Anglo American plc announces sale of Norte copper business for $300 million, with potential upside to up to $500 million

Anglo American plc ("Anglo American") announces that it has reached agreement for the sale of its interest in Anglo American Norte S.A. ("Norte") to an investor consortium led by Audley Capital Advisors LLP, with Orion Mine Finance as the principal co-investor, for an up-front cash consideration of $300 million, with potential upside to up to $500 million. Norte consists of the Mantoverde and Mantos Blancos copper mines located in northern Chile.

The total consideration payable to Anglo American consists of $300 million in cash payable at closing (subject to certain closing and post-closing adjustments) and a number of additional future payments totalling up to $200 million, contingent upon factors including the average LME (London Metals Exchange) copper price performance and any future decision to pursue the sulphide life extension of the Mantoverde mine.

Mark Cutifani, Chief Executive of Anglo American, said: "The sale of our Norte copper assets to the Audley consortium represents a good outcome for Anglo American, both in terms of the up-front value achieved, the potential upside geared to the copper price and the continued delivery of our asset disposal programme. John MacKenzie’s longstanding knowledge of these two mines and his appreciation for the operating environment in Chile stand him and the team on the ground in good stead for the future. In line with our strategic objectives, we are focusing our diversified portfolio on our largest and most value accretive assets, which include the Los Bronces and Collahuasi copper mines in Chile and the Quellaveco copper project in Peru."

John MacKenzie, CEO: Mining of Audley, commented: “I am delighted that, together with Orion, we are to acquire the Mantoverde and Mantos Blancos mines in Chile. I know both of these operations well and can see the scope to further enhance the business under our ownership, particularly in terms of their life extension potential to meet our expected view of constrained copper supply in the medium and longer term. I have a high regard for the team of people who work at these operations, and believe that Chile remains one of the most attractive destinations for mining investment.”

This transaction is not subject to any regulatory conditions and is expected to close in Q3 2015.

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Notes to editors:

Anglo American Norte is comprised of Mantos Blancos and Mantoverde, two well established open-pit copper mines in northern Chile. The mines have been owned and operated by Anglo American since 1980 and 1995 respectively.

<table>
<thead>
<tr>
<th></th>
<th>Mantos Blancos</th>
<th>Mantoverde</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>52,400 tonnes</td>
<td>51,800 tonnes</td>
</tr>
<tr>
<td>1H 2015</td>
<td>29,000 tonnes</td>
<td>23,800 tonnes</td>
</tr>
<tr>
<td>C1 unit cost1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>$2.83/lb</td>
<td>$2.10/lb</td>
</tr>
<tr>
<td>1H 2015</td>
<td>$2.39/lb</td>
<td>$2.07/lb</td>
</tr>
<tr>
<td>EBITDA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>$16m</td>
<td>$110m</td>
</tr>
<tr>
<td>1H 2015</td>
<td>$1m</td>
<td>$15m</td>
</tr>
</tbody>
</table>

1 C1 Costs exclude internal cost recharges, TC/RCs and by-products

At 31 December 2014, and as stated in the Anglo American Annual Report 2014, Mantos Blancos had a Reserve Life of ten years and Mantoverde a Reserve Life of five years, with both mines offering life extension opportunities.

The contingent payments of up to $200 million are made up of: up to $50 million dependent upon the average copper price from today through to three months post-closing, with a ratchet beginning at $2.35/lb; up to $100 million payable as a percentage of net revenues over a four year period post-closing dependent upon the copper price with a ratchet beginning at $3.00/lb; and $50 million upon any future decision to pursue the sulphide life extension project at the Mantoverde mine.

Audley Capital LLP is a well known investment firm which has focused primarily on the natural resources sector for the past 10 years, and has completed a number of significant transactions. John Mackenzie joined Audley in January 2014 to lead its mining investments following a 24-year career with Anglo American, ultimately serving as CEO of Anglo American’s Copper business. www.audleycapital.com

The Orion Mine Finance Group is one of the world’s leading mining-focused investment businesses with approximately $1.86 billion under management, specialising in providing flexible capital investment solutions to mining companies in the base and precious metals sectors. Orion has demonstrated capability in debt, equity, convertibles, streaming, and royalty investments. In addition, the Orion Mine Finance team has experience in the physical metals markets, such as facilitating the purchase, metal financing, transporting, processing and selling of a mine’s output to end customers. www.orionminefinance.com

Anglo American is a global and diversified mining business that provides the raw materials essential for economic development and modern life. 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 – from bulk commodities and base metals to precious metals and diamonds (through De Beers) – to our customers around the world. Our diversified portfolio of products spans the economic development cycle and, as a responsible miner, we are the custodians of precious resources. We work together with our key partners and stakeholders to unlock the long-term value that those resources represent for our shareholders, but also for the communities and countries in which we operate – creating sustainable value and making a real difference. Our mining operations, growth projects and exploration and marketing activities extend across southern Africa, South America, Australia, North America, Asia and Europe.

www.angloamerican.com