NEWS RELEASE
2 March 2017

De Beers’ Gahcho Kué mine begins commercial production

Anglo American plc draws attention to an announcement issued today by De Beers, the text of which is set out below:

Gahcho Kué, the world’s largest new diamond mine in the last 13 years, officially began commercial production today (2 March 2017).

The mine, a joint venture with De Beers Group (51 per cent) and Mountain Province Diamonds (49 per cent), is expected to produce approximately 54 million carats of rough diamonds over its lifetime.

Production ramp up began on 1 August 2016 and the official opening ceremony took place on 20 September 2016, with 200 guests in attendance from across Canada and around the world.

Bruce Cleaver, CEO, De Beers Group, said: “Today marks a significant landmark for De Beers in Canada as Gahcho Kué becomes an important contributor to the Group’s global production. That the mine has reached this landmark, on budget and ahead of schedule, is testament to the partnerships that have worked together since construction began. It’s a result of these partnerships that the mine is set to deliver socio-economic benefits of more than C$5 billion to the economy of the Northwest Territories over its lifetime.”

Kim Truter, CEO, De Beers Canada, said: “With Gahcho Kué achieving commercial production, it successfully builds on the transformation of De Beers in Canada. General Manager Allan Rodel and his entire team are to be congratulated for completing this milestone safely and ahead of schedule during the extreme winter conditions that have taken place over the past few months.”

Patrick Evans, President and CEO of Mountain Province Diamonds, added: “The dedicated support of our shareholders, business partners and employees has made today’s important achievement possible. Gahcho Kué is a rich diamond deposit that secures Canada’s position as one of the world’s leading diamond producers. Our thanks and appreciation goes to our operating partner, De Beers Canada, for delivering the Gahcho Kué mine safely and ahead of schedule.”

The fly-in/fly-out remote mine site is situated approximately 280km northeast of Yellowknife in the Northwest Territories (NWT) of Canada. Comprising three open pits, the mine will employ 530 people full-time, with the majority working a two-week in/two-week out rotation.

In addition to a C$440 million boost to the NWT economy through 2015, the Gahcho Kué mine will provide a further C$5.3 billion in Gross Value Added (GVA) to the NWT now that it has reached commercial production, according to a socio-economic impact report by EY.
I. Commercial production is deemed to be achieved once an asset is capable of operating in the manner intended by management, following any ramp-up or commissioning activity.

II. Production of approximately 54 million carats from an estimated 35 million tonnes of ore over the life of the mine. For further information, refer to the Anglo American Ore Reserves and Mineral Resources Report 2015 at www.angloamerican.com/investors/annual-reporting.

III. GVA is a measure of economic activity. It is often referred to as the ‘income from production’ and is broadly equivalent to the wages and profits generated by a particular economic activity, or total output (revenues) minus intermediate costs. As a measure of economic activity, it is comparable to GDP, but does not include net taxes and subsidies levied on products.

IV. The Socio-Economic Impact Report of De Beers in Canada can be viewed online at www.debeersgroup.com/thecanadareport.

Anglo American is a globally diversified mining business. Our portfolio of world-class competitive mining operations and undeveloped resources provides the raw materials to meet the growing consumer-driven demands of the world’s developed and maturing economies. Our people are at the heart of our business. It is our people who use the latest technologies to find new resources, plan and build our mines and who mine, process and move and market our products to our customers around the world.

As a responsible miner - of diamonds (through De Beers), platinum and other precious metals, copper, nickel, iron ore and coal - we are the custodians of what are precious natural resources. We work together with our key partners and stakeholders to unlock the long-term value that those resources represent for our shareholders and for the communities and countries in which we operate – creating sustainable value and making a real difference.

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