

# GROSVENOR

**Greenfield project Grosvenor forms a major part of Anglo American's strategy to triple metallurgical coal production from our Australian assets by 2020.**

## GROSVENOR

- Grosvenor is a 100% owned greenfield metallurgical coal project in Queensland's Bowen Basin.
- It is the first of our next phase growth projects to be approved following Barro Alto (Nickel), Los Bronces expansion (Copper), Kolomela (Iron Ore) and Minas-Rio (Iron Ore).
- It is expected to produce 5 Mtpa from its underground longwall operation over 26 years.
- We forecast capital expenditure for the project of US\$1.7 billion on a nominal basis.
- Grosvenor will feature a standard longwall design model also being used at Moranbah North.
- It will target the same Goonyella Middle coal seam as Moranbah North and will process its coal through the existing Moranbah North coal handling and preparation plant and train loading facilities.
- First development coal from Grosvenor is expected in 2013 and the commissioning of the longwall in 2016.
- A pre-feasibility study to expand Grosvenor by adding a second longwall is under way.

## OUR COMMODITY

- Produced in relatively few countries, metallurgical coal is the key raw material for nearly 70% of the world's steelmaking industry.
- Metallurgical coal includes hard coking coal, semi-soft coking coal and PCI coal.
- The chemical composition of the coal is fundamental to steel producers' raw material mix and product quality.
- In 2010, global hard coal production exceeded 6 billion tonnes, most of it being used in the country of origin.
- In 2010, the international seaborne metallurgical coal market accounted for just 240 million tonnes of metallurgical coal, of which Australia supplied two-thirds.

## OUR AUSTRALIAN COAL OPERATIONS

- Five of our coal mines are located in Queensland's Bowen Basin: Moranbah North (met coal); Capcoal (met and thermal coal); Foxleigh (met coal) Dawson (met and thermal coal), and Callide (thermal coal). Drayton mine (thermal coal) is in the Hunter Valley in New South Wales.
- All of the mines have direct access to rail and port facilities at Dalrymple Bay and Gladstone in Queensland or Newcastle in New South Wales.
- We also own an effective 23% interest in Jellinbah and Lake Vermont mines in Queensland, both met coal producers.
- In the first half of 2011, Metallurgical Coal's mines produced 5.7 million tonnes (attributable) of met coal and 6.1 million tonnes (attributable) of thermal coal.
- Metallurgical Coal's resource base totals some 3.4 billion tonnes of coal.



**Overview of Moranbah North mine from the coal handling and preparation plant**

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