

NEWS RELEASE

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Anglo American: world-class assets driving sustainable competitive returns

Anglo American plc (“Anglo American” or “the Group”) is today providing an update to investors and analysts on the Group’s sustained operational and financial performance improvements and outlook.

The briefing will cover guidance for the current and next three financial years, including in relation to capital expenditure and production volumes, and a progress update on Anglo American’s organic growth projects.

Mark Cutifani, Chief Executive of Anglo American, said: “We are building on the complete transformation of both the quality of our portfolio and our performance over the last six years. Anglo American is now amongst the very best in terms of our overall cost curve position as a result of fundamental operating changes, the technical and product marketing expertise we have applied, and the wholesale upgrade of our portfolio.

“We will continue to upgrade our asset portfolio over time and we see our progress continuing on all fronts as we also bring a number of high quality growth projects online during the next three years, delivering 20-25% production growth by 2023.”

Continued performance improvement during 2019 and confident outlook:

- 2019 unit costs expected to reduce by 5%;
- 2019 total production volumes to again increase;
- 2020 production expected to increase by 3%, with cost inflation largely absorbed by productivity and cost improvements; and
- expect to meet \$3-4 billion target of incremental annual EBITDA between 2017 and 2022.

Stephen Pearce, Finance Director of Anglo American, added: “We are disciplined in investing to deliver value-adding growth – focused on quality production volumes, margins and returns. As we also progress our share buyback of up to \$1 billion, our net debt is naturally increasing, albeit well within our tolerance of <1.5x EBITDA. In the last three years, we have restored a resilient balance sheet, substantially reducing net debt and returning \$4.2 billion to our shareholders.”

Mark Cutifani concluded: “We expect our next step change in performance to come from a combination of:

- our P101 programme that is achieving new levels of industry best-practice equipment performance across our operations;
- volume growth from existing and new operations, such as Quellaveco; and
- the deployment of our FutureSmart Mining™ approach to technology, digitalisation and sustainability.

It is this approach that will transform how we discover, mine, process and market our products and how our stakeholders experience our business – environmentally and socially.

“Anglo American’s portfolio spans the high quality products that are aligned to the demographic and macro trends of a fast growing and urbanising global population in a cleaner, more electrified and connected world. Combined with our multi-stakeholder mindset to create a sustainable business in all dimensions, we believe we are well set to keep delivering.”

Anglo American plc

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The presentation which contains the details relating to the information referred to above is available on the Anglo American website at: www.angloamerican.com/investors/investor-presentations/2019.

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Notes to editors:

Anglo American is a leading global mining company and our products are the essential ingredients in almost every aspect of modern life. Our portfolio of world-class competitive mining operations and undeveloped resources provides the metals and minerals that enable a cleaner, more electrified world and that meet the fast growing consumer-driven demands of the world's developed and maturing economies. With our people at the heart of our business, we use innovative practices and the latest technologies to discover new resources and mine, process, move and market our products to our customers around the world – safely, responsibly and sustainably.

As a responsible miner – of diamonds (through De Beers), copper, platinum group metals, iron ore, coal and nickel – we are the custodians of what are precious natural resources. We work together with our business partners and diverse stakeholders to unlock the sustainable value that those resources represent for our shareholders, the communities and countries in which we operate, and for society as a whole. Anglo American is re-imagining mining to improve people's lives.

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Forward-looking statements

This announcement includes forward-looking statements. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding Anglo American's financial position, business, acquisition and divestment strategy, dividend policy, plans and objectives of management for future operations (including development plans and objectives relating to Anglo American's products, production forecasts and reserves and resources positions), are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Anglo American, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding Anglo American's present and future business strategies and the environment in which Anglo American will operate in the future. Important factors that could cause Anglo American's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, mineral resource exploration and development capabilities, recovery rates and other operational capabilities, the availability of mining and processing equipment, the ability to produce and transport products profitably, the availability of transportation infrastructure, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, the effects of inflation, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as permitting and changes in taxation or safety, health, environmental or other types of regulation in the countries where Anglo American operates, conflicts over land and resource ownership rights and such other risk factors identified in Anglo American's most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this announcement. Anglo American expressly disclaims any obligation or undertaking (except as required by applicable law, the City Code on Takeovers and Mergers (the "Takeover Code"), the UK Listing Rules, the Disclosure and Transparency Rules of the Financial Conduct Authority, the Listings Requirements of the securities exchange of the JSE Limited in South Africa, the SIX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange and any other applicable regulations) to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Anglo American's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.