

NEWS RELEASE

Anglo American plc (the “Company”)

Registered office: 20 Carlton House Terrace, London SW1Y 5AN
Registered number: 3564138 (incorporated in England and Wales)
Legal Entity Identifier: 549300S9XF92D1X8ME43
ISIN: GBOOB1XZS820
JSE Share Code: AGL
NSX Share Code: ANM

28 July 2020

Kumba Iron Ore approves Kapstevel South project at Kolomela

Anglo American notes the announcement made by Kumba Iron Ore this morning, the text of which appears below.

Kumba is pleased to announce the approval of its Kapstevel South project at its Kolomela mine by both the Company's and Anglo American's boards.

The total capital cost of the project will be approximately R7 billion, including pre-stripping. It is anticipated that the addition of the Kapstevel South pit will deliver an after-tax internal rate of return of ~25% and allow Kolomela to maintain an estimated EBITDA margin of >35% in the long-term.

The project entails the development of a new pit, Kapstevel South and associated infrastructure at Kolomela. The pit is a conventional truck and shovel operation producing high quality direct shipping ore (DSO). Whilst the pit is included in the current life of mine, it contributes significantly to sustaining production of ~13Mt for the remaining life of mine. Pit establishment and waste stripping will commence this year with first ore expected in 2024.

Themba Mkhwanazi, CEO of Kumba, said: “The approval of this project, at a time when the global and South African economies face the challenges of Covid-19, underscores Kumba's positive longer-term outlook for demand for its high-quality product. It also demonstrates our commitment to extend the lives of our mines and continue providing much-needed jobs and livelihoods in the Northern Cape region.”

The operational and financial forecasts provided in this announcement are estimates and the financial information has not been reviewed and reported on by the Company's external auditors.

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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 operations, development projects and undeveloped resources, provides many of the metals and minerals that enable a cleaner, greener, more sustainable world and that meet the fast growing consumer-driven demands of developed and maturing economies. With our people at the heart of our business, we use innovative practices and the latest technologies to mine, process, move and market our products to our customers – and to discover new resources – safely and sustainably.

As a responsible producer of diamonds (through De Beers), copper, platinum group metals, the steelmaking ingredients of iron ore and metallurgical coal, and nickel – with crop nutrients in development and thermal coal operations planned for divestment – we are committed to being carbon neutral across our operations by 2040. We work together with our business partners and diverse stakeholders to unlock sustainable value from precious natural resources for the benefit of the communities and countries in which we operate, for society as a whole, and for our shareholders. 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 Ore Reserves and Mineral Resource estimates), 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.

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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. Nothing in this announcement should be interpreted to mean that future earnings per share of Anglo American will necessarily match or exceed its historical published earnings per share.

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The Company has a primary listing on the Main Market of the London Stock Exchange and secondary listings on the Johannesburg Stock Exchange, the Botswana Stock Exchange, the Namibia Stock Exchange and the SIX Swiss Exchange.

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