

ORE RESERVES AND MINERAL RESOURCES

IRON ORE

estimates as at 31 December 2010

KUMBA IRON ORE

The Ore Reserve and Mineral 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). The figures reported represent 100% of the Ore Reserves and Mineral Resources, the percentage attributable to Anglo American plc is stated separately. Rounding of figures may cause computational discrepancies.

Kumba Iron Ore – Operations

ORE RESERVES	Attributable %	LOM	Classification	Tonnes		Grade		Saleable product			
				2010	2009	2010	2009	2010		2009	
Kolomela Mine (OP)⁽¹⁾	48.3	28		Mt	Mt	%Fe	%Fe	Mt	%Fe	Mt	%Fe
			Proved	118.5	123.1	64.5	64.2	118	64.5	123	64.2
			Probable	84.0	91.0	64.1	63.9	84	64.1	91	63.9
			Total	202.4	214.1	64.3	64.1	202	64.3	214	64.0
Sishen Mine (OP)⁽²⁾	38.0	20				%Fe	%Fe				
			Proved	576.3	707.6	59.8	59.2	439	65.5	531	65.4
			Probable	500.6	203.9	58.7	59.2	366	65.1	154	64.9
			Total	1,077.0	911.5	59.3	59.2	805	65.3	685	65.3
Thabazimbi Mine (OP)⁽³⁾	48.3	6				%Fe	%Fe				
Area outside Vanderbijl Pit			Proved	9.0	9.5	61.1	61.7	8	62.6	8	63.4
			Probable	4.9	4.7	60.6	61.3	4	61.9	4	62.7
			Total	13.9	14.2	61.0	61.5	12	62.3	12	63.1

Kumba Iron Ore – Operations

MINERAL RESOURCES	Attributable %	Classification	Tonnes		Grade	
			2010	2009	2010	2009
Kolomela Mine (OP)⁽⁴⁾	48.3		Mt	Mt	%Fe	%Fe
		Measured	49.1	49.5	65.1	65.0
		Indicated	20.0	20.8	65.0	64.9
		Measured and Indicated	69.2	70.3	65.1	64.9
		Inferred (in LOM)	35.1	35.4	65.7	65.6
		Inferred (ex. LOM)	47.7	47.4	62.5	62.5
		Total Inferred	82.7	82.9	63.9	63.8
Sishen Mine (OP)⁽⁵⁾	38.0				%Fe	%Fe
		Measured	127.0	589.1	59.4	56.0
		Indicated	410.5	697.0	58.5	57.6
		Measured and Indicated	537.5	1,286.1	58.7	56.8
		Inferred (in LOM)	17.9	3.7	59.7	58.2
		Inferred (ex. LOM)	116.2	148.7	59.6	59.4
		Total Inferred	134.1	152.4	59.6	59.4
Thabazimbi Mine (OP)⁽⁶⁾⁽⁷⁾	48.3				%Fe	%Fe
Area outside Vanderbijl Pit		Measured	3.4	9.5	61.8	62.7
		Indicated	1.2	2.4	61.2	63.7
		Measured and Indicated	4.6	11.9	61.6	62.9
		Inferred (in LOM)	0.9	1.3	61.9	61.9
		Inferred (ex. LOM)	0.9	2.3	61.5	63.4
		Total Inferred	1.8	3.6	61.7	62.8
Vanderbijl Pit hematite		Measured	8.1	-	62.8	-
		Indicated	1.8	-	64.3	-
		Measured and Indicated	9.9	-	63.1	-
		Inferred (in LOM)	-	-	-	-
		Inferred (ex. LOM)	1.5	-	64.2	-
		Total Inferred	1.5	-	64.2	-

THE MINERAL RESOURCES ARE REPORTED AS ADDITIONAL TO ORE RESERVES.

Mining method: OP = Open Pit. LOM = Life of Mine is based on scheduled Reserves including some Inferred Resources considered for life of mine planning.

The tonnage is quoted as dry metric tonnes and abbreviated as Mt for million tonnes.

The Mineral Resources are constrained by a resource pit shell, which defines the spatial limits of eventual economic extraction.

Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

The Zandriviesspoort Project is not reported as Anglo American's shareholding is below the internal threshold for reporting. Details of this project are presented in the Kumba Iron Ore Annual Report.

⁽¹⁾ **Kolomela Mine – Ore Reserves:** The mine plan has been updated to include revised scheduling and blending strategies.⁽²⁾ **Sishen Mine – Ore Reserves:** An expanded pit layout has been developed to incorporate the updated long-term price outlook for iron ore and is responsible for the largest proportion of the change (+609Mt). The gains are offset by a refinement in the resource model (-238Mt) and application of an improved LOM planning technique that includes a refinement in the treatment and estimation of modifying factors (-152Mt).⁽³⁾ **Thabazimbi Mine – Ore Reserves:** The reserve cut-off was increased resulting in the slight decrease in Ore Reserves.⁽⁴⁾ **Kolomela Mine – Mineral Resources:** The reserve cut-off grade was lowered resulting in slightly more Mineral Resources being converted to Ore Reserves.⁽⁵⁾ **Sishen Mine – Mineral Resources:** The expanded pit layout has resulted in a significantly higher conversion of Mineral Resources to Ore Reserves (-618Mt). A further reduction is attributable to a refinement of the resource model, which focused particular attention on remodelling the lower-grade jig plant feed materials (-120Mt).⁽⁶⁾ **Thabazimbi Mine:** In 2010, the Mineral Resources have been split into two separate entities; the Vanderbijl Pit hematite Mineral Resource and the area outside the Vanderbijl Pit. The hematite Mineral Resource in the Vanderbijl Pit, which has not changed since 2006, has been ring-fenced as part of an ongoing study to utilise this and other lower-grade material at this location.⁽⁷⁾ **Thabazimbi Mine – Mineral Resources:** The reserve cut-off was increased resulting in a slight increase in Mineral Resources as less were converted to Ore Reserves.

Audits related to the generation of the Ore Reserve and Mineral Resource statements were carried out by independent consultants during 2010 at the following operations: Sishen, Thabazimbi.