for both export and Eskom, the state-owned power utility, with the balance held by Inyosi Coal, a broad-based black economic empowerment entity. In addition, Thermal Coal has a 50% interest in the Mafube colliery and Phola washing plant.

Six of the mines collectively supply 23 million tonnes per annum (Mtpa) of thermal coal to both the export and local markets. New Vaal, New Denmark and Kriel collieries are domestic product operations supplying 29 Mtpa of thermal coal to Eskom. Isibonelo mine produces 5 Mtpa of thermal coal for Sasol Synthetic Fuels, the coal-to-liquids producer, under a 20 year supply contract.

Thermal Coal's South African operations currently route all export thermal coal through the Richards Bay Coal Terminal (RBCT), in which it has a 24.2% shareholding, to customers throughout the Mediterranean-Atlantic and Asia-Pacific regions. Export production volumes are expected to increase in the future owing to yield improvements and increased production of lower calorific value coal.

In Colombia, Anglo American, BHP Billiton and Xstrata each have a one-third shareholding in Cerrejón, the country's largest thermal coal exporter. In 2011, an expansion (P40) was approved to increase this capacity by 8 Mtpa to 40 Mtpa by 2015 (13.3 Mtpa attributable). Cerrejón owns and operates its own rail and deep water port facilities and sells into the export thermal and PCI markets.

Thermal Coal's attributable Measured and Indicated Resources (including projects) in addition to Coal Reserves totals some 2.6 billion tonnes.

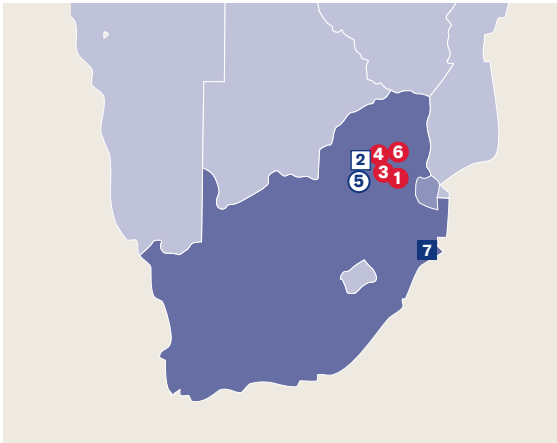
OUR THERMAL COAL EXPORT OPERATIONS

Map excludes Domestic and Synfuel operations

Key

- Open cut
- Underground
- Open cut and underground
- Other

South Africa



- 1 100% Goedehoop
- 2 100% Greenside
- 3 100% Kleinkopje
- 4 100% Landau
- 5 73% Zibulo
- 6 50% Mafube

- 7 24.2% Richards Bay Coal Terminal

South America



- 1 33% Cerrejón (Colombia)

INDUSTRY OVERVIEW

Thermal coal is the most abundant source of fossil fuel energy in the world. Exceeding known reserves of oil and gas, it accounts for more than 40% of electricity generation. Thermal coal has dominated global energy demand, accounting for 45% of primary energy demand growth from 2011–2012. The near 55% increase in coal demand over the past decade is roughly equivalent to three times US coal consumption on an energy-adjusted basis.

The bulk of coal production is used in power generation; decisions that affect the energy mix of power generation therefore influence coal demand. These include long term industry dynamics for nuclear, gas and renewable power generation and policy decisions on climate/environmental legislation.

In 2012, export seaborne thermal coal accounted for 910 Mt or 17.5% of total coal production, with a large proportion of seaborne production coming from four key basins: Indonesia, Australia, Colombia and South Africa. Demand for seaborne thermal coal has increased by 73.5% since 2001, and is expected to continue to grow for at least the next decade, driven by India and China's import requirements.

Consequently, the key risks to the medium term growth of export seaborne thermal revolve around the ability of India and China to sustain their rates of economic growth, as well as logistical constraints and cost inflation pressures.

In the last few years, the coal industry has seen growth in US exports, particularly to Europe, due to the availability of low priced US natural gas. In 2012, US exports peaked to 55 Mt from 25 Mt in 2010, driving down export coal prices. US power utilities continue to substitute coal with gas-powered generation; however the long term view is that the natural gas price will remain between \$4–6/million British Thermal Unit (mmbtu), at which point most of the coal volumes currently lost to gas should revert to being economically viable.

Markets

Anglo American weighted average achieved sales prices (\$/tonne)	2012	2011
South Africa export thermal coal (FOB)	92	114
South Africa domestic thermal coal	21	21
Colombia export thermal coal (FOB)	89	101

Attributable sales volumes ('000 tonnes)	2012	2011
South Africa export thermal coal ⁽¹⁾	17,151	16,532
South Africa domestic thermal coal ^{(1) (2)}	40,110	40,454
Colombia export thermal coal	10,926	10,685

⁽¹⁾ Includes capitalised sales from Zibulo mine of 1,580,800 (export) and 632,200 (domestic) tonnes for the year ended 31 December 2011.

⁽²⁾ Includes domestic metallurgical coal of 91,800 tonnes for the year ended 31 December 2012 (year ended 31 December 2011: 318,000 tonnes).

The international seaborne market experienced an overall decline in prices during the year owing to oversupply. The average API4 index price fell by 20% to \$93/t (2011: \$116/t) and closed the year at \$90/t (2011: \$105/t).

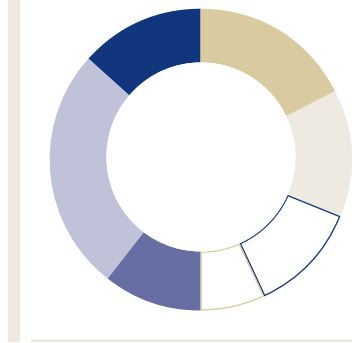
Although international seaborne demand grew by 14% to 910 Mt, it remained below supply growth as a result of unprecedented US export volumes, strong production growth and fewer weather-related supply disruptions from the major supply regions of Indonesia, Australia, Colombia and South Africa. Cheap US natural gas displaced a significant volume of US domestic thermal coal in 2012, as utility companies switched from coal to gas.

For the South African thermal coal industry, exports into Asia continued to increase, principally driven by India. Asia accounted for 66% of South African thermal coal shipments (2011: 64%). South African thermal coal exports increased by 4% to 68.3 Mt (2011: 65.7 Mt), supported by a more stable performance by TFR and drawdown from stockpiles. TFR railed 68.5 Mt to the RBCT, a 4% increase over 2011.

MARKET INFORMATION

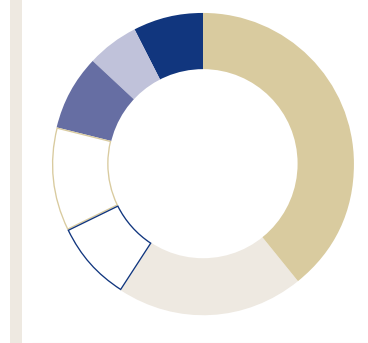
2012 Thermal coal demand

Global 910Mt



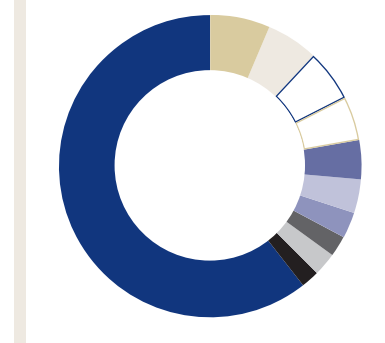
2012 Thermal coal production

Global 910Mt



Source: Wood Mackenzie, AME, IEA, McCloskey, and Anglo American estimates

Top ten exporters of thermal coal in 2012

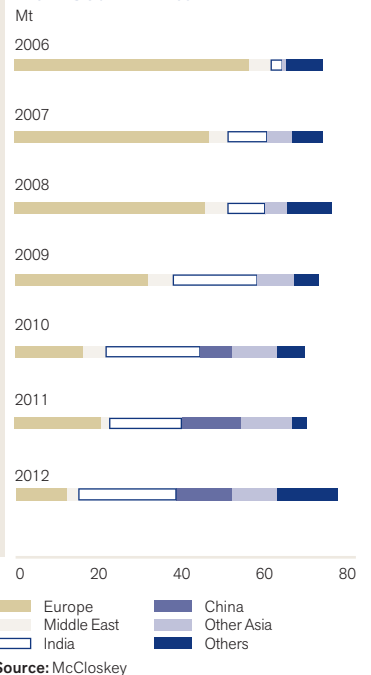


Source: AME

Market price analysis



Export thermal coal from South Africa



Source: McCloskey

STRATEGY

The business is focused on being a high margin producer of thermal coal, while maintaining its domestic market commitments.

Thermal coal demand is being driven by emerging markets' economic growth and its reliance on low cost, readily available supply. China and India will constitute the majority of thermal coal growth, with demand likely to exceed domestic thermal coal supply, thereby causing an upswing in seaborne thermal coal markets in future years. In South Africa, demand for new coal supply is increasing and is expected to continue to grow in order to supply Eskom's future coal requirements.

In support of the strategy to maximise the value of its portfolio of operating mines, Thermal Coal's current primary focus is on implementing asset optimisation initiatives such as Project Khulisa, and integrated mine planning (Project EVO). The goal of Khulisa (meaning 'to grow') is to determine the operation's true performance potential and implement programmes to achieve these targets. In 2012, the project identified and pursued a total of 88 initiatives, ranging from operational improvements to changing mind-sets and behaviours. Project Khulisa will continue in 2013.

In addition to assessing the development and growth options in its existing geographies, Thermal Coal is constantly evaluating potential opportunities in new and strategic geographies.

Projects

Feasibility studies on the New Largo project were completed in 2012. There are two stages to the project: Stage 1 comprises a 23 kilometre overland conveyor, which will run from an existing coal processing plant to Eskom's Kusile power station, transporting a secondary product as well as other third-party coal. Stage 2 entails the construction of a new opencast colliery and associated infrastructure. The project is expected to be presented for board approval once all environmental permits have been obtained for both stages of the project and the coal supply and other commercial agreements have been concluded.

The Cerrejón expansion project (P40), to increase the port and logistics chain capacity to handle a total mine output of 40 Mtpa (currently 32 Mtpa), is being implemented and is expected to be delivered on schedule.

PROJECT PIPELINE – KEY PROJECTS

Elders multi-product project

Overall capex: TBD

Country

South Africa

Ownership

73% Anglo American

Production volume

3.1 Mtpa thermal

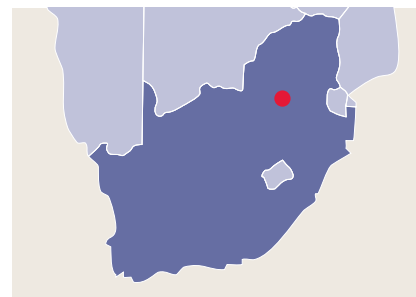
Full project capex

TBD

Full production

TBD

The previously classified Elders open cut and underground projects have now been combined and are being evaluated as a multi-product underground mine, producing export and a lower grade middlings product.



New Largo

Overall capex: TBD

Country

South Africa

Ownership

73% Anglo American

Production volume

11 Mtpa thermal

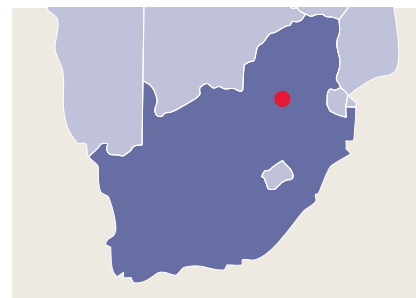
Full project capex

TBD

Full production

TBD

The New Largo project, currently at feasibility stage, has two main elements: a conveyor which will run from the existing phola processing plant to an Eskom power station and a new opencast mine. Thermal Coal is currently negotiating a coal supply agreement with Eskom for delivery into its Khusile power station. Initial coal is expected in 2016.



Cerrejón P40

Overall capex: \$<2bn

Country

Colombia

Ownership

33% Anglo American

Production volume

8 Mtpa thermal (100%)

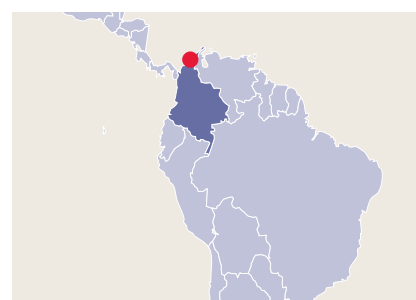
Full project capex

\$<2bn

Full production

2015

P40 project is an expansion of current production from 32 Mtpa to 40 Mtpa at full production. The increase in tonnage will be achieved by systematically eliminating bottlenecks and constraints in the production, processing and transportation of coal. The project was approved by Cerrejón's three shareholders in the third quarter of 2011. First coal is targeted during the fourth quarter of 2013, with the project expected to achieve full production at the end of 2015.



PRODUCTION DATA

Production (tonnes)	2012	2011	2010	2009
South Africa				
Eskom	33,706,400	35,296,000	36,403,400	36,225,100
Thermal (non-Eskom)	23,351,200	21,388,100	21,612,000 ⁽¹⁾	22,185,900 ⁽¹⁾
Metallurgical	74,100	323,400	436,500	747,100
South Africa Total	57,131,700	57,007,500	58,451,900⁽¹⁾	59,158,100⁽¹⁾
South America⁽²⁾				
Thermal	11,548,800	10,751,700	10,060,100	10,189,600
Total Thermal Coal segment	68,680,500	67,759,200	68,512,000⁽¹⁾	69,347,700⁽¹⁾
South Africa				
Greenside	2,883,200	2,853,100	3,425,000	3,294,600
Goedehoop	4,859,900	5,200,800	6,026,200	6,905,000
Isibonelo	5,399,200	4,338,200	4,569,100	5,061,900
Kriel	8,096,900	8,151,700	9,526,100	11,161,700
Kleinkopje	3,765,500	4,400,600	4,423,600	4,414,000
Landau	4,272,300	4,171,200	4,085,800	4,231,500
New Denmark	3,401,200	4,812,600	5,051,600	3,728,900
New Vaal	17,623,300	17,399,700	17,235,300	17,553,700
Nooitgedacht	–	–	–	475,000
Mafube	1,804,100	2,313,100	2,447,700	2,212,800
Zibulo	5,026,100	3,366,500	1,661,500	119,000
Total	57,131,700	57,007,500	58,451,900⁽¹⁾	59,158,100⁽¹⁾
South America				
Carbones Del Cerrejón	11,548,800	10,751,700	10,060,100	10,189,600
Total	11,548,800	10,751,700	10,060,100	10,189,600

⁽¹⁾ Zibulo commenced commercial production on 1 October 2011. Revenue and related costs associated with 2,155 kt of production in 2011 have been capitalised before commercial production was reached. The 2,155 kt includes Eskom coal of 633 kt and export thermal coal production of 1,522 kt.

THERMAL COAL

Coal Reserve and Coal Resource estimates as at 31 December 2012

THERMAL COAL

The Coal Reserve and Coal Resource estimates were compiled in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, (The SAMREC Code, 2007 Edition as amended July 2009) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004) as applicable. The figures reported represent 100% of the Coal Reserves and Coal Resources, the percentage attributable to Anglo American plc is stated separately. Rounding of figures may cause computational discrepancies. Anglo American Thermal Coal comprises the dominantly export and domestic thermal coal operations, located in Colombia and South Africa.

Thermal Coal – Colombia Operations			ROM Tonnes ⁽³⁾		Yield ⁽⁴⁾		Saleable Tonnes ⁽⁵⁾		Saleable Quality ⁽⁵⁾		
COAL RESERVES ⁽¹⁾	Attributable% ⁽²⁾	Mine Life	Classification	2012	2011	2012	2011	2012	2011	2012	2011
				Mt	Mt	ROM %	ROM %	Mt	Mt	kcal/kg	kcal/kg
Cerrejón (OC)	33.3	19									
Thermal – Export			Proved	675.0	718.8	96.7	96.8	652.7	695.5	6,180	6,300
			Probable	93.2	86.0	97.0	96.8	90.4	83.2	6,110	6,240
			Total	768.2	804.8	96.7	96.8	743.1	778.7	6,170	6,290
Thermal Coal – South Africa Operations											
COAL RESERVES ⁽¹⁾	Attributable% ⁽²⁾	Mine Life	Classification	2012	2011	2012	2011	2012	2011	2012	2011
				Mt	Mt	ROM %	ROM %	Mt	Mt	kcal/kg	kcal/kg
Goedehoop (UG&OC)	100	8									
Thermal – Export			Proved	30.0	37.4	54.9	53.0	16.8	20.2	6,190	6,230
			Probable	40.9	48.6	51.6	51.7	21.5	25.6	6,200	6,210
			Total	70.9	86.0	53.0	52.3	38.3	45.9	6,200	6,220
Greenside (UG)	100	11									
Thermal – Export			Proved	21.3	25.8	57.4	58.1	12.7	15.5	6,200	6,200
			Probable	26.4	21.9	54.0	53.9	14.8	12.3	6,190	6,190
			Total	47.7	47.8	55.5	56.2	27.5	27.8	6,190	6,200
Isibonelo (OC)	100	15									
Synfuel			Proved	70.5	69.9	100	100	70.5	69.9	4,520	4,590
			Probable	–	–	–	–	–	–	–	–
			Total	70.5	69.9	100	100	70.5	69.9	4,520	4,590
Kleinkopje (OC)	100	11									
Thermal – Export			Proved	50.8	64.5	33.2	35.9	17.4	23.7	6,190	6,170
			Probable	–	12.0	–	45.9	–	5.6	–	6,180
			Total	50.8	76.4	33.2	37.5	17.4	29.3	6,190	6,170
Thermal – Domestic			Proved	–	–	38.5	33.8	19.6	21.8	4,580	4,550
			Probable	–	–	–	–	–	–	–	–
			Total	–	–	38.5	28.5	19.6	21.8	4,580	4,550
Kriel (UG&OC)	73.0	13									
Thermal – Domestic			Proved	40.3	46.0	100	100	40.3	46.0	4,830	4,790
			Probable	63.8	67.5	100	100	63.8	67.5	4,430	4,430
			Total	104.1	113.5	100	100	104.1	113.5	4,580	4,580
Landau (OC)	100	6									
Thermal – Export			Proved	29.6	36.4	48.4	48.5	14.5	17.8	6,210	6,240
			Probable	12.1	24.4	46.0	48.5	5.7	11.9	6,210	6,230
			Total	41.7	60.7	47.7	48.5	20.2	29.8	6,210	6,240
Thermal – Domestic			Proved	–	–	12.3	8.8	3.7	3.2	4,040	4,550
			Probable	–	–	18.5	7.3	2.3	1.8	4,370	3,970
			Total	–	–	14.1	8.2	5.9	5.0	4,170	4,340
Mafube (OC)	50.0	14									
Thermal – Export			Proved	12.1	24.8	47.5	46.5	5.8	11.6	6,270	6,220
			Probable	70.7	66.6	33.9	33.1	24.2	22.2	6,260	6,210
			Total	82.8	91.3	35.9	36.7	30.0	33.8	6,260	6,210
Thermal – Domestic			Proved	–	–	19.7	27.1	2.4	6.8	5,360	5,460
			Probable	–	–	29.1	37.3	21.2	25.0	4,970	5,010
			Total	–	–	27.7	34.5	23.6	31.8	5,010	5,110
New Denmark (UG)	100	26									
Thermal – Domestic			Proved	30.8	30.2	100	100	30.8	30.2	4,950	4,880
			Probable	81.2	80.9	100	100	81.2	80.9	5,020	5,120
			Total	112.0	111.1	100	100	112.0	111.1	5,000	5,050
New Vaal (OC)	100	19									
Thermal – Domestic			Proved	348.1	371.8	89.6	93.4	323.8	359.8	3,560	3,490
			Probable	–	–	–	–	–	–	–	–
			Total	348.1	371.8	89.6	93.4	323.8	359.8	3,560	3,490
Zibulo (UG&OC)	73.0	18									
Thermal – Export			Proved	91.3	86.1	49.4	49.4	45.6	43.0	6,100	6,090
			Probable	23.5	28.6	43.9	46.1	10.4	13.3	6,110	6,070
			Total	114.9	114.7	48.3	48.6	56.0	56.3	6,100	6,090
Thermal – Domestic			Proved	–	–	26.6	29.8	25.1	26.4	4,930	4,820
			Probable	–	–	30.4	30.4	7.3	8.9	4,780	4,640
			Total	–	–	27.4	29.9	32.4	35.4	4,900	4,770

Footnotes appear at the end of the section.

THERMAL COAL

Coal Reserve and Coal Resource estimates as at 31 December 2012

Thermal Coal – South Africa Operations				ROM Tonnes ⁽³⁾		Yield ⁽⁴⁾		Saleable Tonnes ⁽⁵⁾		Saleable Quality ⁽⁵⁾	
continued											
COAL RESERVES ⁽¹⁾	Attributable% ⁽²⁾	Mine Life	Classification	2012	2011	2012	2011	2012	2011	2012	2011
				Mt	Mt	Plant %	Plant %	Mt	Mt	kcal/kg	kcal/kg
South Africa Thermal – Export	84.1		Proved	724.9	792.9	52.9	48.2	112.8	131.8	6,160	6,170
			Probable	318.7	350.5	45.6	45.9	76.5	90.9	6,210	6,190
			Total	1,043.6	1,143.3	49.9	47.0	189.3	222.7	6,180	6,180
South Africa Thermal – Domestic	92.2		Proved			87.7	86.9	445.7	494.2	3,910	3,850
			Probable			88.2	87.2	175.7	184.1	4,780	4,820
			Total			87.8	86.8	621.4	678.4	4,150	4,110
South Africa Synfuel	100		Proved			100	100	70.5	69.9	4,520	4,590
			Probable			–	–	–	–	–	–
			Total			100	100	70.5	69.9	4,520	4,590

Thermal Coal – Operations				ROM Tonnes ⁽³⁾		Yield ⁽⁴⁾		Saleable Tonnes ⁽⁵⁾		Saleable Quality ⁽⁵⁾	
TOTAL COAL RESERVES ⁽¹⁾											
TOTAL COAL RESERVES ⁽¹⁾	Attributable% ⁽²⁾		Classification	2012	2011	2012	2011	2012	2011	2012	2011
				Mt	Mt	Plant %	Plant %	Mt	Mt	kcal/kg	kcal/kg
Thermal – Export	43.6		Proved	1,399.9	1,511.7	90.2	89.1	765.5	827.3	6,180	6,280
			Probable	411.9	436.5	73.4	70.2	166.9	174.2	6,160	6,210
			Total	1,811.8	1,948.2	87.2	85.7	932.4	1,001.4	6,170	6,270
Thermal – Domestic	92.2		Proved			87.7	86.9	445.7	494.2	3,910	3,850
			Probable			88.2	87.2	175.7	184.1	4,780	4,820
			Total			87.8	86.8	621.4	678.4	4,150	4,110
Synfuel	100		Proved			100	100	70.5	69.9	4,520	4,590
			Probable			–	–	–	–	–	–
			Total			100	100	70.5	69.9	4,520	4,590

Mining method: OC = Open Cut, UG = Underground. Mine Life = The extraction period in years for scheduled Ore Reserves comprising Proved and Probable Reserves only.

For the multi-product operations, the ROM tonnage figures apply to each product.

The Saleable tonnes cannot be calculated directly from the ROM reserve tonnes using the air dried yields as presented since the difference in moisture content is not taken into account.

Attributable percentages for country totals are weighted by Saleable tonnes and should not be directly applied to the ROM tonnes.

Footnotes appear at the end of the section.

Thermal – Export refers to low- to high-volatile thermal coal primarily for export in the use of power generation; quality measured by calorific value (CV).

Thermal – Domestic refers to low- to high-volatile thermal coal primarily for domestic consumption for power generation; quality measured by calorific value (CV).

Synfuel refers to a coal specifically for the domestic production of synthetic fuel and chemicals; quality measured by calorific value (CV).

THERMAL COAL

Coal Reserve and Coal Resource estimates as at 31 December 2012

Thermal Coal – Colombia Operations		Tonnes		Coal Quality		
COAL RESOURCES ⁽⁶⁾	Attributable% ⁽²⁾	Classification	2012	2011	2012	2011
Correjón (OC)	33.3		MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	903.6	907.2	6,450	6,460
		Indicated	160.0	173.9	6,360	6,370
		Measured and Indicated	1,063.6	1,081.1	6,440	6,450
		Inferred (in LOM Plan) ⁽⁸⁾	73.8	69.2	6,720	6,750

COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Thermal Coal – South Africa Operations		Tonnes		Coal Quality		
COAL RESOURCES ⁽⁶⁾	Attributable% ⁽²⁾	Classification	2012	2011	2012	2011
Goedehoop (UG&OC)	100		MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	83.1	79.8	5,510	5,470
		Indicated	75.7	75.6	5,470	5,480
		Measured and Indicated	158.8	155.4	5,490	5,470
		Inferred (in LOM Plan) ⁽⁸⁾	1.6	–	5,740	–
Greenside (UG)	100	Measured	18.2	11.4	5,590	5,700
		Indicated	1.4	2.8	5,610	5,430
		Measured and Indicated	19.6	14.2	5,590	5,650
		Inferred (in LOM Plan) ⁽⁸⁾	8.3	–	5,790	–
Isibonelo (OC)	100	Measured	–	–	–	–
		Indicated	16.3	20.9	5,250	5,210
		Measured and Indicated	16.3	20.9	5,250	5,210
		Inferred (in LOM Plan) ⁽⁸⁾	–	–	–	–
Kleinkopje (OC)	100	Measured	30.4	28.5	5,040	4,970
		Indicated	–	–	–	–
		Measured and Indicated	30.4	28.5	5,040	4,970
		Inferred (in LOM Plan) ⁽⁸⁾	–	–	–	–
Kriel (UG&OC)	73.0	Measured	8.7	9.0	5,290	5,290
		Indicated	10.2	10.2	4,860	4,860
		Measured and Indicated	18.8	19.3	5,060	5,060
		Inferred (in LOM Plan) ⁽⁸⁾	–	–	–	–
Landau (OC)	100	Measured	52.0	26.5	5,190	4,810
		Indicated	42.8	34.3	4,680	5,180
		Measured and Indicated	94.8	60.8	4,960	5,020
		Inferred (in LOM Plan) ⁽⁸⁾	–	–	–	–
Mafube (OC)	50.0	Measured	56.5	2.5	5,300	5,090
		Indicated	13.2	7.4	4,530	5,250
		Measured and Indicated	69.7	9.9	5,150	5,210
		Inferred (in LOM Plan) ⁽⁸⁾	7.3	17.0	5,150	5,170
New Denmark (UG)	100	Measured	–	–	–	–
		Indicated	–	–	–	–
		Measured and Indicated	–	–	–	–
		Inferred (in LOM Plan) ⁽⁸⁾	16.2	17.0	5,270	5,310
New Vaal (OC)	100	Measured	–	–	–	–
		Indicated	–	–	–	–
		Measured and Indicated	–	–	–	–
		Inferred (in LOM Plan) ⁽⁸⁾	–	–	–	–
Zibulo (UG&OC)	73.0	Measured	147.3	136.3	4,960	4,950
		Indicated	201.7	184.2	4,900	4,880
		Measured and Indicated	349.0	320.6	4,920	4,910
		Inferred (in LOM Plan) ⁽⁸⁾	20.4	29.3	5,460	5,470
South Africa – Mine Leases	82.3	Measured	396.2	294.0	5,200	5,120
		Indicated	361.2	335.4	5,000	5,080
		Measured and Indicated	757.4	629.4	5,100	5,100
		Inferred (in LOM Plan) ⁽⁸⁾	53.9	63.3	5,420	5,350

COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Thermal Coal – Operations		Tonnes		Coal Quality		
COAL RESOURCES ⁽⁶⁾	Attributable% ⁽²⁾	Classification	2012	2011	2012	2011
Total	53.7		MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	1,299.7	1,201.2	6,070	6,130
		Indicated	521.2	509.3	5,410	5,520
		Measured and Indicated	1,821.0	1,710.6	5,880	5,950
		Inferred (in LOM Plan) ⁽⁸⁾	127.7	132.4	6,170	6,080

COAL RESOURCES ARE REPORTED AS ADDITIONAL TO COAL RESERVES.

Footnotes appear at the end of the section.

THERMAL COAL

Coal Reserve and Coal Resource estimates as at 31 December 2012

Thermal Coal – South Africa Projects		Tonnes		Coal Quality		
COAL RESOURCES ⁽⁶⁾⁽⁸⁾	Attributable % ⁽²⁾	Classification	2012	2011	2012	2011
Elders	73.0		MTIS ⁽⁶⁾	MTIS ⁽⁶⁾	kcal/kg ⁽⁷⁾	kcal/kg ⁽⁷⁾
		Measured	224.3	218.1	5,140	5,110
		Indicated	107.6	107.9	5,410	5,400
		Measured and Indicated	331.8	326.0	5,230	5,210
Kriel Block F	100	Measured	36.1	–	5,270	–
		Indicated	27.3	62.8	5,410	5,310
		Measured and Indicated	63.4	62.8	5,330	5,310
Kriel East	73.0	Measured	100.1	81.5	4,940	4,940
		Indicated	31.4	36.0	4,890	4,950
		Measured and Indicated	131.5	117.5	4,930	4,940
New Largo	73.0	Measured	429.5	484.9	4,290	4,300
		Indicated	178.5	159.3	3,970	3,920
		Measured and Indicated	608.0	644.3	4,190	4,210
Nooitgedacht	100	Measured	36.4	35.8	5,360	5,310
		Indicated	10.6	10.6	5,450	5,450
		Measured and Indicated	46.9	46.4	5,380	5,340
South Rand	73.0	Measured	78.6	78.6	4,850	4,850
		Indicated	168.1	168.1	4,770	4,770
		Measured and Indicated	246.7	246.7	4,800	4,800
Vaal Basin	100	Measured	375.2	208.2	4,330	3,980
		Indicated	220.4	362.5	4,210	4,140
		Measured and Indicated	595.6	570.7	4,290	4,080
South Africa – Projects	82.4	Measured	1,280.2	1,107.1	4,590	4,520
		Indicated	743.8	907.2	4,540	4,500
		Measured and Indicated	2,024.0	2,014.3	4,570	4,510

Attributable percentages for country totals are weighted by Measured and Indicated MTIS.

⁽¹⁾ Coal Reserves are quoted on a Run Of Mine (ROM) reserve tonnes basis, which represents the tonnes delivered to the plant. Saleable reserve tonnes represents the product tonnes produced.

Coal Reserves (ROM and Saleable) are on the applicable moisture basis.

⁽²⁾ Attributable (%) refers to 2012 only. For the 2011 Reported and Attributable figures, please refer to the 2011 Annual Report.

⁽³⁾ ROM tonnes quoted on an As Delivered moisture basis, and Saleable tonnes on a Product moisture basis.

⁽⁴⁾ Yield – ROM % represents the ratio of Saleable reserve tonnes to ROM reserve tonnes and is quoted on a constant moisture basis or on an air dried to air dried basis whereas Plant % is based on the 'Feed to Plant' tonnes. The product yields (ROM %) for Proved, Probable and Total are calculated by dividing the individual Saleable reserves by the total ROM reserves per classification.

⁽⁵⁾ The coal quality for the Coal Reserves is quoted as either Calorific Value (CV) using kilo-calories per kilogram (kcal/kg) units on a Gross As Received (GAR) basis.

Coal quality parameters for the Coal Reserves for Coking, Other Metallurgical and Export Thermal collieries meet the contractual specifications for coking coal, PCI, metallurgical coal, steam coal and domestic coal. Coal quality parameters for the Coal Reserves for Domestic Power and Domestic Synfuels collieries meet the specifications of the individual supply contracts in the short-term and studies are underway to ensure long term compliance.

CV is rounded to the nearest 10 kcal/kg.

⁽⁶⁾ Coal Resources are quoted on a Mineable Tonnes In-Situ (MTIS) basis in million tonnes, which are in addition to those resources that have been modified to produce the reported Coal Reserves.

Coal Resources are on an in-situ moisture basis.

⁽⁷⁾ The coal quality for the Coal Resources is quoted on an in-situ heat content as Calorific Value (CV) using kilo-calories per kilogram (kcal/kg) units on a Gross As Received (GAR) basis.

CV is rounded to the nearest 10 kcal/kg.

⁽⁸⁾ Inferred (in LOM Plan) refers to Inferred Coal Resources that are included in the life of mine extraction schedule of the respective collieries and are not reported as Coal Reserves. Inferred Coal Resources outside the Life of Mine Plan but within the mine lease area are not reported due to the uncertainty attached to such resources in that it cannot be assumed that all or part of the Inferred Resource will necessarily be upgraded to Indicated or Measured categories through continued exploration, such Inferred Resources do not necessarily meet the requirements of reasonable prospects for eventual economic extraction, particularly in respect of future mining and processing economics.

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

Greenside: Coal Resources – Increase due to the inclusion of boreholes from Landau in the geological model resulted in seam thickness changes. The AATC standard software package was also implemented. Increase in Inferred in Mine Plan resulting from the conversion of the Clydesdale Pan from Inferred in Mine Lease to Mine Plan after the environmental approval was granted.

Isibonelo: Coal Resources – Decrease due to the transfer and conversion of underground resources to opencast reserves.

Kleinkopje: Coal Reserves – Decrease due to the transfer between Kleinkopje and Greenside following a mining boundary rationalisation exercise.

Coal Resources – Increase due to seam thickness adjustments resulting from additional drilling and interpretation, adjustments to 5 seam remnants, and reclassification in Pit 2A layout following the reconfiguration exercise.

Landau: Coal Reserves – Decrease due to the downgrade of Schoonhe West S2S to resource as the Pre-Feasibility study is not yet approved.

Coal Resources – Increase due to transfer of Greenside Resources into the Landau Lifex Project as well as an increase to the resource footprint as a result of Pre-Feasibility option analyses.

Mafube: Coal Resources – Increase results from additional drilling, the upgrade of S4 due to the viability of a lower quality product, re-classification of the Pan 2 area in Springboklaagte pending the granting of the environmental approvals and removal of the Rooipan area.

Nooitgedacht: Coal Resources – Increase due to planned shaft closure and the re-allocation of the reserves to resources.

Coal Resources for 2 + 4 Seam and 5 Seam have been combined and reported under South Africa Coal Projects.

Kriel East: Coal Resources – Increase resulting from additional drilling information.

Vaal Basin: Coal Resources – Increase resulting from additional drilling information offset by a decrease resulting from downgrade of all resources within the Wetland area.

Assumption with respect to Mineral Tenure

Cerrejón: Reserves are estimated for the area defined by the current approved Mining Right, which expires in 2033. In order to exploit the Coal Resources, a renewal will be applied for at the appropriate time, Anglo American Thermal Coal has reasonable expectation that such renewal will not be withheld.

Mafube: Application for conversion to a Mining Right has been submitted in November 2011; in addition the environmental permitting applications have been submitted in 2012 as per legislative requirements. There is a reasonable expectation that such conversion will not be withheld.

New Largo: The New Largo Mining Right Application was submitted in April 2011. The relevant South African Departments responsible for approvals, as well as key stakeholders, have been actively engaged with regards to the Colliery's potential impacts on wetlands. There is a reasonable expectation that such conversion will not be withheld.

Royalty Payment

South Africa: Royalty payments commenced in February 2010 in accordance with the Royalties Act (No. 28 of 2008) and have been taken into consideration in economic assessment of the reserves.

Audits related to the generation of the Coal Reserve and Coal Resource estimates were carried out by independent consultants during 2012 at the following operations and projects: Goedehoop, Greenside, Isibonelo, Kleinkopje, Mafube, Elders and Vaal Basin.