ANGLOGOLD ASHANTI LTD
Form 20-F
April 02, 2015

As filed with the Securities and Exchange Commission on 02 April 2015

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 20-F

¨ REGISTRATION STATEMENT PURSUANT TO SECTION 12(B) OR 12(G) OF THE SECURITIES EXCHANGE ACT OF 1934 OR
x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 OR
¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 OR
¨ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FINANCIAL YEAR ENDED 31 December 2014

Commission file number: 1-14846

AngloGold Ashanti Limited

(Exact Name of Registrant as Specified in its Charter)

Republic of South Africa

(Jurisdiction of Incorporation or Organisation)

76 Jeppe Street, Newtown, Johannesburg, 2001

(P.O. Box 62117, Marshalltown, 2107)

South Africa

(Address of Principal Executive Offices)

Kandimathie Christine Ramon, Chief Financial Officer, Telephone: +27 11 6376019

E-mail: cramon@anglogoldashanti.com, 76 Jeppe Street, Newtown, Johannesburg, 2001, South Africa

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
American Depositary Shares	New York Stock Exchange
Ordinary Shares	New York Stock Exchange*
5.375% Notes due 2020	New York Stock Exchange
8.500% Notes due 2020	New York Stock Exchange

5.125% Notes due 2022	New York Stock Exchange
6.50% Notes due 2040	New York Stock Exchange

* Not for trading, but only in connection with the registration of American Depositary Shares pursuant to the requirements of the Securities and Exchange Commission

Securities registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer s classes of capital or common stock as of the close of the period covered by the annual report:

Ordinary Shares of 25 ZAR cents each	404,010,360
E Ordinary Shares of 25 ZAR cents each	-
A Redeemable Preference Shares of 50 ZAR cents each	2,000,000
B Redeemable Preference Shares of 1 ZAR cent each	778,896

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes x No ¨

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes ¨ No x

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes x No ¨

Indicate by check mark whether the registrant (1) has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files)*.

Yes ¨ No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

(Check one): Large Accelerated Filer x Accelerated Filer ¨ Non-Accelerated Filer ¨

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ¨

International Financial Reporting Standards as issued by the International Accounting Standards Board x Other¨

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

* *This requirement does not apply to the registrant.*

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PRESENTATION OF INFORMATION

AngloGold Ashanti Limited

In this annual report on Form 20-F, unless the context otherwise requires, references to AngloGold, AngloGold Ashanti, AGA, the company, the Company and the group are references to AngloGold Ashanti Limited including, as appropriate, subsidiaries and associate companies of AngloGold Ashanti.

IFRS financial statements

As a company incorporated in the Republic of South Africa, AngloGold Ashanti has prepared and filed annual audited consolidated financial statements and unaudited consolidated quarterly financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) in the English language since 1998. These financial statements are distributed to shareholders and are submitted to the JSE Limited (JSE), as well as the New York, Australian and Ghana stock exchanges.

Currency

AngloGold Ashanti presents its consolidated financial statements in United States dollars.

In this annual report, references to rands, ZAR and R are to the lawful currency of the Republic of South Africa, references to US dollars, dollar or $ are to the lawful currency of the United States, references to and Euro are to the lawful currency of the European Union, references to C$ or CAD are to the lawful currency of Canada, references to ARS and Argentinean peso are to the lawful currency of Argentina, references to AUD and A$ are to the lawful currency of Australia, references to BRL are to the lawful currency of Brazil, references to NAD are to the lawful currency of Namibia, references to Tsh are to the lawful currency of the United Republic of Tanzania and references to GHC, cedi or Gh¢ are to the lawful currency of Ghana.

See Item 3A.: Selected financial data Exchange rate information for historical information regarding the US dollar/South African rand exchange rate. On 23 March 2015, the interbank US dollar/South African rand exchange rate as reported by OANDA Corporation was R11.99/$1.00.

Non-GAAP financial measures

In this annual report on Form 20-F, AngloGold Ashanti presents the financial items total cash costs , total cash costs per ounce , total production costs , total production costs per ounce , all-in sustaining costs , all-in sustaining costs per ounce , all-in costs and all-in costs per ounce whic been determined using industry guidelines and practices and are not IFRS measures. An investor should not consider these items in isolation or as alternatives to production costs, profit/(loss) applicable to equity shareholders, profit/(loss) before taxation, cash flows from operating activities or any other measure of financial performance presented in accordance with IFRS. The Gold Institute provided definitions for the calculation of total cash costs and total production costs and during June 2013 the World Gold Council published a Guidance Note on all-in sustaining costs and all-in costs metrics. The calculation of total cash costs, total cash costs per ounce, total production costs, total production costs per ounce, all-in sustaining costs, all-in sustaining costs per ounce, all-in costs and all-in costs per ounce may vary significantly among gold mining companies, and by themselves do not necessarily provide a basis for comparison with other gold mining companies. See Glossary of selected terms Financial terms Total cash costs , Total production costs , All-in sustaining costs and All-in costs .

Shares and shareholders

In this annual report on Form 20-F, references to ordinary shares, ordinary shareholders, equity shareholders and shareholders/members, should be read as common stock, common stockholders and stockholders, respectively, and vice versa.

CERTAIN FORWARD-LOOKING STATEMENTS

Certain statements contained in this document, other than statements of historical fact, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices, production, cash costs, all-in sustaining costs, all-in costs, cost savings and other operating results, return on equity, productivity improvements, growth prospects and outlook of AngloGold Ashanti s operations, individually or in the aggregate, including the achievement of project milestones, commencement and completion of commercial operations of certain of AngloGold Ashanti s exploration and production projects and the completion of acquisitions, dispositions or joint venture transactions, AngloGold Ashanti s liquidity and capital resources and capital expenditures and the outcome and consequence of any potential or pending litigation or regulatory proceedings or environmental, health and safety issues, are forward-looking statements regarding AngloGold Ashanti s operations, economic performance and financial condition.

These forward-looking statements or forecasts involve known and unknown risks, uncertainties and other factors that may cause AngloGold Ashanti s actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in these forward-looking statements. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of among other factors, changes in economic, social and political and market conditions, the success of business and operating initiatives, changes in the regulatory environment and other government actions, including environmental approvals, fluctuations in gold prices and exchange rates, the outcome of pending or future litigation proceedings and business and operational risk management and other factors as described in Item 3D.: Risk factors and elsewhere in this annual report. These factors are not necessarily all of the important factors that could cause AngloGold Ashanti s actual results to differ materially from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. Consequently, readers are cautioned not to place undue reliance on forward-looking statements.

AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events, except to the extent required by applicable law. All subsequent written or oral forward-looking statements attributable to AngloGold Ashanti or any person acting on its behalf are qualified by the cautionary statements herein.

GLOSSARY OF SELECTED TERMS

The following explanations are not intended as technical definitions but should assist the reader in understanding terminology used in this annual report. Unless expressly stated otherwise, all explanations are applicable to both underground and surface mining operations.

Mining terms

All injury frequency rate: The total number of injuries and fatalities that occurs per million hours worked.

BIF: Banded Ironstone Formation. A chemically formed iron-rich sedimentary rock.

By-products: Any products that emanate from the core process of producing gold, including silver, uranium and sulphuric acid.

Carbon-in-leach (CIL): Gold is leached from a slurry of gold ore with cyanide in agitated tanks and adsorbed on to activated carbon granules at the same time (i.e. when cyanide is introduced in the leach tank, there is already activated carbon in the tank and there is no distinction between leach and adsorption stages). The carbon granules are separated from the slurry and treated in an elution circuit to remove the gold.

Carbon-in-pulp (CIP): Gold is leached conventionally from a slurry of gold ore with cyanide in agitated tanks. The leached slurry then passes into the CIP circuit where activated carbon granules are mixed with the slurry and gold is adsorbed on to the activated carbon. The gold-loaded carbon is separated from the slurry and treated in an elution circuit to remove the gold.

Comminution: Comminution is the crushing and grinding of ore to make gold available for treatment. (See also Milling).

Contained gold: The total gold content (tons multiplied by grade) of the material being described.

Depletion: The decrease in the quantity of ore in a deposit or property resulting from extraction or production.

Development: The process of accessing an orebody through shafts and/or tunneling in underground mining operations.

Diorite: An igneous rock formed by the solidification of molten material (magma).

Doré: Impure alloy of gold and silver produced at a mine to be refined to a higher purity.

Electro-winning: A process of recovering gold from solution by means of electrolytic chemical reaction into a form that can be smelted easily into gold bars.

Elution: Recovery of the gold from the activated carbon into solution before zinc precipitation or electro-winning.

Feasibility study: A comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study (JORC 2012).

Flotation: Concentration of gold and gold-hosting minerals into a small mass by various techniques (e.g. collectors, frothers, agitation, air-flow) that collectively enhance the buoyancy of the target minerals, relative to unwanted gangue, for recovery into an over-flowing froth phase.

Gold Produced: Refined gold in a saleable form derived from the mining process.

Grade: The quantity of gold contained within a unit weight of gold-bearing material generally expressed in ounces per short ton of ore (oz/t), or grams per metric tonne (g/t).

Greenschist: A schistose metamorphic rock whose green colour is due to the presence of chlorite, epidote or actinolite.

Leaching: Dissolution of gold from crushed or milled material, including reclaimed slime, prior to adsorption on to activated carbon or direct zinc precipitation.

Life of mine (LOM): Number of years for which an operation is planning to mine and treat ore, and is taken from the current mine plan.

Metallurgical plant: A processing plant constructed to treat ore and extract gold.

Milling: A process of reducing broken ore to a size at which concentrating can be undertaken. (See also Comminution).

Mine call factor: The ratio, expressed as a percentage, of the total quantity of recovered and unrecovered mineral product after processing with the amount estimated in the ore based on sampling. The ratio of contained gold delivered to the metallurgical plant divided by the estimated contained gold of ore mined based on sampling.

Mineral deposit: A mineral deposit is a concentration (or occurrence) of material of possible economic interest in or on the earth s crust.

Mineral Resource: A concentration or occurrence of solid material of economic interest in or on the earth s crust is such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral resources are sub-divided in order of increasing geological confidence, into inferred, indicated or measured categories (JORC, 2012).

Modifying factors: Modifying Factors are considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

Ore Reserve: That part of a mineral deposit which could be economically and legally extracted or produced at the time of the Ore Reserve determination.

Ounce (oz) (troy): Used in imperial statistics. A kilogram is equal to 32.1507 ounces. A troy ounce is equal to 31.1035 grams.

Pay limit: The grade of a unit of ore at which the revenue from the recovered mineral content of the ore is equal to the sum of total cash costs, closure costs, Ore Reserve development and stay-in-business capital. This grade is expressed as an in-situ value in grams per tonne or ounces per short ton (before dilution and mineral losses).

Precipitate: The solid product formed when a change in solution chemical conditions results in conversion of some pre-dissolved ions into solid state.

Probable Ore Reserve: Ore Reserve for which quantity and grade are computed from information similar to that used for Proven Reserves, but the sites for inspection, sampling, and measurement are further apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for Proven Reserves, is high enough to assume continuity between points of observation.

Productivity: An expression of labour productivity based on the ratio of ounces of gold produced per month to the total number of employees in mining operations.

Proven Ore Reserve: A Proven Ore Reserve is the economically mineable part of a Measured Mineral Resource. A Proven Ore Reserve implies a high degree of confidence in the Modifying Factors.

Project capital: Capital expenditure to either bring a new operation into production; to materially increase production capacity; or to materially extend the productive life of an asset.

Recovered grade: The recovered mineral content per unit of ore treated.

Reef: A gold-bearing sedimentary horizon, normally a conglomerate band that may contain economic levels of gold.

Refining: The final purification process of a metal or mineral.

Rehabilitation: The process of reclaiming land disturbed by mining to allow an appropriate post-mining use. Rehabilitation standards are defined by country-specific laws, including but not limited to the South African Department of Mineral Resources, the US Bureau of Land Management, the US Forest Service, and the relevant Australian mining authorities, and address among other issues, ground and surface water, topsoil, final slope gradient, waste handling and re-vegetation issues.

Seismic event: A sudden inelastic deformation within a given volume of rock that radiates detectable seismic energy.

Shaft: A vertical or subvertical excavation used for accessing an underground mine; for transporting personnel, equipment and supplies; for hoisting ore and waste; for ventilation and utilities; and/or as an auxiliary exit.

Short ton: Used in imperial statistics. Equal to 2,000 pounds.

Skarn: A rock of complex mineralogical composition, formed by contact metamorphism and metasomatism of carbonate rocks.

Smelting: A pyro-metallurgical operation in which gold precipitate from electro-winning or zinc precipitation is further separated from impurities.

Stoping: The process of excavating ore underground.

Stripping ratio: The ratio of waste tonnes to ore tonnes mined calculated as total tonnes mined less ore tonnes mined divided by ore tonnes mined.

Tailings: Finely ground rock of low residual value from which valuable minerals have been extracted.

Tonne: Used in metric statistics. Equal to 1,000 kilograms.

Tonnage: Quantity of material measured in tonnes or tons.

Waste: Material that contains insufficient mineralisation for consideration for future treatment and, as such, is discarded.

Yield: The amount of valuable mineral or metal recovered from each unit mass of ore expressed as ounces per short ton or grams per metric tonne.

Zinc precipitation: Zinc precipitation is the chemical reaction using zinc dust that converts gold in solution to a solid form for smelting into unrefined gold bars.

Financial terms

All-in costs: All-in Costs are All-in Sustaining costs including additional non-sustaining costs which reflect the varying costs of producing gold over the life-cycle of a mine. Non-sustaining costs are those costs incurred at new operations and costs related to major projects at existing operations where these projects will materially increase production. All-in costs per ounce is arrived at by dividing the dollar value of the sum of these cost metrics, by the ounces of gold sold.

All-in Sustaining costs: During June 2013 the World Gold Council (WGC), an industry body, published a Guidance Note on all-in sustaining costs metric, which gold mining companies can use to supplement their overall non-GAAP disclosure. All-in sustaining costs is an extension of the existing cash cost metric and incorporates all costs related to sustaining production and in particular recognises the sustaining capital expenditure associated with developing and maintaining gold mines. In addition, this metric includes the cost associated with developing and maintaining gold mines. In addition, this metric includes the cost associated with corporate office structures that support these operations, the community and rehabilitation costs attendant with responsible mining and any exploration and evaluation costs associated with sustaining current operations. All-in sustaining costs per ounce is arrived at by dividing the dollar value of the sum of these cost metrics, by the ounces of gold sold.

Average number of employees: The monthly average number of production and non-production employees and contractors employed during the year, where contractors are defined as individuals who have entered into a fixed-term contract of employment with a group company or subsidiary. Employee numbers of joint ventures represents the group s attributable share.

Capital expenditure: Total capital expenditure on tangible assets.

Effective tax rate: Current and deferred taxation charge for the year as a percentage of profit before taxation.

OANDA Corporation: An internet-based provider of forex trading and currency information services.

Rated bonds: The $700 million 5.375 percent bonds due 2020, $300 million 6.5 percent bonds due 2040 and the $750 million 5.125 percent bonds due 2022.

Region: Defines the operational management divisions within AngloGold Ashanti Limited, namely South Africa, Continental Africa (DRC, Ghana, Guinea, Mali and Tanzania), Australasia, and the Americas (Argentina, Brazil and United States of America).

Related party: Parties are considered related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Significant influence: The ability, directly or indirectly, to participate in, but not exercise control over, the financial and operating policy decision of an entity so as to obtain economic benefit from its activities.

STRATE: The licensed Central Securities Depository (CSD) for the electronic settlement of financial instruments in South Africa.

Total cash costs: Total cash costs include site costs for all mining, processing and administration, reduced by contributions from by-products and are inclusive of royalties and production taxes. Depreciation, depletion and amortization, rehabilitation, corporate administration, employee severance costs, capital and exploration costs are excluded. Total cash costs per ounce are the attributable total cash costs divided by the attributable ounces of gold produced.

Total production costs: Total cash costs plus depreciation, depletion and amortization, employee severance costs, rehabilitation and other non-cash costs. Corporate administration and exploration costs are excluded. Total production costs per ounce are the attributable total production costs divided by the attributable ounces of gold produced.

Weighted average number of ordinary shares: The number of ordinary shares in issue at the beginning of the year, increased by shares issued during the year, weighted on a time basis for the period during which they have participated in the income of the group, and increased by share options that are virtually certain to be exercised.

Currencies

$, US$ or dollar	United States dollars
ARS	Argentinean peso
A$ or AUD	Australian dollars
BRL	Brazilian real
C$ or CAD	Canadian dollars
or Euro	European Euro
GHC, cedi or ¢	Ghanaian cedi
NAD	Namibian dollars
Tsh	Tanzanian Shillings
ZAR, R or rand	South African rands

Abbreviations

ADS	American Depositary Share
ADR	American Depositary Receipt
AIFR	All injury frequency rate
ASX	Australian Securities Exchange
Au	Contained gold
BBSY	Bank Bill Swap Bid Rate
BEE	Black Economic Empowerment
bn	Billion
CDI	Chess Depositary Interests
CHESS	Clearing House Electronic Settlement System
CLR	Carbon Leader Reef
DMTNP	Domestic medium-term notes programme
DRC	Democratic Republic of the Congo
ERP	Enterprise resource planning
FIFR	Fatal injury frequency rate
G or g	Grams
GhDS	Ghanaian Depositary Share
GhSE	Ghana Stock Exchange
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards as issued by the IASB
JORC	Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves
JIBAR	Johannesburg Interbank Agreed Rate
JSE	JSE Limited (Johannesburg Stock Exchange)
King III	The King Code on Corporate Governance for South Africa
Kg or kg	Kilograms
Km or km	Kilometres
Km^2	Squared kilometres
Koz	Thousand ounces
LIBOR	London Interbank Offer Rate
M or m	Metre or million, depending on the context
Moz	Million ounces
Mt	Million tonnes or tons
Mtpa	Million tonnes/tons per annum
NYSE	New York Stock Exchange
Oz or oz	Ounces (troy)
oz/t	Ounces per ton
oz/TEC	Ounces per total employee costed
SAMREC	South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves
SEC	United States Securities and Exchange Commission
The Companies Act	South African Companies Act, No. 71 of 2008, as amended
T or t	Tons (short) or tonnes (metric)
Tpa or tpa	Tonnes/tons per annum
US/USA/United States	United States of America
US GAAP	U.S. Generally Accepted Accounting Principles
VCR	Ventersdorp Contact Reef

Note: Rounding of figures in this report may result in computational discrepancies.

PART I

ITEM 1: IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS

Not applicable.

ITEM 2: OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3: KEY INFORMATION

3A. SELECTED FINANCIAL DATA

The selected financial information set forth below for the years ended and as at 31 December 2014, 2013 and 2012 has been derived from, and should be read in conjunction with, the IFRS financial statements included under Item 18 of this annual report. The selected financial information for the years ended and as at 31 December 2010 and 2011 has been derived from the IFRS financial statements not included in this annual report.

The financial statements have been prepared under IFRS.

	Year ended 31 December				
	2014 $	2013 $	2012 $	2011 $	2010 (1) $
	(in millions, except share and per share amounts)				
Consolidated income statement					
Revenue	**5,378**	5,708	6,632	6,925	5,514
Gold income	**5,218**	5,497	6,353	6,570	5,334
Cost of sales	**(4,190)**	(4,146)	(3,964)	(3,892)	(3,550)
Gain (loss) on non-hedge derivatives and other commodity contracts	**15**	94	(35)	(1)	(702)
Gross profit	**1,043**	1,445	2,354	2,677	1,082
Corporate administration, marketing and other expenses	**(92)**	(201)	(291)	(278)	(220)
Exploration and evaluation costs	**(144)**	(255)	(395)	(279)	(198)
Other operating expenses	**(28)**	(19)	(47)	(31)	(20)
Special items	**(260)**	(3,410)	(402)	163	(126)
Operating profit (loss)	**519**	(2,440)	1,219	2,252	518
Dividends received	**-**	5	7	-	-
Interest received	**24**	39	43	52	43
Exchange gain	**(7)**	14	8	2	3
Finance costs and unwinding of obligations	**(278)**	(296)	(231)	(196)	(166)
Fair value adjustment on $1.25bn bonds	**(17)**	(58)	-	-	-
Fair value adjustment on option component of convertible bonds	**-**	9	83	84	(1)
Fair value adjustment on mandatory convertible bonds	**-**	356	162	104	(55)
Share of associates and joint ventures (loss) profit	**(25)**	(162)	(30)	72	63
Profit (loss) before taxation	**216**	(2,533)	1,261	2,370	405
Taxation	**(255)**	333	(346)	(737)	(276)
(Loss) profit for the year	**(39)**	(2,200)	915	1,633	129
Allocated as follows					
Equity shareholders	**(58)**	(2,230)	897	1,587	76
Non-controlling interests	**19**	30	18	46	53
	(39)	(2,200)	915	1,633	129
Basic (loss) earnings per ordinary share (cents)	**(14)**	(568)	232	411	20
Diluted (loss) earnings per ordinary share (cents)	**(14)**	(631)	177	355	20
Dividend per ordinary share (cents)	**-**	10	56	34	18

(1) *As originally published in home country.*

	As at 31 December				
	2014	**2013**	**2012**	**2011**	**2010[1]**
	$	**$**	**$**	**$**	**$**
	(in millions, except share and per share amounts)				
Consolidated balance sheet data					
ASSETS					
Non-current assets					
Tangible assets	**4,863**	4,815	7,776	6,545	6,180
Intangible assets	**225**	267	315	210	194
Investments in associates and joint ventures	**1,427**	1,327	1,047	691	622
Other investments	**126**	131	167	186	237
Inventories	**636**	586	610	410	345
Trade and other receivables	**20**	29	79	76	152
Derivatives	**-**	-	-	-	1
Deferred taxation	**127**	177	97	79	20
Cash restricted for use	**36**	31	29	23	33
Other non-current assets	**25**	41	7	9	9
	7,485	7,404	10,127	8,229	7,793
Current assets					
Other investments	**-**	1	-	-	-
Inventories	**888**	1,053	1,213	998	890
Trade and other receivables	**278**	369	472	354	247
Current portion of other non-current assets	**-**	-	-	-	1
Cash restricted for use	**15**	46	35	35	10
Cash and cash equivalents	**468**	648	892	1,112	575
	1,649	2,117	2,612	2,499	1,723
Non-current assets held for sale	**-**	153	-	21	16
	1,649	2,270	2,612	2,520	1,739
Total assets	**9,134**	9,674	12,739	10,749	9,532
EQUITY AND LIABILITIES					
Share capital and premium	**7,041**	7,006	6,742	6,689	6,627
Accumulated losses and other reserves	**(4,196)**	(3,927)	(1,269)	(1,706)	(2,638)
Shareholders equity	**2,845**	3,079	5,473	4,983	3,989
Non-controlling interests	**26**	28	21	137	124
Total equity	**2,871**	3,107	5,494	5,120	4,113
Non-current liabilities					
Borrowings	**3,498**	3,633	2,724	2,456	2,569
Environmental rehabilitation and other provisions	**1,052**	963	1,238	782	589
Provision for pension and post-retirement benefits	**147**	152	221	195	191
Trade, other payables and deferred income	**15**	4	10	14	17
Derivatives	**-**	-	10	93	176
Deferred taxation	**567**	579	1,084	1,148	900
	5,279	5,331	5,287	4,688	4,442
Current liabilities					
Borrowings	**223**	258	859	32	135
Trade, other payables and deferred income	**695**	820	979	751	705
Bank overdraft	**-**	20	-	-	-
Taxation	**66**	81	120	158	134
	984	1,179	1,958	941	974
Non-current liabilities held for sale	**-**	57	-	-	3
	984	1,236	1,958	941	977
Total liabilities	**6,263**	6,567	7,245	5,629	5,419
Total equity and liabilities	**9,134**	9,674	12,739	10,749	9,532
Number of ordinary shares as adjusted to reflect changes in share capital	404,010,360	402,628,406	383,320,962	382,242,343	381,204,080
Share capital (exclusive of long-term debt and redeemable preference shares)	16	16	16	16	16
Net assets	2,871	3,107	5,494	5,120	4,113

(1) *As originally published in home country.*

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Annual dividends

The table below sets forth the amounts of interim, final and total dividends declared in respect of the past five years in cents per ordinary share.

Year ended 31 December[1]	2014	2013	2012	2011	2010
South African cents per ordinary share					
First quarter	-	50	200	80	70
Second quarter	-	50	100	-	-
Third quarter	-	-	100	90	65
Fourth quarter	-	-	50	90	-
Total	-	100	450	260	135
US cents per ordinary share[2]					
First quarter	-	5	26	11	9
Second quarter	-	5	12	-	-
Third quarter	-	-	12	12	9
Fourth quarter	-	-	6	11	-
Total	-	10	56	34	18

(1) *During quarter three of 2011, the Company changed the frequency of dividend payments from half-yearly to quarterly. During 2013, the Company changed the frequency of dividend payments to be dependent upon the board s ongoing assessment of AngloGold Ashanti s earnings.*

(2) *Dividends for these periods were declared in South African cents. US dollar cents per share figures have been calculated based on exchange rates prevailing on each of the respective payment dates.*

For further information on the company s policy on dividend distributions, see Item 8A: Consolidated financial statements and other information Dividends .

Exchange rate information

The following table sets forth, for the periods and dates indicated, certain information concerning US dollar/South African rand exchange rates expressed in rands per $1.00. On 23 March 2015, the interbank rate between South African rands and US dollars as reported by OANDA Corporation was R11.99/$1.00.

Year ended 31 December[2]	High	Low	Year end	Average [1]
2010	8.08	6.57	6.64	7.34
2011	8.60	6.49	8.14	7.27
2012	8.95	7.46	8.47	8.20
2013	10.51	8.47	10.49	9.63
2014	11.69	10.28	11.60	10.84
2015[3]	12.47	11.36		11.71

(1) *The average rate of exchange on the last business day of each month during the year.*

(2) *Based on the interbank rate as reported by OANDA Corporation.*

(3) *Through to 23 March 2015.*

Exchange rate information for the months of [1]	High	Low
September 2014	11.26	10.63
October 2014	11.33	10.86
November 2014	11.27	10.92
December 2014	11.69	11.04
January 2015	11.71	11.39
February 2015	11.79	11.36

March 2015[2]	12.47	11.65

(1) *Based on the interbank rate as reported by OANDA Corporation.*
(2) *Through to 23 March 2015.*

3B. CAPITALISATION AND INDEBTEDNESS

Not applicable.

3C. REASONS FOR THE OFFER AND USE OF PROCEEDS

Not applicable.

3D. RISK FACTORS

This section describes many of the risks that could affect AngloGold Ashanti. There may, however, be additional risks unknown to AngloGold Ashanti and other risks, currently believed to be immaterial, that could turn out to be material. Additional risks may arise or become material subsequent to the date of this document. These risks, either individually or simultaneously, could significantly affect the group s business, financial results and the price of its securities.

Risks related to AngloGold Ashanti s results of operations and financial condition as a result of factors that impact the gold mining industry generally.

Commodity market price fluctuations could adversely affect the profitability of operations.

AngloGold Ashanti s revenues are primarily derived from the sale of gold and, to a lesser extent, uranium, silver and sulphuric acid. The compay s current policy is to sell its products at prevailing market prices and not to enter into price hedging arrangements. The market prices for these commodities fluctuate widely. These fluctuations are caused by numerous factors beyond the company s control. For example, the market price of gold may change for a variety of reasons, including:

- speculative positions taken by investors or traders in gold;
- monetary policies announced or implemented by central banks, including the U.S. Federal Reserve;
- changes in the demand for gold as an investment or as a result of leasing arrangements;
- changes in the demand for gold used in jewellery and for other industrial uses, including as a result of prevailing economic conditions;
- changes in the supply of gold from production, divestment, scrap and hedging;
- financial market expectations regarding the rate of inflation;
- the strength of the U.S. dollar (the currency in which the gold price trades internationally) relative to other currencies;
- changes in interest rates;
- actual or anticipated sales or purchases of gold by central banks and the International Monetary Fund;
- gold hedging and de-hedging by gold producers;
- global or regional political or economic events; and
- the cost of gold production in major gold producing countries.

The market price of gold has been and continues to be significantly volatile. During 2014, the gold price traded from a low of $1,141 per ounce to a high of $1,382 per ounce. On 23 March 2015, the afternoon price for gold on the London Bullion Market was $1,186 per ounce. The price of gold is often subject to sharp, short-term changes; for example, during the period from Friday, 12 April 2013, through to Monday, 15 April 2013, the price of gold dropped by $228 per ounce.

During 2012 and 2013, a correlation existed between the central banks policies and the price of gold, with the price falling at the prospect of the end of quantitative easing in some of the main economies. For example, on 19 June 2013, Chairman Ben Bernanke of the Federal Reserve announced that the Federal Reserve may begin reducing its quantitative easing programme in 2013. During the course of the following week, the price of gold fell to $1,180 per ounce, its lowest level in 34 months. Furthermore, in the week following Janet Yellen s announcement of the end of the quantitative easing programme of the Federal Reserve on 29 October 2014, the price of gold reached its annual low of $1,141 per ounce. Any future announcements or proposals by the Federal Reserve, or any of its board members or regional presidents or other similar officials, relating to any such reduction, may materially and adversely affect the price of gold and, as a result, AngloGold Ashanti s financial condition and results of operations.

Like gold prices, gold demand can fluctuate materially from one year to the next, including in the countries that account for the highest gold consumption worldwide. For example, gold demand in China fell 38% in 2014 compared to 2013 according to the World Gold Council. Over the same period, demand for gold bars and coins fell by 50% both in China and in India. In China, the decline was due in part to the government s anti-corruption programme, which put limited pressure on demand for gold ornaments and so-called gift bars . Whilst the considerable size of historical mined (i.e., above ground) stocks of the metal means that overall supply and demand of gold typically do not affect the gold price in the same manner or degree compared to other commodities, events that impact supply and demand may nonetheless affect gold s market price. Demand for gold may be affected, in particular, by government policies, including taxes and duties. For example, over the course of 2013, the Indian Finance Ministry increased gold import duties from 2% to 10%, with the most recent increase to 10% occurring in August 2013. In addition, at least a fifth of gold imported into India must be exported. Such increases, and any similar import duty increases in India or other large gold importing countries, could adversely affect demand for, and consequently prices of, gold.

Furthermore, the shift in demand from physical gold to gold-related investments and speculative instruments may exacerbate the volatility of the gold price. For example, in March 2015, the Finance Ministry in India, which overtook China as the world s largest consumer of gold in 2014, announced the creation of sovereign gold bonds as an alternative to the purchase of physical gold. Slower consumption of physical gold in India, resulting from a move toward gold-tracking investments or otherwise, may have an adverse impact on global demand for, and prices of, bullion.

A sustained period of significant gold price volatility may adversely affect the company s ability to evaluate the feasibility of undertaking new capital projects or the continuity of existing operations, to meet its operational targets or to make other long-term strategic decisions. Lower and more volatile gold prices, together with other factors, have led AngloGold Ashanti to alter its expansion and development strategy and consider ways to align its asset portfolio to take account of such expectations and trends. As a result, the company may decide to curtail or temporarily or permanently shut down certain of its exploration and production operations, which may be difficult and costly to effect. A further sustained decrease in the price of gold could also have a material adverse effect on AngloGold Ashanti s financial condition and results of operations, as it may be unable to quickly adjust its cost structure to reflect the reduced gold price environment. Mines with marginal headroom may be subject to decreases in value that are other than temporary, which may result in impairment losses. During 2013, the company reviewed the carrying value of its mining assets (including ore stockpiles), goodwill and intangibles and, based on revised forecast gold prices, booked a charge of $3,245 million (2014: $12 million) in relation to impairments, derecognition and revaluation of net realisable value of its mining assets (including ore stockpiles), goodwill and intangibles. The market value of gold inventory may be reduced and marginal stockpile and heap leach inventories may be written down to net realisable value or may not be processed further as it may not be economically viable at lower gold prices. In addition, AngloGold Ashanti is obliged to meet certain financial covenants under the terms of its borrowing facilities and its ability to continue to meet these covenants could be adversely affected by a further sustained decrease in the price of gold. The use of lower gold prices in reserve calculations and life of mine plans could also result in material impairments of the company s investment in mining properties or a reduction in its Ore Reserves estimates and corresponding restatements of its Ore Reserves and increased amortisation, reclamation and closure charges.

The spot price of uranium has been volatile in past years. During 2014, the price varied between a low of approximately $28 per pound and a high of $44 per pound. On 23 March 2015, the spot price of uranium was $40 per pound. Uranium prices can be affected by several factors, including demand for nuclear reactors, uranium production shortfalls and restocking by utilities. Events like those surrounding the earthquake and tsunami that occurred in Japan in 2011 can also have a material impact on the price of and demand for uranium.

The price of silver has also experienced significant fluctuations. For example, from a high of $32 per ounce in January 2013, the price of silver declined to a low of $18 per ounce by June 2013. Additionally, after climbing back to $22 per ounce in February 2014, the price declined further to a low of $15 per ounce in November 2014. Factors affecting the price of silver include investor demand, physical demand for silver bars, industrial and retail off-take, and silver coin minting. On 23 March 2015, the price of silver was $17 per ounce.

If revenue from sales of gold, uranium, silver or sulphuric acid falls below their respective cost of production for an extended period, AngloGold Ashanti may experience losses and curtail or suspend some or all of its exploration projects and existing operations or sell underperforming assets. Declining commodities prices may also force a reassessment of the feasibility of a particular project or projects, which could cause substantial delays or interrupt operations until the reassessment can be completed.

Foreign exchange fluctuations could have a material adverse effect on AngloGold Ashanti s results of operations and financial condition.

Gold is principally a U.S. dollar-priced commodity and most of the company s revenues are realised in, or linked to, U.S. dollars, whilst production costs are largely incurred in the local currency where the relevant operation is located. Given the company s global operations and local foreign exchange regulations, some of its funds are held in local currencies, such as the South African rand, Ghanaian cedi, Brazilian real, Argentinean peso and the Australian dollar. The weakness of the U.S. dollar against local currencies results in higher production costs in U.S. dollar terms. Conversely, the strengthening of the dollar lowers local production costs in U.S. dollar terms.

From time to time, AngloGold Ashanti may implement currency hedges intended to reduce exposure to changes in the foreign currency exchange. Such hedging strategies may not however be successful, and any of AngloGold Ashanti unhedged exchange payments will continue to be subject to market fluctuations.

Exchange rate movements may have a material impact on AngloGold Ashanti s operating results. For example, the company estimates that a 1% strengthening of all of the South African rand, Brazilian real, the Argentinean peso or the Australian dollar against the U.S. dollar will, other factors remaining equal, result in an increase in total cash costs of approximately $6 per ounce, or approximately 1%, of the company s total cash costs.

The profitability of operations and the cash flows generated by these operations are significantly affected by fluctuations in input production prices, many of which are linked to the prices of oil and steel.

Fuel, energy and consumables, including diesel, heavy fuel oil, chemical reagents, explosives, tyres, steel and mining equipment consumed in mining operations form a relatively large part of the operating costs and capital expenditure of any mining company.

AngloGold Ashanti has no influence over the cost of these consumables, many of which are linked to some degree to the price of oil and steel. Whilst, from time to time, AngloGold Ashanti may implement diesel hedges intended to reduce exposure to changes in the oil price, such hedging strategies may not always be successful, and any of the company s unhedged diesel consumption will continue to be subject to market fluctuations.

The price of oil has been volatile, fluctuating between $55 and $115 per barrel of Brent Crude in 2014. As of 23 March 2015, the price of oil was at $54 per barrel of Brent Crude. AngloGold Ashanti estimates that for each U.S. dollar per barrel rise or fall in the oil price, other factors remaining equal, the total cash costs of all its operations change by approximately $0.78 per ounce. The cash costs of certain of the company s mines, particularly Sadiola, Siguiri, Geita, Cripple Creek & Victor, and Tropicana are most sensitive to changes in the price of oil.

Furthermore, the price of steel has also been volatile. Steel is used in the manufacture of most forms of fixed and mobile mining equipment, which is a relatively large contributor to the operating costs and capital expenditure of a mine. For example, the price of flat hot rolled coil (North American Domestic FOB) steel traded between $608 per tonne and $696 per tonne in 2014. On 23 March 2015, the price of flat hot rolled coil (North American Domestic FOB) was $481 per tonne.

Fluctuations in oil and steel prices have a significant impact on operating costs and capital expenditure estimates and, in the absence of other economic fluctuations, could result in significant changes in the total expenditure estimates for new mining projects or render certain projects non-viable.

Energy cost increases and power fluctuations and stoppages could adversely impact the company s results of operations and financial condition.

Increasing global demand for energy, concerns about nuclear power and the limited growth of new supply are impacting the price and supply of energy. The transition of emerging markets to higher energy consumption, carbon taxation as well as unrest and potential conflict in the Middle East, amongst other factors, could result in increased demand or constrained supply and sharply escalating oil and energy prices.

AngloGold Ashanti s mining operations are substantially dependent upon electrical power generated by local utilities or by power plants situated at some of its operations. The unreliability of these local sources of power can have a material effect on the company s operations, as large amounts of power are required for exploration, development, extraction, processing and other mining activities on the company s properties.

In South Africa, the company s operations are dependent on electricity supplied by one state-owned power generation company, Eskom. Electricity is used for most business and safety-critical operations that include cooling, hoisting and dewatering. Loss of power can therefore impact production, employee safety and prolonged outages could lead to flooding of workings and ore sterilisation. In 2008, Eskom and the South African government declared a national emergency and warned that they could no longer guarantee the availability of electricity due to a national supply shortage blamed on coal supply shortages and unplanned generation-set outages as a result of maintenance backlog and asset age. The entire country went into a programme of rolling blackouts and AngloGold Ashanti and other mining companies operating in South Africa were forced in late January until mid-March of 2008 to temporarily suspend mining operations.

A warning of the very high risk of blackouts was reissued at the start of 2011 and each year since. On 20 February 2014, Eskom declared a power emergency pursuant to its regulatory protocols to protect the national electricity grid. The power emergency was caused by the loss of additional generating units, reduced imports resulting from failure of power lines from Cohara Bassa in Mozambique and the extensive use of emergency reserves. Eskom alerted key industrial customers, including AngloGold Ashanti, asking them to reduce their load by a minimum of 10% during critical periods. Since February 2014, AngloGold Ashanti has reduced its electricity consumption in South Africa by more than 10% measured in Gigawatt usage. Then, in November 2014, Eskom reintroduced a schedule of rolling blackouts, or load shedding . Whilst a national energy conservation programme is in place, Eskom cannot guarantee that there will be no power interruptions and is again facing very tight supply reserve margins in 2015, which can be expected to continue for many years to come.

Furthermore, the power supply to the company s South African operations has been and may be curtailed or interrupted again in the future for reasons other than government action. For example, lightning or other damage to power stations can also result in power interruptions at the company s operations. In this regard, AngloGold Ashanti s two main operational sites in the West Wits region in South Africa had all main power interrupted between 13 March 2013 and 15 March 2013 after a fire caused by lightning damaged a transformer at a main regional substation.

Eskom and the National Energy Regulator of South Africa (NERSA) recognise the need to increase electricity supply capacity and a series of tariff increases and proposals have been enacted to assist in the funding of this expansion. NERSA originally approved an increase of 24.8% for 2010, 25.8% for 2011, 25.9% for 2012, and 16.0% for 2013. The actual increase implemented for 2012 was lowered to 16.09% after government intervention. In 2013, NERSA announced that Eskom would be allowed to increase electricity tariffs for the five-year period that began in April 2013 at an average yearly increase of 8%, which was half of that sought by the utility in its application. In October 2014, NERSA granted a 12.69% increase in electricity prices with effect from April 2015.

There can be no assurance as to the existence or nature of any government intervention with respect to tariff increases in the future. Other difficulties at Eskom, relating to a large financial deficit, may result in additional tariff increases. As energy represents a large proportion of the company s operating costs in South Africa, these increases have had, and any future increases will have, a materially adverse impact on the cash costs of its South African operations.

The company has also identified a risk of energy shortages in Argentina, Brazil, Ghana and the DRC. All the company s mining operations in Ghana depend on hydroelectric power supplied by the state-controlled Volta River Authority (VRA), which is supplemented by thermal power from the Takoradi plant and a smaller unit at Tema. Ghana has a major power generation deficit that has resulted in significant load shedding across the country. For example, the company experienced extended power interruptions in Ghana in the first quarter of 2014, which limited access to higher grade areas. During periods of below average inflows from the Volta reservoir, electricity supplies from the Akosombo Dam, the VRA s primary generation source, may be curtailed as occurred in 1998, 2006 and 2007. During periods of limited electricity availability, the grid is subject to disturbances and voltage fluctuations which can damage equipment. Recent disruptions in natural gas supply from Nigeria, via the West Africa Gas Pipeline, has led to some reduction in thermal generation capacity and the use of more expensive light crude oil which is putting upward pressure on power tariffs. In the past, the VRA has obtained power from neighbouring Côte d Ivoire, which has intermittently experienced political instability and civil unrest. AngloGold Ashanti negotiates rates directly with the VRA and the VRA may not agree to a satisfactory rate during future rounds of negotiations.

In Brazil, severe water shortages from low rainfall have been experienced in 2014 and 2015 and are expected to adversely affect hydro-electrical power generation.

The company s mining operations in Guinea, Tanzania and Mali are dependent on power supplied by outside contractors and supplies of fuel are delivered by road. Power supplies have been disrupted in the past, resulting in production losses due to equipment failure.

Increased energy prices could negatively impact operating costs and cash flow of AngloGold Ashanti s operations.

Global economic conditions could adversely affect the profitability of operations.

AngloGold Ashanti s operations and performance depend significantly on worldwide economic conditions. Despite signs of economic recovery in certain geographic markets, global financial markets have experienced considerable volatility from uncertainty surrounding the level and sustainability of the sovereign debt of various countries. Concerns remain regarding the sustainability of the European Monetary Union and its common currency, the Euro, in their current form, as well as the negative impacts of the downgrade of the sovereign credit rating of the Republic of South Africa in 2012, 2013 and 2014. These conditions and other disruptions to international credit markets and financial systems caused a loss of investor confidence and resulted in widening credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Although aggressive measures taken by governments and central banks have recently corresponded with signs of economic recovery, any such recovery may remain limited in geographic scope. A significant risk also remains that this recovery could be slow or that the global economy could quickly fall back into an even deeper and longer lasting recession or even a depression. Recently, the credit ratings of some of the largest South African banks were downgraded by a major credit rating agency. Any significant weakening of the South African banking system could have a negative effect on the overall South African economy.

Global economic turmoil, or the expectation that economic turmoil could worsen, could have follow-on effects on AngloGold Ashanti s business that include inflationary cost pressures, interest rate fluctuations and commodity market fluctuations. Other effects that could negatively affect AngloGold Ashanti s financial results and results of operations include, for example:

- the insolvency of key suppliers or contractors, which could result in contractual breaches and a supply chain breakdown;
- the insolvency of one or more joint venture partners, which could result in contractual breaches and disruptions at the operations of the company s joint ventures;
- changes in other income and expense, which could vary materially from expectations, depending on gains or losses realised on the sale or exchange of financial instruments and impairment charges that may be incurred with respect to investments;
- AngloGold Ashanti s defined benefit pension fund may not achieve expected returns on its investments, which could require the company to make substantial cash payments to fund any resulting deficits;
- a reduction in the availability of credit, which may make it more difficult for the company to obtain financing for its operations and capital expenditures or make that financing more costly;
- exposure to the liquidity and insolvency risks of the company s lenders and customers; and
- impairments.

In addition to the potentially adverse impact on the profitability of the company s operations, any deterioration in or increased uncertainty regarding global economic conditions may increase volatility or negatively impact the market value of its securities.

Inflation may have a material adverse effect on results of operations.

Many of AngloGold Ashanti s operations are located in countries that have experienced high rates of inflation during certain periods. It is possible that significantly higher future inflation in the countries in which the company operates may result in an increase in operational costs in local currencies (without a concurrent devaluation of the local currency of operations against the dollar or an increase in the dollar price of gold). This could have a material adverse effect on the company s results of operations and financial condition. Significantly higher and sustained inflation, with a consequent increase in operational costs, could result in the rationalisation (including closure) of higher cost mines or projects.

Mining companies face many risks related to the development of mining projects that may adversely affect the company s results of operations and profitability.

Like other mining companies, AngloGold Ashanti s profitability depends partly on the actual costs of developing and operating its mines, which may differ significantly from estimates determined at the time the relevant project was approved following completion of its feasibility study. Development of the company s mining projects may also be subject to unexpected problems and delays that could increase the development and operating costs of the relevant project. In addition, a decrease in budgets relating to current or medium-term exploration and development could increase its development and operating costs in the long-term.

AngloGold Ashanti s decision to develop a mineral property is typically based on the results of a feasibility study. Feasibility studies estimate the expected or anticipated economic returns from the project. These estimates are based on assumptions regarding:

- future prices of gold, uranium, silver and other metals;
- future currency exchange rates;
- tonnage, grades and metallurgical characteristics of ore to be mined and processed;

anticipated recovery rates of gold, uranium, silver and other metals extracted from the ore;
anticipated capital expenditure and cash operating costs; and
required return on investment.

Actual cash operating costs, production and economic returns may differ significantly from those anticipated by such studies and estimates. Operating costs and capital expenditures are to a significant extent driven by the cost of commodity inputs consumed in mining, including fuel, chemical reagents, explosives, tyres and steel, and also by credits from by-products, such as silver and uranium. They could also fluctuate considerably as a result of changes in the prices of mining equipment used in the construction and operation of mining projects.

There are a number of uncertainties inherent in the development and construction of a new mine or the extension of an existing mine. In addition to those discussed above, these uncertainties include the:

timing and cost of construction of mining and processing facilities, which can be considerable;
availability and cost of mining and processing equipment;
availability and cost of skilled labour, power, water and transportation;
availability and cost of appropriate smelting and refining arrangements;
applicable requirements and time needed to obtain the necessary environmental and other governmental permits; and
availability of funds to finance construction and development activities.

The remote location of many mining properties, permitting requirements and/or delays, third-party legal challenges to individual mining projects and broader social or political opposition to mining may increase the cost, timing and complexity of mine development and construction. New mining operations could experience unexpected problems and delays during the development, construction, commissioning and commencement of production.

AngloGold Ashanti may prove unable to successfully develop the La Colosa and Gramalote projects and the Nuevo Chaquiro deposit that is part of the Quebradona project in Colombia, as well as other potential exploration sites due to difficulties that could arise in relation to, for example, social and community opposition, litigation, ore body grades, definition of adequate reserves and resources, and the time taken to prove project feasibility that could result in the expiry of permits. For example, on 11 March 2013, Cortolima, a regional environmental authority in Colombia, issued an injunction against AngloGold Ashanti s Colombian subsidiary, AngloGold Ashanti Colombia S.A. (AGAC), alleging that the subsidiary was operating without proper permits and was engaging in activity that was harmful to the environment. Furthermore, at around the same period in time, access to an AngloGold Ashanti drilling site was blockaded by residents of a nearby community. AGAC s subsequent request to have the injunction annulled was denied by the Director of Cortolima on 27 May 2013, and as a result, the injunction remains in place. While the injunction remains in place, AGAC is unable to engage in certain activities related to the La Colosa project. In July 2013, local residents of a nearby community, as well as local and regional government, voted in a non-binding referendum to prevent certain mining activities in the Piedras municipality. Local authorities have attempted to introduce regulatory measures seeking to implement such preventative measures and AGAC has initiated legal proceedings challenging such measures. As a result, protracted litigation may ensue, which could adversely affect the company s ability to conduct any mining or related activities in that area. Refer Item 8A: Legal Proceedings Colombia .

Accordingly, AngloGold Ashanti s future development activities may not result in the expansion or replacement of current production, or one or more new production sites or facilities may be less profitable than anticipated or may be loss-making. The company s operating results and financial condition are directly related to the success of its project developments. A failure in the company s ability to develop and operate mining projects in accordance with, or in excess of, expectations could negatively impact its results of operations, as well as its financial condition and prospects.

Mining companies face uncertainty and risks in exploration, feasibility studies and other project evaluation activities.

AngloGold Ashanti must continually replace Ore Reserves depleted by mining and production to maintain or increase production levels in the long term. This is undertaken by exploration activities that are speculative in nature. The ability of the company to sustain or increase its present levels of gold production depends in part on the success of its projects and it may be unable to sustain or increase such levels.

Feasibility studies and other project evaluation activities necessary to determine the current or future viability of a mining operation are often unproductive. Such activities often require substantial expenditure on exploration drilling to establish the presence, extent and grade (metal content) of mineralised material. AngloGold Ashanti undertakes feasibility studies to estimate the technical and economic viability of mining projects and to determine appropriate mining methods and metallurgical recovery processes. These activities are undertaken to estimate the Ore Reserve.

Once mineralisation is discovered, it may take several years to determine whether an adequate Ore Reserve exists, during which time the economic feasibility of the project may change due to fluctuations in factors that affect both revenue and costs, including:

- future prices of metals and other commodities;
- future foreign currency exchange rates;
- the required return on investment as based on the cost and availability of capital; and
- applicable regulatory requirements, including environmental, health and safety matters.

Feasibility studies also include activities to estimate the anticipated:

- tonnages, grades and metallurgical characteristics of the ore to be mined and processed;
- recovery rates of gold, uranium and other metals from the ore; and
- capital expenditure and cash operating costs.

These estimates depend on assumptions made on available data. Ore Reserve estimates are not precise calculations and depend on the interpretation of limited information on the location, shape and continuity of the mineral occurrence and on available sampling results. Further exploration and feasibility studies can result in new data becoming available that may change previous Ore Reserve estimates and impact the technical and economic viability of production from the project. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves resulting in revisions to previous Ore Reserve estimates. These revisions could impact depreciation and amortisation rates, asset carrying amounts, provisions for closure, restoration and environmental rehabilitation costs.

AngloGold Ashanti undertakes annual revisions to its Ore Reserve estimates based upon actual exploration and production results, depletion, new information on geology, model revisions and fluctuations in production, forecasts of commodity prices, economic assumptions and operating and other costs. These factors may result in reductions in Ore Reserve estimates, which could adversely affect life-of-mine plans and consequently the total value of the company s mining asset base. Ore Reserve restatements could negatively affect the company s results of operations, as well as its financial condition and prospects.

The increased overall demand for gold and other commodities, combined with a declining rate of discovery of new gold Ore Reserve in recent years, has resulted in the accelerated depletion of the existing Ore Reserve across the global gold sector. AngloGold Ashanti therefore faces intense competition for the acquisition of attractive mining properties. From time to time, the company evaluates the acquisition of an Ore Reserve, development properties or operating mines, either as stand-alone assets or as part of existing companies. AngloGold Ashanti s decision to acquire these properties has been based on a variety of factors, including historical operating results, estimates and assumptions regarding the extent of the Ore Reserve, cash and other operating costs, gold prices, projected economic returns and evaluations of existing or potential liabilities associated with the relevant property and its operations and how these factors may change in future. Other than historical operating results, these factors are uncertain and could have an impact on revenue, cash and other operating costs, as well as the process used to estimate the Ore Reserve.

As a result of these uncertainties and declining grades, the company s exploration and acquisitions may not result in the expansion or replacement of current production or the maintenance of its existing Ore Reserve net of production or an increase in Ore Reserve. AngloGold Ashanti s results of operations and financial condition are directly related to the success of its exploration and acquisition efforts and the ability to replace or increase the existing Ore Reserve as it is depleted. If the company is not able to maintain or increase its Ore Reserve, its results of operations as well as its financial condition and prospects could be adversely affected.

Mining companies face many risks related to their operations that may adversely impact cash flows and overall profitability.

Gold mining is susceptible to events that may adversely impact a mining company s ability to produce gold and meet production and cost targets. These events include, but are not limited to:

- environmental, as well as health and safety, incidents during exploration, production or transportation resulting in injury, loss of life or damage to equipment;
- ground and surface water pollution;
- social or community disputes or interventions;
- security incidents;
- surface or underground fires or explosions;
- electrocution;
- falls from heights and accidents relating to mobile machinery, including shaft conveyances and elevators, drilling blasting and mining operations;

labour force disputes and disruptions;
loss of information integrity or data;
activities of illegal or artisanal miners;
shortages in material and equipment;
mechanical failure or breakdowns and ageing infrastructure;
failure of unproven or evolving technologies;
energy and electrical power supply interruptions or rationing;
unusual or unexpected geological formations, ground conditions, including lack of mineable face length and ore-pass blockages;
water ingress and flooding;
process water shortages;
metallurgical conditions and gold recovery;
unexpected decline of ore grade;
unanticipated increases in gold lock-up and inventory levels at heap-leach operations;
fall-of-ground accidents in underground operations;
cave-ins, sinkholes, subsidence, rock falls, rock bursts or landslides;
failure of mining pit slopes, heap-leach facilities, water or solution dams, waste stockpiles and tailings dam walls;
legal and regulatory restrictions and changes to such restrictions;
safety-related stoppages;
gold bullion or concentrate theft;
corruption, fraud and theft;
allegations of human rights abuses;
seismic activity; and
other natural phenomena, such as floods, droughts or weather conditions, potentially exacerbated by climate change.

Seismic activity is of particular concern in underground mining operations, particularly in South Africa due to the extent and extreme depth of mining, and also in Australia and Brazil due to the depth of mining and residual tectonic stresses. Despite modifications to mine layouts and support technology, as well as other technological improvements employed with a view to minimising the incidence and impact of seismic activity, seismic events have caused death and injury to employees and contractors and seismic activity may do so again in the future, and have in the past, and may again result, in concomitant safety-related stoppages.

Seismic activity may also cause a loss of mining equipment, damage to or destruction of mineral properties or production facilities, monetary losses, environmental damages and potential legal liabilities. As a result, these events may have a material adverse effect on AngloGold Ashanti s results of operations and financial condition. For example, in August 2014, mining operations at the Great Noligwa and Moab Khotsong mines were suspended following a magnitude 5.3 earthquake. Operations at Mine Waste Solutions were also suspended and the Kopanang mine was taken offline for a limited time as a safety precaution. The company estimates that the earthquake resulted in lost output of approximately 30,000oz of gold. Also, in early 2011, mining of the Ventersdorp Contact Reef shaft pillar at Tau Tona was suspended following a significant seismic event. New equipment had to be purchased and the shutdown contributed to the decline in the operational output of the mine as compared to the previous year.

In the past, floods have also disrupted the operations of some of the company s mines. For example, unprecedented heavy rains in February and March 2011 in Australia flooded the Sunrise Dam Gold Mine and forced a temporary shutdown of operations. The flood event impacted underground production for approximately four months and open pit production for approximately six months. Despite the shutdown, full costs were incurred as the mining contractors worked on remedial activities to repair damage and rehabilitate flooded areas. The considerable remedial work required adversely impacted cash costs per ounce and the impact of the flood event and the pit wall failure together significantly reduced planned production at the plant.

Mining companies operations are vulnerable to infrastructure constraints.

Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable rail, ports, roads, bridges, power sources, power transmission facilities and water supply are critical to the company s business operations and affect capital and operating costs. These infrastructures and services are often provided by third parties whose operational activities are outside the control of the company.

Interferences in the maintenance or provision of infrastructure, including unusual weather phenomena, sabotage and social unrest could impede the company s ability to deliver its products on time and adversely affect AngloGold Ashanti s business, results of operations and financial condition.

Establishing infrastructure for the company s development projects requires significant resources, identification of adequate sources of raw materials and supplies, and necessary cooperation from national and regional governments, none of which can be assured.

AngloGold Ashanti has operations or potential development projects in countries where government-provided infrastructure may be inadequate and regulatory regimes for access to infrastructure may be uncertain, which could adversely impact the efficient operation and expansion of its business. AngloGold Ashanti may not secure and maintain access to adequate infrastructure in the future, or it may not do so on reasonable terms.

Mining companies face strong competition.

The mining industry is competitive in all of its phases. AngloGold Ashanti competes with other mining companies and individuals for specialised equipment, components and supplies necessary for exploration and development, for mining claims and leases on exploration properties and for the acquisition of mining assets. These competitors may have greater financial resources, operational experience and technical capabilities than AngloGold Ashanti. Competition may increase AngloGold Ashanti s cost of acquiring suitable claims, properties and assets.

Mining companies are subject to extensive health and safety laws and regulations.

AngloGold Ashanti s gold mining operations are subject to extensive health and safety laws and regulations in every jurisdiction in which it operates. These laws and regulations are, along with international and industry standards, designed to protect and improve the safety and health of employees and require the company to undertake and fund extensive compliance measures.

From time to time, new or updated health and safety laws, regulations and standards are introduced and may be more stringent than those to which AngloGold Ashanti is currently subject. Should compliance with these laws, regulations and standards require a material increase in expenditure or material changes or interruptions to operations or production, including as a result of any failure to comply with applicable regulations, the company s results of operations and financial condition could be adversely affected. Furthermore, AngloGold Ashanti continues to implement its enhanced safety programme, which could result in additional costs for the company.

In some of the jurisdictions in which AngloGold Ashanti operates, the government enforces compulsory shutdowns of operations to enable investigations into the cause of accidents. Certain of the company s operations have been temporarily suspended for safety reasons in the past. In South Africa, so-called Section 54 safety stoppages have become a significant issue as an enforcement mechanism used by the Department of Mineral Resources Mining Inspectorate whose inspectors routinely issue such notices. For example, in 2014, 57 notices were issued that had a material adverse impact on production at the company s mines. Safety-related stoppages resulted in the direct loss of 72,900, 72,400, 32,800 and 47,100 ounces of gold production from the South African region operations during 2011, 2012, 2013 and 2014 respectively.

AngloGold Ashanti s reputation could be damaged by any significant governmental investigation or enforcement of health and safety laws, regulations or standards. Any of these factors could have a material adverse effect on the company s results of operations and financial condition.

Mining companies are increasingly required to operate in a sustainable manner and to provide benefits to affected communities. Failure to comply with these requirements can result in legal suits, additional operational costs, investor divestment and loss of social licence to operate , and could adversely impact mining companies financial condition.

As a result of public concern about the perceived ill effects of economic globalisation, businesses in general and large multinational mining corporations in particular face increasing public scrutiny of their activities.

These businesses are under pressure to demonstrate that whilst they seek a satisfactory return on investment for shareholders, human rights are respected and other social partners, including employees, host communities and more broadly the countries in which they operate, also benefit from their commercial activities. Such pressures tend to be particularly focused on companies whose activities are perceived to have, or have, a high impact on their social and physical environment. The potential consequences of these pressures and the adverse publicity in cases where companies are believed not to be creating sufficient social and economic benefit may result in additional operating costs, reputational damage, active community opposition, allegations of human rights abuses, legal suits and investor withdrawal.

Existing and proposed mining operations are often located at or near existing towns and villages, natural water courses and other infrastructure. As the impacts of dust generation, waste storage, water pollution or shortage, in particular, may be immediate and directly adverse to those communities, poor environmental management practices, or adverse changes in the supply or quality of water can result in community protest, regulatory sanctions or ultimately in the withdrawal of community and government support for company operations. For example, opposition to mining activity in the Tolima province of Colombia, which hosts the La Colosa deposit, has centred on the perception that large-scale mining activity will have a detrimental impact on the region s river systems.

Mining operations must be designed to minimise their impact on such communities and the environment, either by changing mining plans to avoid such impact, by modifying operations or by relocating the affected people to an agreed location. Responsive measures may also include the full restoration of livelihoods of those impacted. In addition, AngloGold Ashanti is obliged to comply with the terms and conditions of all the mining rights it holds. In this regard the Social and Labour plan provisions of its mining rights in South Africa must make provision for local economic development (LED) programmes. The LED programmes must take into account the key economic activities of the area in which AngloGold Ashanti operates its mines, the impact its mines will have on the local and labour-sending communities, various infrastructure and poverty eradication projects its mines may be supporting in connection with integrated development plans in the areas its mines operate and also must provide for measures that assist in addressing housing and living conditions of its employees.

In addition, as AngloGold Ashanti has a long history of mining operations in certain regions, issues may arise regarding historical as well as potential future environmental or health impacts in those areas. For example, certain parties, including non-governmental organisations, community groups and institutional investors, have raised concerns and, in the case of some individuals in Obuasi, threatened or commenced litigation, relating to air pollution or surface and groundwater quality, amongst other issues, in the area surrounding the company s Obuasi and Iduapriem mines in Ghana, including potential impacts to local rivers and wells used for water from heavy metals, arsenic and cyanide as well as sediment and mine rock waste.

Disputes with surrounding communities may also affect mining operations, particularly where they result in restrictions of access to supplies and to mining operations. The miners access to land may be subject to the rights or asserted rights of various community stakeholders, including indigenous people. Access to land and land use is of critical importance to the company for exploration and mining, as well as for ancillary infrastructure. In some cases, AngloGold Ashanti has had difficulty gaining access to new land because of perceived poor community compensation practices. For example, compensation remains a significant area of concern in Siguiri in Guinea. In 2011, a violent community protest interrupted operations for three days, which contributed to the operation s decline in production as compared to 2010. Delays in projects attributable to a lack of community support can translate directly into a decrease in the value of a project or into an inability to bring the project to production.

The cost of measures and other issues relating to the sustainable development of mining operations could place significant demands on personnel resources, could increase capital and operating costs and could have an adverse impact on AngloGold Ashanti s reputation, results of operations and financial condition.

Mining companies are subject to extensive environmental laws and regulations.

Mining companies are subject to extensive environmental laws and regulations in the various jurisdictions in which they operate, in addition to international standards. These regulations and standards establish limits and conditions on a miner s ability to conduct its operations and govern, amongst other things, extraction, use and conservation of water resources; air emissions (including dust control); water treatment and discharge; regulatory and community reporting; clean-up of contamination; community health; and the generation, transportation, storage and disposal of solid and hazardous wastes, such as reagents, radioactive materials and mine tailings.

The cost of compliance with environmental laws and regulations is expected to continue to be significant to AngloGold Ashanti. AngloGold Ashanti could incur fines, penalties and other sanctions, clean-up costs and third-party claims for personal injury or property damage, suffer reputational damage, or be required to install costly pollution control equipment or to modify or suspend operations, as a result of actual or alleged violations of environmental laws and regulations or the terms of AngloGold Ashanti s permits. For example, the Ghana Environmental Protection Agency (Ghana EPA) permit for AngloGold Ashanti s operations at Obuasi expired on 31 March 2014. AngloGold Ashanti filed its application for permit renewal in September 2013, 6 months prior to the expiry date, as required by law, by submitting an Environment Management Plan (EMP), but the Ghana EPA did not issue a new permit before the expiry date, citing uncertainties about the future of the Obuasi operation. AngloGold Ashanti has been in communication with the Ghana EPA regarding this issue. Concurrently, as a result of the complex challenges faced by the Obuasi mine, the company has adopted a new approach to securing the long term future of the mine. As part of this effort, on 18 July 2014 it submitted an Amendment to Programme of Mining Operations (APMO), which details

technical, environmental, financial and social details around the transition of its Obuasi operation, to the Government of Ghana and key regulators, that was approved subject to certain conditions. An amended EMP to supersede the one submitted in September 2013 was submitted at the same time to the Ghana EPA but no response has as yet been received. The company can give no assurance that the EMP will be approved in the forms submitted or at all.

In addition, unknown environmental hazards may exist on the company s properties which may have been caused by previous owners or operators. An incident at AngloGold Ashanti s operations could lead to obligations to remediate environmental contamination and claims for property damage and personal injury from adjacent communities and other consequences. Incidents at AngloGold Ashanti s operations and other companies operations could result in the tightening of regulatory requirements and restrictions applicable to AngloGold Ashanti s mining operations.

For example, in 2010, AngloGold Ashanti s Obuasi mine in Ghana suspended gold processing operations for five days to implement a revised water management strategy aimed at reducing contaminants contained in its discharge. Brief stoppages after environmental incidents, such as pipeline failures, have occurred more recently at that mine. Furthermore, following a temporary suspension of operations at the Iduapriem mine, the company, with the approval of the Ghana Environmental Protection Agency, constructed an interim tailings storage facility for tailings deposition for a year whilst a new tailings storage facility was being constructed.

Failure to comply with applicable environmental laws and regulations may also result in the suspension or revocation of operating permits. AngloGold Ashanti s ability to obtain and maintain permits and to successfully operate in particular communities may be adversely impacted by real or perceived effects on the environment or human health and safety associated with AngloGold Ashanti s or other mining companies activities.

For example, in Colombia, various plaintiffs, including associations that represent local communities, brought legal proceedings against AngloGold Ashanti Colombia S.A. (AGAC) alleging that AGAC violated applicable environmental laws in connection with the La Colosa project. If the plaintiffs were to prevail, AGAC s three core concession contracts relating to the La Colosa project may be cancelled. AGAC would be required to abandon the La Colosa project and all other existing mining concession contracts and pending proposals for new mining concession contracts of AGAC, though not those of other companies of the AngloGold Ashanti group operating in Colombia. In addition, AGAC would be banned from doing business with the Colombian government for a period of five years. See Item 8A: Legal Proceedings .

Environmental laws and regulations are continually changing and are generally becoming more stringent. Changes to AngloGold Ashanti s environmental compliance obligations or operating practices could adversely affect the company s rate of production and revenue. Variations in laws and regulations, assumptions made to estimate liabilities, standards or operating procedures, more stringent emission or pollution thresholds or controls, or the occurrence of unanticipated conditions, may require operations to be suspended or permanently closed, and could increase AngloGold Ashanti s expenses and provisions. These expenses and provisions could adversely affect the company s results of operations and financial condition.

For example, the use of sodium cyanide in metallurgical processing is under increasing environmental scrutiny and is prohibited in certain jurisdictions. As there are few, if any, effective substitutes in extracting gold from the ore, any ban or material restrictions on the use of sodium cyanide in mining operations in the jurisdictions where AngloGold Ashanti conducts its operations could adversely affect the company s results of operations and financial condition. In addition, leaks or discharges of sodium cyanide or other hazardous materials could result in liabilities for clean-up or personal injury that may not be covered by insurance.

AngloGold Ashanti s operations are heavily dependent upon access to substantial volumes of water for use in the mining and extractive processes and typically are subject to water-use permits that govern usage and require, amongst other things, that mining operations maintain certain water quality upon discharge. Water quality and usage are areas of concern globally, such as with respect to the company s mining operations in Ghana and South Africa and its exploration projects in Colombia, where there is significant potential environmental and social impact and a high level of stakeholder scrutiny. Any failure by the company to secure access to suitable water supplies, or achieve and maintain compliance with applicable requirements of the permits or licenses, could result in curtailment or halting of production at the affected operation. Incidents of water pollution or shortage can, in certain cases, lead to community protest and ultimately to the withdrawal of community and government support for AngloGold Ashanti s operations. A failure by the company to comply with water contamination rehabilitation directives may result in further, more stringent, directives being issued against the company, which may, in some cases, result in a temporary or partial shutdown of some of the company s operations. Water scarcity has been identified as a significant risk at AngloGold Ashanti s U.S. operation in particular. Production at the Cripple Creek & Victor Gold Mining Company s Cresson mine was adversely affected by a severe drought from 2010 through 2013, when the lack of water reduced percolation through the heap-leach pad, which curtailed production and productivity.

Mining and mineral processing operations generate waste rock and tailings. The impact of dust generation, breach, leak, or failure of a waste rock or tailings storage facility, can be significant. An incident at AngloGold Ashanti s operations could lead to, amongst others, obligations to remediate environmental contamination and claims for property damage and personal injury from adjacent communities. Incidents at other companies operations could result in governments tightening regulatory requirements and restricting mining activities.

Mining companies are required by law to close their operations at the end of the mine life and rehabilitate the impacted areas. Estimates of the total ultimate closure, reclamation and rehabilitation costs for gold mining operations are significant and based principally on life-of-mine profiles, changing inflation and discount rate assumptions, changing infrastructure and facilities design and current legal and regulatory requirements that may change materially. Environmental liabilities are accrued when they become known, probable and can be reasonably estimated. Increasingly, regulators are seeking security in the form of cash collateral or bank guarantees in respect of environmental obligations, which could have an adverse impact on AngloGold Ashanti s financial condition.

AngloGold Ashanti s discounted environmental rehabilitation liability was $851 million as at 31 December 2014 compared with $728 million as at 31 December 2013. The changes were a consequence of a number of factors, most notably a decrease in the group discount rate used in the calculation of the obligation and changes in the timing of the future cash outflows relating to the obligation. The group discount rate decreased as a result of adjustments to both country, e.g., South Africa, and company credit ratings. Costs associated with rehabilitating land disturbed by mining processes and addressing environmental, health and community issues are estimated and financial provision made based upon current available information. Estimates may, however, be insufficient and further costs may be identified at any stage that may exceed the provisions that AngloGold Ashanti has made. Any underestimated or unidentified rehabilitation costs would reduce earnings and could materially and adversely affect the company s asset values, earnings and cash flows. Further, sudden changes in a life of mine plan or the accelerated closure of a mine may give rise to the recognition of liabilities that are not anticipated.

Compliance with emerging climate change regulations could result in significant costs and climate change may present physical risks to a mining company s operations.

Greenhouse gases (GHGs) are emitted directly by AngloGold Ashanti s operations, as well as by external utilities from which AngloGold Ashanti purchases electricity. Currently, a number of international and national measures to address or limit GHG emissions, including the Bali Action Plan and the Durban Platform, are in various phases of discussion or implementation in the countries in which the company operates. In particular, the Durban Platform commits all parties to the conference to develop a global mitigation regime which could take effect in 2020, with the specific terms of that legally binding accord, including individual targets, to be finalised by 2015. These, or future, measures could require AngloGold Ashanti to reduce its direct GHG emissions or energy use or to incur significant costs for GHG emissions permits or taxes or have these costs or taxes passed on by electricity utilities which supply the company s operations. AngloGold Ashanti also could incur significant costs associated with capital equipment, GHG monitoring and reporting and other obligations to comply with applicable requirements. In February 2012, the South African Minister of Finance announced the intention to introduce a carbon tax in 2015, which was followed by the publication of a carbon tax policy paper in 2013. However, the Minister of Finance later announced that the carbon tax would not be introduced until 2016. Other countries, including Brazil and the United States, have passed or are considering GHG trading or tax schemes, and/or other regulation of GHG emissions, although the precise impact on AngloGold Ashanti s operations cannot yet be determined.

In addition, AngloGold Ashanti s operations could be exposed to a number of physical risks from climate change, such as changes in rainfall rates, rising sea levels, reduced water availability, higher temperatures and extreme weather events. Events or conditions such as flooding or inadequate water supplies could disrupt mining and transport operations, mineral processing and rehabilitation efforts, create resource shortages or damage the company s property or equipment and increase health and safety risks on site. Such events or conditions could have other adverse effects on the company s workforce and on the communities around its mines, such as an increased risk of food insecurity, water scarcity and prevalence of disease.

Compliance with conflict minerals and responsible gold legislation and standards could result in significant costs.

More stringent standards relating to conflict minerals and responsible gold that include the: U.S. Dodd-Frank Act, European proposal for self-certification for importers of gold, Organisation for Economic Cooperation and Development Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, World Gold Council Conflict Free Gold Standard and London Bullion Market Association Responsible Gold Guidance have been introduced.

Any such legislation and standards may result in significant costs to ensure and demonstrate compliance, and difficulties in the sale of gold emanating from certain areas. The complexities of the gold supply chain, especially as they relate to scrap or recycled gold, and the fragmented and often unregulated supply of artisanal and small-scale mined gold are such that there may be significant uncertainties at each stage in the chain as to the provenance of the gold. As a result of the uncertainties in the process, the costs of due diligence and audit, or the reputational risks of defining their product or a constituent part as containing a conflict mineral would be too burdensome for the company s customers. Accordingly, manufacturers may decide to switch supply sources or to substitute gold with other minerals not covered by the initiatives. This could have a material negative impact on the gold industry, including on AngloGold Ashanti s financial results.

Mining operations and projects are vulnerable to supply chain disruption with the result that operations and development projects could be adversely affected by shortages of, as well as the lead times to deliver, strategic spares, critical consumables, mining equipment or metallurgical plant.

AngloGold Ashanti s operations and development projects could be adversely affected by both shortages and long lead times to deliver strategic spares, critical consumables, mining equipment and metallurgical plant, as well as transportation delays. Import restrictions, such as those introduced by the Argentine government since 2011, can also delay the delivery of parts and equipment. In the past, the company and other gold mining companies experienced shortages in critical consumables, particularly as production capacity in the global mining industry expanded in response to increased demand for commodities. AngloGold Ashanti has also experienced increased delivery times for these items. Shortages have resulted in unanticipated price increases and production delays and shortfalls, resulting in a rise in both operating costs and in the capital expenditure necessary to maintain and develop mining operations.

Individually, AngloGold Ashanti and other gold mining companies have limited influence over manufacturers and suppliers of these items. In certain cases there are a limited number of suppliers for certain strategic spares, critical consumables, mining equipment or metallurgical plant who command superior bargaining power relative to the company. The company could at times face limited supply or increased lead time in the delivery of such items. For example, during 2012, supply of caustic soda was delayed in the Continental Africa Region. In addition, the unreliability of oxygen and lime supply similarly affected production at the Vaal River and West Wits surface operations in South Africa throughout 2011 and poor availability of drill rigs, heavy machinery and fleet equipment hampered underground drilling and overall operational performance at the Serra Grande mine in Brazil in 2011.

The company s procurement policy is to source mining and processing equipment and consumables from suppliers that meet its corporate values and ethical standards although risk remains around the management of ethical supply chains. In certain locations, where a limited number of suppliers meet these standards, additional strain is placed on the supply chain, thereby increasing the cost of supply and delivery times.

Furthermore, supply chains and rates can be impacted by natural disasters, such as earthquakes, extreme weather patterns and climate change, as well as other phenomena that include unrest, strikes, theft and fires. For example, a three-week transport strike in 2012 delayed the supply of consumables in South Africa. Although potential supply chain disruption in Mali, as a result of the coup d état and the proliferation of armed combat in 2012 and 2013, has been avoided to date by well managed consumable stock holding, any return to instability or armed conflict in the country could present material supply chain difficulties. Moreover, although potential gold doré export disruptions at Geita, the result of an attempted gold heist, and in Mali, following the closure of Bamako International Airport, were minimised with the introduction of alternative transportation arrangements, such alternatives may not be available upon the occurrence of similar or more severe situations in the future. In February 2013, a fire destroyed the heavy mining equipment stock of spares and components at the Geita gold mine. If AngloGold Ashanti experiences shortages, or increased lead times in the delivery of strategic spares, critical consumables, mining equipment or processing plant, the company might have to suspend some of its operations and its results of operations and financial condition could be adversely impacted.

The Siguiri mine has been impacted as a result of the Ebola virus outbreak since 2014 in Western Africa, where certain crisis management measures were implemented. Whilst no employees have been infected and operations have continued despite the outbreak, five people in the village at Siguiri have been infected since the outbreak started. These cases were detected by authorities and contained through a quarantine programme. In addition to an extensive education campaign, the mine conducted daily screenings at its entrances, including as daily questionnaire to check the status of staff and family members. Nevertheless, crisis management measures may be insufficient to contain current or future outbreaks. Furthermore, AngloGold Ashanti cannot guarantee that the supply chain and/ or operations will not be adversely affected by the Ebola outbreak and that there will be no knock-on effects such as severe food shortages and social impact. Export restrictions could similarly adversely impact the company s financial condition and results of operations.

Concerns about the integrity or reliability of the London Gold Fix, even if eventually shown to be without merit, could adversely affect investor interest in gold and confidence in the gold market

AngloGold Ashanti relies on a liquid market for gold in which trades are made relative to a benchmark known as the London Gold Fix (the Fix) set by a group of five fixing banks that match buy and sell orders. Following a series of allegations regarding the possible manipulation of the Fix by fixing banks, German and United Kingdom regulators are reviewing the fixing process. Separately, several lawsuits have been filed against fixing banks alleging that they have colluded to manipulate the gold benchmark price. Whilst AngloGold Ashanti has no role in the operation of the Fix and has no responsibility for the conduct of the market-makers in the gold market, if the integrity of the gold benchmark were to be undermined it could affect the gold market, resulting in reduced demand for the company s gold, greater volatility in gold prices and less liquidity in the gold market.

Diversity in interpretation and application of accounting literature in the mining industry may impact reported financial results.

The mining industry has limited industry-specific accounting literature. As a result, there is diverse interpretation and application of accounting literature on mining-specific issues. AngloGold Ashanti, for example, capitalises drilling and costs related to defining and delineating a residual mineral deposit that has not been classified as a Proven and Probable Reserve at a development project or production stage mine. Some companies may, however, expense such costs.

As and when this diverse interpretation and application is addressed, the company s reported results could be adversely impacted should the adopted interpretation differ from the position it currently follows.

Failure to comply with laws, regulations, standards, contractual obligations whether following a breach or breaches in governance processes or fraud, bribery and corruption may lead to regulatory penalties, loss of licences or permits, negative effects on AngloGold Ashanti s reported financial results, and adversely affect its reputation.

AngloGold Ashanti s operations must comply with the United States Foreign Corrupt Practices Act and similar anti-corruption and anti-bribery laws of the jurisdictions in which AngloGold Ashanti operates. There has been a substantial increase in the global enforcement of these laws and, recently, an increased focus on the actions of mining companies. Although AngloGold Ashanti has a compliance program in place designed to reduce the likelihood of violations of such laws, any violation could result in significant criminal or civil sanctions. Since the company operates globally in multiple jurisdictions, including those with less developed political and regulatory environments, and within numerous and complex frameworks, its governance and compliance processes may not prevent potential breaches of law, accounting principles or other governance practices.

AngloGold Ashanti s Code of Business Principles and Ethics and Policy on Anti-Bribery and Anti-Corruption, amongst other policies, standards and guidance, and training thereon may not prevent instances of unethical or unlawful behaviour, including bribery or corruption, nor may guarantee compliance with legal and regulatory requirements, and breaches not detected by management.

Sanctions for failure by the company or others acting on its behalf to comply with these laws, regulations, standards and contractual obligations could include fines, penalties, imprisonment of officers, litigation, and loss of operating licences or permits, suspensions of operations and negative effects on AngloGold Ashanti s reported financial results and may damage its reputation. Such sanctions could have a material adverse impact on the company s financial condition and results of operations.

Breaches in information technology security and violations of data protection laws may adversely impact AngloGold Ashanti s business.

AngloGold Ashanti maintains global information technology and communication networks and applications to support its business activities.

The sophistication and magnitude of cybersecurity incidents are increasing and include malicious software, attempts to gain unauthorised access to data and other electronic security and protected information breaches that could lead to production downtimes, operational delays, the compromising of confidential or otherwise protected information, destruction or corruption of data, other manipulation or improper use of AngloGold Ashanti s systems and networks or financial losses from remedial actions.

Information technology security processes may not prevent future malicious actions, denial-of-service attacks, or fraud, resulting in corruption of operating systems, theft of commercially sensitive data, misappropriation of funds and business and operational disruption. Material system breaches and failures could result in significant interruptions that could in turn affect AngloGold Ashanti s operating results and reputation.

The interpretation and application of consumer and data protection laws in South Africa, the United States and elsewhere are uncertain and evolving. It is possible that these laws may be interpreted and applied in a manner that is inconsistent with AngloGold Ashanti s data practices. Complying with these various laws is difficult and could cause the company to incur substantial costs or require it to change its business practices in a manner adverse to its business.

Risks related to AngloGold Ashanti s results of operations and financial condition as a result of factors specific to the company and its operations

AngloGold Ashanti does not have any gold hedging instruments or long-term sales contracts, exposing the company to potential gains from subsequent commodity price increases but exposing it entirely to subsequent commodity price decreases.

AngloGold Ashanti removed the last of its gold hedging instruments in October 2010 to provide greater participation in a rising gold price environment. As a result, AngloGold Ashanti no longer has any protection against declines in the market price of gold. A sustained decline in the price of gold could adversely impact the company s operating results and its financial condition.

Labour unrest, activism and disruptions (including protracted stoppages) could have a material adverse effect on AngloGold Ashanti s results of operations and financial condition.

AngloGold Ashanti s employees in South Africa, Ghana, Guinea and Argentina which individually produced approximately 29%, 10%, 7% and 7% respectively, of the company s total revenue in 2014, are highly unionised and unions are active at some of its other operations. Trade unions, therefore, have a significant impact on the company s labour relations, as well as on social and political reforms, most notably in South Africa. There is a risk that strikes or other types of conflict with unions or employees may occur at any of the company s operations, particularly where the labour force is unionised or there is inter-union rivalry. Labour disruptions may be used to advocate labour, political or social goals in the future. For example, labour disruptions may occur in sympathy with retrenchments, strikes or labour unrest in other sectors of the economy and for political goals. Labour unrest in South Africa can also be fuelled by migrant labour conditions and mine worker debt levels. Furthermore, such labour disruptions may themselves affect or be perceived to affect local political and social stability. Acts of vandalism affecting mines and mine equipment are possible during periods of labour unrest.

For example, following a wave of labour unrest and unprotected strike action that took place throughout the South African mining, transport and agricultural sectors since early August 2012, workers from AngloGold Ashanti s Kopanang mine, three West Wits mines and the Vaal River region s other operations engaged in unprotected strikes in September 2012. More than 100,000 miners were involved in the strikes across the mining sector during the last four months of 2012. Workers at AngloGold Ashanti s mines in South Africa have also staged sit-ins which prompted the company to suspend operations at some of its mines. These work stoppages pose significant safety risks and operating challenges. The protracted period of inactivity caused by the strike, coupled by the depth of the affected mines, complicated the consequent ramping up of production following the termination of the strikes and resulted in a lengthened ramp-up period to ensure employee safety. The unprotected strike action at the South African operations had an adverse impact on the company s third quarter results and significantly adversely impacted its fourth quarter results. The company estimates that the unprotected strike action cost approximately 235,000 ounces in lost production due to the work stoppages and the slow ramp-up to full production. In late April 2013, a number of workers at Moab Khotsong and all workers at Mponeng failed to report for their shifts in a dispute over Saturday working arrangements but returned soon after. Subsequently around 600 workers were dismissed for disciplinary reasons after the strikes. The Labour Court is currently reviewing some of these dismissals. Furthermore, AngloGold Ashanti experienced a 48-hour strike at its Vaal River operations in September 2013.

In addition, the emergence of the Association of Mineworkers and Construction Union (AMCU), a relative newcomer with respect to AngloGold Ashanti s South African operations and the gold sector as a whole, impacted productivity in 2013, as employees changed union affiliations and rivalry with the established National Union of Mineworkers increased. This was evidenced during the first half of 2013 by sporadic, unprotected work interruptions at some operations and some incidents of violence and intimidation. A drive to increase AMCU membership at the company s Vaal River operations resulting in the AMCU achieving a majority, as exists at West Wits, could increase the risk of industrial action.

Lower production and payroll increases resulting from the labour disruptions have adversely impacted the financial performance of all South African operations, threatening viability in some cases, and similar disruptions in the future may have a material adverse effect on the company s results of operations and financial condition. For example, subsequent to the 2012 strikes, AngloGold Ashanti, along with its major gold-producing peers in South Africa, increased the entry-level pay of employees; established a new pay category for equipment operators; provided an allowance for rock-drill operators; and increased pay by 2% for most categories of workers. The net impact of the settlement on the payroll cost for AngloGold Ashanti is $16 million per annum.

In South Africa, amendments to labour legislation have been proposed, which, if implemented, may have negative consequences for the company. For example, the proposed amendment with respect to labour brokers could mandate that labourers who are provided by labour brokers to perform certain services for the company could be viewed as AngloGold Ashanti s employees, which could increase its labour costs and reduce operational flexibility.

In South Africa, the restructuring of mining operations that result in layoffs or redundancies are currently a highly contentious matter. Whilst the Department of Minerals and Energy does not have any statutory right on the basis of existing labour legislation to intervene in any such restructuring process, it may intervene by placing external pressure on mining companies in respect of the renewal or cancellation of their mining rights.

On 10 February 2014 workers employed by a contractor at Sadiola and Yatela went on a five day strike demanding improved redundancy payments. On 25 March 2014, the company signed an agreement to increase social benefits for workers at these mines. Furthermore, between 18 July 2012 and 20 July 2012, fourteen employees went on strike at Sadiola. Following the strike, the company s joint venture in Mali has been involved in legal proceedings against the workers, which are ongoing.

Increased labour costs could have a material adverse effect on AngloGold Ashanti s results of operations and financial condition.

Labour costs represent a substantial proportion of the company s total operating costs and at many operations, including its South African, Ghanaian and Tanzanian operations, constitute the company s single largest component of operating costs. Failing to obtain any simultaneous increase in productivity, any change to the company s wage agreements or other factors that could increase labour costs may have a material adverse effect on AngloGold Ashanti s results of operations and financial condition.

In South Africa, the established practice is to negotiate wages and conditions of employment with the unions every two years through the Chamber of Mines of South Africa. South African employment law sets out minimum terms and conditions of employment for employees, which form the benchmark for all employment contracts. In mid-July 2013, the Chamber of Mines of South Africa undertook wage negotiations on behalf of the gold sector. Wage negotiations were completed following the 48-hour strike at the company s Vaal River operations and a wage agreement was extended to all employees irrespective of union affiliation. At present, the mining unions and gold mining companies in South Africa are in the second year of the latest two-year wage agreement, with the latest increases of up to 8% as well as increases in living-out allowances awarded to the majority of the workforce in September 2013. At the start of 2014, AMCU embarked upon protracted strike action in the platinum sector and served strike notices at three gold companies to challenge the extension of the 2013 Wage Agreement for AMCU members to obtain substantially higher wages, though the strike was later ruled unprotected. The next round of wage negotiations in South Africa is expected to begin in early 2015.

During 2014, approximately 60% of the company s workforce, excluding contractors, was located in South Africa.

AngloGold Ashanti s results may be further impaired if it incurs penalties for failing to meet standards set by labour laws regarding workers rights or incurs costs complying with new labour laws, rules and regulations. For example, employment law in South Africa imposes monetary penalties for neglecting to report to government authorities on progress made towards achieving employment equity in the workplace. Ghanaian law also contains broad provisions requiring mining companies to recruit and train Ghanaian personnel and to use the services of Ghanaian companies. In Australia, the federal government has recently introduced a new industrial relations system that includes good faith bargaining obligations for employers, fewer restrictions on the content of collective agreements and an enhanced role for union officials as bargaining representatives, parties to agreements and participants in dispute resolution. Penalties and compliance costs, as well as increased costs due to laws and regulations less favourable to employers, could have a material adverse effect on the company s results of operations and financial condition.

AngloGold Ashanti s mining rights in the countries in which it operates could be altered, suspended or cancelled for a variety of reasons, including breaches in its obligations in respect of its mining rights.

AngloGold Ashanti s right to own and exploit Mineral Reserves and deposits is governed by the laws and regulations of the jurisdictions in which the mineral properties are located. See Item 4B: Business Overview The Regulatory Environment Enabling AngloGold Ashanti to Mine . Currently, a significant portion of the company s Mineral Reserves and deposits are located in countries where mining rights could be suspended or cancelled should it breach its obligations in respect of the acquisition and exploitation of these rights.

In each of the countries in which AngloGold Ashanti operates, the formulation or implementation of government policies on certain issues may be unpredictable. This may include changes in laws relating to mineral rights and ownership of mining assets and the right to prospect and mine, and in extreme cases, nationalisation, expropriation or nullification of existing

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concessions, licenses, permits, agreements and contracts. In May 2012, for example, the Argentine government nationalised the oil company Yacimientos Petrolíferos Fiscales (YPF) by expropriating 51% of the shares from the majority Spanish shareholder.

Any existing and new mining and exploration operations and projects are subject to various national and local laws, policies and regulations governing the ownership and the right to prospect or mine or develop proposed projects. For more details on the risks surrounding ownership of mining assets, see Title to AngloGold Ashanti s properties may be uncertain and subject to challenge and AngloGold Ashanti s Mineral Reserve deposits and mining operations are located in countries that face political, economic and security risks that may affect both the terms of its mining concessions, as well as its ability to conduct operations in certain countries .

Project implementation delays could result in licences not being renewed and the loss of mining rights. Some of AngloGold Ashanti s mining concessions, authorisations, licences and permits are subject to expiry, limitations on renewal and various other risks and uncertainties. For example, the company experienced certification delays at Cripple Creek & Victor in the United States early in 2014, which increased costs and decreased annual production. In addition, any dispute with governments or other stakeholders, including labour unions, involving an AngloGold Ashanti operation, as a result of rationalisation efforts or otherwise, could negatively affect AngloGold Ashanti s relationship with such government or stakeholders in respect of other operations within the same country, which could result in adverse consequences, including unfavourable regulatory action, claims and labour disputes. Such adverse consequences could be exacerbated due to the holding company structure of AngloGold Ashanti s subsidiaries in some of the countries in which it operates.

In 2012, the DRC Mines Minister announced a reform of the DRC s mining code. According to recent available data, the proposed laws seek to, amongst other things, increase the government stake in mining operations to 15% from the existing 5%, substantially increase royalties on some minerals, reduce in a significant way the protections AngloGold Ashanti currently enjoys on its projects in the DRC, impose new conditions on the company s ability to retain and renew licences and introduce a 50% levy on certain profits. Should such laws be enacted in the future, these may have a material adverse impact on the company s results of operations in the DRC.

Moreover, AngloGold Ashanti s mining rights in South Africa may be suspended or cancelled by the Minister of Mineral Resources, and the company may be unable to obtain new mining rights if it breaches its obligations under the Mineral and Petroleum Resources Development Act (MPRDA). In particular, South Africa s changing Black Economic Empowerment (BEE) policies may adversely affect both the terms of AngloGold Ashanti s mining concessions, as well as its ability to conduct operations. Mining rights are linked to meeting various obligations that include the Revised Charter. Compliance with the Revised Charter is measured using a designated scorecard relating to equity ownership and management control of mining companies by historically disadvantaged South Africans (HDSAs) by no later than the end of 2014 and HDSAs must constitute 40% of all levels of management by 2014. In 2013, AngloGold Ashanti achieved all Mining Charter targets with the exception of senior management (33% versus the target of 40%) and in the procurement services area (57% versus the target of 60%).

Whilst AngloGold Ashanti believes that it is compliant with ownership targets that had to be achieved by the end of 2014, it has not yet received its scorecard from the government assessing its compliance with applicable requirements and it may need to make further progress to achieve future targets, including further participation by HDSAs in senior and top management levels, the upgrade of housing and accommodation at the company s mines, further human resource development, mine community development, sustainable development and growth as well as procurement and enterprise development.

The company will incur expenses in giving further effect to the Revised Charter and the scorecard. AngloGold Ashanti may not meet all of the various requirements by the required dates. Additionally, the South African government may decide that the Mining Charter has not gone far enough to achieve its underlying goals and therefore decide to expand the obligations of mining companies thereunder and the Minister of Mineral Resources may opt to disregard certain historical BEE transactions in connection with its review of new mining rights applications. In March 2015, the Minister of Mineral Resources announced that the Department of Mineral Resources and the Chamber of Mines of South Africa had jointly agreed to submit certain matters relating to the interpretation of the Revised Charter, including the qualification of certain historical BEE transactions for meeting the HDSA ownership thresholds, to the courts in South Africa for determination and clarification. Should AngloGold Ashanti breach its obligations in complying with the MPRDA, Revised Charter or any future amendments to the Mining Charter, its mining rights in South Africa could be suspended or cancelled by the Minister of Mineral Resources and it may be unable to obtain any new mining rights. Any such suspension or cancellation could have a material adverse effect on AngloGold Ashanti s results of operations and financial condition.

In addition, and as discussed in more detail in Item 4B: Business Overview The Regulatory Environment Enabling AngloGold Ashanti to Mine South Africa recently enacted the BBBEE Amendment Act, which amended the Broad-based Black Economic Empowerment Act 53 of 2003. There are several areas of potential conflict between the BBBEE Amendment Act and Revised Charter, and it is unclear whether the Amendment Act will overrule the Revised Charter in the future.

AngloGold Ashanti s insurance does not cover most losses caused by the risks described above; see The occurrence of events for which AngloGold Ashanti is not insured or for which its insurance is inadequate may adversely affect cash flows and overall profitability .

If AngloGold Ashanti is not able to obtain or maintain necessary permits, authorisations or agreements to prospect or mine or to implement planned projects, or continue its operations, or comply with all laws, regulations or requirements, or do so within time-frames that make such plans and operations economically viable, or if the laws impacting the company s ownership of its mineral rights or the right to prospect or mine change materially, or should governments increase their ownership in the mines or nationalise them, AngloGold Ashanti s results of operations and financial condition could be adversely affected.

Title to AngloGold Ashanti s properties may be uncertain and subject to challenge.

AngloGold Ashanti has operations in several countries where ownership of land is uncertain and where disputes may arise in relation to ownership. Certain of the company s properties may be subject to the rights or the asserted rights of various community stakeholders, including indigenous people. The presence of those stakeholders may have an impact on AngloGold Ashanti s ability to develop or operate its mining interests. For example, in Australia, the Native Title Act (1993) provides for the establishment and recognition of native title under certain circumstances. In South Africa, the Extension of Security of Tenure Act (1997) and the Restitution of Land Rights Act (1994) provide for various landholding rights. Such legislation is complex, difficult to predict and outside of the company s control, and could therefore negatively affect the business results of new or existing projects. In Ghana in February 2012, the company negotiated the relocation of the Sansu Community, which lies within its local mining concession; the cost of this relocation was approximately $30 million. Where consultation with stakeholders is statutorily or otherwise mandated, relations may not remain amicable and disputes may lead to reduced access to properties or delays in operations.

Moreover, amendments to the laws regulating mining in South Africa became effective on 7 June 2013. One of these amendments relates to the possible expropriation of mine dumps that were created before the coming into effect of the MPRDA on 1 May 2004. Although the legal position is not clear in this regard, it is possible that some pre-2004 mine dumps are now subject to the MPRDA and, as a result, the Minister of Mineral Resources may issue rights over such dumps to third parties.

Title to the company s properties, particularly undeveloped ones, may also be defective or subject to challenge. Title insurance generally is not available, and title review does not necessarily preclude third parties from contesting ownership. Where surveys have not been conducted, the precise area and location of the company s claims may be in doubt. Accordingly, AngloGold Ashanti s mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, amongst other things, undetected defects.

AngloGold Ashanti may experience unforeseen difficulties, delays or costs in successfully implementing its business strategy and projects, including any cost-cutting initiatives, temporary or permanent shutdowns, divestments and other portfolio rationalisation initiatives and any such strategy or project may not result in the anticipated benefits.

The successful implementation of the company s business strategy and projects depends upon many factors, including those outside its control. For example, the successful management of costs will depend on prevailing market prices for input costs. The ability to grow the business will depend on the successful implementation of the company s existing and proposed project development initiatives and continued exploration success, as well as on the availability of attractive merger and acquisition opportunities, all of which are subject to the relevant mining and company specific risks as outlined in these risk factors.

AngloGold Ashanti is in the process of implementing initiatives relating to strategic alignment, portfolio review, restructuring and cost-cutting, temporary or permanent shutdowns, and divestments, including in connection with the consolidation of its business activities and assets. Any future contribution of these measures to profitability will be influenced by the actual savings achieved and by the company s ability to sustain these ongoing efforts. Strategic alignment, restructuring and cost-cutting initiatives may involve various risks, including, for example, labour unrest, operating licence withdrawal, and potential knock-on effects to other company projects and jurisdictions. The risk is elevated in South Africa, given calls for withdrawal of mining licences for mothballed shafts and hostile reaction to proposed mining industry retrenchments. The risk may also be elevated in Ghana, where the restructuring and repositioning of the Obuasi mine have resulted in a substantial reduction in the mine s existing operations and significant workforce redundancies and where, AngloGold Ashanti may fail to demonstrate or realise its business case for the mine s redevelopment. Finally, the risk may also be high in the DRC where the company has exited the Mongbwalu project, see AngloGold Ashanti s mining rights in the countries in which it operates could be altered, suspended or cancelled for a variety of reasons, including breaches in its obligations in respect of its mining rights .

In addition, these measures may not be implemented as planned, turn out to be less effective than anticipated, only become effective later than anticipated or not be effective at all. Any of these outcomes, individually or in combination, may adversely impact the company s business, results of operations and financial condition.

Expectations for and trends in the price of gold, combined with increased costs for project financing and exploration in certain regions, have led AngloGold Ashanti to increase its efforts to focus capital expenditure on its highest quality assets, whilst freeing up capital by curtailing capital expenditure or suspending operations at those projects that the company believes are of lower quality. AngloGold Ashanti may also consider finding partners or conducting asset sales relating to certain of its projects. With respect to dispositions, the company may not be able to obtain prices that it expects for the assets it seeks to dispose of or divest some of its activities as planned or to obtain all of the required approvals, and the divestitures that are carried out could have a negative impact on AngloGold Ashanti s business, results of operations, financial condition and reputation.

AngloGold Ashanti may also prove unable to deliver on production targets, including in potentially critical areas as well as on the timely, cost-effective and successful execution, including ramping-up, of key capital projects. For example, in South Africa, the company experienced declining production rates (1.21 million ounces of gold in 2012, compared with 1.62 million ounces of gold in 2011, and 1.78 million ounces in 2010), principally due to continued safety and associated stoppages, mining flexibility constraints and overall falls in grades. The significant decrease in 2012 was also mainly attributable to the industrial strike action at the company s South African mines, which resulted in the loss of production of 235,000 ounces of gold. Unforeseen difficulties, delays or costs may adversely affect the successful implementation of the company s business strategy and projects, and such strategy and projects may not result in the anticipated benefits, which could have a material adverse effect on its financial results and prospects.

Any acquisition or acquisitions that AngloGold Ashanti may complete may expose the company to new geographic, political, legal, social, operating, financial and geological risks.

AngloGold Ashanti may pursue the acquisition of producing, development and advanced stage exploration properties and companies. Any such acquisition may change the scale of the company s business and operations and may expose it to new geographic, geological, political, social, operating, financial, legal, regulatory and contractual risks. For example: there may be a significant change in commodity prices after the company has committed to complete the transaction and established the purchase price or share exchange ratio; a material ore body may prove below expectations; AngloGold Ashanti may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realising anticipated synergies and maximising the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls; the integration may disrupt the company s ongoing business and its relationships with employees, suppliers and contractors; and the acquisition may divert management s attention from AngloGold Ashanti s day-to-day business. Furthermore, the company operates and acquires businesses in different countries, with different regulatory and operating cultures, which may exacerbate the risks described above. In addition, the acquired business may have undetected liabilities which may be significant.

In the event that the company chooses to raise debt capital to finance any acquisition, the company s leverage will be increased. Should the company choose to use equity as consideration for an acquisition, existing shareholders may suffer dilution. Alternatively, the company may choose to finance any acquisition with its existing resources, which could decrease its ability to fund future capital expenditures.

The company may not be successful in overcoming these risks or any other problems encountered in connection with acquisitions. Failure by AngloGold Ashanti to implement its acquisition strategy or to integrate acquired businesses successfully could have material adverse effects on its growth and business results.

Ageing infrastructure at some of AngloGold Ashanti s operations could adversely impact its business.

Deep level gold mining shafts are usually designed with a lifespan of 25 to 30 years. Vertical shafts consist of large quantities of infrastructure steelwork for guiding conveyances and accommodating services such as high and low tension electric cables, air and water pipe columns. Rising temperatures in the deeper mining areas can also lead to increased cooling requirements in the form of upgraded and expanded ice plants. Maintaining this infrastructure requires skilled human resources, capital allocation, management and planned maintenance. Once a shaft has reached the end of its intended lifespan, higher than normal maintenance and care is required. Incidents resulting in production delays, increased costs or industrial accidents may occur. Such incidents may have an adverse effect on the company s results of operations and financial condition.

Asset integrity and reliability issues relating to ageing infrastructure are of concern at many operations, but are of particular concern in South Africa and at the Obuasi mine in Ghana. Furthermore in Tanzania, cracks were discovered in the mill feed end in September 2008 and at the discharge end in February 2010 at the Geita gold mine. The Geita gold mine is one of the group s principal assets and sources of cash flow. After initial repairs, the feed end was replaced during May and June 2011. Production throughput in 2011 was 1 million tonnes less than planned, as a result of mill downtime that included feed end replacement; ore grade was, however, sufficient to achieve 494,000 ounces. The Geita gold mine produced approximately 531,000 ounces in 2012, with production throughput approximately 100,000 tonnes short of budget. A decision was subsequently taken to replace the entire mill as a result of shell distortion. After new mill manufacture delays, installation was completed during March 2013. Ageing infrastructure may have an adverse effect on the company s results of operations and financial condition in the future.

Some of AngloGold Ashanti s technologies are unproven and failure could adversely impact costs and production.

AngloGold Ashanti has created a Technology Innovation Consortium (ATIC) and teamed up with various specialists to engineer new solutions to environmental management, mine design, mining technology and methods and underground logistics, amongst other matters. The company has invested in new technologies, including phyto-technologies to reduce seepage and address soil and groundwater contamination, and in mine support technologies to minimise the impact of seismic activity. The company is also attempting to develop technologies to access the deeper reaches of its South African mines, including rock boring, different hammer configurations and dimensions for drilling, thermal spalling and an ultra-high strength backfill product and system.

Some aspects of these technologies are unproven and their eventual operational outcome or viability cannot be assessed with certainty. AngloGold Ashanti may be unable to successfully put into operation the technological step changes developed and proposed by ATIC. The costs, productivity and other benefits from these initiatives, and the consequent effects on AngloGold Ashanti s future earnings and financial condition, may vary from expectations. The company s failure to realise the anticipated benefits could result in increased costs, an inability to realise production or growth plans, or adversely affect its operational performance.

The level of AngloGold Ashanti s indebtedness could adversely impact its business.

As at 31 December 2014, AngloGold Ashanti had gross borrowings of $3.721 billion (2013: $3.891 billion), excluding all finance leases and fair value adjustments on bonds.

AngloGold Ashanti s indebtedness could have a material adverse effect on its flexibility to conduct business. For example, the company may be required to use a large portion of its cash flow to pay the principal and interest on its debt, which will reduce funds available to finance existing operations and the development of new organic growth opportunities and further acquisitions. In addition, under the terms of the company s borrowing facilities from its banks, AngloGold Ashanti is obliged to meet certain financial and other covenants. AngloGold Ashanti s ability to continue to meet these covenants and to service its debt will depend on its future financial performance, which will be affected by its operating performance as well as by financial and other factors, and in particular the gold price, certain of which are beyond its control.

Should the cash flow from operations be insufficient, AngloGold Ashanti could breach its financial and other covenants. Covenant breaches, if interpreted as events of default under one or more debt agreements, could allow lenders to accelerate payment of such debt. Any such acceleration could result in the acceleration of indebtedness under other financial instruments. As a result, the company may be required to refinance all or part of the existing debt, use existing cash balances, issue additional equity or sell assets. However, the company may be unable to sell assets on reasonable terms as and when necessary. Additionally, AngloGold Ashanti cannot be sure that it will be able to refinance its debt on commercially reasonable terms, if at all. The company s ability to access the bank, public debt or equity capital markets on an efficient basis may be constrained by dislocation in the credit markets or capital and liquidity constraints in the banking, debt or equity markets at the time of issuance.

Any downgrade of credit ratings assigned to AngloGold Ashanti s debt securities could increase future interest costs and adversely affect the availability of new financing.

An actual, anticipated or unexpected negative development of AngloGold Ashanti s results of operations or cash flows, country risk, financial metrics, or an increase in net debt position could result in a deterioration of the compay s credit ratings. AngloGold Ashanti s ratings are influenced inter alia, by the location of its domicile and its operations.

Following the downgrade of South Africa s sovereign debt rating as a result of strikes, social tension and policy uncertainty in South Africa, AngloGold Ashanti was placed on credit watch negative by a rating agency on 17 October 2012. In July 2013, two ratings agencies lowered the company s long-term credit rating.

Any further downgrade by ratings agencies could further increase the cost of capital and reduce the investor base and negatively and materially affect AngloGold Ashanti s business, results of operations and financial condition.

AngloGold Ashanti expects to have significant financing requirements.

AngloGold Ashanti s existing board-approved development projects and exploration initiatives will require significant funding.

The company s capital expenditure plans and requirements are subject to a number of risks, contingencies and other factors, some of which are beyond its control, including volatile or sustained lower gold prices, and therefore the actual future capital expenditure and investments may differ significantly from the current planned amounts.

AngloGold Ashanti s operating cash flow and credit facilities may be insufficient to meet all of these expenditures, depending on the timing and cost of development of these and other projects as well as operating performance and available headroom under its credit facilities. As a result, new sources of capital may be needed to meet the funding requirements of these developments, to fund ongoing business activities and to pay dividends. AngloGold Ashanti s ability to raise and service significant new sources of capital will be a function of macroeconomic conditions, the condition of the financial markets, future gold prices, the company s operational performance and operating cash flow and debt position, amongst other factors. The company s ability to raise further debt financing in the future and the cost of such financing will depend on, amongst other factors, its prevailing credit rating, which may be affected by the company s ability to maintain its outstanding debt and financial ratios at levels acceptable to the credit ratings agencies, its business prospects risks relating to the countries in which it operates or other factors. As a result, in the event of depressed gold prices, unanticipated operating or financial challenges, any dislocation in financial markets or new funding limitations, AngloGold Ashanti s ability to pursue new business opportunities on reasonable terms, invest in existing and new projects, fund its ongoing business activities, exit projects and retire or service outstanding debt and pay dividends could be significantly constrained, all of which could adversely impact the company s results of operations and financial condition.

Certain factors may affect AngloGold Ashanti s ability to support the carrying amount of its property, plant and equipment, intangible assets and goodwill on the balance sheet. If the carrying amount of its assets is not recoverable, AngloGold Ashanti may be required to recognise an impairment charge, which could be significant.

AngloGold Ashanti reviews and tests the carrying amount of its assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. The company values individual mining assets at the lowest level for which cash flows are identifiable and independent of cash flows of other mining assets and liabilities.

If there are indications that impairment may have occurred, AngloGold Ashanti prepares estimates of a recoverable amount for each group of assets. Expected future cash flows are inherently uncertain, and could materially change over time. Recoverable amounts are significantly affected by reserve and production estimates, together with economic factors such as spot and forward gold prices and currency exchange rates, as well as discount rates and estimates of costs to produce reserves and future capital expenditure. Estimated rehabilitation and closure costs could also materially affect the company s financial performance and could result in the need to recognise an impairment charge.

If any of these uncertainties occur, either alone or in combination, management could be required to recognise an impairment, which could have a material adverse effect on the company s results of operations and financial condition. For example, during 2013, AngloGold Ashanti reviewed the carrying value of its mining assets (including ore stockpiles), goodwill and intangibles and, based on revised forecast gold prices, the company booked a charge of $3,245 million (2014: $12 million) in relation to impairments. derecognition and revaluation of net realisable value of its mining assets (including ore stockpiles), goodwill and intangibles.

AngloGold Ashanti does not have full management control over some of its significant joint venture projects and other interests. If the operators of these projects do not manage these effectively and efficiently, the company s investment in these projects could be adversely affected and its reputation could be harmed.

AngloGold Ashanti s joint ventures at Morila in Mali and at Kibali in the DRC are managed by the company s joint venture partner Randgold Resources Limited (Randgold). In addition, certain of AngloGold Ashanti s exploration ventures are managed by the relevant joint venture partner.

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Whilst AngloGold Ashanti provides strategic management and operational advice to its joint venture partners in respect of these projects, the company cannot ensure that these projects are operated in compliance with the standards that AngloGold Ashanti applies in its other operations. If these joint ventures are not operated effectively or efficiently, including as a result of weaknesses in the policies, procedures and controls implemented by the joint venture partners, the company s investment in the relevant project could be adversely affected. In addition, negative publicity associated with operations that are ineffective or inefficiently operated, particularly relating to any resulting accidents or environmental incidents, could harm the company s reputation and therefore its prospects and potentially its financial condition. Furthermore, any failure of joint venture partners to meet their obligations to AngloGold Ashanti or to third parties, or any disputes with respect to the parties respective rights and obligations, could have a material adverse impact on AngloGold Ashanti s results of operations and financial condition. In particular, the company and Randgold retain equal representation, with neither party holding a deciding vote, on the board of the two companies that have overall management control of the Morila project in Mali and the Kibali project in the DRC, respectively, and all major management decisions for each of these two projects, including approval of the budget, require board approval. If a dispute arises between the company and Randgold with respect to the Kibali or Morila project and the parties are unable to amicably resolve such dispute, it may be difficult for the parties to make strategic decisions relating to the project affected by such dispute, the day-to-day operations and the development of such project may be adversely affected and the company may have to participate in proceedings to resolve the dispute, which could adversely affect the company s results of operations and financial condition.

AngloGold Ashanti s joint venture partners may have economic or business interests or goals that are not consistent with the company s or may, as a result of financial or other difficulties, be unable or unwilling to fulfill their obligations under the joint venture or other agreements. Disputes between the company and its joint venture partners may lead to legal action, including litigation between AngloGold Ashanti and its joint venture partners. Such disputes could adversely affect the operation of the joint venture and may prevent the realisation of the joint ventures goals. There is no assurance that the company s joint venture partners will continue their relationship with the company in the future or that the company will be able to achieve its financial or strategic objectives relating to the joint ventures.

AngloGold Ashanti s mineral deposits, Mineral Reserve, and mining operations are located in countries where political, tax and economic laws and policies may change rapidly and unpredictably and such changes and policies may adversely affect both the terms of its mining concessions, as well as its ability to conduct operations in certain countries.

Past experience demonstrates that political, tax and economic laws and policies in countries in which AngloGold Ashanti operates can change rapidly. Examples include the coup d état and subsequent fighting in Mali and the recent changes to the foreign currency regulations in Argentina. As mining assets are fixed, the adverse impacts of such changes may be unavoidable and immediate.

Any existing and new mining, exploration operations and projects that the company carries out are subject to various national and local laws, policies and regulations governing the ownership, prospecting, development and mining of mineral reserves, taxation and royalties, exchange controls, import and export duties and restrictions, investment approvals, employee and social community relations and other matters.

In many of the countries in which AngloGold Ashanti operates, there is an ongoing focus by governments seeking greater economic benefit and increased financial and social benefits from extractive industries and mining in particular. This entails the review of mining codes and stability agreements, which were in many cases designed under particular economic conditions, and the formulation or amendment of laws, policies and regulations relating to issues such as mineral rights and asset ownership, royalties, taxation and taxation disputes, windfall or super taxation, non-recovery of taxation refunds, import and export duties, currency transfers, restrictions on foreign currency holdings and repatriation of earnings. The laws, policies and regulations are increasingly uncertain, changing and generally require progressively higher payments to governments, notably in the form of increased royalties and taxes, mandated beneficiation, export levies and increasing or retaining state or national ownership of resources. In particular, changes to the fiscal terms governing AngloGold Ashanti s operations may have a material adverse impact on the company s results of operations or financial condition, threaten the viability of existing operations, and discourage future investments in certain jurisdictions. This may therefore have an adverse impact on the company s ability to access new assets and potentially reduce future growth opportunities.

For example, on 9 September 2011, a new mining code for Guinea was enacted. The new mining code significantly increased the share of state ownership in the mining industry, extending a 15% share of future mining projects to the government, without financial compensation. The government also had the option to purchase up to an additional 20% of each project. However, the new mining code was suspended in October 2012 due to unfavourable reception. On 8 April 2013, the Guinean parliament voted to amend the 2011 Mining Code. The amendment was promulgated shortly after by Presidential Decree on 17 April 2013. The new legislation provides that existing mining conventions will be amended through addenda which will contain various provisions, including provisions relating to taxation, state equity participation in mining companies and other matters.

The government of Ghana amended its fiscal mining regime, increasing its corporate taxation to 35% and royalty rates of 5%. Furthermore, the government of Ghana has constituted a review committee to review and re-negotiate stability agreements with mining companies. AngloGold Ashanti is currently participating in negotiations with the Ghanaian review committee. The outcome of these negotiations may have a material adverse effect on the company s results of operations or financial condition.

AngloGold Ashanti and other major mining companies are in talks with the Tanzanian government regarding new mining legislation and its impact on existing mining agreements. Such talks follow an earlier declaration in July 2012 by the Tanzanian Minister of Energy and Minerals that the mining contracts were under review. The new mining legislation and the outcome of the review of the mining contracts may have a material adverse impact on the company s results of operations and financial condition. Recently, the Tanzanian Minister of Energy and Minerals increased the royalty rate levied on gold extracted in Tanzania by AngloGold Ashanti s operations by 1% and this has a direct impact on the revenues earned from the operations in Tanzania. Proposed Tanzanian regulations set out the requirement to sell shares to nationals by way of a public offering and listing on the Dar es Salaam Stock Exchange that may apply to companies that carry out large scale mining operations.

In 2012, the DRC Mines Minister announced a reform of the DRC s mining code. According to recent available data, the proposed laws seek to, amongst other things, increase the government stake in mining operations to 15% from the existing 5%, substantially increase royalties on some minerals, reduce in a significant way the protections AngloGold Ashanti currently enjoys on its projects in the DRC, impose new conditions on the company s ability to retain and renew licences and introduce a 50% levy on certain profits. Should such laws be enacted in the future, these may have a material adverse impact on the company s results of operations in the DRC.

On 1 July 2012, Australia s Minerals Resource Rent Tax (MRRT) came into effect after the legislation was passed in March 2012. The MRRT applies only to the bulk commodities of coal and iron ore, and replaced the previously proposed Resource Super Profit Tax (RSPT), which covered all minerals. The Australian federal government did not include gold and uranium in the final MRRT. However, should Australia consider reintroducing the RSPT, or if similar super profit taxes were to be introduced and implemented in any other country in which AngloGold Ashanti operates, the company s results of operations and financial condition could be materially adversely affected.

In addition, some of AngloGold Ashanti s mineral deposits and mining and exploration operations are located in countries that are experiencing social and political instability as well as economic uncertainty. For example, in South Africa, country risk has increased in light of the violent strike action, social unrest and protest. The risk of contagion from the tense industrial relations environment in the platinum sector remains, despite the government s efforts. The high levels of unemployment, poverty and inequality remain, further increasing the risk of social instability that will continue to negatively impact the South African economy, business and the mining industry.

In December 2012, though the ruling African National Congress rejected the concept of wholesale nationalisation, a resource rent tax on windfall profits has been discussed, and it is uncertain whether such a tax will become law. The MPRDA Amendment Bill of 2013, passed by the National Assembly of Parliament of the Republic of South Africa on 12 March 2014 (and referred back to the National Assembly by the President on 16 January 2015), could impact AngloGold Ashanti s business by empowering the Minister of Mineral Resources to set developmental pricing conditions for certain minerals for beneficiation purposes, impose export permits on designated minerals and give the State an open-ended free carried interest and State participation.

In June 2013, the Brazilian government announced increased royalties of up to 4% and changes to exploration rights.

Mining is a long term activity and assets may be located in jurisdictions with elevated risk. Political instability and the resulting unstable business environment in such countries in which companies operate may discourage future investment in those jurisdictions, and may have an adverse impact on the company s ability to access new assets, potentially reducing growth opportunities.

AngloGold Ashanti is subject to an uncertain tax environment. Increased taxes are expected in most countries of operation. Changes in tax laws could result in higher tax expense and payments. Furthermore, legislation changes could materially impact AngloGold Ashanti s tax receivables and liabilities as well as deferred tax assets and deferred tax liabilities. In addition, the uncertain tax environment in some regions could limit AngloGold Ashanti s ability to enforce its rights. As a global company, AngloGold Ashanti conducts its business in countries subject to complex tax rules, which may be interpreted in different ways. Further interpretations or developments of tax regimes may affect the company s tax liability, return on investments and business operations. AngloGold Ashanti is regularly examined by tax authorities in the various jurisdictions of operation.

In Guinea, Mali and Tanzania, AngloGold Ashanti is due refunds of input tax and fuel duties which have remained outstanding for periods longer than those provided for in the respective statutes. For example, AngloGold Ashanti calculates that overdue recoverable value added tax, fuel duties and appeal deposits of $71 million are owed to AngloGold Ashanti and held by the Tanzanian government and it is not certain when AngloGold Ashanti will be refunded this amount, if at all.

The countries in which the company operates may also introduce strict exchange controls, impose restrictions to source materials and services locally, or impose other similar restrictions that hinder foreign companies operations within such countries. For example, the Argentine government introduced stricter exchange controls and related protracted approval processes, which may limit the company s ability to repatriate dividends from its Argentine subsidiaries. In October 2011, the Argentina government decreed that mining, oil and energy companies must repatriate export earnings. Additionally, the purchase of U.S. dollars requires authorisation from the Argentine tax agency and the purpose for which the currency will be used must be stated. In May 2012, the Argentine Mining Secretariat issued new regulations requiring mining companies in Argentina to boost their domestic purchases of equipment and services. Mining companies are now required to resort exclusively to locally established suppliers for their export-related shipping and logistics operations. A separate norm requires companies to open an import substitution division which will be in charge of submitting procurement plans to the Mining Secretariat on a quarterly basis. Such requirements are hindering the company s operations within Argentina and these or similar requirements may continue to do so in the future and may have a material adverse effect on AngloGold Ashanti s results of operations and financial condition.

If, in one or more of the countries in which it operates, AngloGold Ashanti were not able to obtain or maintain necessary permits, authorisations or agreements to implement planned projects or continue its operations under conditions or within timeframes that make such plans and operations economically viable, or if the applicable legal, ownership, fiscal (including all royalties and duties), exchange control, employment, environmental and social laws or regimes change materially, or if the governing political authorities change resulting in amendments to such laws and regimes, this could have a material adverse effect on AngloGold Ashanti s operating results, financial condition, and, in extreme situations, on the viability of an operation.

For example, in South Africa mining rights are linked to meeting various obligations that include the Revised Charter. Compliance with the Revised Charter is measured using a designated scorecard relating to equity ownership and management control of mining companies by historically disadvantaged South Africans (HDSAs) by no later than the end of 2014 and HDSAs must constitute 40% of all levels of management by 2014. In 2013, AngloGold Ashanti achieved all Mining Charter targets with the exception of senior management (33% versus the target of 40%) and in the procurement services area (57% versus the target of 60%).

Whilst AngloGold Ashanti believes that it is compliant with ownership targets that had to be achieved by the end of 2014, it has not yet received its scorecard from the government assessing its compliance with applicable requirements and it may need to make further progress to achieve future targets, including further participation by HDSAs in senior and top management levels, the upgrade of housing and accommodation at the company s mines, further human resource development, mine community development, sustainable development and growth as well as procurement and enterprise development.

The company will incur expenses in giving further effect to the Revised Charter and the scorecard. AngloGold Ashanti may not meet all of the various requirements by the required dates. Additionally, the South African government may decide that the Mining Charter has not gone far enough to achieve its underlying goals and therefore decide to expand the obligations of mining companies thereunder and the Minister of Mineral Resources may opt to disregard certain historical BEE transactions in connection with its review of new mining rights applications. In March 2015, the Minister of Mineral Resources announced that the Department of Mineral Resources and the Chamber of Mines of South Africa had jointly agreed to submit certain matters relating to the interpretation of the Revised Charter, including the qualification of certain historical BEE transactions for meeting the HDSA ownership thresholds, to the courts in South Africa for determination and clarification. Should AngloGold Ashanti breach its obligations in complying with the MPRDA, Revised Charter or any future amendments to the Mining Charter, its mining rights in South Africa could be suspended or cancelled by the Minister of Mineral Resources and it may be unable to obtain any new mining rights. Any such suspension or cancellation could have a material adverse effect on AngloGold Ashanti s results of operations and financial condition.

AngloGold Ashanti s Mineral Reserve, deposits and mining operations are located in countries that face instability and security risks that may adversely affect both the terms of its mining concessions, as well as its ability to conduct operations in certain countries.

Some of AngloGold Ashanti s mineral deposits and mining and exploration operations are located in countries that are experiencing political instability and economic and other uncertainty.

Certain of the countries in which AngloGold Ashanti has mineral deposits or mining or exploration operations, including the DRC, Mali, Guinea and Colombia, have in the past experienced, and in certain cases continue to experience, a difficult security environment. In particular, various illegal groups active in regions in which the company is present may pose a credible threat of military repression, terrorism, civil unrest and disturbances, sabotage, extortion and kidnapping, which could have an adverse effect on its operations in these and other regions.

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For example, Mali continues to experience a difficult security environment since the military coup in March 2012. The situation in Mali remains of heightened concern as a result of the instability in northern Mali.

Eastern DRC also continues to experience tension consistent with the cycles of unrest experienced since the late 2000s. Fighting has caused instability in the area and could expand or intensify.

In 2012, and for the first time in approximately seven years, Anglo Gold Ashanti Colombia s (AGAC) assets and employees were the targets of direct attacks by hostile actors around the La Colosa project s area of influence. These and other such attacks could adversely affect the company s operations in Colombia.

Since 2009, the company has recorded an almost four-fold increase in the instances of injury to security personnel, including members of AngloGold Ashanti s internal security, private security companies and public security forces in certain jurisdictions. The rise in the number and severity of security incidents has come as a result of both increased illegal and artisanal mining due to a steady migration of people into the areas and an increase in the level of organisation and funding of criminal activity around some of the company s Continental African operations. This trend has stabilised, but in 2013 and 2014, intrusions onto the company s tenement and operational areas resulted in a marked increase in crime, specifically illegal mining-related activities. The most significant security challenges remain in Tanzania and Ghana, in areas where there is endemic poverty and high levels of unemployment. If the security environment surrounding the company s operations that are most exposed to these challenges deteriorates, employee, third-party and community member injuries and fatalities could also increase. Any such increase could disrupt the company s operations in certain mines and adversely affect its reputation, results of operations and financial condition.

In some instances, risk assessments categorise threats as serious enough to require resorting to public security forces, such as national police or military units on a near-permanent basis. In the event that continued operations in any of the company s countries of operations compromise the company s security or business principles, AngloGold Ashanti may withdraw from any such countries on a temporary or permanent basis. This could have a material adverse impact on AngloGold Ashanti s results of operations and financial condition.

Furthermore, the company continues to experience strained relationships with certain of its host communities. AngloGold Ashanti operates in several regions where poverty, unemployment and the lack of access to alternative livelihoods mean that the creation and distribution of economic benefit from mining operations is a significant area of focus for community and government. During 2013 there were a total of 21 community opposition incidents that were of minor or moderate consequence, mostly at the company s exploration projects, particularly at Mongbwalu and in Colombia. There were five protests during 2013 at Cerro Vanguardia, Obuasi, Siguiri and Iduapriem.

In addition, infectious diseases are also a threat to the stability of some of the countries in which the company operates, where limited local health infrastructure weakens governments ability to manage and contain outbreaks effectively. For example, during August 2014, cases of Ebola virus disease (EVD) were reported in Siguiri, Guinea, which is located near AngloGold Ashanti s Siguiri mine. EVD was also reported elsewhere in Guinea. The company has implemented certain restrictions on travel to and from the Siguiri mine as a precaution. As EVD caused significant disruptions in the company s exploration activities, particularly relating to field mapping and geophysics, AngloGold Ashanti also suspended its brownfields work programme and greenfields field work in the middle of 2014. In the future the company may consider further safety measures which may negatively impact the operations at the Siguiri mine or its exploration projects in neighbouring areas.

Illegal and artisanal mining occurs on AngloGold Ashanti s properties, which can disrupt the company s business and expose the company to liability.

Illegal and artisanal miners are active on, or adjacent to at least 15 AngloGold Ashanti s properties, which leads at times to interference with the company s operations and results in conflict situations that present a security threat to property and human life. Artisanal mining is associated with a number of negative impacts, including environmental degradation, flouting of land rights, poor working practices, erosion of civil society, human rights abuse and funding of conflict. The environmental, social, safety and health impacts of artisanal mining are frequently attributed to formal mining activity, and it is often assumed that artisanally-mined gold is channelled through large-scale mining operators, even though artisanal and large-scale miners have distinct supply chains. These misconceptions impact negatively on the reputation of the industry.

The activities of the illegal miners, which include theft and shrinkage, could cause damage to AngloGold Ashanti s properties, including pollution, underground fires, or personal injury or death, for which AngloGold Ashanti could potentially be held responsible. Illegal mining could result in the depletion of mineral deposits, potentially making the future mining of such deposits uneconomic. The presence of illegal miners could lead to project delays and disputes regarding the development or

operation of commercial gold deposits. Furthermore, in 2012, the company recorded an increase in the number and severity of security incidents, due to a steady migration of people into the areas and an increase in the level of organisation and funding of criminal activity around some of the company s Continental African operations, likely encouraged by an escalating gold price at that time. The most significant security challenges have occurred in Tanzania and Ghana in areas where there is endemic poverty and high levels of unemployment. Illegal mining and theft could also result in lost gold reserves, mine stoppages, and have a material adverse effect on AngloGold Ashanti s results of operations or financial condition.

The use of contractors at certain of the company s operations may expose AngloGold Ashanti to delays or suspensions in mining activities and increases in mining costs.

AngloGold Ashanti uses contractors at certain of its operations to mine and deliver ore to processing plants as well as for other purposes. At mines employing mining contractors, contracting costs represent a significant proportion of the total operating costs of these operations and the company does not own all of the mining equipment. For example, increased contractor rates at the Sadiola mine in Mali contributed to a significant rise in total cash costs in the final quarter of 2011. Increased contractor costs at Sunrise Dam in Australia and Geita in Tanzania contributed to higher production costs in the first quarter of 2012. Furthermore disagreements over costs with contractors at Siguiri in Guinea and Iduapriem in Ghana resulted in a dispute in 2015.

AngloGold Ashanti s operations could be disrupted, resulting in additional costs and liabilities, if the mining contractors at affected mines have financial difficulties, or if a dispute arises in renegotiating a contract, or if there is a delay in replacing an existing contractor and its operating equipment to meet business needs at expected cost levels. Increases in contract mining rates, in the absence of associated productivity increases, will also have an adverse impact on the company s results of operations and financial condition. For example, on 13 October 2012, AngloGold Ashanti terminated the underground development contract with a third-party contractor at the Obuasi mine in Ghana. The costs of the termination amounted to $17 million. On 10 February 2014 workers employed by a contractor at Sadiola and Yatela went on a five day strike demanding improved redundancy payments. See Labour unrest, activism and disruptions could have a material adverse effect on AngloGold Ashanti s results of operations and financial condition .

In addition, AngloGold Ashanti s reduced control over those aspects of operations which are the responsibility of contractors, their failure to comply with applicable legal, human rights and regulatory requirements, or their inability to manage their workforce or provide high quality services or a high level of productivity could adversely affect AngloGold Ashanti s reputation, results of operations and financial condition, and may result in the company s incurrence of liability to third parties due to the actions of contractors.

AngloGold Ashanti competes with mining and other companies for key human resources with critical skills and its inability to retain key personnel could have an adverse effect on its business.

AngloGold Ashanti competes on a global basis with mining and other companies to attract and retain key human resources at all levels with the appropriate technical skills and operating and managerial experience necessary to operate and supervise its business. This is exacerbated by the global shortage of persons with critical mining skills, including geologists, mining engineers, metallurgists and skilled artisans. Furthermore, the often remote locations of mining operations may make the mining industry unattractive to potential employees. Changes in taxation and the regulatory environment where AngloGold Ashanti operates may also impact the company s ability to attract and retain key personnel, especially those from abroad.

The retention of staff is particularly challenging in South Africa, where, in addition to the impacts of global industry shortages of skilled labour, AngloGold Ashanti is required to achieve employment equity targets of participation by HDSAs in management and other positions. AngloGold Ashanti competes with all companies in South Africa to attract and retain a small but growing pool of HDSAs with the necessary skills and experience. AngloGold Ashanti has historically faced difficulty recruiting and retaining young graduates and qualified mid-level management in South Africa. Recruitment of skilled personnel has been challenging in Continental Africa due to university offerings that are often not well-suited to the specific needs of the mining industry, as well as other factors such as language barriers and low literacy skills.

The recruitment of skilled workers is also highly competitive in South America as a result of a shortage of skills and intense competition between mining companies.

Additionally, the company may incur significant costs to build talent, capacity and expertise across its global operations. Despite AngloGold Ashanti s investments, the company may not be able to retain and attract sufficient skilled and experienced employees in all areas of the business. Should it fail to do so or lose any of its key personnel with critical skills, business and growth prospects may be harmed and this could have an adverse impact on AngloGold Ashanti s results of operations and financial condition.

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AngloGold Ashanti s inability to retain its senior management may have an adverse effect on its business.

The company s success depends largely upon the continued service of its senior management, including its chief executive officer, chief financial officer, the executive officers at each of its business divisions and general managers at its mines.

The loss of one or more members of the senior management teams, coupled with the reduced attractiveness of the gold mining sector, could lead to other members of the management team leaving, disrupt the company s operations, and have a material adverse impact on the company s business, results of operations and financial condition.

The prevalence of occupational health diseases and other diseases and the potential costs and liabilities related thereto may have an adverse effect on the business and results of operations of AngloGold Ashanti.

The primary areas of focus in respect of occupational health of employees within the company s operations are noise-induced hearing loss and occupational lung diseases (OLD), which include pulmonary diseases such as tuberculosis from various causes and silicosis in individuals exposed to silica dust. These require active dust management strategies in underground operations, particularly in South Africa where a significant number of silicosis cases by current and former employees alleging past exposures are still reported each year to the board for statutory compensation. AngloGold Ashanti provides occupational health services to its employees at its occupational health centres and clinics and continues to improve preventative occupational hygiene initiatives, such as implementing various dust control measures and supplying the company s employees with respiratory protection equipment. If the costs associated with providing such occupational health services, implementing such dust control measures or supplying such equipment increase significantly beyond anticipated or budgeted amounts, this could have an adverse effect on AngloGold Ashanti s results of operations and financial condition. Actual and alleged health and safety incidents or breaches of standards may also adversely impact the company s reputation.

AngloGold Ashanti is currently subject to class action litigation with respect to alleged occupational lung diseases (see *AngloGold Ashanti is subject to the risk of litigation, the causes and costs* of which are not always known). AngloGold Ashant is working with the industry to engage with government (and other stakeholders) to seek an appropriate industry-wide solution. An industry-wide solution may not be reached or the terms thereof may have a material adverse effect on AngloGold Ashanti s financial condition. See Item 8A: Legal Proceedings and Item 18: Note 36 Contractual Commitments and Contingencies .

In response to the effects of silicosis in labour-sending communities, a number of mining companies (under the auspices of the Chamber of Mines of South Africa) together with the NUM, which is the largest union in the mining sector in South Africa, and the national and regional departments of health, have embarked on a project to assist in delivering compensation and relief by mining companies under the Occupational Diseases in Mines and Works Act (ODMWA) to affected communities.

AngloGold Ashanti also faces certain risks in dealing with HIV/AIDS, particularly at its South African operations and with tropical disease outbreaks such as malaria, and other diseases which may have an adverse effect on the company s results of operations and financial condition. AIDS and associated diseases remain one of the major health care challenges faced by AngloGold Ashanti s South African operations. Workforce prevalence studies indicate that HIV prevalence rates amongst AngloGold Ashanti s South African workforce may be as high as 30%.

Malaria and other tropical diseases pose significant health risks at all of the company s operations in central, west and east Africa where such diseases may assume epidemic proportions because of ineffective national control programmes. Malaria is a major cause of death in young children and pregnant women but also gives rise to fatalities and absenteeism in adult men. Other conditions such as heart disease, chronic diseases and obesity are of increasing incidence and concern.

Such diseases impair the health of workers and negatively affect productivity and profitability as a result of workers diminished focus or skill, absenteeism, treatment costs and allocated resources. Any current or future medical programme may not be successful in preventing or reducing the infection rate amongst AngloGold Ashanti s employees or in affecting consequent illness or mortality rates. AngloGold Ashanti may incur significant costs in addressing this issue in the future, which could also adversely impact the company s results of operations and financial condition.

The costs and impacts associated with the pumping of water inflows from closed mines adjacent to the company s operations could have an adverse effect on its results of operations.

Certain of AngloGold Ashanti s mining operations are located adjacent to the mining operations of other mining companies. The closure of a mining operation may have an impact upon continued operations at the adjacent mine if appropriate preventative steps are not taken. In particular, this can include the ingress of underground water when pumping operations at the adjacent closed mine are suspended. Such ingress could have an adverse effect on any one of the company s mining operations as a result of property damage, disruption to operations, additional pollution liabilities and pumping costs and, consequently, could have an adverse impact on its results of operations and financial condition.

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Some of the mining operations adjacent to AngloGold Ashanti s operations in South Africa have been closed. For example, in May 2013, Village Main Reef (VMR) announced its intention to wind down its Buffels (Hartebeesfontein and Buffelsfontein) operations adjacent to AngloGold Ashanti s Vaal River operations, effectively transitioning their operations to closure. VMR has ceased pumping of underground water at its Buffelsfontein and Hartebeesfontein operations but AngloGold Ashanti is preparing and implementing plans to manage the underground water when it reaches the company s operations in several months time. The company has not released VMR from any environmental obligations as relates to such water infiltration, however, and it intends to enforce any rights that it has against VMR and Buffelsfontein, including under the directive issued by the Department of Water Affairs in 2005. In the West Wits district, Blyvooruitzicht Gold Mining Company was placed in provisional liquidation in August 2013. AngloGold Ashanti has secured a court order for access rights to Blyvoor 4 and 6 shafts to keep pumping going. AngloGold Ashanti has also incorporated Covalent Water Company, which has purchased rights of access, electricity etc. to the 4 and 6 shafts as well as the relevant infrastructure to continue pumping underground water. This has reduced the risk of flooding at the company s West Wits Operations, but the company can provide no assurance that the risk of flooding will not materialise, which could have an adverse impact on its results of operations and financial condition.

The potential costs associated with the remediation and prevention of groundwater contamination from the company s operations or due to flooding from closed mines adjacent to the company s operations could have a material adverse effect on AngloGold Ashanti s results of operations and financial condition.

AngloGold Ashanti has identified groundwater contamination plumes at certain of its operations that have occurred primarily as a result of seepage from surface operations and facilities, including tailings storage facilities and waste rock piles.

Deep groundwater contamination is a significant issue in South Africa, where groundwater in some older mining regions has infiltrated mined-out workings. Potential contamination risk to shallow ground and surface water resources can occur when water is exposed to sulphide-bearing rock in such situations. AngloGold Ashanti has identified a flooding and future pollution risk posed by deep groundwater in the Klerksdorp and Far West Rand goldfields. AngloGold Ashanti s Vaal River operations are part of the Klerksdorp goldfields and its West Wits operations are part of the Far West Rand goldfields. As a result of the interconnected nature of underground mining operations in South Africa, any proposed solution needs to be a combined one supported by all the companies owning mines located in these goldfields.

In view of the limitation of current information for the accurate estimation of liabilities, no reliable estimate can be made for these obligations. The potential costs of remediation and prevention of groundwater contamination at AngloGold Ashanti s operations could be significant and may have a material adverse impact on AngloGold Ashanti s results of operations and financial condition.

The occurrence of events for which AngloGold Ashanti is not insured or for which its insurance is inadequate may adversely affect cash flows and overall profitability.

AngloGold Ashanti maintains insurance to protect only against catastrophic events which could have a significant adverse effect on its operations and profitability. This insurance is maintained in amounts that the company believes to be reasonable depending upon the circumstances surrounding each identified risk. However, damage and third-party claims arising from catastrophic events may exceed the limit of liability on insurance policies the company has in place. Furthermore, AngloGold Ashanti s insurance does not cover all potential risks associated with its business and may exclude certain parts of its business. AngloGold Ashanti may elect not to insure certain risks due to the high premiums or for various other reasons, including an assessment that the risks are remote.

The company may not be able to obtain insurance coverage at acceptable premiums. The company believes negotiations with insurance providers have become more difficult for a number of reasons, including prevailing macroeconomic conditions and the risk profile of the mining industry. Insurance for certain risks in particular, such as loss of title to mineral property, political risks in certain jurisdictions, environmental pollution, or other hazards resulting from exploration and production, is not generally available to mining companies on acceptable terms. The availability and cost of insurance coverage can vary considerably from year to year as a result of events beyond the company s control or from claims, and this can result in higher premiums and periodically being unable to maintain the levels or types of insurance the company typically carries.

The failure to obtain adequate insurance could impair the company s ability to continue to operate in the normal course or could result in the occurrence of events for which AngloGold Ashanti is not insured, either of which could adversely impact its cash flows, results of operations and financial condition.

AngloGold Ashanti is subject to the risk of litigation, the causes and costs of which are not always known.

AngloGold Ashanti is subject to litigation, arbitration and other legal proceedings arising in the normal course of business and may be involved in disputes that may result in litigation. The causes of potential future litigation cannot be known and may arise from, amongst other things, business activities, environmental and health and safety concerns, share price volatility or failure to comply with disclosure obligations. The results of litigation cannot be predicted with certainty but could include costly damage awards or settlements, fines, and the loss of licenses, concessions, or rights, amongst other things.

In the event of a dispute, AngloGold Ashanti may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in South Africa or the United States.

AngloGold Ashanti is subject to numerous claims, including class actions or similar group claims relating to silicosis and other OLD, and could be subject to similar claims in the future.

AngloGold Ashanti has received notice of two applications for class certification relating to silicosis in which the company is a respondent. It has also received a significant number of notices of individual claims. For further information, please refer to Item 8A: Legal Proceedings South Africa Silicosis litigation . It is possible that additional class actions and/or individual claims relating to silicosis and/or other OLD will be filed against AngloGold Ashanti in the future. AngloGold Ashanti will defend all and any subsequent claims as filed on their merits. AngloGold Ashanti cannot predict whether or when more individual claims will be filed in the future or whether the classes described above or other classes will be certified. Should any such claims result in an adverse outcome for AngloGold Ashanti, or if AngloGold Ashanti is unsuccessful in otherwise favourably resolving perceived deficiencies in the national occupational disease compensation framework that were identified in an earlier decision by the Constitutional Court of South Africa, such matters would have an adverse effect on its financial position, which could be material.

In Colombia, the company is also involved in class action lawsuits in relation to AGAC Santa Maria-Montecristo and La Colosa projects. One of these class action lawsuits led to a preliminary injunction suspending the mining concession contracts of the Santa Maria-Montecristo project in September 2011. Additionally, in Colombia, AGAC is involved in an action in the Administrative Superior Court of the Cundinamarca District against the Department of the Environment, Housing and Territorial Development (DoE) following its issuance of a fine against AGAC on the basis that AGAC was in breach of its mining terms of reference. Please see Item 8A: Legal Proceedings Colombia .

Should the company be unable to resolve disputes favourably or to enforce its rights, this may have a material adverse impact on the company s financial performance, cash flow and results of operations.

The implementation of an integrated Enterprise Resource Planning (ERP) system could have an adverse effect on AngloGold Ashanti s results of operations and financial condition.

AngloGold Ashanti continues to implement a single, global ERP system to support all the operations that it manages. The implementation and operationalisation of an ERP system on a global basis is inherently a high risk initiative due to the potential for implementation cost and time overruns. In addition, such implementation could affect AngloGold Ashanti s ability to report and manage technical and financial information if difficulties in the implementation and operation of the system are experienced, which could have an adverse effect on the company s results of operations and financial condition.

Any similar future problems with the implementation or maintenance of the ERP system could have an adverse effect on the company s financial condition.

Sales of large quantities of AngloGold Ashanti s ordinary shares and American Depository Shares (ADSs), and the perception that these sales may occur or other dilution of the company s equity, could adversely affect the prevailing market price of the company s securities.

The bulk of AngloGold Ashanti s shares are held by a relatively small number of investors. According to information available to the company, AngloGold Ashanti s four largest shareholders beneficially owned 29.30% and the top 10 largest beneficially owned 48.35% of AngloGold Ashanti s ordinary shares as at 31 December 2014.

Poor returns, soaring costs, higher capital expenditure, ill-conceived corporate activity, rising geopolitical and labour risk and low dividend yields over the past few years have resulted in a change in market sentiment towards gold equities. The market price of the company s securities could fall if large quantities of ordinary shares or ADSs are sold in the public market, if there is divestment by certain types or groupings of investors, or if there is the perception in the marketplace that such sales could occur. Subject to applicable securities laws, holders of the company s ordinary shares or ADSs may decide to sell them at any time. The market price of the company s ordinary shares or ADSs could also fall as a result of any future offerings AngloGold

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Ashanti makes of its ordinary shares, ADSs, or securities exchangeable or exercisable for the company s ordinary shares or ADSs, or the perception in the marketplace that these offerings might occur. AngloGold Ashanti may make such offerings, including offerings of additional ADS rights, share rights or similar securities, at any time or from time to time in the future.

Fluctuations in the exchange rate of currencies may reduce the market value of AngloGold Ashanti s securities, as well as the market value of any dividends or distributions paid by the company.

AngloGold Ashanti has historically declared all dividends in South African rands. As a result, exchange rate movements may have affected and may continue to affect the Australian dollar, the British pound, the Ghanaian cedi and the U.S. dollar value of these dividends, as well as of any other distributions paid by the relevant depositary to investors that hold the company s securities. This may reduce the value of these securities to investors.

AngloGold Ashanti s Memorandum of Incorporation allows for dividends and distributions to be declared in any currency at the discretion of the board of directors, or the company s shareholders at a general meeting. If, and to the extent that, AngloGold Ashanti opts to declare dividends and distributions in U.S. dollars, exchange rate movements will not affect the U.S. dollar value of any dividends or distributions. Nevertheless, the value of any dividend or distribution in Australian dollars, Ghanaian cedis or South African rands will continue to be affected. If and to the extent that dividends and distributions are declared in South African rands, exchange rate movements will continue to affect the Australian dollar, Ghanaian cedi and U.S. dollar value of these dividends and distributions. Furthermore, the market value of AngloGold Ashanti s securities as expressed in Australian dollars, Ghanaian cedis, U.S. dollars and South African rands will continue to fluctuate in part as a result of foreign exchange fluctuations.

AngloGold Ashanti may not pay dividends or make similar payments to shareholders in the future.

AngloGold Ashanti pays cash dividends only if there are sufficient funds available for that purpose. Fund availability depends upon many factors that include the amount of cash available in relation to AngloGold Ashanti s capital expenditure on existing infrastructure and exploration and other projects.

Under South African law, a company is entitled to pay a dividend or similar payment to its shareholders only if the company meets the solvency and liquidity tests set out in legislation, and the company s founding documents.

Given these factors, including the capital and investment needs of AngloGold Ashanti, and the board of directors discretion to declare a dividend that includes the amount and timing thereof, cash dividends may not be paid in the future.

ITEM 4: INFORMATION ON THE COMPANY

4A. HISTORY AND DEVELOPMENT OF THE COMPANY

GROUP INFORMATION

AngloGold Limited was formed in June 1998 with the consolidation of the gold mining interests of Anglo American plc. AngloGold Ashanti Limited, as the company exists today, was formed on 26 April 2004 following the business combination between AngloGold and Ashanti Goldfields Company Limited.

CURRENT PROFILE

AngloGold Ashanti Limited is headquartered in Johannesburg, South Africa. The company (Registration number 1944/017354/06) was incorporated in the Republic of South Africa in 1944 under the name of Vaal Reefs Exploration and Mining Company Limited and operates under the South African Companies Act.

Its registered office is at 76 Jeppe Street, Newtown, Johannesburg, South Africa, 2001. Telephone: +27 11 6376000.

While AngloGold Ashanti s primary listing is on the Johannesburg Stock Exchange (JSE), the company is also listed on the New York Stock Exchange (NYSE), the Ghana Stock Exchange (GhSE) and the Australian Securities Exchange (ASX).

HISTORY AND SIGNIFICANT DEVELOPMENTS

Below are highlights of key corporate activities from 1998:

1998

Formation of AngloGold Limited through the consolidation of East Rand Gold and Uranium Company Limited; Eastvaal Gold Holdings Limited; Southvaal Holdings Limited; Free State Consolidated Gold Mines Limited; Elandsrand Gold Mining Company Limited; H.J. Joel Gold Mining Company Limited and Western Deep Levels Limited into a single, focused, independent, gold mining company. Vaal Reefs Exploration and Mining Company Limited (Vaal Reefs), the vehicle for the consolidation, changed its name to AngloGold Limited and increased its authorised share capital, effective 30 March 1998.

1998-2004

Expansion of AngloGold Limited s operations outside of South Africa.

2004

Concluded the business combination with Ashanti Goldfields Company Limited, at which time the company changed its name to AngloGold Ashanti Limited.

2007

Anglo American plc sold 69,100,000 ordinary shares of AngloGold Ashanti, thereby reducing Anglo American s shareholding in AngloGold Ashanti from 41.7 percent to 16.6 percent.

2009

Anglo American plc sold its remaining shareholding to Paulson & Co. Inc.

2010

AngloGold Ashanti eliminated its hedge book, thereby gaining full exposure to spot gold prices.

2012

AngloGold Ashanti acquired the remaining 50 percent interest in Serra Grande in Brazil for $215 million.
The company acquired 100 percent of First Uranium (Proprietary) Limited for $335 million.

2013

Commissioning of two new gold projects Tropicana and Kibali in the second half of 2013.

CAPITAL EXPENDITURE

For information concerning the company s principal capital expenditures and divestitures currently in progress, including the distribution of these investments geographically and the method of financing, refer Item 4B: Business Overview AngloGold Ashanti Global Operations: 2014 , Item 5A: Operating Results Capital expenditure and Item 5B: Liquidity and Capital Resources .

4B. BUSINESS OVERVIEW

AngloGold Ashanti is a global gold mining company with a geographically diverse portfolio of mining operations and projects with more than 97% of the company s revenue derived from the sale of gold produced at its operations located around the world. The company works across the full spectrum of the mining value chain.

PRODUCTS

AngloGold Ashanti s main product is gold. Once mined, the gold ore is processed into doré (unrefined gold bars) on site and then dispatched to precious metals refineries for refining to a purity of at least 99.5%, in accordance with the standards of good delivery as determined by the London Bullion Market Association (LBMA). This refined gold is then sold directly to bullion banks.

By-products of our gold mining operations, often a function of local geological characteristics, include silver (Argentina), sulphuric acid (Brazil) and uranium (South Africa).

OPERATIONS

AngloGold Ashanti s 20 operations are located in 10 countries.

Following a strategic review of AngloGold Ashanti s asset portfolio at the start of 2013, particularly as it pertains to development and exploration projects, the company embarked on significant restructuring in response to current challenges in the gold sector, including increasing costs of production and fall in gold prices. The gold price continued to decline in 2014. The focus on the quality of the portfolio and conservative planning was sustained.

The business segments comprise South Africa, Continental Africa, Americas and Australasia. South Africa comprises operations and assets in South Africa namely West Wits, Vaal River and surface operations, which includes First Uranium SA which owns Mine Waste Solutions (MWS). The company s operating assets outside of South Africa are Continental Africa with operations in the DRC, Ghana, Guinea, Mali and Tanzania. Australasia which comprises two operations in Australia. Americas with operations in Argentina, Brazil and the United States. The support functions from corporate consist of strategy, finance, human resources, legal, sustainability, stakeholder relations and planning and technical. Planning and Technical focuses on the management of opportunities and the maintenance of long-term optionality in the business through a range of activities which includes brownfields and greenfields exploration, innovative research, the development and technical assurance of technology and a continuing focus on mining excellence.

On 30 June 2014 the sale of Navachab gold mine in Namibia was completed.

EXPLORATION

Exploration is aimed at protecting future sustainability and creating value for the company.

Greenfields and brownfields exploration takes place in both established and new gold-producing regions through managed and non-managed joint ventures, strategic alliances and wholly-owned ground holdings. AngloGold Ashanti s discoveries include La Colosa and Gramalote in Colombia and Tropicana in Australia.

GOLD MARKET

AngloGold Ashanti s gold is refined at various precious metal refineries. In refined and marketable form, gold normally takes the shape of bars, varying in size from 12.5 kilogram to smaller bars weighing 1 kilogram or less, all of which contain 99.5 percent gold. Through the refineries the gold is sold directly to bullion banks. Bullion banks are registered commercial banks which deal in gold, distributing bullion bought from mining companies and refineries to markets worldwide. These banks hold consignment stocks in all major physical markets and finance these inventories from the margins they charge physical buyers.

The Federal Reserve s monetary policy and the end of quantitative easing continued to depress the gold price in 2014. The prospect of higher interest rates reduced the need for safe-haven investments. Demand for physical bars and coins had declined in 2013, in part as investors digested their heavy buying in 2012 and early 2013. Investors began a sell off of their gold holdings in the second half of 2013 and this continued into 2014. In particular, liquidations from exchange traded funds (ETFs) resulted in ETF gold holdings declining by almost 160t, significantly less than the 903t of liquidation in 2013. ETFs have now lost a third of their holdings since their peak at the end of 2012, when they held 89Moz (2,778t). Slowing growth in China, prospects for monetary stimulus in Europe and seemingly no end to Japanese deflation helped to boost the attractiveness of the US dollar which in turn weighed on gold.

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In contrast, central banks remained steady net buyers of gold, a trend that has lasted several years, with net purchases of 14Moz in 2014 (2013: 13Moz). Russia s central bank started to accumulate domestically produced metal as Ukraine-related sanctions hindered normal gold exports.

Jewellery demand was largely sustained during 2014 at the 7Moz level. Indian demand in the latter half of the year took up most of the slack occasioned by slower Chinese demand. This followed the lifting of import restrictions by the Indian government. The Chinese jewellery market has been consolidating after the exceptional growth of 2013 and as warehouse stocks of bullion continued to be drawn down. Apart from in the United States and UK, where economies have been recovering and lifting jewellery demand, demand in much of the rest of the world has tended to be weaker.

RAW MATERIALS

AngloGold Ashanti uses chemicals including cyanide and lime in the production of gold. These chemicals are available from a large number of suppliers.

COMPETITION

As gold mining is a mature and regulated industry, and very significant volumes of gold and gold derivatives trade in the world markets independent of gold mine supply, AngloGold Ashanti does not consider that competition for sales plays any role in its operations as a gold producer. However, gold producers do compete against each other for acquisition of mining assets, exploration opportunities and human resources. For more information on a geographical analysis of gold income by destination, refer Item 18: Note 2 Segmental Information .

INTELLECTUAL PROPERTY

AngloGold Ashanti, as a group, is not dependent on intellectual property for the conduct of its business as a whole.

SEASONALITY

Subject to other factors and unforeseen circumstances, quarter one production is generally lower than production during the rest of the year as a result of the ramp-up of operations after annual holiday production declines.

STRATEGY

AngloGold Ashanti s core strategic focus is to generate sustainable free cash flow by focusing on five key business objectives, namely: people, safety and sustainability; ensuring financial flexibility; actively managing all expenditures; improving the quality of our portfolio; and maintaining long-term optionality.

Strategic focus areas

AngloGold Ashanti s five strategic focus areas are set out below:

- **Focus on people, safety and sustainability**. People are the foundation of our business. Our business must operate according to our values if it is to remain sustainable in the long term.
- **Promote financial flexibility**. We must protect our balance sheet s ability to meet our core funding needs.
- **Optimise overhead costs and capital expenditure**. All spending decisions must be checked and double checked to ensure they are necessary to fulfil our core business objective.
- **Improve portfolio quality**. We have a portfolio of assets that must be actively managed as we strive for a competitive valuation as a business.
- **Maintain long-term optionality**. While we are focused on promoting the most efficient day-to-day operation of our business we must keep an eye on creating a competitive pipeline of long-term opportunities.

Managing performance

The five strategic focus areas are reflected in the role descriptions of each executive and senior manager in the group.

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THE REGULATORY ENVIRONMENT ENABLING ANGLOGOLD ASHANTI TO MINE

AngloGold Ashanti s rights to own and exploit mineral reserves and deposits are governed by the laws and regulations of the jurisdictions in which these mineral properties lie.

AngloGold Ashanti is subject to a wide range of laws and regulations governing all aspects of its operations, including such areas as environmental protection, reclamation, exploration, development, production, taxes, immigration, labour standards and employment issues, occupational health, mine safety, toxic substances and wastes, securities and foreign corrupt practices. AngloGold Ashanti has made, and expects to, amongst other things, make in the future, significant expenditures to comply with these laws and regulations. Non-compliance can result in violations and legal claims, as well as substantial fines, penalties and delays in day-to-day operations. Pending or proposed changes to existing laws and regulations, as well as any proposed or contemplated new laws or regulations could also have significant impacts on AngloGold Ashanti s business and results of operations, the extent of which cannot be predicted.

There are in some cases certain restrictions on AngloGold Ashanti s ability to independently move assets out of certain countries in which it has operations, or transfer assets within the group, without the prior consent of the local government or minority shareholders involved. See Item 10D.: Exchange controls for details.

For more information on the risks and uncertainties associated with AngloGold Ashanti s mining rights, see Item 3D.: Risk factors , in particular the risk factors entitled AngloGold Ashanti s mining rights in the countries in which it operates could be altered, suspended or cancelled for a variety of reasons, including breaches in its obligations in respect of its mining rights , Failure to comply with laws, regulations, standards, contractual obligations whether following a breach or breaches in governance processes or fraud, bribery and corruption may lead to regulatory penalties, loss of licences or permits, and loss of reputation , Title to AngloGold Ashanti s properties may be uncertain and subject to challenge , AngloGold Ashanti s Mineral Reserve, deposits and mining operations are located in countries where political, tax and economic laws and policies may change rapidly and unpredictably and such changes and policies may adversely affect both the terms of its mining concessions, as well as its ability to conduct operations in certain countries and AngloGold Ashanti s Mineral Reserve, deposits and mining operations are located in countries that face instability and security risks that may adversely affect both the terms of its mining concessions, as well as its ability to conduct operations in certain countries .

South Africa

The MPRDA and the Revised Mining Charter

The Mineral and Petroleum Resources Development Act (MPRDA) came into effect on 1 May 2004. The objectives of the MPRDA are, amongst other things, to allow for state sovereignty over all mineral and petroleum resources in the country, to promote economic growth and the development of these resources and to expand opportunities for the historically disadvantaged. Another objective of the MPRDA is to ensure security of tenure for the respective operations concerning prospecting, exploration, mining and production. By virtue of the provisions of the MPRDA, the state ensures that holders of mining and prospecting rights contribute to the socioeconomic development of the areas in which they operate.

The Mineral and Petroleum Resources Development Amendment Act (MPRDAA) was passed by Parliament in 2008 and became effective on 7 June 2013. Its purpose is to amend the MPRDA in order to, amongst other things:

- make the Minister of Mineral Resources (Minister) the responsible authority for implementing the requirements of the National Environmental Management Act, 1998 (NEMA) and specific environmental legislation as they relate to prospecting, mining, exploration, production and related activities incidental thereto on the prospecting, mining, exploration or production area;
- align the MPRDA with the NEMA in order to provide for one environmental management system;
- remove ambiguities in certain definitions;
- add functions to the Regional Mining Development and Environmental Committee;
- amend transitional arrangements so as to further afford statutory protection to certain existing old order rights; and
- provide for matters connected therewith.

When the MPRDAA came into effect on 7 June 2013, only selected provisions became effective immediately. The MPRDAA contains the following provisions, amongst others:

- Prohibition on any prospecting and mining, or conducting technical co-operation operations, reconnaissance operations or any incidental work without an environmental authorisation (since 7 December 2014), permit and at least 21 days written notice to the landowner or lawful occupier.
- Historic residues: Provides that the definitions of residue stockpile and residue deposit now include an old order right. This provision is intended to make old order dumps subject to the MPRDA so that old order dumps which are part of a mining area covered by a new order mining right could only be treated by the holder of the new order rights. Old order dumps not covered by a new order mining right would be considered a residue deposit to which the Minister would have discretion to grant rights.
- Applications: Provides that applicants for prospecting and mining rights must (since 7 December 2014) lodge an application for an environmental authorisation simultaneously with the application for rights. The Department of Mineral Resources should no longer accept more than one application in respect of the same area and mineral.
- Environmental Regulation: Provides that the Minister is the responsible authority for implementing environmental provisions in terms of the National Environmental Management Act (NEMA) as it relates to prospecting, mining, exploration, production or activities incidental thereto on a prospecting, mining, exploration or production area. An environmental authorisation issued by the Minister shall be a condition prior to the issuing of a permit or the granting of a right in terms of the MPRDA.
- Closure Certificates: Provides that previous holders of old order rights or previous owners of works that have ceased to exist remain responsible for any environmental liability until the Minister issues a closure certificate.

On 27 December 2012, the Minister published the Draft Mineral and Petroleum Resources Development Bill, 2012 (2012 Bill) which sought to amend the MPRDA and invited the mining industry and interested and affected parties to comment on it by 8 February 2013. On 21 June 2013, a revised version of the Bill (2013 Bill) was introduced to the National Assembly. The 2013 Bill underwent an extensive public participation process and extensive comments were received from the general public. Following a consultative process the DMR, the State Law Advisors and the general public, the Portfolio Committee on Mineral Resources (Portfolio Committee) introduced an amended version of the 2013 Bill to the South African Parliament.

The 2013 Bill seeks to amend the MPRDA, to, amongst other things:

- remove ambiguities;
- provide for regulation of associated minerals; partitioning of rights, and enhanced provisions on mineral beneficiation;
- promote national energy security;
- streamline administrative processes; and
- enhance sanctions.

The 2013 Bill, as currently drafted, contains, amongst others, the following provisions:

- Applications: The 2013 Bill proposes revising the application system by replacing the first come, first served system with a tender and allocation system. This would dramatically affect the way applications are made.
- Beneficiation: The 2013 Bill extends the concept of beneficiation (which has been defined in the 2013 Bill as transformation, value addition or downstream beneficiation of a mineral or mineral product (or a combination of minerals) to a higher value product, over baselines to be determined by the Minister, which can either be consumed locally or exported) and would allow the Minister to prescribe the quantities, qualities and timelines at which certain designated commodities must be supplied to local beneficiators at a mine gate price or an agreed price. The reference to the mine gate price appears to suggest companies can recover costs, capital expenditure and make a profit. It is not clear whether the agreed price will have general application or whether it will be determined on a case-by-case basis. Another proposed amendment provides that written consent would have to be obtained before exporting of designated minerals if the producer or associated company has not offered minerals to local beneficiators. The Minister would have discretion to decide which minerals are to be designated.
- Residue stockpiles: The MPRDAA s inclusion of residue deposits and residue stockpiles in the definition of land, creating a statutory accession of movable dumps back to the land, is discussed above. The Bill would extend this definition to include historic mines and dumps created before the implementation of the MPRDA. The Bill also seeks to make these historic dumps subject to the MPRDA. This is to be achieved by making the working of these dumps subject to a mining right issued under the MPRDA. There is a transition period of two years to enable owners of these dumps to either apply for mining rights or incorporate them in existing mining rights.
- Partitioning of rights and transfers of interests in companies: Section 11 of the MPRDA currently requires that transfer of a controlling interest in an unlisted company be consented to by the Minister. The 2013 Bill proposes amending the MPRDA so that transfer of a controlling interest in listed companies and transfer of any interest in unlisted companies must be consented to by the Minister. The 2013 Bill further proposes amending the MPRDA to allow for an application for ministerial consent to be made to transfer a part of a right.

Mine closure: The 2013 Bill makes provision for two major changes to mine closure under the MPRDA. Firstly, the MPRDA would be amended so that a mining company could still incur environmental liability even after a closure certificate relative to a mine is obtained. Secondly, any portion of the financial provision paid to the Minister in terms of section 41 of the MPRDA may be retained by the Minister for latent and residual environmental impact which may become known in the future for such period as the Minister may determine having regard to the circumstances relating to the relevant operation, which portion and period must be determined in the prescribed manner.

Penalties: The 2013 Bill would also provide for revised penalties for violations of the MPRDA by making provision for both an administrative fine not exceeding 10 per cent of the person or holder s annual turnover and exports during the preceding year, and imprisonment not exceeding four years.

Legislative force of the Charter and Codes: The 2013 Bill proposes amending the definition of this Act in the MPRDA so that the MPRDA will include the Revised Mining Charter the Code of Good Practice for the South African Mineral Industry (Code) and the Housing and Living Conditions Standard. This would give these documents the force of law.

The 2013 Bill was passed by the National Assembly on 12 March 2014 and passed by the National Council of Provinces (NCOP) on 27 March 2014. The 2013 Bill was sent to the President of the Republic of South Africa (President) for assent. On 16 January 2015, the President referred the 2013 Bill back to the National Assembly to accommodate his reservations around the constitutionality of the 2013 Bill. The National Assembly must now reconsider the 2013 Bill in light of the President s reservations around its constitutionality. Once the National Assembly considers the 2013 Bill and sends it back to the President for assent, the President will then either assent to the 2013 Bill or, if he thinks that his reservations around the constitutionality of the 2013 Bill have still not been addressed he can either assent to the 2013 Bill anyway (i.e. accept that the 2013 Bill should become law despite his reservations) or he can refer the 2013 Bill to the Constitutional Court of South Africa for a decision on its constitutionality.

The Mining Charter sprang from the MPRDA and also took effect on 1 May 2004. The Mining Charter committed all stakeholders in the mining industry to transfer ownership of 26 percent of their assets to black or historically disadvantaged South Africans (HDSAs) within 10 years. The Charter also sets targets for, amongst other things, the advancement of HDSAs into management positions, the employment of women, procurement of goods and services from HDSA-owned companies, training, community development and the upgrading of mine housing. Mining companies are required to devise plans to achieve these targets, must identify current levels of beneficiation and must indicate opportunities for growth.

The objectives of the Mining Charter are to:

promote equitable access to the nation s Mineral Resources by all the people of South Africa;

substantially and meaningfully expand opportunities for HDSAs, including women, to enter the mining and minerals industry and to benefit from the exploitation of the nation s Mineral Resources;

use the industry s existing skills base for the empowerment of HDSAs;

expand the skills base of HDSAs in order to serve the community;

promote employment and advance the social and economic welfare of mining communities and the major labour-sending areas; and

promote beneficiation of South Africa s mineral commodities.

The Mining Charter envisages measuring progress on transformation of ownership by:

taking into account, amongst other things, attributable units of production controlled by HDSAs;

allowing flexibility by credits or offsets, so that, for example, where HDSA participation exceeds any set target in a particular operation, the excess may be offset against shortfalls in another operation;

taking into account previous empowerment deals in determining credits and offsets; and

considering special incentives to encourage the retention by HDSAs of newly acquired equity for a reasonable period.

Under the Charter, the mining industry as a whole agreed to assist HDSA companies in securing finance to fund participation in an amount of Rand 100 billion ($10.9 billion) over the first five years. Beyond the Rand 100 billion commitment, HDSA participation will be increased on a willing seller, willing buyer basis, at fair market value, where the mining companies are not at risk.

Following a review, the Department of Mineral Resources (DMR) amended the Mining Charter and the Revised Mining Charter was released on 13 September 2010. The requirement under the Mining Charter for mining entities to achieve a 26 percent HDSA ownership of mining assets by the year 2014 was retained. Amendments to the Mining Charter in the Revised Mining Charter require mining companies to:

- facilitate local beneficiation of mineral commodities;
- procure a minimum of 40 percent of capital goods, 70 percent of services and 50 percent of consumer goods from HDSA suppliers (i.e., suppliers in which a minimum of 25 percent + 1 vote of share capital is owned by HDSAs) by 2014, these targets being, however, exclusive of non-discretionary procurement expenditure;
- ensure that multinational suppliers of capital goods put a minimum of 0.5 percent of their annual income generated from South African mining companies into a social development fund beginning in 2010, to contribute to the socioeconomic development of South African communities;
- achieve a minimum of 40 percent HDSA demographic representation by 2014 at executive management (board) level, senior management (EXCO) as well as in those positions requiring core and critical skills, middle management level and junior management level;
- invest up to 5 percent of annual payroll in essential skills development activities; and
- implement measures to improve the standards of housing and living conditions for mineworkers by converting or upgrading mineworkers hostels into family units, attaining an occupancy rate of one person per room and facilitating home ownership options for all mineworkers in consultation with organised labour, all of which must be achieved by 30 April 2014.

In addition, mining companies are required to monitor and evaluate their compliance with the Revised Mining Charter, and must submit annual compliance reports to the DMR.

The government takes a Scorecard approach to the different facets of promoting the objectives of the Charter. It uses the Scorecard when considering applications for the conversion of existing old order rights into new order rights. The Scorecard sets out the requirements of the Charter in tabular form which allows the DMR to tick off areas where a mining company is in compliance. It covers the following areas:

- human resource development;
- employment equity;
- migrant labour;
- mine community and rural development;
- housing and living conditions;
- ownership and joint ventures;
- beneficiation; and
- reporting.

The new Scorecard attached to the Revised Mining Charter makes provision for a phased-in approach for compliance with the above targets over the 5-year period ending on 30 April 2014. For measurement purposes, the Scorecard allocates various weightings to the different elements of the Revised Mining Charter. Failure to comply with the provisions of the Revised Mining Charter will amount to a breach of the MPRDA, may result in the cancellation or suspension of a mining company s existing mining rights and may prevent AngloGold Ashanti s South African operations from obtaining any new mining rights. AngloGold Ashanti has not yet received its Scorecard from the government assessing its compliance with the requirements of the Charter. Further, in March 2015, the Minister of Mineral Resources announced that the Department of Mineral Resources and the Chamber of Mines of South Africa had jointly agreed to submit certain matters relating to the interpretation of the Revised Charter, including the qualification of certain historical BEE transactions for meeting the HDSA ownership thresholds, to the courts in South Africa for determination and clarification.

On 29 April 2009, as required by section 100(1)(b) of the MPRDA, the Minister published the Code. The purpose of the Code was to set out administrative principles to enhance implementation of the Mining Charter and the MPRDA. The Code is to be read in combination with the Mining Charter and other legislation relating to measurement of socio-economic transformation in the South African mining industry.

A mining right will be granted to a successful applicant for a period not exceeding 30 years. Mining rights may be renewed for additional periods not exceeding 30 years at a time. A mining right can be cancelled if the mineral to which such mining right relates is not mined at an optimal rate.

AngloGold Ashanti holds seven mining rights in South Africa which have been successfully converted, executed and registered as new order mining rights at the Mineral and Petroleum Resources Titles Office (MPRTO).

A prospecting right will be granted to a successful applicant for a period not exceeding five years, and may only be renewed once for three years. The MPRDA also provides for a retention period of up to three years after prospecting, with one renewal up to two years, subject to certain conditions.

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AngloGold Ashanti holds two prospecting rights. In addition, a third prospecting right has been granted but has not been executed.

AngloGold Ashanti also holds a mining permit for the recovery of sand and clay. A renewal application has been timely submitted and AngloGold Ashanti awaits renewal.

AngloGold Ashanti holds a refining licence and an import and export permit from the South African Diamond and Precious Metals Regulator. The import and export permit is currently in the process of being renewed.

The BBBEE Amendment Act

The President of South Africa assented to the BBBEE Amendment Act on 27 January 2014. The BBBEE Amendment Act came into effect on 24 October 2014 with the object of amending the Broad-based Black Economic Empowerment Act 53 of 2003 (BBBEE Act) to provide a framework of principles, strategies and guidelines aimed at promoting the broad-based socio-economic empowerment of HDSAs across the South African economy and society in the form of ownership, management, employment equity, skills development, preferential procurement, enterprise development and socio-economic development. The BBBEE Amendment Act includes a number of changes to the current framework under the BBBEE Act, including:

- amending and clarifying the definition of the intended beneficiaries of such framework;
- amending the definition of Broad-Based Black Economic Empowerment , or BBBEE, to introduce the concept of viable BBBEE and providing standards for that preferential procurement;
- expanding the scope of the Codes of Good Practice, and the related transformation charters, on BBBEE matters that the Minister of Trade and Industry can issue under the BBBEE Act for specific sectors of the South African economy and making it compulsory for public authorities, governmental agencies and other public entities to apply such codes;
- introducing into the BBBEE Act itself the definition of fronting BBBEE practices, which to date has been developed outside of the BBBEE Act and has now been expanded to capture the more sophisticated and unsuspecting fronting transactions, making fronting a criminal offense that is punishable with imprisonment and fines under certain circumstances, reasserting in the BBBEE Act the common law remedies for misrepresentation and more generally enhancing the enforcement mechanism against fronting;
- establishing a BBBEE Commission responsible for overseeing, supervising and promoting compliance with the BBBEE Act, as well as receiving and investigating BBBEE-related complaints; and
- providing that DTI may impose special requirements for specific industries.

Before the BBBEE Amendment Act came into effect, the BBBEE Act provided that in the event of a conflict between the BBBEE Act and any other law in force immediately prior to the commencement of the BBBEE Act, the BBBEE Act would prevail if the conflict specifically relates to a matter addressed in the BBBEE Act. As enacted, the BBBEE Amendment Act inserted a new provision in the BBBEE Act, whereby the BBBEE Act trumps the provisions of any other law in South Africa with which it conflicts, provided such conflicting law was in force immediately prior to the effective date of the BBBEE Amendment Act. The BBBEE Amendment Act also stipulates that this provision would only be effective one year after the BBBEE Amendment Act is brought into effect, i.e. 24 October 2015. It is unclear whether, on that basis, the BBBEE Act and the BEE Codes may overrule the Mining Charter in the future.

Additionally, the revised Broad-Based Black Economic Empowerment Codes of Good Practice, or the Revised BEE Codes became available for voluntary use on 11 October, 2013 and will become effective on 30 April 2015. Entities may however elect to be measured under the Revised BEE Codes immediately. Both the BBBEE Amendment Act and the Revised BEE Codes expressly stipulate that where an economic sector in South Africa has a Sector Code in place for BEE purposes, companies in that sector must comply with the Sector Code. For purposes of the BBBEE Act, the Mining Charter is not a Sector Code. It is not, at this stage, clear what the interplay between the Mining Charter and the Code is. The government may designate the Mining Charter as a Sector Code in which case it will be under the auspices of the BBBEE Act. On the other hand, the Mining Charter may remain as a stand-alone document under the auspices of the MPRDA and may be subject to the trumping provision discussed above. This uncertainty might be resolved either by government clarification in this regard or by the matter receiving judicial attention.

The Royalty Act

The Mineral and Petroleum Resources Royalty Act, 2008, or the Royalty Act, was promulgated on 24 November 2008 and came into operation on 1 March 2010. The Royalty Act imposes a royalty on refined and unrefined minerals payable to the state.

The royalty in respect of refined minerals (which include gold and platinum) is calculated by dividing earnings before interest and taxes, or EBIT, as calculated under IFRS, by the product of 12.5 times gross revenue calculated as a percentage, plus an additional 0.5 percent. EBIT refers to taxable mining income (with certain exceptions such as no deduction for interest payable and foreign exchange losses) before assessed losses but after capital expenditure. A maximum royalty of 5 percent of revenue has been introduced for refined minerals.

The royalty in respect of unrefined minerals (which include uranium) is calculated by dividing EBIT by the product of nine times gross revenue calculated as a percentage, plus an additional 0.5 percent. A maximum royalty of 7 percent of revenue was introduced for unrefined minerals. Where unrefined Mineral Resources (such as uranium) constitute less than 10 percent in value of the total composite Mineral Resources, the royalty rate in respect of refined Mineral Resources may be used for all gross sales and a separate calculation of EBIT for each class of Mineral Resources is not required. For AngloGold Ashanti, this means that currently the company will pay a royalty based on refined Mineral Resources (as the unrefined Mineral Resources (such as uranium) for AngloGold Ashanti for 2013 constituted less than 10 percent in value of the total composite Mineral Resources). The rate of royalty tax payable for 2014 was 1.28 percent of revenue of the company s South African operations.

The President has appointed a committee to review the current mining tax regime. The committee, which is undergoing a review not just of the mining tax regime but the entire South African tax regime, is currently sitting and has not yet made reports to the Minister of Finance.

CONTINENTAL AFRICA

Democratic Republic of the Congo

The mining industry in the Democratic Republic of the Congo (DRC) is regulated primarily by the Mining Code enacted in July 2002 and its ancillary Mining Regulations, promulgated in March 2003 (DRC Mining Code). The DRC Mining Code vests the Minister of Mines with the authority to grant, refuse, suspend and terminate mineral rights, although such authority is to be exercised upon conditions set out in the Mining Code. Mineral rights may be granted in the form of exploration permits for an initial period of four years or in the form of mining permits which are granted for an initial period of 30 years. An exploration permit may, at any time before expiry, be transformed partially into a mining licence or a small-scale mining permit. Mining permits are granted upon successful completion of exploration and satisfaction of certain requirements, including approval of a feasibility study, an environmental impact study and an environmental management plan.

The holder of a mining permit is required to commence development and mine construction within three years of the award of such permit. Failure to do so may lead to forfeiture of the mining permit. A permit holder must comply with specific rules relating to, amongst others, protection of the environment, cultural heritage, health and safety, construction and infrastructure planning. Mining and exploration activities are required to be undertaken so as to affect as little as possible the interests of lawful occupants of land and surface rights holders, including their customary rights. The exercise of mineral rights by title holders which effectively deprives or interferes with the rights of occupants and surface rights holders requires payment of fair compensation by the mineral title holder.

To protect and enforce rights acquired under an exploration or mining permit, the DRC Mining Code provides, depending on the nature of a dispute or threat, administrative, judicial and national or international arbitral recourses.

The DRC Mining Code sets out taxes, charges, royalties and other fees payable to the treasury by a mining title holder in respect of its activities. It also provides for a level of fiscal stability, in that existing tax, customs, exchange and benefits applicable to mining activities are guaranteed to remain unchanged for a period of 10 years in favour of a mining title holder in the event that amendments to the DRC Mining Code would result in less favourable payment obligations.

On 1 January 2012, a value added tax (VAT) replaced the previously applicable sales tax. The standard rate of VAT is 16 percent and is applicable to mining companies.

On 1 January 2013, a withholding tax of 14 percent became effective. The tax is applicable to service fees payable to a non-resident service provider by a resident of the DRC.

On 18 July 2012 the Convention between the Government of the Republic of South Africa and the Government of the Democratic Republic of the Congo for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (Convention) came into effect, and is applicable to:

- withholding taxes on amounts paid or credited on or after 1 January 2013; and
- other income taxes, levied in respect of taxable periods beginning on or after 1 January 2013.

The Convention reduces the withholding tax on dividends paid by companies resident in the DRC to companies resident in South Africa from 20 percent to 5 percent and on interest paid by companies resident in the DRC to companies resident in South Africa from 20 percent to 10 percent. A South African company must own at least 25 percent of a relevant DRC entity s outstanding shares in order to take advantage of the reduced rates.

In 2012, the DRC Mines Minister announced a reform of the DRC s mining code. Following such announcement, a number of proposed draft bills were circulated and a number of official meetings held amongst key players. According to recent available data, the proposed laws seek to, amongst other things, increase the government stake in mining operations to 15 percent from the existing 5 percent, substantially increase royalties on some minerals, reduce in a significant way the protections AngloGold Ashanti currently enjoys on its projects in the DRC, impose new conditions on the company s ability to retain and renew licences and introduce a 50 percent levy on certain profits. Should such laws be enacted in the future, these may have a material adverse impact on the company s results of operations in the DRC.

AngloGold Ashanti holds a stake in the Kibali gold project located in north-eastern DRC. The project is operated by Randgold Resources and is owned by Randgold Resources (45 percent), AngloGold Ashanti (45 percent) and SOKIMO (10 percent), which latter share represents the interest of the DRC government in the Kibali gold project.

On 27 February 2015 AGA sold its stake in Ashanti Goldfields Kilo, an exploration and mining joint venture with Société Minière de Kilo-Moto (SOKIMO), to Fimosa Capital.

AngloGold Ashanti remains invested in the DRC through the Kibali Gold Project which it holds through a joint venture with Randgold Resources and SOKIMO.

Ghana

The Constitution of Ghana as well as the Minerals and Mining Act, 2006 (Act 703) (GMM Act) provide that all minerals in Ghana in their natural state are the property of the State and title to them is vested in the President on behalf of and in trust for the people of Ghana, with rights of prospecting, recovery and associated land usage being granted under licence or lease.

The grant of a mining lease by the Ghana Minister of Mines is normally subject to parliamentary ratification unless the mining lease falls into a class of transactions exempted by Parliament.

Control of mining companies

The Ghana Minister of Mines has the power to object to a person becoming or remaining a shareholder controller, a majority shareholder controller or an indirect controller of a company which has been granted a mining lease if the Minister believes the public interest would be prejudiced by the person concerned becoming or remaining such a controller.

Stability agreement

The GMM Act provides for stability agreements as a mechanism to ensure that the incentives and protection afforded by laws in force at the time of the stability agreement are guaranteed for a period of 15 years. Stability agreements are subject to ratification by Parliament.

Prior to the business combination between AngloGold and Ashanti in April 2004, AngloGold and the government of Ghana agreed on the terms of a stability agreement (the Ghana Stability Agreement) to govern certain aspects of the fiscal and regulatory framework under which AngloGold Ashanti would operate in Ghana following the implementation of the business combination. The Ghana Stability Agreement necessitated the amendment of the Obuasi mining lease which had been ratified by Parliament.

Under the Ghana Stability Agreement, the government of Ghana agreed:

- to extend the term of the mining lease relating to the Obuasi mine until 2054 on terms existing prior to the business combination;
- to maintain, for a period of 15 years, the royalties payable by AngloGold Ashanti with respect to its mining operations in Ghana at a rate of 3 percent per annum of the total revenue from minerals obtained by AngloGold Ashanti from such mining operations;
- to ensure the income tax rate would be 30 percent for a period of 15 years. The agreement was amended in December 2006 to make the tax rate equal to the prevailing corporate rate for listed companies if the rate was less than 30 percent; and
- to permit AngloGold Ashanti and any or all of its subsidiaries in Ghana to retain up to 80 percent of export proceeds in foreign currencies offshore, or if such foreign currency is held in Ghana, to guarantee the availability of such foreign currency.

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The Ghana Stability Agreement also stipulates that a sale of AngloGold Ashanti s or any of its subsidiaries assets located in Ghana remains subject to the government s approval. Furthermore, the government retains its special rights (Golden Share) under the provisions of the GMM Act pertaining to the control of a mining company, in respect of its assets and operations in Ghana.

The government of Ghana agreed that AngloGold Ashanti s Ghanaian operations will not be adversely affected by any new enactments or orders, or by changes to the level of payments of any customs or other duties relating to mining operations, taxes, fees and other fiscal imports or laws relating to exchange control, transfer of capital and dividend remittance for a period of 15 years after the completion of the business combination.

The government of Ghana has constituted a review committee to review and renegotiate stability agreements with the mining companies. Within the committee s powers of review are the redrafting of such stability agreements, the determination of whether stability agreements comply with the mining laws of Ghana and the Ghanaian legal regime for mining (fiscal requirements, foreign exchange regulations and the provisions of the tax laws), and the preparation of guidelines to govern the granting of stability agreements in the mining industry. We are currently participating in negotiations with the Ghanaian review committee.

In March 2012 the tax laws of Ghana were amended. Changes to the tax laws included:

- An increase in the income tax rate applicable to mining businesses from 25 percent to 35 percent. AngloGold Ashanti is currently protected until 2019 from any increase of its income tax rate to greater than the rate provided for under the Ghana Stability Agreement.
- Introduction of a new capital allowance regime for class 3 assets (which include mineral and petroleum exploration and production rights, buildings, structures and works of a permanent nature used in mineral and petroleum exploration and production and plant and machinery used in mining and petroleum operations) that provides for a 20 percent straight line rate for a period of five years. Pursuant to the Ghana Stability Agreement, this change will not affect AngloGold Ashanti until 2019.
- Elimination of the 5 percent allowance on prior year additions. Prior to the 2012 amendment, the tax code granted an additional 5 percent of the value of assets acquired and qualified to be classified as class 3 assets for the purpose of granting capital allowances. Capital allowance is now 20 percent each year on the total value of the assets. Pursuant to the Ghana Stability Agreement, this change will not affect AngloGold Ashanti until 2019.
- A ring fencing rule to prevent mining businesses from deducting or setting off costs from one mining area with another s income. Pursuant to the Ghana Stability Agreement, this change will not affect AngloGold Ashanti until 2019.

While the Stability Agreement protects AngloGold Ashanti from any new enactments that would impose obligations upon AngloGold Ashanti or any of its Ghanaian subsidiaries, the Government of Ghana has constituted a team to renegotiate stability agreements with mining companies. A government committee has invited AngloGold Ashanti for discussions and requested certain information. The government may intend to review the Ghana Stability Agreement.

Under the Stability Agreement, the Government of Ghana (Government) has confirmed and agreed that the Government s rights with respect to the Golden Share apply only in respect of AngloGold Ashanti s assets and operations in Ghana. The rights do not extend to any other assets or operations of AngloGold Ashanti outside Ghana, nor to any assets or operations of AngloGold Ashanti.

The Government has also agreed to waive any right it may have under Section 60(I) of the Minerals and Mining Law, 1986, as amended to acquire a special share in AngloGold Ashanti or any of its direct or indirect subsidiaries or joint ventures.

The Golden Share may only be held by or transferred to a Minister of the Government or any person acting on behalf of such Government and authorised in writing by such Minister.

The following matters require, and will not be effective without, the written consent of the holder of the Golden Share:

(i) any amendment to or removal of the relevant provisions of the AngloGold Ashanti (Ghana) Limited Regulations setting out the rights and restrictions attaching to the Golden Share;
(ii) the voluntary winding-up or voluntary liquidation of AngloGold Ashanti (Ghana) Limited;
(iii) the redemption of or purchase by AngloGold Ashanti of the Golden Share;
(iv) the disposal of any mining lease held by AngloGold Ashanti (Ghana) Limited or any subsidiary of AngloGold Ashanti (Ghana) Limited; and

(v) any disposal by AngloGold Ashanti (Ghana) Limited (other than any disposal in the ordinary course of business of AngloGold Ashanti) which, alone or when aggregated with any disposal or disposals forming part of, or connected with, the same or a connected transaction, constitutes a disposal of the whole or a material part of the assets of the AngloGold Ashanti group taken as a whole. For this purpose, a part of the AngloGold Ashanti group s assets will be considered material if either (a) its book value (calculated by reference to the then latest audited consolidated accounts), or the total consideration to be received on its disposal, is not less than 25 percent of the book value of the net assets of the AngloGold Ashanti group or (b) the average profits attributable to it represent at least 25 percent of the average profits of the AngloGold Ashanti group for the last three years for which audited accounts are available (before deducting all charges, except taxation and extraordinary items).

Upon a return of assets in a winding-up or liquidation of AngloGold Ashanti (Ghana) Limited, the holder of the Golden Share is entitled to the sum of 0.10 cedis (approximately 5 US cents) in priority to any payment to other members, but the Golden Share confers no further right to participate in the profits or assets of AngloGold Ashanti. The Golden Share carries no right to any dividend or any right to participate in any offer of securities to existing shareholders or in any capitalisation issue.

The holder of the Golden Share may require AngloGold Ashanti (Ghana) Limited to redeem the Golden Share at any time in consideration of the payment to such holder of 0.10 cedis (approximately 5 US cents).

VAT

In December 2013, the Parliament of Ghana passed an amendment to the Internal Revenue Act, 2000 (Act 592) known as the Internal Revenue (Amendment) (No. 2) Act 2013, (Act 871). This, amongst other changes, increased the withholding tax for goods and services supplied by non residents, payments to non-resident individuals and payment for management and technical services from 15% to 20%. A new Value Added Tax Act, (VAT) 2013 (Act 870) was also passed which increases the VAT payable on goods and services from 15% to 17.5%. The Value Added Tax 2013, (Act 870) extended the coverage of the tax to some business activities which were hitherto outside the tax net. These included the supply of financial services that are rendered for a fee, commission or a similar charge and the manufacture or supply of pharmaceuticals. The implementation of the charging of VAT in relation to these two services have however been suspended until further notice. These taxes do not have an adverse effect on the Company since they do not directly impact its operations.

Retention of foreign earnings

AngloGold Ashanti s operations in Ghana are permitted to retain 80 percent of their foreign exchange earnings in an offshore foreign exchange account. In addition, the company has permission from the Bank of Ghana to retain and use US dollars, outside of Ghana, required to meet payments to the company s hedge counterparties which cannot be met from the cash resources of its treasury company.On 4 February 2014, the Bank of Ghana issued new directives as part of measures to streamline the collection and repatriation of export proceeds to Ghana. These directives included an instruction to all banks and authorised dealers to, within five working days of receipt of export proceeds, convert the proceeds into Ghana cedis based on the average Interbank Foreign Exchange Rate prevailing on the day of conversion with a spread not exceeding 200 percentage in points (pips). Exporters with retention accounts were to continue to operate these accounts in accordance with their retention agreements. Retention proceeds which were sold to the banks were to be converted into Ghana cedis based on the average Interbank Foreign Exchange Rate prevailing on the day of conversion with a spread not exceeding 200 pips. It further advised that offshore foreign exchange transactions by resident companies, including exporters, were strictly prohibited and exporters were to ensure that all export proceeds are repatriated in full. Failure to comply with the provisions attracts penalties including pecuniary sanctions, jail terms, suspension and revocation of the operating licence as applicable.

Following engagement with relevant stakeholders, the Bank of Ghana issued another notice clarifying that the transfer of foreign exchange to meet external payment obligations remains permissible for transactions such as:

a. redemptions and coupon payments on Bonds held by non-residents;
b. investment income, technology and management transfer entitlements, expatriate emoluments, and other incentive packages and overseas commitments under provisions in various legislation and legislative instruments such as the Minerals and Mining Act, 2006 (Act 703), and the Technology Transfer Regulations (L.I.1547); and
c. other outward payments for imports of goods and services.

The notice also stated that all balances in Foreign Currency Accounts (FCAs) and Foreign Exchange Accounts (FEAs) will continue to be held in foreign currency, and will not be converted into Ghana Cedis. External transfers of up to $10,000 per annum without documentation from FEA and FCA are still permitted. Balances held in FEAs and FCAs continue to remain available for all legitimate external transactions.

The Bank of Ghana on 9 August 2014 further revised the rules on foreign exchange operations, effectively reversing the initial directives controlling transactions in foreign exchange. The details are as follows:

1. The limit of $1000.00 on over-the-counter foreign exchange cash withdrawal is removed.
2. Exporters shall continue to repatriate in full export proceeds in accordance with the terms agreed between the trading parties. Such proceeds shall be credited to their FEAs and converted on need basis.
3. FEAs and FCAs will continue to be opened and operated as they were before the Notices of February 4, 2014.
4. Except for transfers from FEA to FCA which are still prohibited, all other transfers between accounts are permitted.
5. For the avoidance of doubt:
   a. FCAs shall be fed only with unrequited transfers such as transfers from abroad for investment or embassy transfers.
   b. FEAs shall be fed with foreign exchange generated from activities in Ghana such as proceeds from exports of goods and services.
6. The threshold for transfers abroad without initial documentation remains at $50,000.00. Where documentation in respect of a transfer remains outstanding, any subsequent import transaction by an importer, irrespective of value, shall only be made on prior provision of documentation required for the current import transaction.
7. Importers who use non-cash instruments (plastic cards) may continue to load up to $50,000 to meet their legitimate needs abroad subject to the necessary documentation requirements.
8. Foreign currency denominated loans may be granted by resident banks to their customers subject to their own internal procedures and processes and in compliance with the risk management guidelines of the Bank of Ghana.
9. Cheques and cheque books may be issued by banks to holders of FEAs and FCAs.

The Bank of Ghana reiterated that the Ghana cedi remains the sole legal tender in Ghana. Therefore, pricing, advertising, invoicing, receiving, and making payments for goods and services should be done in Ghana cedis, unless otherwise authorized by the Bank of Ghana.

Existing measures that were not amended by this Notice continue to remain in force.

In light of the recent clarifications, AGA maintains and operates its FCA, FEA and Retention Accounts in compliance with the directives.

Localisation policy

Mining companies must submit a detailed programme for the recruitment and training of Ghanaians with a view to achieving localisation , which is the replacement of expatriate personnel in a company s Ghanaian operations by Ghanaian personnel. In addition, mining companies must give preference to Ghanaian products and personnel, to the maximum extent possible, consistent with safety, efficiency and economies. Recently passed Minerals and Mining (General) Regulations, 2012 (L.I. 2173) give further details on the localisation policy.

Except as otherwise provided in a specific mining lease, all immovable assets of the holder of the mining lease vest in the State upon termination, as does all moveable property that is fully depreciated for tax purposes. Moveable property that is not fully depreciated is to be offered to the state at the depreciated cost. The holder must exercise his rights subject to such limitations relating to surface rights as the Minister of Mines may prescribe.

Ground rent

In 2012, the Ghanaian Parliament passed the Fees and Charges Amendment Legislation 2012 (Ll 2191), which fixed mineral concession rent at GH¢9,016 per square kilometre per annum as opposed to the previous rate of GH¢0.50 per acre per annum. However, on 19 March 2014, the Office of the Administrator of Stool Lands informed the Ministry of Finance in writing that it has agreed with the Ghana Chamber of Mines to revise the fees to GH¢15.0 per acre per annum. The Chamber has since 2 September 2014 informed all mining companies to pay the agreed sum. The Company has since paid the agreed ground rent for its Binsere Leases but paid $36 per km2 for the Obuasi lease as specifically provided for in the lease. The Company also indicated to the Office of the Administrator of Stool Lands that by virtue of the Stability Agreement, the Company is protected from the increment in the ground rent, and that the Company s payment of same cannot be deemed as a waiver of its rights under the Stability Agreement.

Minerals and Mining (Amendment) Act 2014

A draft Minerals and Mining (Amendment) Bill is currently being considered by Parliament. It proposes to replace the existing royalty provisions introduced by the Minerals and Mining Amendment Act, 2010 (Act 794) in terms of which the rate of royalties is fixed by an Act of Parliament to a situation where the Minister would prescribe the rate payable and the manner of payment through passing a Legislative Instrument or other subsidiary legislation. The existing royalty rate of 5% would however remain the same until such time as the rate is altered in the manner prescribed.

Minerals Development Fund Bill, 2014

Parliament is also currently considering the Minerals Development Fund Bill, 2014. The purpose of the Bill is to establish a Minerals Development Fund to provide the legal basis for the distribution of 20% of mineral royalties received by Government which has been apportioned to specified bodies for their use. It also introduces the Mining Community Development Scheme to directly sponsor-socio-economic development in communities in which mining operations take place or which are affected by mining operations.

Mining & Environmental Guidelines

In June 2014, the Ghana Environmental Protection Agency and the Minerals Commission circulated draft Mining and Environmental Guidelines to all mining companies for comment. The guidelines concern environmental management, reclamation, closure requirements and the proposed Mining Community Development Scheme discussed above. Although the guidelines are yet to be agreed upon by stakeholders, it is proposed that the scheme would be funded by said 20% of mineral royalties, additional contributions from the mining companies, donations and grants from other sources.

2015 Budget Statement

In the November 2014 Budget Statement the following taxes were proposed:

- Imposition of Special Petroleum Tax of 17.5 percent as part of a rationalization of VAT regime and change in the petroleum pricing structure this policy comes with a mitigation account to manage extremely low and high prices that result in sporadic price increases or decreases under the automatic adjustment formula;
- Reversal of the excise tax on petroleum from ad valorem to specific;
- Extension of the National Fiscal Stabilisation Levy of 5 percent and special import levy of 1-2 percent to 2017; and
- Increase the withholding tax on Directors remuneration from 10 percent to 20 percent;

Mining properties

The company is required to pay ground rent to the Government of Ghana and such other fees as are prescribed by legislation, including royalties on timber felled within the lease area.

Obuasi

The current mining lease for the Obuasi area was granted by the Government of Ghana on 5 March 1994. It grants mining rights to land with an area of approximately 334 square kilometres in the Amansie East and Adansi West districts of the Ashanti region for a term of 30 years from the date of the agreement. In addition, a mining lease over an adjacent 140 square kilometres was also granted, resulting in the total area under the mining lease increasing to 474 square kilometres.

The Government of Ghana agreed to extend the term of the mining lease relating to the Obuasi mine until 2054. The mining lease was formally ratified by Parliament on 23 October 2008.

On 20 January 2014, AGAG submitted an application to the Minerals Commission to surrender approximately 289.34 square kilometres of the area to the Government of Ghana. Upon issuance by the Government of the certificate of surrender, the lease areas will be reduced to 185.66 square kilometres.The remaining parcel of land that will be subject to the mining lease is situated within various villages and townships in the region, but excludes the municipality of Obuasi.

Iduapriem

Iduapriem has title to a 33 square kilometre mining lease granted on 19 April 1989 for a period of 30 years. In January 2009 Iduapriem obtained a new mining lease, the Ajopa Concession, for a period of 10 years. The concession covers an area of 48.34 square kilometres. In December 2011 the Minister of Lands and Natural Resources gave his consent for Teberebie s title to a 25.83 square kilometre mining lease, granted in June 1992 for a period of 30 years, to be assigned to Iduapriem. While ownership of the lease has passed to Iduapriem, the registration of the transfer of the lease is still in process.

Guinea

In Guinea, all mineral substances are the property of the state. Mining activities are currently regulated by law L/2011/006/CNT dated 9 September 2011 (the 2011 Code), as amended by law L/2013/053/CNT dated 8 April 2013 and promulgated by Decree D/2013/075/PRG/SGG dated 17 April 2013(together the New Mining Code).

The right to undertake mining operations can only be acquired by virtue of one of the following mining titles: surveying permit, small-scale mining licence, mining prospecting licence, mining licence or mining concession.

The group s Guinea subsidiary, Société AngloGold Ashanti de Guinée SA (SAG), has title to the Siguiri mine in the form of a mining concession, covered by a mining convention which was entered into with the Republic of Guinea on 11 November 1993 (the Convention de Base). The mining concession, granted to SAG following the execution of the Convention de Base, was redefined by virtue of Presidential Decree D/97/171/PRG/SGG dated 4 August 1997. The Convention de Base was amended in 2005. The Convention de Base provides for a duration of 25 years, with an eventual extension/renegotiation after 23 years for such periods as may be required to exhaust the economic Ore Reserve.

At Siguiri, the original area granted of 8,384 square kilometres was reduced to a concession area of four blocks totalling 1,495 square kilometres. SAG has the exclusive right to explore and mine in the remaining Siguiri concession area for the duration of the initial period of the Convention de Base.

Key elements of the Convention de Base are that:

- The Republic of Guinea holds a 15 percent free-carried or non-contributory interest; is entitled to a royalty of 3 percent based on a spot gold price of less than $475 per ounce; and is owed 5 percent of the value of gold exported, based on a spot gold price above $475 per ounce, as fixed on the London Gold Bullion Market;
- A local development tax of 0.4 percent is payable on gross sales revenue;
- Salaries of expatriate employees are subject to a 10 percent income tax;
- Mining goods imported into Guinea are exempt from all import taxes and duties for the first two years of commercial production; and
- SAG is committed to adopting and progressively implementing a plan for the effective rehabilitation of the mining areas disturbed or affected by operations.

The Convention de Base is subject to early termination if both parties formally and expressly agree to it, if all project activities are voluntarily suspended for a continuous period of eight months or are permanently abandoned by AngloGold Ashanti s subsidiary; or if SAG goes into voluntary liquidation or is placed into liquidation by a court of competent jurisdiction.

New Mining Code

Pursuant to the New Mining Code, existing mining titles in effect on the date on which the New Mining Code came into force remain valid for their duration and for the substances for which they have been issued. The New Mining Code does not allow mining conventions to derogate from its provisions but for holders of validly signed and ratified conventions, the application of the Mining Code will take place by way of amendments to the relevant mining convention (in the case of SAG, the Convention de Base), which amendments are set out in an Addendum to be negotiated between the mining convention holder and the State (the Addendum). The Addendum is required to be approved by the Council of Ministers, signed by the Minister of Mines, transmitted to the Supreme Court for its opinion and then to the National Assembly for ratification. Mining companies must cooperate in view of the conclusion of the Addendum within a 24-month delay following the publication of the New Mining Code. The 24-month delay period is expected to end on or shortly before June 2015. To that effect, the Government has established a Technical Committee, supported by a Strategic Committee, to conduct the renegotiations of all the mining contracts including the Convention de Base. Until ratification of the Addendum, the terms of the current Convention de Base apply.

The type of amendments expected to be contained in the Addendum, are categorised below by the method and timing of implementation:

1. Provisions of immediate application which are non-negotiable relating to transparency, anti-corruption efforts, transfer of mining title interests, tax on capital gains, environmental protection, relationships with local communities, and worker health and safety (Mandatory Provisions);
2. Provisions of immediate application but which are subject to progressive implementation over a negotiated period of time not exceeding eight years relating to training, employment and preference to Guinean companies (Progressive Provisions); and
3. Other, negotiable provisions relating to taxation (other than capital gain) and customs, State participation in the capital of mining companies, State rights on transport and marketing and insurance and exchange control rules.

Once signed and ratified, the provisions of the Convention de Base, as amended by the Addendum, will govern mining activities on the Siguiri concession. While the exact content of the Addendum will depend on the outcome of the negotiations with the Technical Committee, it can be anticipated that the Addendum will contain the Mandatory Provisions and will also provide a time table for the implementation of the Progressive Provisions.

With respect to the Mandatory Provisions, the New Mining Code provides that mining companies must adhere to the principles of the Extractive Industries Transparency Initiative (EITI). The EITI sets a global standard for oil, gas and mining companies to disclose payments to governments and for governments to disclose what they receive. The Mandatory Provisions also provide for the requirement to obtain ministerial consent in respect to any transfer of a mining right as well as any form of direct or indirect transfer of interest in a mining title of 5 percent or greater. In addition, the Mandatory Provisions also provide for a transfer tax regime entailing the payment of a 10percent registration fee, in addition to capital gain tax on the assignment of titles, on the transfer of shares in the company holding the mining titles and on an acquisition of participation leading to an indirect change of control of the title holder.

The Progressive Provisions require, amongst others, the implementation of a training and development plan contemplating a transfer of technology as well as preference for Guinea companies. The Progressive Provisions also establish fixed minimum quotas of Guinean personnel. These quotas depend on the stage of the project and the level of hierarchy. The Progressive Provisions further require that certain positions (General Manager, Deputy General Manager) be filled by Guinean citizens by certain deadlines.The Progressive Provisions provide for minimum quotas of contracts with SMEs, SMIs and businesses belonging to or controlled by Guineans to be complied with by title holders and their sub-contractors.

In addition, certain provisions introduced by the New Mining Code that were not otherwise covered by the previous mining legislation or are not covered by the Convention de Base are likely to apply to SAG, including a limitation on tax stability. The current tax regime applicable to SAG is only guaranteed until November 2018.

The New Mining Code is to be accompanied and implemented by various implementation decrees. To date, decree D/2014/012/PRG/SGG on the management of mining authorisation and titles, D/2014/013/PRG/SGG relating to the application of the financial provisions of the New Mining Code, decree D/2014/014/PRG/SGG on the adoption of a directive for the realisation of an environmental and social impact study for mining operations and decree D/2014/015/PRG/SGG adopting a model of mining convention, all dated 17 January 2014, have been adopted. In addition, decree D/2015/016/PRG/SGG on the government appointment of Guinean directors of mining companies, was adopted on 12 February 2015.

Mali

Mineral rights in Mali are governed by law n°2010-015 dated 27 February 2012 bearing Malian Mining Code (the New Mining Code), replacing ordinance No. 99-32/P-RM of 19 August 1999 enacting the previous mining code, as amended by ordinance n°013/2000/P-RM of 10 February 2000 and ratified by law n°00-011 of 30 May 2000 (the 1999 Mining Code), and Decree No. 99-255/P-RM of 15 September 1999 implementing the Mining Code.

Due to stabilisation clauses in the agreement defining the mining rights and obligations of AngloGold Ashanti entities in Mali (further described below), the mining operations carried out by the AngloGold Ashanti entities in Mali are subject to the provisions of the previous mining codes of 1970 and 1991 but also, for residual matters, expressly subject to the provisions of the 1999 Mining Code (see Applicable mining regime below). As a consequence the New Mining Code does not apply to the relevant mining operations.

Applicable mining regime

Prospecting activities are carried out under prospecting authorisations (authorisation de prospection). The authorisations give an individual or corporate entity the exclusive right to carry out prospecting activities over a given area for a period of three years renewable without a reduction in the area covered by the authorisation. Exploration activities may be carried out under exploration permits (permis de recherche). The latter are granted to corporate entities only by order of the Minister of Mines. Exploration permits are granted for a period of three years, renewable twice for additional three-year periods. Each renewal requires the permit holder to relinquish 50 percent of the area covered by such permit. The entity applying for such a permit must provide proof of technical and financial capabilities.

An exploitation permit (permis d exploitation) is required to mine a deposit located within the area of a prospecting authorisation or an exploration permit. The exploitation permit grants an exclusive right to prospect, explore and exploit the named substances for a maximum period of 30 years renewable three times for an additional 10 years. The exploitation permit is granted only to the holder of an exploration permit or of a prospecting authorisation and covers only the area governed by the exploration permit or the prospecting authorisation. An application must be submitted to the Minister of Mines and to the National Director of Mines.

As soon as the exploitation permit is granted, the permit holder must incorporate a company under the law of Mali. The permit holder will assign the permit for free to this company. The State will have a 10 percent free carried interest in the company. This interest will be converted into priority shares and the State s participation will not be diluted in case of an increase in capital.

Applications for exploitation permits must contain various documents attesting to the financial and technical capacity of the applicant, a detailed environmental study in respect of the impact of the project on the environment, a feasibility study and a bank deposit. The permit is granted by decree of the Head of Government. Refusal to grant a permit may only be based on two grounds: insufficient evidence to support the exploitation of the deposit or the failure of the environmental study.

Applications for prospecting authorisations and exploration permits must contain various documents attesting to the financial and technical capacity of the applicant, a detailed works and costs programme, a map defining the area which is being requested and providing geographical coordinates, the exact details relating to the identity of the applicant and evidence of the authority of the signatory of the application. Such titles are granted by ministerial order. Any refusal to grant such titles shall be notified by letter from the Minister of Mines to the applicant.

All mining titles mentioned above require an establishment convention (convention d etablissement) to be signed by the State and the titleholder defining their rights and obligations. A standard form of such establishment convention has been approved by decree of the Head of Government.

AngloGold Ashanti has interests in Morila, Sadiola and Yatela, all of which are governed by establishment conventions covering exploration, mining, treatment and marketing in a comprehensive document. These documents include general provisions regarding exploration (work programme, fiscal and customs framework) and exploitation (formation of a local limited liability mining company, State interest, fiscal and customs framework governing construction and exploitation phases, exchange controls, marketing of the product, accounting regime, training programmes for local labour, protection of the environment, reclamation, safety, hygiene and dispute settlement).

AngloGold Ashanti has complied with all applicable requirements and the relevant permits have been issued. Morila, Sadiola and Yatela have 30-year permits which expire in 2024, 2020 and 2024 respectively.

Tanzania

Mineral rights

Mineral rights in the United Republic of Tanzania are principally governed by the Mining Act of 2010 (Tanzania Mining Act), and the Mining Regulations, 2010 (Tanzania Mining Regulations), which include: Mining (Mineral Rights) Regulations 2010; Mining (Environmental Protection For Small Scale Mining) Regulations 2010; Mining (Mineral Beneficiation) Regulations 2010; Mining (Mineral Trading) Regulations 2010; Mining (Safety, Occupational Health and Environmental Protection) Regulations 2010; and the Mining (Radioactive Mineral) Regulations 2010.

The Tanzania Mining Act and the Tanzania Mining Regulations came into force in November 2010. Ownership of and control over minerals on, in or under the land vest in the President of the United Republic of Tanzania. No person is allowed to prospect for minerals or carry on mining operations except pursuant to the authority of a mineral right licence granted, or deemed to have been granted, under the Tanzania Mining Act or its predecessor acts.

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To enable a company to prospect or mine, the Ministry of Energy and Minerals (MEM) initially grants an exclusive prospecting licence. Upon presentation of a feasibility study, together with certain other environmental, social and financial assurances, the MEM may then grant a form of licence for mining. Licensing decisions take into account the abilities of the company (including its mining, financial and technical capabilities), projected rehabilitation programmes, environmental compliance and the payment of royalties.

The following licences can be applied for under the Tanzania Mining Act:

Licences for Exploration:

- prospecting licence;
- gemstone prospecting licence; and
- retention licence.

Licences for Mining:

- special mining licence (if the proposed capital investment is equal to at least US$100 million);
- mining licence (if the proposed capital investment is equal to between $100,000 and $100 million); and
- primary mining licence (reserved for Tanzanian citizens).

Licences for Ancillary Activities:

- processing licence;
- smelting licence; and
- refining licence.

For purposes of AngloGold Ashanti s Geita Gold Mine, only prospecting, retention and special mining licences are relevant.

A prospecting licence grants the holder the exclusive right to prospect in the area covered by the licence for all minerals within the class of minerals applied for. The classes that can be applied for include (amongst others):

- metallic minerals;
- energy minerals;
- gemstones other than kimberlitic diamonds; and
- kimberlitic diamonds.

An application for a prospecting licence is made to the Commissioner for Minerals and the licence is valid for a period of four years. After the initial term, the licence is renewable for three further periods the first period being for three years and the second and third periods being for two years each. Upon each renewal, 50 percent of the area covered by the licence must be relinquished. A company applying for a prospecting licence must, amongst other things, state the financial and technical resources available to it.

If the holder of a prospecting licence has identified a mineral deposit within the prospecting area that is potentially of commercial significance but that cannot be developed immediately because of technical constraints, adverse market conditions or other economic factors of a temporary character, it can apply for a retention licence. A retention licence can also be requested from the Minister after the expiry of a prospecting licence period, for reasons ranging from financial to technical considerations. A retention licence is valid for a period not exceeding five years and is thereafter renewable for a single period of five years. The advantage of converting a prospecting licence into a retention licence is that the MEM may not revoke a retention licence if the licence holder fails to meet its obligations within the time frame agreed on application for the licence (as would be the case with a prospecting licence).

Holders of prospecting or retention licences over a tenement will not automatically have first right to any mining licence granted over that tenement. However, in practice, they will be best positioned to meet the requirements to be granted a form of licence for mining. The holder of a retention licence may also apply for a special mining licence for the area under the retention licence while the retention licence subsists.

Mining is mainly carried out through either a mining licence or a special mining licence, both of which confer on their holder the exclusive right to conduct mining operations in or on the area covered by the licence. A special mining licence is granted for the shorter of either the estimated life of the ore body indicated in the feasibility study report or such period as the applicant may request. It is renewable for a further period not exceeding the estimated life of the remaining ore body.

Except in the case of a special mining licence, a mineral right may be freely transferred by its holder (in whole or in part) to another person or entity without requiring consent from the MEM. However, the Commissioner for Minerals must be notified of any transfer of a prospecting or retention licence and will refuse to register the transfer unless the transferee proves that it meets the financial and technical capability criteria required to apply for such licences. The assignment of a special mining licence generally requires the prior consent of the MEM, such consent not to be unreasonably withheld or delayed. There are limited exceptions to the requirement for the Minister s consent (such as transfers to an affiliate company of the licence holder or to a financial institution or bank as security for any loan or guarantee in respect of mining operations).

Special mining licences have certain fiscal and other advantages over mining licences, as the holder of a special mining licence may enter into a mining development agreement with the government of Tanzania to guarantee the fiscal stability of a long-term mining project and make special provision for the payment of royalties, taxes, fees and other fiscal imposts and a special mining licence holder may, in certain circumstances, unilaterally amend the programme of the mining operations agreed with the MEM.

AngloGold Ashanti has concluded a development agreement with the Ministry and was issued a mining licence for a period of 25 years, which expires in 2023.

On 9 October 2014 an addendum to the development agreement was entered into ratifying the following prior changes:

- An increase in the royalty rate from 3% to 4% with effect from 1 May 2012;
- With effect from the financial year 2015, the capital allowance applicable to the unredeemed qualifying capital expenditure (15% per annum) referred to in section 18(a) of the Income Tax Act No 33 of 1973 shall no longer apply; and
- With effect from 1 July 2014, GGML is liable to pay the Geita District Council Levy at a rate of 0.3% on turnover (no longer capped at US$200,000 / year).

The Finance Act 2012 which was passed on 11 October 2012 introduced some important changes to the fiscal regime with effect from 1 July 2012 that impact upon AngloGold Ashanti, in particular:

- Introduction of a 30 percent capital gains tax on the sale of shares by an off-shore parent company. Changes were also made to the procedure for payment of capital gains tax by the seller of shares. Tax at the rate of 30 percent is payable by way of an initial instalment of 20 percent on the transfer, based on the notional gain that the seller would make where after a further instalment of the remaining 10 percent is due.
- Prior to 2012 budgetary changes under the VAT Act 1997, mining companies were entitled to 100 percent VAT relief. This implied that no VAT was applicable on purchases made by mining companies. Following amendments to the VAT Act through the Finance Act 2012, the provision providing VAT relief to mining companies was repealed. As a result mining companies are no longer eligible for VAT relief.

Local Government Levies

As mentioned above, following the signature of the addendum to the development agreement Geita Gold Mine is required to pay local government a service levy of 0.3% of its gross annual turnover in line with the Local Government Finance Act No.9 of 1982.

Potential regulatory changes

In 2013, the Tanzanian Commissioner for Minerals issued the first draft of the Mining (Minimum Shareholding and Public Offering) Regulations, 2013.

The regulations set out the requirement to sell shares to Tanzanian nationals, by way of a public offering and listing on the Dar es Salaam Stock Exchange, which will apply to companies that are carrying out large scale mining operations.

The listing requirement

The draft regulations require all existing holders of a special mining licence to list a minimum of 30 percent of their shares on either the Main Investment Market or the Enterprise Growth Market Segment of the Dar es Salaam Stock Exchange within two years of the regulations coming into force.

Companies that are issued with a new special mining licence after the date the draft regulations come into force are required to list 30 percent of their shares within one year of the date of the issue of their special mining licence.

The listing rules

The listing of shares on the Dar es Salaam Stock Exchange is to be done in accordance with the existing regulatory framework and listing rules, although the restrictions that would normally permit up to 60 percent of a company s listed shares to be owned by foreign investors has been removed. The effect of this is that all shares of Tanzanian mining companies that are locally listed can only be purchased by either Tanzanian citizens or locally incorporated companies.

The listing rules require companies that are seeking to list their shares on the Main Investment Market to satisfy a number of criteria, including minimum share value requirements, profitability requirements, management incumbency requirements and financial disclosure requirements.

In the case of a listing on the Enterprise Growth Market Segment these requirements are substantially reduced or removed altogether.

The one year timeframe imposed by the draft regulations that applies to the listing of shares issued by the holder of a new special mining licence may conflict with the current requirement of the Main Investment Market for a management and profitability track record, however the draft regulations do not deal with this issue.

Failure to list

The regulations do contemplate the possibility that a company may proceed with a listing and fail to secure the minimum local shareholding. In such circumstances the Minister of Energy and Minerals may at the request of the company and on the recommendation of the Capital Markets and Securities Authority grant a waiver to the minimum local shareholding requirement. However, it is not clear from the regulations whether the waiver may be general and so exempt the company from the requirement to list altogether or whether the waiver is in effect an extension of the timeframe in which the company must list.

Where a company fails to comply with the listing requirement in the regulations the Minister is empowered to revoke the special mining licence.

AUSTRALASIA

Australia

In Australia, with a few exceptions, all onshore minerals are owned by the Crown. The respective Minister for each state and territory is responsible for administering the relevant mining legislation enacted by the states and territories.

Native Title legislation applies to certain mining tenures within Australia. Australia recognises and protects a form of Native Title that reflects the entitlement of Aboriginal people to their traditional lands in accordance with their traditional custom and laws. Should Native Title claims or determinations exist, certain Native Title processes and procedures will apply under the Native Title Act 1993 (Cth) before the tenure is granted. Tenure may be granted subject to conditions relating to Native Title rights. In the mining context, Native Title matters are managed as part of the tenement grant process. If disputes arise in relation to the grant of a particular tenement, they can be referred to the National Native Title Tribunal, established under the Native Title Act, for resolution.

Other federal and state Aboriginal heritage laws operate in parallel to the Native Title legislation. They exist predominantly for the purposes of protecting Aboriginal sites and areas of significance from disturbance. To date, there has not been any significant impact on any of AngloGold Ashanti s tenure due to Native Title or Aboriginal Heritage legislation.

AngloGold Ashanti s operating properties are located in the state of Western Australia where tenure is issued under, and mining operations are governed by, the Mining Act 1978 (WA). The most common forms of tenure are exploration and prospecting licences, mining leases, miscellaneous licences and general purpose leases. In most Australian states, if the holder of an exploration licence establishes indications of an economic mineral deposit in the area covered by the exploration licence and complies with the conditions of the grant, the holder of the exploration licence has a priority right against all others to be granted a mining lease which gives the holder exclusive mining rights with respect to minerals on the property. A general purpose lease may also be granted for one or more of a number of permitted purposes. These purposes include erecting, placing and operating machinery and plants in connection with mining operations, depositing or treating minerals or tailings and using the land for any other specified purpose directly connected with mining operations.

Mining tenures will be granted with conditions relating to protection of the environment. Exploration and mining operations may also require separate approval from the state, territory or federal environment minister, which may require completion of an environmental impact assessment pursuant to applicable protection legislation prior to commencement. Further, an operating licence under the relevant environmental protection legislation in the state or territory may also be required for certain mine processing or mining-related operations.

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It is possible for an individual or entity to own an area of land and for another individual or entity to be granted the right to explore for or mine any minerals located on or under the surface of the same area. Typically, the maximum initial term of a mining lease is 21 years and the holder has the right to renew the lease for an additional 21 years. Subsequent renewals are granted at the discretion of the respective state or territory s minister responsible for mining rights. In Western Australia, mining leases can only be assigned with the prior written consent of the minister.

Government royalties are payable by the holder of mining tenure in respect of minerals obtained from the relevant area of land, at the rates specified in the relevant legislation in each state or territory. The royalty on gold production in Western Australia is payable quarterly at a fixed rate of 2.5 percent of the royalty value of gold metal produced and sold. The royalty value is calculated by multiplying the amount of gold produced during a given month by the average gold spot price for that month. In addition, the holder of mining tenure may be required to pay annual rent in respect of the tenure. In Western Australia there is a minimum annual expenditure requirement for prospecting and exploration licences and mining leases. Exemptions from the expenditure requirement can be obtained if certain conditions are satisfied.

AngloGold Ashanti has been granted 21-year term mining leases with rights of renewal to all of its mining areas in Australia, including its proportionate share of joint venture operations and accordingly it has, together with its joint venture partners where applicable, the exclusive right to mine in those areas. Both the group and its joint venture partners are fully authorised to conduct operations in accordance with relevant laws and regulations. The mining leases and rights of renewal cover the current life-of-mine at AngloGold Ashanti s operations in Australia.

AMERICAS

Argentina

Land ownership & mining rights

The Argentinean Mining Code governs mining activity in the country. Special regimes exist for hydrocarbons and nuclear minerals. In the case of most minerals, the Argentinean Mining Code establishes that the owner of the land is not the owner of the mineral rights; these are held by the national or provincial governments (depending on the location of the minerals). The national or provincial government, as applicable, is required by the Argentinean Mining Code to grant whomever discovers a new mine title to the mining concession.

The Argentinean Mining Code regulates exploration permits and mining concessions. Exploration permits grant their holders exclusivity rights to any mineral discoveries, including those made by a third party within the exploration area covered by the permit. Exploration permits are limited in time and as to the extent of the exploration area, are subject to the payment of a single-time fee, and also require a minimum exploration work programme and schedule to keep the permit in force.

The Argentinean Mining Code also regulates mining concessions, or exploitation rights. Priority for receiving a mining concession is given to the registered discoverer of the mine, which holds the exploration permit. Once the application for a mine has been submitted, the applicant may commence works and must submit a legal survey of the units requested for the new mine. The application and the legal survey may be opposed by third parties following specific proceedings set forth in the Argentinean Mining Code. Approval and registration of the legal survey by the Provincial mining authority constitutes formal title to the mining concession.

Any mining company wishing to commence or modify any mining-related activity, as defined by the Argentinean Mining Code, including prospecting, exploration, exploitation, development, preparation, extraction, and storage of mineral substances, as well as property abandonment or mine closure activity, is required to prepare and submit to the competent Provincial environmental authority an Environmental Impact Assessment (EIA) prior to commencing the work. Each EIA is required to describe the nature of the proposed work, its potential risk to the environment, and the measures that will be taken to mitigate that risk. If accepted by the competent authority, the EIA is used as the basis to create a Declaration of Environmental Impact (DEI) to which the mining company is required to adhere during the mining-related activity at issue. The DEI is required to be updated at least on a biannual basis. Sanctions and penalties for non-compliance with the DEI are outlined in the Environmental Protection section of the Argentinean Mining Code, and may include warnings, fines, suspension of quality certifications, restoration of the environment, temporary or permanent closure of activities, and withdrawal of authorisation to conduct mining-related activities.

Holders of mining concessions must comply with three main conditions: payment of an annual fee, investment of a minimum amount of capital, and the carrying out of a reasonable level of exploitation. Failure to do so could lead to forfeiture of the mining concession, which would then revert back to the Province.

In the case of Cerro Vanguardia, AngloGold Ashanti s operation in Argentina, the mining concession holder is AngloGold Ashanti s partner, FomentoMinero de Santa Cruz S.A. (Fomicruz). On 27 December 1996, Fomicruz entered into a usufruct agreement whereby Cerro Vanguardia S.A. was granted an irrevocable right to exploit the Cerro Vanguardia deposit for a 40-year period, which expires on 27 December 2036. Cerro Vanguardia S.A. is an Argentinean company controlled by AngloGold Ashanti, with Fomicruz as minority shareholder.

In addition to the Argentinean Mining Code, between 1993 and 1995, Argentina implemented several federal laws to offer foreign companies attractive incentives for exploration and mining in Argentina, the Mining Investment Law (Law No. 24, 196, as amended, and related legal provisions) being the most important one. Such incentives include, amongst others, import duty exemptions, accelerated depreciation of fixed assets, a 3 percent cap on Provincial royalties, value added tax refunds for exploration-related expenses incurred by companies registered under the Mining Investment Law, and, subject to the filing of a feasibility study for the relevant mining project, a 30-year stability as to tax, customs and foreign exchange duties. Cerro Vanguardia S.A. obtained its tax, customs and foreign exchange stability certificate in 1996.

Recent and potential regulatory changes

On 30 September 2010, the National Law on Minimum Requirements for the Protection of Glaciers was enacted in Argentina, banning new mining exploration and exploitation activities on glaciers and peri-glacial areas. The law also subjects the on-going mining activities to an environmental audit. If such audit results in material impacts on glaciers and peri-glacial areas, the relevant authority is empowered to take action, including suspension or relocation of the activity. The law establishes a broad definition of peri-glacial areas that, together with glacial areas, must yet be surveyed by an existing national Government Agency specifically appointed to this end. The constitutionality of the law has been challenged by some mining companies along with the Province of San Juan (which hosts large mining projects). Injunctions that had been granted by lower courts that had suspended the application of the law in that Province were lifted by the National Supreme Court of Justice of Argentina, that presides over the case, which is in its early stages. Although the injunction has been lifted, the language the Court used in the decision implies that until an inventory of glaciers is completed as mandated by the Law the case is moot, and therefore has no practical implications for the operations of CVSA.

On 26 October 2011, Decree 1722/2011 (Repatriation Decree) was issued, which imposes on oil, gas and mining companies operating in Argentina the obligation to repatriate all the proceeds of their exports from Argentina and to exchange such proceeds for Argentinean legal currency in the domestic banking system. All exporters, other than oil, gas and mining companies, have been operating under such regime since late 2001. Mining companies, on the other hand, were entitled to two exceptions: (i) a decree of 2003 applicable to mining companies with tax, customs and foreign exchange stability certificates obtained prior to the date on which such a decree was enacted (which is the case of Cerro Vanguardia S.A.); and (ii) a decree of 2004 applicable to mining companies with tax, customs and foreign exchange stability certificates obtained after the date on which such decree was enacted. Both exceptions have not been formally superseded by the Repatriation Decree, but appear to conflict with it, and such conflict may result, in some cases, in a violation of mining companies rights under the Mining Investment Law.

On 27 December 2011, the Argentinean National Congress passed Law 26,737 which implemented a set of rules restricting the ownership of rural land by foreigners (including foreign individuals or any kind of legal entity controlled by foreign individuals or legal entities). The main restrictions are as follows: (i) foreigners cannot own in the aggregate more than 15 percent of the entire rural land of Argentina, the same cap being applicable to each province and municipality; (ii) foreigners will not be allowed to purchase more than 1,000 hectares in the so-called zona nùcleo , which comprises the main agricultural areas of central Argentina or an equivalent surface depending on the location of the land and its productive potential; and (iii) foreigners will not be allowed to buy land that contains, or is adjacent to, relevant and permanent water bodies (such as rivers and lakes). Although exploration permits and mining concessions are not the subject matter of the restrictions placed by this law, certain rights granted to foreign mining companies under the Argentinean Mining Code may be restricted by this new law. For example, the right that holders of mining concessions currently have to force the surface owner to sell the land to the holder of the mining concession might be restricted if the concession holder is a foreign individual or a legal entity controlled by foreigners.

Ten provinces in whose territories the main mining projects of Argentina are located, signed a document with the Federal Government entitled Federal Mining Agreement, (FMA). The purpose of the FMA is, amongst other things, to increase provincial revenues from the mining industry by creating legal entities owned by provincial governments that would work in association with private mining companies. This scheme is not new in Argentina and it has been used by some provincial governments, amongst them Santa Cruz Province (through Fomicruz), in the Cerro Vanguardia project. The FMA also contemplates other forms of revenues such as the formation of special trusts to be funded by mining companies in order to finance education, health and other programmes. Increase in royalty rates is not specifically contemplated in the FMA. The Provinces that signed the FMA had previously formed a special association of provinces, supported by the National Government.

In Argentina, the current regulatory regime of royalty payments is expected to change and several different options and payment thresholds have been discussed. The Santa Cruz Province has changed the mining royalty from 1 percent to 3 percent.

Brazil

Land ownership and mining rights

General legal aspects

The Brazilian Constitution of 1934 states that, for purposes of exploration and exploitation, deposits and other Mineral Resources constitute property separate from the soil and belong to the Federal Union. Exploration and exploitation of such Mineral Resources may take place only with the Federal Union s concession and in such a way as to protect the national interest. Federal law sets out penal and administrative sanctions for conduct and activities deemed harmful to the environment.

In Brazil, the National Department of Mineral Production (DNPM) is the state body within the Mines and Energy Ministry (the MME) that is responsible for: (i) the registration of mining titles, (ii) the grant of authorisations and concessions, (iii) the supervision of mining activities and mining titleholders, and (iv) the issuance of supplementary rules in relation to mining activity.

Under the current Mining Code, there are two kinds of mines: (i) claimstake mines (Minas Manifestadas), for which rights were acquired before 1934 and exist independently of any mining licence or authorisation from the Federal Government and for which the Mineral Resources constitute property of the landowner and (ii) granted mines, which are those that rely on grants from the Federal Government for mineral exploration or exploitation (pursuant to the Constitution). AngloGold Ashanti s operations in Brazil consist of both claimstake mines and granted mines.

Mining activities in granted mines must be performed in two defined stages: (i) exploration, which entails defining and evaluating the deposit and determining the feasibility of exploitation, and (ii) exploitation, which involves coordinating operations aimed at the industrial exploitation of the mineral deposit, from the extraction of useful minerals to their processing. Exploration authorisations issued by DNPM are valid for one to three years. Extensions can be obtained if necessary. In contrast, exploitation rights, once granted, are valid for the lifetime of the deposit, provided the mining titleholder complies with all legal requirements. Pursuant to these requirements, for example, titleholders must (i) start work on mineral exploitation within six (6) months from the date of publication of the Exploitation Concession, (ii) continue their mining activities until the mineral deposit has been exhausted, in accordance with the Economic Exploitation Plan (Plano de Aproveitamento Econômico) approved by DNPM and (iii) refrain from suspending mining activities without prior notice to DNPM.

During the exploration period, the mining titleholder has to pay an Annual Rate per Hectare (TAH Taxa Anualpor Hectare), subject to a maximum value set by law. In the exploitation period, regardless of the legal regime governing the project (whether claimstake or granted mines), the mining titleholder has to pay the Financial Compensation for Exploiting Mineral Resources (CFEM Compensação Financeirapela Exploração Mineral). The CFEM is currently calculated based on revenues, minus some deductions authorised by mining law.

At the end of 2011 and the beginning of 2012 the states of Minas Gerais, Pará, Amapá and Mato Grosso do Sul each created a new tax (duty) on research, extraction and exploration activities as well as on the use of Mineral Resources carried out in those states. This tax could range from BRL3.00 to BRL6.50 per ton. In the state of Minas Gerais, however, gold ore was exempted from the collection of this new duty.

Potential regulatory changes

The Federal Government is contemplating changes to the mining legislation, and those proposed changes were submitted in 2013 to the National Congress for discussion and consideration. Its goals would be to (i) strengthen the role of the Federal Government in regulating the mining industry, (ii) attract more and better investments to the mineral sector, (iii) encourage maximal use of mineral reserves and (iv) encourage members of the industry to add value to mineral products.

The government s proposals have institutional, legal and financial facets. Institutionally, the proposals would create a National Council of Mineral Policy to advise the Presidency of Brazil and the MME on, and develop guidelines and directives for, the mining sector. They would also transform the DNPM into a regulatory agency with negotiation and inspection powers.

Legally, the proposals would change the rules governing access to mining titles. While exploration authorisations would be effective for a longer period of five (5) years, they would be renewable for only one extra year, at the discretion of authorities.

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Companies would also have to demonstrate that they are investing in exploration activities on a yearly basis. Exploitation rights would be limited to 35- or 40-year grants renewable at the discretion of authorities. The granting of rights would become a more discretionary process and would result in a Formal Adhesion Contract for Exploitation rather than in an open-ended concession.

The proposals would raise CFEM rates for trade in gold ore from 1 percent on net invoicing to 2 percent on gross invoicing. They would also create new calculation methods and incidence hypotheses, notably with regard to transactions between related parties.

Colombia

Land ownership and mining rights

In Colombia, all mineral substances are the property of the state of Colombia. The underlying principle of Colombian mining legislation is first-in-time, first-in-right.

Mining activities are regulated by the Mining Code, Act 685, 2001. Amendments to the Mining Code enacted in 2010 pursuant to Act 1382 were found unconstitutional. The Constitutional Court stayed its ruling for two years to give the government the opportunity to present a new law. The government was expected to make new changes to the Mining Code public in the second half of 2012, but has not yet presented any project of law to Congress.

The filing of an exploration and exploitation proposal triggers a right of preference to obtain rights over the targeted area, provided it is available. Such area cannot exceed 10,000 hectares. Upon receipt of a proposal, the relevant government agency determines whether another proposal or contract already governs the area. If there are no pre-existing claims, the government agency grants the applicant a free zone .

The concession contract

The government agency grants exclusive concession contracts for exploration and exploitation. Such concessions allow concessionaires to conduct the studies, works and installations necessary to establish the existence of minerals and to organise their exploitation. Upon being awarded a mining concession, a company must take out an insurance policy to cover any possible environmental damage as well as breaches of its mining obligations. It may then proceed with exploration activities. Once the exploration phase is complete, the concessionaire files a new plan regarding works and installations. An environmental impact study must also be filed and approved in order for the concessionaire to receive an environmental licence prior to beginning construction and development.

The initial term of concessions is 30 years. To receive an extension, a concessionaire must file a request two years before the termination of the initial term, and must substantiate the application with economic, environmental and technical information. Because the extension is not automatic, the concessionaire must renegotiate the conditions of the grant. Any company holding a concession that wishes to obtain a renewal of the contract must be up to date in all its legal and contractual obligations and must present a new plan of works and installations to be executed after the contract is renewed. The term of a concession and all the contractual obligations that arise from it are deemed to take effect as of the date of registration of the contract at the National Mining Register.

AngloGold Ashanti s core mining concession contracts at the La Colosa project provide that Agencia Nacional Minera (ANM), the new Colombian regulatory agency for mining activities, has the discretion to declare the underlying concession void if AngloGold Ashanti Colombia S.A. (AGAC) breaches applicable environmental laws or regulations. If ANM were to exercise such discretion against AGAC, AGAC would be required to abandon the La Colosa project and all of its other existing mining concession contracts. Pending proposals for new mining concession contracts would also be cancelled and AGAC would be banned from doing business with the Colombian government for a period of five years. As a result, AGAC would be unable to conduct any mining exploration or development activities during such period. However, this would not affect other AngloGold Ashanti subsidiaries operating in Colombia, which hold singularly or in concert with joint venture partners the majority of the company s concession contracts in Colombia.

There are some areas where mining activity is prohibited. These areas are:

National parks;
Regional parks;
Protected forest reserves;
Paramus (included in Act 1382, introduced in 2010); and
Wetlands, pursuant to the Ramsar Convention.

Some forest reserves are not protected , but are set aside for active forestry purposes. Such forest reserves must be extracted after initial prospection, meaning that the concessionaire must obtain a specific permit to partially and temporarily change the use of the soil before pursuing exploration activities.

Cannon fees and royalties

Cannon fees are due from the moment the area is declared available for the company (rather than from the time the concession contract is signed). Such fees change based on the number hectares held by the concessionaire, as follows:

0-2000 hectares, one legal daily minimum wage (approximately $9.00) per hectare per year
2001-5000 hectares, two legal daily minimum wages (approximately $18.00) per hectare per year
5001-10,000 hectares, three legal daily minimum wages (approximately $27.00) per hectare per year

Once exploration is complete and the mining infrastructure is in place, the concessionaire must begin paying royalties. Royalties paid to the Colombian government consist of a percentage of the primary product and sub-products being exploited. For gold, the percentage to be paid is 4 percent.

Potential regulatory changes

In 2013 the Federal government instituted the CONPES programme that will aid in promoting certain projects designated by the government as national projects of interest. This designation provides for greater oversight from the Federal government. The La Colosa and Gramalote projects are two such designated projects, and AngloGold Ashanti has requested that its Nuevo Chaquiro project be included in the programme as well.

United States of America

Land ownership & mining rights

Mineral and surface rights in the United States are owned by private parties, state governments or the federal government. Although not the case at Cripple Creek & Victor Gold Mining Company s (CC&V) Cresson Project, the majority of land utilised for precious metals exploration, development and mining in the western United States is owned by the federal government. The right to mine on such land is governed by the General Mining Law of 1872, as amended (General Mining Law). The General Mining Law allows mining claims on certain federal lands upon the discovery of a valuable mineral deposit and proper compliance with claim location and maintenance requirements. Until 1993, unpatented mining claim holders could apply for patents to their claims from the federal government, and, if granted, those patented mining claims became private lands owned by the mining claimant, limited only by reservations and restrictions contained in the patent from the federal government, and subject to the same permitting, environmental and reclamation laws and regulations as other private lands.

Individual states, including Colorado, typically follow a leasing system for state-owned minerals. Private parties have the right to sell, lease or enter into other agreements, such as joint ventures, with respect to minerals that they own or control. CC&V s Cresson Project covers approximately 7,100 acres, the vast majority of which consists of owned, patented mining claims from former public lands, with a small percentage of private and state lands, some of which are critical to the Cresson Project, being leased. All of the Cresson Project s current reserves are within the patented claims.

Permitting and reclamation

CC&V s Cresson Project is subject to a number of state and local permitting requirements, including permitting requirements imposed by the Colorado Mined Land Reclamation Act (MLRA) and Teller County. Under the MLRA, the Colorado Mined Land Reclamation Board (MLRB) issues and enforces mining and reclamation permits for all non-coal mines in Colorado on state, federal or private lands. In carrying out the statutory requirements of the MLRA, the MLRB (i) reviews mine permit applications and amendments and related matters, (ii) inspects active mine sites and prospecting sites and (iii) ensures financial warranties are posted for the actual cost of reclamation.

CC&V s Cresson Project is currently operating under a permit generally referred to as mine life extension one (MLE1) issued by the MLRB and Teller County. Amongst other things, MLE1 permits CC&V to continue active mining at the Cresson Project through 2016 and imposes reclamation and other requirements on CC&V, including requiring (i) the stabilisation and re-vegetation of disturbed lands, (ii) the control of storm water and drainage from overburden storage areas, (iii) the removal of roads and structures, (iv) the treatment and the elimination of process solutions, (v) the treatment of mine water prior to discharge into the environment and (vi) visual mitigation. In September 2012, CC&V s permit application for mine life extension two (MLE2) was approved by both the MRLB and Teller County.

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Potential regulatory changes

Over the years, the U.S. Congress has considered a number of proposed amendments to the General Mining Law. Amongst the significant features contained in previously proposed legislation were a production royalty obligation, new and more stringent environmental standards and conditions, additional reclamation requirements, extensive new procedural steps which would likely result in delays in permitting, and granting counties the ability to petition the Secretary of the Interior to make certain areas unavailable for the location of unpatented mining claims. The ultimate content of future proposed legislation, if enacted, is uncertain. If any of the above-referenced provisions were imposed, CC&V s operations could be adversely affected. Although no such legislation has been adopted to date, there can be no assurance that such legislation will not be adopted in the future.

MINE SITE REHABILITATION AND CLOSURE

Closure, an integral part of operations

All mining operations eventually cease. An integral aspect of operating AngloGold Ashanti s mines is ongoing planning for, and implementation of, concurrent rehabilitation, together with an estimate of associated liability costs and the placement of adequate financial provisions and assurances to cover these costs.

AngloGold Ashanti revised its group closure planning management standard in 2013 and all of its operations are now required to comply with the standard as their closure plans are reviewed and updated.

Closure planning is an activity that starts at the exploration and mine design stage and continues throughout the life of mine:

- New projects include a closure plan which takes into account future closure and associated rehabilitation and other costs.
- The closure plan is reviewed annually and updated every three years (annually in the final three years of a mine s life) or whenever significant changes are made, and takes into account operational conditions, planning and legislative requirements, international protocols, technological developments and advances in practice.

For many of the older mines, closure planning and the evaluation of environmental liabilities is a complex process. This is particularly so in Brazil, Ghana and South Africa, where many of the mining and other operations have taken place for more than fifty years.

A particular challenge is concurrent rehabilitation, which is carried out while a mine is still operational. This practice serves to decrease the ultimate liability and reduces the final rehabilitation and closure work that must be undertaken, but has the potential to sterilise mineral reserves, which the company might wish to exploit should conditions, such as the gold price, change.

Our closure standard stipulates that closure planning must be undertaken in consultation with the community. In the course of these consultations, different issues are raised which require site-specific solutions. Livelihood preservation and infrastructure are often key requirements. Previous employees may receive education and training so as to enable them to seek viable employment alternatives. Communities also require information on the Company s rehabilitation of the landscape and on any lasting environmental impacts.

In addition, long-term remediation obligations including decommissioning and restoration liabilities relating to past operations are based on environmental management plans and comply with current environmental and regulatory requirements.

Provisions for remediation costs are made when there is a present obligation, it is probable that expenditure on remediation work will be required and the cost can be estimated within a reasonable range of possible outcomes. These costs are based on currently available facts, technology expected to be available at the time of the clean-up, laws and regulations presently or virtually certain to be enacted and previous experience in the remediation of mine sites.

Decommissioning costs and restoration costs are provided at the present value of the expenditures expected to settle the obligation, using estimated cash flows based on current prices. Estimates are discounted at a pre-tax rate that reflects current market assessments of the time value of money.

Discounted closure liabilities (excluding joint ventures) increased from $728 million in 2013 to $851 million in 2014. This change relates to differing, site-specific changes, including progress in rehabilitation, changes in discount rates due to changes in global economic assumptions and application of new technologies.

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ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

In addition to post-mining land reclamation and closure requirements, AngloGold Ashanti is subject to extensive environmental, health and safety (EHS) laws and regulations in the various jurisdictions in which the company operates. These requirements govern, among other things, extraction, use, conservation and discharge of water; air emissions (including dust control); regulatory and community reporting; clean-up of contamination; worker health and safety and community health; and the generation, transportation, storage and disposal of solid and hazardous wastes, such as reagents, radioactive materials, and mine tailings. In addition, environmental laws and regulations, including the requirements contained in environmental permits, are generally becoming more restrictive. Significant EHS requirements, risks and trends affecting our mining and processing operations are described below.

Regulatory Compliance

Capital and operating costs to comply with EHS laws and regulations have been, and are expected to continue to be, significant to AngloGold Ashanti. In addition, AngloGold Ashanti could incur fines, penalties and other sanctions, environmental clean-up costs, and third-party claims for personal injury or property or natural resources damages; suffer reputational damage; and be required to install costly pollution control equipment or to modify or suspend operations, as a result of actual or alleged violations or liabilities under EHS laws and regulations. Failure to comply with applicable EHS laws and regulations may also result in the suspension or revocation of permits. AngloGold Ashanti s ability to obtain and maintain permits and to successfully operate in particular communities may be adversely impacted by real or perceived effects on the environment or human health and safety associated with AngloGold Ashanti s or other mining companies activities. In addition, unknown environmental hazards may exist on the company s properties which may have been caused by previous owners or operators.

Water Management

AngloGold Ashanti s mining and processing operations are heavily dependent upon access to substantial volumes of water required for such operations. Typically, water-use permits or water rights in each country impose limits on the quantity of water that can be extracted from certain sources and require, among other things, that wastewater from mining operations meet certain water quality criteria upon discharge. Water supply, quality and usage are areas of concern globally, but are particularly significant for operations in the USA, Ghana and South Africa, and for exploration projects in Colombia, where there is significant potential environmental and social impact and a high level of stakeholder scrutiny. Any failure to secure access to suitable water supplies, or achieve and maintain compliance with the requirements of the permits or licenses, could result in curtailment or suspension of production at the affected operation. Incidents of water pollution or shortage can, in extreme cases, lead to community protest and ultimately result in the withdrawal of community and government support for the company s operations.

Where feasible, the company operates a closed loop system which recycles the water used in its operations without discharging it to the environment. In some areas, however, such as Ghana, high levels of rainfall and surface water runoff mean that a closed loop system is not feasible and that discharges, after water treatment, must take place. During 2011, the company commissioned a reverse osmosis plant in the northern section of the Obuasi mine which functions in conjunction with complementary water treatment technologies to ensure that water released is compliant with Ghana s water quality standards. At the southern section of the mine, a 250 m^3/hour water treatment plant was commissioned in early 2012 and a 500 m^3/hour plant was commissioned in September 2014. At the Iduapriem mine, a water treatment plant was commissioned in 2010 to ensure that the operation can release excess water while meeting effluent discharge standards.

At AngloGold Ashanti s South African operations, ongoing upgrades of process water containment infrastructure to reduce potential environmental discharges have led to a reduction in reportable incidents since 2009.

Waste Management

Mining and mineral processing operations generate waste rock and tailings.

During open-pit mining, large volumes of soil and/or rock (overburden) are generated to expose the ore body. Similarly, waste rock is generated during drilling and developing access to underground ore bodies. Overburden and waste rock typically contain sub-economic levels of gold and are deposited as large waste rock dumps. Mine tailings are the process waste generated once grinding and extraction of gold from the ore is completed in the milling process and are deposited as slurry in large storage facilities specifically designed for this purpose.

The impact of a breach, leak or other failure of a tailings storage facility can be significant, and the company therefore monitors such facilities closely in accordance with national regulatory requirements and commitments made to local communities. The occasional well-publicised failure of a third-party tailings facility and the potential impact of such failure also mean that these facilities are generally tightly regulated. An incident at the company s operations could result, among other things, in enforcement, obligations to remediate environmental contamination, and claims for property or natural resources damages and personal injury and negative press coverage. Even an incident at another company s operations has potential to result in governments tightening regulatory requirements and restricting other mine operators in response.

Groundwater Impacts and Environmental Remediation

AngloGold Ashanti has identified groundwater contamination plumes at certain of its operations. Numerous scientific, technical and legal studies have been undertaken to assist in determining the magnitude of the impact and to find sustainable remediation solutions. Based on those studies as well as discussion with regulators, the company has taken steps, including monitored natural attenuation and phyto-technologies, to address soil and groundwater contamination. Subject to the completion of trials and the technology being a proven remediation technique, no reliable estimate can be made for the obligation. Should these obligations be significant, this could have a material adverse impact upon AngloGold Ashanti s results and its financial condition.

As AngloGold Ashanti or its predecessors have a long history of mining operations in certain regions, issues may arise regarding historical as well as potential future environmental impacts on those areas. For example, certain parties, including Non-Governmental Organisations (NGOs), community groups and institutional investors, have raised concerns, and threatened or commenced litigation, relating to air pollution or surface and groundwater quality, among other issues, in the areas surrounding the company s Obuasi and Iduapriem mines in Ghana, including potential impacts on local rivers and wells used for water, from heavy metals, arsenic and cyanide as well as sediment and mine rock waste. Following temporary shutdowns at both mines in 2010, the company has made improvements in effluent quality management and constructed a new tailings impoundment at Iduapriem as well as three additional water treatment plants at Obuasi to reduce the risk of incidents that have the potential to degrade local water sources. AngloGold Ashanti is continuing to investigate allegations of impacts by the company s operations on water quality in mining areas and is implementing, as appropriate, additional responsive actions, such as remediation, engineering and operational changes at the mine sites and community outreach programmes.

In addition, AngloGold Ashanti has identified a flooding and future pollution risk to deep groundwater in the Klerksdorp and Far West Rand goldfields in South Africa. AngloGold Ashanti s Vaal River operations are part of the Klerksdorp goldfields and its West Wits operations are part of the Far West Rand goldfields. The premature closure of neighbouring mines owned by another mining company in both areas has led to increased pumping obligations on AngloGold Ashanti and these are anticipated to increase in future, requiring additional permits and increased costs for the group. Various studies have been undertaken by AngloGold Ashanti since 1999 to better understand groundwater conditions in mined-out workings, including potential groundwater infiltration and acidification concerns. As a result of the interconnected nature of underground mining operations in South Africa, any proposed solution needs to be a combined one supported by all the companies owning mines located in these goldfields.

In view of the limitation of current information for the accurate estimation of liabilities, no reliable estimate can be made for these obligations. The potential costs of remediation and prevention of groundwater contamination at AngloGold Ashanti s operations could be significant and may have a material adverse impact on AngloGold Ashanti s results of operations and financial condition.

Climate Change and Greenhouse Gas Regulation

Greenhouse gases, or GHGs , are emitted directly by AngloGold Ashanti s operations, as well as by external utilities from which AngloGold Ashanti purchases power. Currently, a number of international and national measures to address or limit GHG emissions, including the Bali Action Plan and the Durban Platform, are in various phases of discussion or implementation in the countries in which the company operates.

The outcome of the climate change negotiations may, in due time, have the effect of requiring AngloGold Ashanti to reduce its direct GHG emissions or energy use or to incur significant costs for GHG emissions permits or taxes including through costs passed on by electricity utilities which supply the company. AngloGold Ashanti also could incur significant costs associated with capital equipment, GHG monitoring and reporting and other obligations to comply with applicable requirements. The most likely source of these company-level obligations is unlikely to be by operation of international law but more likely to come through domestic implementation of state obligations pursuant to evolving climate change regulatory regimes.

For example, the Australian government implemented a carbon trading scheme in July 2012, with a carbon price applying to facilities which emitted more than 25,000 t/yr, commencing at A$23/tCO^2-e (for 2012 to 2013), however this was repealed by a new government in 2013.

Also, in 2011, the South African government released a climate change response white paper and in 2013 a Carbon Tax Policy Paper. In February 2014, the South African Minister of Finance announced his intention to introduce a carbon tax in 2016. AngloGold Ashanti already pays a levy of ZAR0.035 per kilowatt hour of electricity that it purchases and is generated from fossil fuels. In February 2015, the Minister announced that the government was considering an increase in the levy to ZAR0.055 per kilowatt hour.

The 2013 Budget Review provides an indication of the expected levels of the carbon tax rate as being ZAR120 (approximately $10) per tonne of CO_2e emitted above certain thresholds. Under the proposal, the tax rate would increase by 10 percent a year, reaching ZAR193 (approximately US$17) per tonne by 2020. The end of the decade also marks the end of the first phase of the carbon tax. Depending on the nature of the emitter, a basic tax-free threshold of up to 60 percent of the tax liability will apply.

It is probable that the tax will be levied on sectors that comprise elements of the AngloGold Ashanti supply chain. Consequently, it is likely that the costs associated with those elements of the supply chain will increase for the medium- and long-term.

In 2010, Brazil launched the National Climate Change Policy, which established a voluntary reduction target of 1.2 billion tonnes of CO_2 below the projected emissions in 2020. The policy required the development of sector-specific plans in order to meet the target. Amongst other plans, it is intended to reduce deforestation in the Cerrado biome, where AngloGold Ashanti operates, by 40 percent compared to the average deforestation in 1999-2008 and expand renewable energy production and energy efficiency programmes. The policy also provided for a Brazilian GHG trading scheme, which is yet to be designed. While Brazil is not yet requiring mandatory GHG emissions reporting at the national level, some state environmental agencies have requested companies to voluntarily submit GHG emissions management plans.

In addition, potential physical risks to our operations as a result of climate change include changes in rainfall rates or reduced water availability, rising sea levels, higher temperatures and extreme weather events. Events or conditions such as flooding or inadequate water supplies could disrupt mining and transport operations, mineral processing and rehabilitation efforts, could create resource shortages and could damage the company s property or equipment and increase health and safety risks on site. Such events or conditions could have other adverse effects on the company s workforce and on the communities in the area around its mines, such as an increased risk of food insecurity, water scarcity and prevalence of disease.

Occupational and Community Safety and Health and Tropical Diseases

AngloGold Ashanti s operations are subject to a variety of laws and regulations designed to protect and improve the safety and health of employees. In some of the jurisdictions in which AngloGold Ashanti operates, the government enforces compulsory shutdowns of operations to enable investigations into the cause of accidents at those operations. Certain of the company s operations have been temporarily suspended for safety reasons in the past. In South Africa, in particular, so-called Section 54 safety stoppages have become a significant issue for mining companies. The business has been exposed to safety stoppages which can, individually and/or in aggregate, have a material impact on operations. AngloGold Ashanti is also enhancing safety programmes, in line with the overall ONE initiative and industry Best Practice, which could result in a reduction of incidents and associated Section 54 safety stoppages.

In addition, AngloGold Ashanti is subject to health and safety regulations relating to occupational disease. The primary areas of focus in respect of occupational health of employees within the company s operations are noise-induced hearing loss (NIHL) and occupational lung diseases (OLD), which include occupational tuberculosis and silicosis in individuals exposed to silica dust. Silicosis has been particularly prevalent in South Africa and has also arisen at the company s Continental Africa and Brazilian operations, albeit to a far lesser extent. AngloGold Ashanti provides occupational health services to its employees at its occupational health centers and clinics, and continues to improve preventative occupational hygiene initiatives, such as implementing various dust control measures and supplying its employees with respiratory protective equipment. If the costs associated with providing such occupational health services, implementing such control measures or supplying such equipment increase significantly beyond anticipated or budgeted amounts, this could have an adverse effect on AngloGold Ashanti s results of operations and its financial condition. Actual and alleged health and safety incidents or breaches of standards may also adversely impact the company s reputation.

The South African government, by way of a cabinet resolution in 1999, proposed a possible combination and alignment of benefits of the Occupational Diseases in Mines and Works Act (ODMWA) that provides for compensation to miners who have OLD, and the Compensation for Occupational Injuries and Diseases Act (COIDA), that provides for compensation in respect of job related injuries and compensation of non-miners who have OLD. It appears less likely that the proposed combination of the two acts will occur in the short- to medium-term, but some alignment of benefits may be considered in the future. The South African government has indicated that it may also consider amendments in the short-term to address shortcomings in ODMWA. COIDA provides for compensation payments to workers suffering permanent disabilities which are classified as pension liabilities if the permanent disability is above a certain threshold, or a lump sum compensation payment if the permanent disability is below a certain threshold. ODMWA only provides for a lump sum compensation payment to workers suffering from OLD as well as the payment of medical expenses over the claimant s lifetime. If the proposed combination of COIDA and ODMWA or amendments to ODMWA were to occur, this could further increase the amount of statutory compensation that miners employed by AngloGold Ashanti could claim, which consequently could have an adverse effect on AngloGold Ashanti s financial condition.

On 23 November 2010, the Chamber of Mines of South Africa applied to the North Gauteng High Court for a declaratory order as to whether or not the Compensation Commissioner may include in the levy to be paid by any specific mine under ODMWA any amount that is intended to be used for funding benefits payable to: (1) ex-mine workers who had never worked at that mine; or (2) ex-mine workers who used to work at the mine, but no longer work at the mine. On 29 April 2011, the Honorable Judge Zondo dismissed the Chamber s application with costs. The judge concluded that the Compensation Commissioner has authority under ODMWA to address an historical or actuarial deficit in the Compensation Fund by increasing the levy payable by current mines and works to cover the shortfall in respect of all ex-mine workers. The Chamber lodged an appeal to the Supreme Court of Appeal. The appeal was dismissed with costs. The effect of the judgement is that ODMWA levies may be increased in respect of the category of former employees referred to above.

AngloGold Ashanti is subject to numerous claims, including a consolidated class action and individual claims related to silicosis and other OLD, and could be subject to similar claims in the future. AngloGold Ashanti has received notice of an application for class certification relating to silicosis in which the company is a respondent. It has also received notice of individual claims. Please refer to Item 8: Financial Information Legal Proceedings South Africa Silicosis litigation.

In addition to OLD, AIDS and associated diseases remain major health care challenges faced by AngloGold Ashanti s South African operations. Workforce prevalence studies indicate that HIV prevalence rates among AngloGold Ashanti s South African workforce may be as high as 30 percent. AngloGold Ashanti continues to develop and implement programmes to help those infected with HIV and prevent new infections from spreading. Since 2001, the company has offered a voluntary counseling and HIV testing programme for employees in South Africa and, since 2003, has offered anti-retroviral therapy to HIV positive employees who meet the current medical criteria and who desire this treatment.

Malaria and other tropical diseases also pose health risks at all of the company s operations in Central, West and East Africa where such diseases may assume epidemic proportions because of ineffective national control programmes. Malaria is a major cause of death in young children and pregnant women but also gives rise to deaths and absenteeism in adult men. All affected company operations have malaria control programmes in place.

Other conditions such as heart disease, chronic diseases and obesity are of increasing incidence and concern. Such diseases impair the health of workers and negatively affect productivity and profitability as a result of workers diminished focus or skill, absenteeism, treatment costs and allocated resources.

AngloGold Ashanti cannot guarantee that any current or future medical programme will be successful in preventing or reducing the injury and illness rates amongst its employees or in affecting consequent morbidity or mortality rates. AngloGold Ashanti may incur significant costs in addressing this issue in the future, which could also adversely impact the company s results of operations and financial condition.

ANGLOGOLD ASHANTI GLOBAL OPERATIONS: 2014

Operations

AMERICAS

1. **Argentina**
   Cerro Vanguardia (92.5%)
2. **Brazil**
   Serra Grande
   AGA Mineração
3. **United States**
   Cripple Creek & Victor (CC&V)

CONTINENTAL

AFRICA

4. **Guinea**
   Siguiri (85%)
5. **Mali**
   Morila (40%) [1]
   Sadiola (41%)
   Yatela (40%)
6. **Ghana**
   Iduapriem
   Obuasi
7. **DRC**
   Kibali (45%) [1]
8. **Tanzania**
   Geita
9. **Namibia**
   Navachab [2]

AUSTRALASIA

10. **Australia**
    Sunrise Dam
    Tropicana (70%)

SOUTH AFRICA

11. **South Africa**
    Vaal River
    Great Noligwa
    Kopanang
    Moab Khotsong
    West Wits
    Mponeng
    TauTona
    Surface Operations [3]

EXPLORATION AND TECHNOLOGY

12. Australia
13. Colombia
14. Guinea
15. South Africa

Percentages indicate the ownership interest in AngloGold Ashanti, whether held directly or indirectly. All operations are 100%-owned unless otherwise indicated.

(1) Both Morila and Kibali are managed and operated by Randgold Resources Limited.
(2) On 30 June 2014, AngloGold Ashanti announced that it had completed the sale of Navachab.
(3) Includes MWS for purposes of this report. It is operated and managed as a separate cash generating unit.

OPERATING PERFORMANCE

Group description

Headquartered in Johannesburg, South Africa, AngloGold Ashanti has 20 operations in 10 countries.

AngloGold Ashanti is a global gold mining and exploration company with a diverse portfolio of mining operations and projects on four continents, with more than 97% of the company s revenue derived from the sale of gold produced at its operations located around the world. Working across the full spectrum of the mining value chain, the impact of the company s operating activities on the local communities and environments remain at the core of the business.

Following a strategic review of AngloGold Ashanti s asset portfolio at the start of 2013, the company embarked on significant restructuring in response to current challenges in the gold sector, including increasing costs of production and a fall in gold prices.

Gold production increased for the second consecutive year, boosted by the contributions of new mines, Kibali and Tropicana, which had their first full year of production in 2014. The rationalisation of corporate structures and marginal production continued with the planned restructuring of the South African operations and the transition to limited production at Obuasi in Ghana. On 30 June 2014, the sale of the Navachab mine in Namibia was completed.

AngloGold Ashanti s brownfield and greenfield exploration programmes take place in both established and new gold producing regions through managed and non-managed joint ventures, strategic alliances and wholly-owned ground holdings.

AngloGold Ashanti s operations and joint ventures employed, on average, 58,057 people (including contractors) in 2014 (2013: 66,434).

Performance

In 2014, AngloGold Ashanti produced attributable 4.4 million ounces of gold (2013: 4.1 million ounces) as well as 1.3 million pounds of uranium oxide, 3.5 million ounces of silver and 192 tonnes of sulphuric acid as by-products.

Production of 4.4 Moz was achieved at a group all-in sustaining cost of $1,026/oz compared to 4.1 Moz at $1,174/oz the previous year.

The attributable Ore Reserve at 31 December 2014 was 57.5 Moz, down from 67.9 Moz at 2013. This decrease reflects the changes in economic assumptions, depletion and the sale of Navachab.

Capital expenditure, including equity accounted joint ventures, in 2014 amounted to $1,209 million (2013: $1,993 million).

Safety

Regrettably, there were 6 fatalities across the group s operations in 2014. The all injury frequency rate was 7.36 per million hours worked compared to 7.48 in 2013.

OPERATIONS AT A GLANCE for the years ended 31 December

	Attributable tonnes treated/milled (Mt)			Average grade recovered (g/t)			Attributable gold production (000oz)			Total cash costs ($ per ounce)			All-in sustaining costs ($/oz sold)			Attributable capital [1] expenditure ($m)		
	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012
SOUTH AFRICA																		
Vaal River																		
Great Noligwa	0.4	0.4	0.5	6.44	6.15	5.72	78	83	84	1,074	1,100	1,226	1,185	1,305	1,530	7	13	27
Kopanang	0.8	1.0	0.9	5.55	5.23	5.40	140	178	164	1,023	918	1,015	1,256	1,255	1,497	26	52	94
Moab Khotsong	0.7	0.7	0.6	11.04	9.47	8.16	234	212	162	685	797	1,040	903	1,223	1,634	45	117	159
West Wits																		
Mponeng	1.1	1.6	1.3	8.99	7.10	9.40	313	354	405	746	719	639	981	1,016	883	97	171	195
Savuka [1]			0.2			6.09			37			1,041			1,607			20
TauTona [1]	0.9	1.0	0.8	8.21	7.34	7.63	232	235	189	882	920	924	1,059	1,149	1,316	35	59	73
Surface Operations																		
Surface Operations [2]	34.5	34.5	17.9	0.20	0.22	0.30	223	240	172	941	883	943	1,153	969	754	46	39	15
Other[3]							3			-			-			8		
CONTINENTAL AFRICA																		
Ghana																		
Iduapriem	4.9	4.8	4.6	1.13	1.43	1.22	177	221	180	865	861	955	1,020	1,025	1,437	21	28	95
Obuasi [4]	2.2	1.7	2.1	4.67	4.94	4.79	243	239	280	1,086	1,406	1,187	1,374	2,214	2,021	82	196	185
Guinea																		
Siguiri (85%)	10.1	10.2	10.1	0.89	0.82	0.76	290	268	247	799	918	938	917	1,085	1,105	26	25	28
Mali																		
Morila (40%)	1.3	1.4	1.8	1.06	1.23	1.41	44	57	81	1,162	773	767	1,298	1,051	765	6	13	1
Sadiola (41%)	2.1	2.0	1.9	1.28	1.34	1.64	85	86	100	1,028	1,334	1,169	1,133	1,510	1,249	6	42	37
Yatela (40%)	0.9	1.0	1.1	0.59	0.93	1.06	11	27	29	1,438	1,530	1,758	1,795	1,653	1,888	-	3	2
Namibia																		
Navachab [5]	0.7	1.4	1.4	1.44	1.39	1.59	33	63	74	752	691	1,036	719	781	1,329	1	5	15
Tanzania																		
Geita	5.2	4.0	4.8	2.86	3.54	3.47	477	459	531	599	515	427	890	833	816	129	154	216
DRC																		
Kibali (45%)[7]	2.5	0.4		2.95	3.41		237	40		578	471		588	9,065		179	341	263
AUSTRALASIA																		
Australia																		
Sunrise Dam	3.8	3.5	3.4	2.13	2.46	2.39	262	276	258	1,105	1,110	1,126	1,214	1,321	1,470	31	39	49
Tropicana (70%)[7]	4.0	0.9		2.78	2.40		358	66		545	568		752	1,113		59	241	315
AMERICAS																		
Argentina																		
Cerro Vanguardia (92.5%)	3.0	2.3	1.7	6.08	6.58	6.48	246	241	219	692	622	576	938	912	935	54	64	88
Brazil																		
AGA Mineração [4]	2.5	2.3	2.2	5.65	5.70	6.07	403	391	388	644	646	696	966	1,023	1,114	127	123	162
Serra Grande [6]	1.3	1.3	0.9	3.28	3.42	3.36	136	138	98	748	719	821	1,062	970	1,168	38	40	33
United States																		
Cripple Creek & Victor	19.3	20.8	20.9	0.32	0.34	0.40	211	231	247	829	732	638	1,147	927	817	169	157	100

(1) In 2013, Savuka and TauTona were combined under TauTona as one cash generating unit.

(2) Includes MWS for purposes of this report. It is operated and managed as a separate cash generating unit.

(3) Gold produced by treating material from multiple mine sources in South Africa.

(4) The grades from Obuasi and AGA Mineração represent those for their underground operations.

(5) AngloGold Ashanti sold Navachab effective 30 June 2014.

(6) AngloGold Ashanti s holding increased to 100% (from 50%) from July 2012.

(7) Commenced production in the second half of 2013.

Rounding of figures may result in computational discrepancies.

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SOUTH AFRICA

AngloGold Ashanti s South African operations comprise five deep-level mines and surface production facilities. They are:

The Vaal River operations Great Noligwa, Kopanang and Moab Khotsong;
The West Wits operations Mponeng and TauTona; and
Surface operations.

	Gold production (000oz)	Average number of employees
Operations		
1. **South Africa**		
Vaal River		
Great Noligwa	78	2,207
Kopanang	140	4,424
Moab Khotsong	234	4,573
West Wits		
Mponeng	313	6,737
TauTona	232	4,712
Surface operations [1]	223	3,058

[1] *Includes MWS for purposes of this report. It is operated and managed as a separate cash generating unit.*

South Africa Key Statistics

	Unit	2014	2013	2012
Operation				
Tonnes treated/milled	Mt	38.4	39.2	22.2
Pay limit [1]	oz/t	0.39	0.36	0.40
	g/t	14.35	13.37	12.41
Recovered grade[1]	oz/t	0.239	0.204	0.219
	g/t	8.19	7.00	7.50
Gold production	000oz	1,223	1,302	1,212
Total cash costs[2]	$/oz	849	850	873
Total production costs[2]	$/oz	1,087	1,070	1,097
All-in sustaining costs[2][3]	$/oz	1,064	1,120	1,189
Capital expenditure	$m	264	451	583
Safety				
Number of fatalities		4	6	11
AIFR	Per million hours worked	11.85	12.63	13.24
People				
Average no of employees: Total		29,511	32,406	34,186
Permanent employees		26,056	28,526	29,740
Contractors		3,455	3,880	4,446

[1] *Refers to underground operations only.*

[2] *Total cash costs, total production costs and all-in sustaining costs are non-GAAP measures. For further information on these non-GAAP measures, see Item 5A Operating Results .*

[3] *Excludes stockpile impairments.*

Performance in the South Africa Region in 2014

Production

Production declined by 6%, predominantly a consequence of safety-related stoppages, the aftermath of the earthquake experienced on 5 August 2014, and unscheduled shaft maintenance at Mponeng.

The 5.3 magnitude earthquake affected the Vaal River mines. Production was halted at these operations for five to ten days to allow the aftershocks to subside and to undertake repairs before production resumed. At Mponeng, production was suspended for seven days to allow significant repair work on damaged shaft steelwork and to return the shaft to safe levels of service.

Production from Surface Operations was negatively affected by the decreased grade of the material sourced from the marginal ore dumps. Mining flexibility has been improved so as to enable more active blending. The region s contribution to group attributable gold production moved from 32% to 28% in 2014. In addition, the Vaal River operations produced 1.3Mlb of uranium.

The focus on cost containment continued in 2014, in line with the Project 500 initiative to reduce overall group costs by $500m in the 18 months to end 2014, cost reduction initiatives were undertaken in the region. The emphasis on the management of labour costs, reef mining-related activities, power consumption, contractors and the implementation of service optimisation strategies as well as a robust critical review of commodity- and services-related contracts all contributed to lower operating costs. Inflationary pressures, which included increases in electricity tariffs that exceeded inflation, were partially compensated for by cost savings from the Project 500 initiatives and also a weaker local currency. All-in sustaining costs for the year declined 5% to $1,064/oz.

Capital expenditure

Capital expenditure declined by 41%, in line with the groupwide cost optimisation and rationalisation programme and the resultant scaling back of project investment. Capital expenditure in 2014 was again predominantly on ore reserve development across all underground operations and on the Mponeng deepening project, as well as stay-in-business items and activities across all underground operations.

Safety

There were tragically four fatalities during 2014 (2013: six) one at the Vaal River operations and three at the West Wits operations. Three of these were caused by falls of ground and one was the result of an incident involving piping and construction work.

All mines and plants in the region achieved 1 million fatality-free shifts and Kopanang, most notably, has recorded three million fatality-free shifts. This was achieved despite the impact of the 5.3 magnitude earthquake which resulted in minor injuries to 30 employees and the evacuation and safe return to surface of 3,300 people in all at the Vaal River operations.

People

The South Africa region employed an average of 29,511 people in 2014 26,056 full-time employees and 3,455 contractors as compared to 32,406 in 2013 and 34,186 in 2012 a decline of 14% in two years. This decline in the number employed was a result of various cost rationalisation initiatives implemented across the group over the past two years. Productivity declined to 4.40oz/TEC in 2014 (2013: 4.47oz/TEC).

The next round of wage negotiations is due to begin in the first half of 2015 as the current wage agreement comes to an end on 30 June 2015.

In the South Africa region, 94% of the workforce is represented by four industry unions: AMCU, NUM, Solidarity and Uasa.

Ore Reserve

As at 31 December 2014, the total Ore Reserve for the South Africa region is 27.45Moz (2013: 30.9Moz). This is equivalent to around 48% of the group s total attributable Ore Reserve.

Growth and improvement

Project Zaaiplaats at Moab Khotsong, which was temporarily halted in 2013, remains on hold. Additional geological information gathered in the interim reflected a deterioration in the grade of the project, making it economically unviable at the current gold price.

At Mponeng, phase 1 of the deepening project to access the VCR progressed well. Although safety stoppages following a shaft incident led to some delays, stoping and ledging operations have begun. The emphasis in the coming year is expected to be to increase the volume of ore reserve development so as to open up high-grade reserves. Given the slump in the gold price, phase 2 of this project to access the CLR was delayed in 2014. Critical path work continued and included the installation of ventilation and refrigeration infrastructure to enable the ramp-up to full project execution in 2015, should the capital budget be approved. This project is also expected to investigate the viability of optimised shift schedules with a view to improving productivity and speeding up access to the higher-grade areas.

The uranium plant at Mine Waste Solutions (MWS) was successfully completed with the first deliveries in the fourth quarter of the year. The recovery in the uranium price during the year was encouraging.

The Technology Innovation Consortium continued to make significant progress towards the development of the new deep-level mining technology. The aim, ultimately, is to develop a cost-efficient, safe, mining method to implement at our deep-level underground operations in South Africa to extract stability pillars and areas that might otherwise not be safe or viable to mine. In 2015, the final element of work is expected to be to compile a deep-level mining method based on this mining style. Key to maximising the efficacy of this method will be enhanced machine efficiencies. This in turn would entail increasing machine availability and a 24-hour mining cycle. While such working arrangements are still to be negotiated with labour, the company believes that they would increase the global competitiveness of the South Africa mining industry.

CONTINENTAL AFRICA

AngloGold Ashanti has six producing mines and processing operations (of which the group manages four) in five countries in the Continental Africa region, following much activity in 2014 with the sale of the Navachab mine in Namibia, the transition to limited mining at Obuasi in Ghana and the cessation of mining at Yatela in Mali.

	Attributable gold production (000oz)	Average number of employees
Operations		
1. **Democratic Republic of the Congo**		
Kibali 45%	237	2,245
2. **Ghana**		
Iduapriem	177	1,352
Obuasi	243	3,541
3. **Guinea**		
Siguiri 85%	290	3,494
4. **Mali**		
Morila 40%	44	500
Sadiola 41%	85	654
Yatela 40%	11	226
5. **Namibia**		
Navachab[(1)]	33	793
6. **Tanzania**		
Geita	477	3,265

(1) Sold effective 30 June 2014.

Continental Africa - Key Statistics

	Unit	2014	2013	2012
Operation				
Tonnes treated/milled	Mt	29.9	26.9	27.8
Pay limit	oz/t	0.039	0.049	0.041
	g/t	1.345	1.669	1.273
Recovered grade	oz/t	0.054	0.054	0.055
	g/t	1.66	1.69	1.70
Gold production (attributable)	000oz	1,597	1,460	1,521
Total cash costs[1]	$/oz	783	869	830
Total production costs[1]	$/oz	977	1,086	1,060
All-in sustaining costs[1][2]	$/oz	968	1,202	1,235
Capital expenditure	$m	454	839	925
Safety				
Number of fatalities		0	2	5
AIFR	Per million hours worked	1.56	1.97	2.26
People				
Average no of employees: Total		16,070	16,625	16,621
Permanent employees		8,739	10,778	10,014
Contractors		7,331	5,847	6,607

(1) *Total cash costs, total production costs and all-in sustaining costs are non-GAAP measures. For further information on these non-GAAP measures, see Item 5A Operating Results .*

(2) *Excludes stockpile impairments.*

Production

The ramp up and first full year of production at Kibali more than offset the decline at Yatela and the half-year contribution by Navachab which was sold in June 2014. The region s attributable production increased by 9%.

Kibali produced its first gold in 2013, ahead of schedule, and delivered 527,000oz in 2014, of which 45% is attributable to AngloGold Ashanti.

During 2014, production at Kibali came largely from the open pit, while significant development of underground workings was carried out. Underground mining began following the start of blasting of the first stope in the latter part of the year. The oxide plant was successfully ramped up in early 2014 with the sulphide plant being commissioned in the second half. Kibali s Ore Reserve is currently estimated at around 11Moz (attributable: 4.94Moz), accounting for 26% of the Continental Africa region s Ore Reserve.

Our largest operations in the region, Geita and Siguiri, recorded strong performances for the year. At Geita, tonnes milled of hard sulphide ore surpassed 5Mt for the first time, a result of better mill running time and fragmentation control. This followed improvements in blast fragmentation, the installation of a secondary crusher and improved carbon management systems in the leach circuit. These improvements offset grade declines at the Star & Comet pit; the failure of the pit wall at Nyakanga Cut 7; and delays at Geita Hill East pit.

At Siguiri, tonnes treated remained stable with a higher than expected improvement in recovered grades contributing to an increase in production. The grades, however, declined in the latter part of the year as higher-grade ore resources were depleted.

In Mali, production decreased overall as the mines continued to wind down in line with planned transition to closure, treating lower grade waste tonnes.

At Obuasi, while output increased marginally year-on-year, underground production was halted in the fourth quarter. Processing of tailings and aboveground stockpiles is continuing. This was in line with the initiative to downscale the operation temporarily while a feasibility study is undertaken to explore options for its long-term sustainability.

Tailings retreatment continued during the year, contributing to an improvement of close to 2% in ounces produced year-on-year, as we continued to discharge our environmental responsibilities. Development of a decline from surface to the existing mining blocks continued in 2014. The decline is expected to allow development of the appropriate infrastructure to enable mechanised operations and de-bottleneck the mine, which

was constrained by an outmoded, labour-intensive mining method and also ageing and sub-optimal vertical hoisting infrastructure.

By year-end Obuasi had successfully transitioned to limited operations and the entire work force had been retrenched. Refer Item 18 - note 7: Special Items . A limited number of employees were recruited on a one-year fixed-term contract to oversee the mine while the feasibility study is underway. The study is due to be completed in the first half of 2015.

Project 500 gained significant traction in the region, with noteworthy gains made in several areas. In looking to improve process recoveries, an initiative to optimise dissolved oxygen levels improved recoveries across all major operating sites, particularly at Geita, Siguiri and Iduapriem. Mine plans were optimised, with low-margin or loss-making ounces removed and labour efficiencies were realised across the region, both among permanent employees and contractors. The expatriate contingent was reduced and consultant services curtailed. At Geita, mining efficiencies resulted in greater tonnages moved with no additions to the fleet, helping reduce unit mining costs. Work was done to realise benefit of a more favourable environment for buyers of contract mining services due to excess capacity across the globe. Competitive bidding processes for mining and related contracts were held at Siguiri, Geita, Sadiola and Iduapriem, with all resulting in new contractors or more favourable contracts agreed. Considerable effort was also directed at reducing working capital through the optimisation of consumable stores across the regional portfolio, and engagement with governments in Tanzania and Guinea to reduce indirect tax lock-ups.

The region as a whole also continued to realise the benefit of more consistent operating performance with tight management of all costs and capital. The region benefited from the inclusion of the first full-year s production from the Kibali mine, which contributed production at lower-than-average cash cost. The sharply lower fuel price in the fourth quarter also aided cost control efforts, particularly for open pits mines which operate large truck and shovel fleets and generate all or part of their own power from diesel or heavy fuel oil, like the major mines in the region Geita, Kibali and Siguiri. As with the rest of the group, the focus on strict capital allocation and more concentrated exploration programme was also a strong feature in Continental Africa. The net result of these initiatives was a 19% reduction in all-in-sustaining costs to $968/oz, the lowest in the group.

Capital expenditure

With completion of much of the work to establish operations at Kibali, capital expenditure for Continental Africa dropped to $454m in 2014 from 2013 s $839m and a further fall is anticipated in 2015, with the construction of the sulphide plant largely completed at Kibali. Capital expenditure was reduced almost entirely at Obuasi which was placed on limited mining.

Safety

Overall safety performance in the Continental Africa region continued to improve. There were no fatalities during the year and the all injury frequency rate improved to 1.56 per million hours worked (2013: 1.97).

People

The average number of people employed in the region declined, largely a result of the retrenchment process undertaken at Obuasi, from 16,625 in 2013 to 16,070 in 2014. Regional productivity improved significantly to 14.36oz/TEC (2013: 9.97oz/TEC). Most retrenchments were undertaken at the end of the year.

Ore Reserve

The total attributable Continental Africa Region Ore Reserve is 18.93 million ounces (2013: 24.41 million ounces). This amounts to 33 percent of the group s Ore Reserve.

Growth and improvement

Our emphasis has been on improving operational and cost efficiencies in response to gold s persistent price decline and to caution over the metal s immediate price direction. Kibali s cost-efficient production ramp up has already contributed to overall production and a containment of overall costs per ounce. The focus for 2015 is expected to be completion of the paste plant and the second hydro-power station Ambarau. The sinking of the vertical shaft remained ahead of schedule with a shaft depth of 720m at the end of the year with only 40m sinking remaining.

At Obuasi, following a two-year review of operational efficiencies, mining operations were significantly curtailed. A feasibility study investigating options to modernise and improve the life-of-mine plan is underway. The focus of the study is not only on the economic and technical aspects but also security, environmental obligations and community relations.

In Guinea, despite indications of promising new developments, greenfields exploration teams had to be withdrawn during the latter part of the year as a precaution against the outbreak of the Ebola virus disease.

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AUSTRALASIA

	Attributable gold production (000oz)	Average number of employees
Operations		
Australia		
1. Sunrise Dam	262	374
2. Tropicana 70%	358	458

AngloGold Ashanti s Australasian assets comprise the wholly owned Sunrise Dam and the 70 percent-owned Tropicana Gold mine, Australia s newest gold mine. Tropicana completed its first full year of production in 2014.

Australasia - Key Statistics

	Unit	2014	2013	2012
Operation				
Tonnes treated/milled	Mt	7.8	4.3	3.4
Pay limit	oz/t	0.07	0.09	0.08
	g/t	2.29	2.82	2.42
Recovered grade	oz/t	0.072	0.072	0.070
	g/t	2.45	2.45	2.39
Gold production (attributable)	000oz	620	342	258
Total cash costs[1]	$/oz	804	1,047	1,211
Total production costs[1]	$/oz	1,070	1,333	1,358
All-in sustaining costs[1][2]	$/oz	986	1,376	1,680
Capital expenditure	$m	91	285	369
Safety				
Number of fatalities		0	0	0
AIFR	Per million hours worked	10.73	7.91	6.33
People				
Average no of employees: Total		832	925	494
Permanent employees		194	281	110
Contractors		638	644	384

(1) *Total cash costs, total production costs and all-in sustaining costs are non-GAAP measures. For further information on these non-GAAP measures, see Item 5A Operating Results .*

(2) *Excludes stockpile impairments.*

Production

With the ramp up in production at Tropicana during the course of 2014, the mine s first full year of operation, and increased levels of output at Sunrise Dam, total production for the Australasia region was 81% higher than in 2013.

At Sunrise Dam, while underground mining has been providing supplementary ore since 2004, the underground mine transitioned to become the primary source of mill feed in 2014, delivering 2.43Mt of ore to the mill for the year. Stockpiled intermediate grade ore (average 1.45g/t) was blended with the underground ore to meet the processing plant capacity, which saw throughput reach 3.8Mt in 2014, a 10% improvement on 2013, despite the higher proportion of harder underground ore treated. Plant performance improved due to the focus on engineering reliability which reduced plant down time.

A two-year project on planning systems and operational efficiencies resulted in productivity improvements in the underground mine culminating in 675,503t of underground ore being mined in the December quarter equivalent to an annualised rate of 2.7Mt. This mining rate is expected to be maintained in 2015. The multi-pronged productivity improvement strategy included an innovative approach to grade control based on reverse circulation (RC) drilling that emulated the successful grade control process in the open pit. The change to RC drilling combined with productivity improvements gained in the underground mine drove mining costs down by more than 50% over the two-year period.

Tropicana completed its first full year of operation. In total, the mine produced 511,000oz of which AngloGold Ashanti s share was 358,000oz. Open pit mining focused on the Havana and Tropicana pits in 2014. During the year additional mining fleet was brought to the site to counteract a decrease in mining rates caused by structural failure that caused part of a tank wall to buckle, remediation of a wall slippage, poor equipment availability and lower-than-planned productivity. Mining productivity improved in the fourth quarter and it is anticipated that productivity rates will be back on target in early 2015. Despite these challenges, feed to the processing plant was on budget, enabling treatment of 5.7Mt for the year at a head grade of 3.06g/t and metallurgical recovery of 90%. Reconciliation of mine to mill, in terms of both tonnes and grade, aligned well.

Production decreased at Sunrise Dam, as lower grades were mined in line with the mine plan.

Total cash costs for the region declined by 23% and all-in sustaining costs by 28%. Costs for the Australasian region were positively affected by the ramp-up to full production at Tropicana, and productivity improvements at Sunrise Dam. However, at Tropicana, these were impacted by higher mining costs resulting from fleet productivity issues and increased plant maintenance costs. These cost increases however were offset by the savings in other areas resulting in the operation delivering on the cost performance anticipated in the feasibility study.

Capital expenditure

Capital expenditure for Australasia reduced significantly to $91m in 2014 (2013: $285 million) with the completion of much of the development at Tropicana, as well as completion of the transition at Sunrise Dam from openpit to underground mining. Capital expenditure at Tropicana fell to $59m from $241m in 2013 while at Sunrise Dam expenditure was $31m against $39m in the previous year.

Safety

Safety performance continued to be an area of focus with no fatalities reported. The AIFR for the region was 10.73 per million hours worked (2013: 7.91).

People

A total of 832 people were employed on average by the Australia region 194 full time employees and 638 contractors. Productivity in the Australia region was 62.00oz/TEC in 2014 (2013: 49.64oz/TEC), the highest in the group.

Ore Reserve

At the end of 2014, the total attributable Ore Reserve for the Australasia Region was 3.53 million ounces (2013: 3.81 million ounces). This makes up around 6 percent of the group s Ore Reserve.

Growth and improvement

At Tropicana, additional maintenance and engineering work was carried out in the processing plant during the year to close out construction work following commissioning and to optimise sections of the plant with a view to lifting throughput beyond nameplate capacity in 2015. At

year-end regulatory approvals were received to complete an expansion of the process water supply borefield that provides water to the operation. By the end of the first quarter of 2015, an additional 27 bores will have been installed and commissioned to take the number of bores servicing the plant to 51 and capacity from approximately 750t of water per hour (tph) to more than 1,000 tph.

Analysis of data from a 3D seismic survey which was conducted across the Tropicana ore bodies is expected to be completed in the first half of 2015. This analysis is expected to enable more accurate and more cost effective targeting of deep drill holes to test for extensions of mineralisation beneath the current open pit. This drilling data will augment work already carried out in the Havana Deeps study to determine if the down plunge extensions to the ore bodies continue to the north below Tropicana and Boston Shaker. Ultimately, this information will determine whether these ore bodies could be mined via a large open pit or by underground methods.

In July 2014, AngloGold Ashanti signed agreements with a natural gas infrastructure company for the transportation of natural gas to Sunrise Dam and Tropicana. It is expected that this will provide continuity of fuel supply, reduce exposure to diesel price volatility and significantly reduce the number of trucks on the site access roads. This is expected to yield important safety benefits and will help in reducing road maintenance costs. Construction is scheduled to start in February 2015 with first gas expected to be available at the mines in January 2016. The power stations at both mines are expected to be modified so as to run on 100% natural gas. Backup diesel capability will be retained for emergencies. Gas power generation is expected to reduce cash operating costs.

THE AMERICAS

AngloGold Ashanti has four mining operations both open pit and deep level mining in the Americas region. In addition, there is an active greenfields exploration programme underway in Colombia.

	Attributable gold production (000oz)	Average number of employees
Operations		
1. **Argentina**		
Cerro Vanguardia 92.5%	246	1,640
2. **Brazil**		
AGA Mineração	403	4,398
Serra Grande	136	1,403
3. **United States**		
Cripple Creek & Victor	211	1,147

Americas - Key Statistics

	Unit	2014	2013	2012
Operation				
Tonnes treated/milled	Mt	26.1	26.7	25.7
Pay limit	oz/t	0.034	0.026	0.024
	g/t	1.156	0.897	0.822
Recovered grade	oz/t	0.035	0.036	0.034
	g/t	1.13	1.20	1.16
Gold production (Attributable)	000oz	996	1,001	953
Total cash costs[(1)]	$/oz	709	671	669
Total production costs[(1)]	$/oz	942	886	907
All-in sustaining costs[(1)(2)]	$/oz	1,010	970	1,006
Capital expenditure[(3)]	$m	388	391	387
Safety				
Number of fatalities		2	0	1
AIFR	Per million hours worked	3.81	4.74	5.20
People				
Average no of employees: Total		8,588	8,374	7,896
Permanent employees		5,944	5,979	5,509
Contractors		2,644	2,395	2,387

(1) Total cash costs, total production costs and all-in sustaining costs are non-GAAP measures. For further information on these non-GAAP measures, see Item 5A Operating Results .

(2) Excludes stockpile impairments.

(3) 100% and excludes Colombia

Production

The year was a challenging one overall for the Americas operations and overall production from the region declined marginally. Increased production at AGA Mineração and at Cerro Vanguardia failed to offset declines at CC&V and Serra Grande. Production was dampened by low grades for some mines as well as negative stockpile movements. Cerro Vanguardia s production for 2014 was the highest in 11 years, due mainly to improved heap-leach production.

AGA Mineração continued to deliver a strong performance with increased tonnage and feed grades at both the Cuiabá and Córrego do Sítio complexes despite operational delays in high grade areas, changes in mining plan at Cuiabá Complex, and geotechnical challenges at the new oxide pit. Development here exceeded expectations and production began from the new ore body at Córrego do Sítio (Sulphide II) and full production rates were achieved at the underground Mine I.

At CC&V, production was negatively affected by several factors including increased amounts of clay in the ore that resulted in reduced volumes and lower grade ore being supplied to the crusher. Certification delays for an exposed liner necessitated modifications to the heap-leach stacking plan leading to deferred production in the early part of 2014.

The Americas region s contribution to group attributable production declined to 22%. In addition, the region produced 3.1Moz (attributable) of silver as a by-product.

Despite the focus on limiting cost increases over the past year, regional cash costs increased by around 5%, due largely to inflationary pressures in the South American countries. The higher levels of production at AGA Mineração and Cerro Vanguardia failed to offset increased costs at Serra Grande and CC&V. Although overall costs increased at Cerro Vanguardia due to deferred stripping adjustments, the negative impact of stockpile movement and inflationary pressures and wage increases, these were partially offset by the increased production and weaker exchange rates. The depreciation of both the Brazilian real and Argentinean peso helped to limit cost increases in those countries, as did various cost management initiatives implemented. Operating challenges at CC&V also affected negatively the cost performance of the region. Taxation and royalty payments were lower at all operations, in line with subdued gold and silver prices.

In line with the group cost optimisation drive, the focus of savings initiatives in the Americas region was on labour, contractors, energy, consumables and working and stay-in-business capital. The regional all-in sustaining costs increased by 4% year on year.

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These cost and cash management programmes involved productivity improvements, process optimisation, and reductions in power costs, materials pricing and in administrative expenses.

At CVSA various initiatives aimed at efficiency and production improvements (underground mine design optimisation, the prolonging of the extension operational life tyres, and the optimisation and stabilisation of CIL and regeneration circuits), continued.

Cost savings initiatives at CC&V focused on improving efficiencies derived from consumables and tyres, and better fleet time management. This enhanced crusher throughput and resulted in savings of $4m.

In Brazil, potential savings identified in 2013 were addressed by initiatives implemented in 2014.

Capital expenditure

In line with the continuing group-wide cost and strategic review, capital expenditure of $388m in the Americas region for 2014 was approximately 1% less than the previous year. Much of this was on the mine life expansion project at CC&V ($145m) and Ore Reserve Development at AGA Mineração of $53m. Additional expenditure was underground expansion at CVSA and ore development and general stay-in-business activities at all operations.

Safety

Two fatalities were reported in the Americas region (2013: 0). Two contractor employees lost their lives in an incident at AGA Mineração s Cuiabá mine during the renovation of the ventilation shaft when the braking mechanism for a rope holding a suspended platform in place failed. The AIFR for the region was 3.81 per million hours worked in 2014 (2013: 4.74 restated).

People

A total of 8,588 people were employed on average by the Americas region in 2014 5,944 full-time employees and 2,644 contractors. Productivity for the region was 16.35oz/TEC as compared to 16.63oz/TEC in 2013.

Ore Reserve

At the end of 2014, the total attributable Ore Reserve for the Americas Region, was 7.56 million ounces (2013: 8.82 million ounces). This makes up around 13 percent of the group s Ore Reserve.

Growth

Various growth programmes are underway at all operations in the region, the most significant of which is CC&V s expansion project. The first part of the two-phase mine life expansion (MLE) project began production in 2011 and is expected to continue until 2016. MLE2 will expand the operation to include a second valley heap-leach facility (VLF), a CIP mill to process sulphide material and an associated gold recovery plant. The mill began commissioning at the end of 2014 and production is scheduled to begin in the first half of 2015. The second VLF is expected to start production in the second half of 2016.

At Cerro Vanguardia, an underground mining expansion project is being undertaken to improve efficiencies and productivity through underground mine design optimisation and optimisation and stabilisation of the carbon-in-pulp and regeneration circuits.

At the Brazilian operations, the focus was principally on optimisation initiatives to improve operational efficiencies. At AGA Mineração s Córrego do Sítio complex, full production rates were improved at both the sulphide and oxide mines. The brownfields drilling programme at Córrego do Sítio continued and identified satellite ore bodies close to existing infrastructure.

Colombia remains a key area of focus for the exploration programme and continues to yield promising results. A particular success was the release of the maiden Inferred Mineral Resource estimate for Nuevo Chaquiro, which is part of the Quebradona greenfields exploration programme. Studies and engagement with the local communities continue.

EXPLORATION REVIEW

Our exploration programme covers greenfields and brownfields projects. The first steps are to identify prospective gold deposit targets, which, once identified as being worthwhile, merit intensive further evaluation.

Greenfields exploration aims to discover large, high-value gold deposits that can provide a pipeline of further high-quality and rigorously prioritised exploration projects, which in turn lead to the development of new mines.

Brownfields exploration focuses on delivering value through incremental additions to reserves in existing mines as well as new discoveries in defined areas around existing operations. Brownfields exploration actively drives the creation of value by growing our major asset, our Mineral Resource and Ore Reserve. The brownfields exploration programme is based on innovation in geological modelling and mine planning, and continual optimisation of our asset portfolio.

Greenfields exploration

AngloGold Ashanti s greenfields exploration team has a proven track record that includes the world-class discoveries of La Colosa, Gramalote, Tropicana, and Nuevo Chaquiro. These discoveries are attributed to our team of geologists working on a portfolio of prospective and strategic ground holdings.

In 2014, the greenfields exploration business unit delivered exploration successes while, simultaneously, reducing costs aggressively. It has been successful in delivering new quality gold ounces and, now, copper tonnes into our resource inventory. The copper-gold maiden resource for Nuevo Chaquiro in Colombia exemplifies the unit s success. This is a significant copper-gold porphyry-style mineralised system, one of five known porphyry centres on the property.

During the year, greenfields activities became more focused, helped by rationalising tenures in Colombia and Australia. In 2014, realised expenditure was $41m. AngloGold Ashanti remains committed to its core greenfields projects and has over 13,000km2 of highly-prospective ground in Australia, Colombia, and Guinea along with small ground positions in Argentina and Brazil. Advanced greenfields exploration activities were conducted in four countries with the completion of over 100,000m of diamond, reverse circulation and aircore drilling. Drilling programmes aimed to test new high-priority targets in Australia and further delineate existing discoveries in Colombia, Guinea and Brazil.

Colombia: Exploration success continued at the Nuevo Chaquiro project, in joint venture with B2Gold (AngloGold Ashanti 89.75%). In November, AngloGold Ashanti announced a maiden Inferred Mineral Resource estimate for Nuevo Chaquiro. It represents a realistic inventory of mineralisation within a conceptual underground mine design, based on two lifts using a combination of block caving and panel caving. Results from the latest Mineral Resource drilling in December 2014 continue to return multiple consistently mineralised intersections in the high-grade (>0.6% Cu) intrusive phase within the declared Mineral Resource. Drilling is now aimed at better defining and extending the high-grade (>0.6% Cu) zone and bringing this to indicated status.

Brazil: Exploration progressed on the Graben project, in joint venture with Graben Mineração (AngloGold Ashanti 51%). Following the completion of high-resolution ground magnetics surveying and 3D inversion modelling, approximately 1,100m of diamond drilling were completed in December on priority targets within the highly prospective Juruena Belt. These holes targeted de-magnetised intrusive rocks associated with alteration and possible sulphide mineralisation. The holes successfully intersected altered and mineralised rocks.

Guinea: Exploration work continued in Siguiri Blocks 2, 3 and 4 (AngloGold Ashanti 85%) until 20 July, after which work was suspended due to the outbreak of the Ebola virus in the immediate region. On the Kounkoun trend located within 50km of the Siguiri mine, in Block 3, 7,259m of reverse circulation drilling was completed to test the continuation of mineralisation between KK1 and KK2. This mineralisation model was confirmed and passed to the BFX evaluations department for Mineral Resource calculations. IP and drill testing of other targets in the region delivered negative results. In December, the greenfields exploration unit withdrew from Guinea and transferred responsibility for Siguiri Blocks 2-4 to the Siguiri brownfields unit.

Australia: In Western Australia, exploration activities on the Tropicana project, in joint venture with Independence Group NL AngloGold Ashanti (70%), progressed solidly through the year with more than 60,000m of aircore, 1,800m of reverse circulation and 500m of diamond drilling being completed. Encouraging results were returned from Madras prospect approximately 25km south of the Tropicana Gold Mine. The Strawbridge Project (AngloGold Ashanti 100%) in Western Australia was added to the portfolio late in the year. In New South Wales at the Mullion Project AngloGold Ashanti (100%), significant geophysical surveying was completed.

Brownfields exploration

Brownfields exploration was carried out in 11 countries, in and around our operations. A total of 389,900m of diamond and reverse circulation drilling was completed during the year.

South Africa: Five surface holes were drilled during the year four at the West Wits operations at Mponeng s Western Ultra Deep Levels (WUDLs) and one at the Vaal River operations achieving a total length of 6,923m.

Argentina: Mineral Resource expansion and exploration continued at Cerro Vanguardia with follow-up drilling for vein extensions along strike and at depth, identifying additional mill ore. Mapping, trenching and channel sampling work defined new exploration targets.

Brazil: Mineral Resource development drilling continued at the Cuiabá and Lamego mines to support long-term planning and Mineral Resource definition ahead of mining. Surface drilling at the Córrego do Sítio mine continued to infill and expand the oxide Mineral Resource. Regional exploration tested near-mine satellite projects. At Serra Grande, exploration drilling continued to delineate the Inga mineralised structure. Geophysical surveys and soil sampling campaigns were completed as part of the target generation programmes in the district.

Colombia: Exploration in the Gramalote area focused on infill drilling to support the updated Mineral Resource estimate for the Gramalote Central deposit. Drilling was also directed at expanding the nearby Monjas West target. At La Colosa, Mineral Resource development drilling continued at a slower pace compared to previous years with other drilling expanded to support geotechnical, hydrological and site infrastructure studies. The geological model was updated with expansion of the deposit to the northwest and at depth.

USA: Mineral Resource development drilling continued at Cripple Creek and Victor and was directed toward identifying expansion opportunities for the current open pit operations through high wall laybacks. Selective drilling also tested deeper targets below or adjacent to planned open pit designs.

Tanzania: Focus has largely been on infill drilling within Geita s current open pits (Geita Hill, Nyankanga and Star & Comet) and their extensions. Limited pre-resource drilling programmes were undertaken to test the underground potential at Star & Comet Deeps. A total of 111 holes (20,220m) was completed.

Guinea: At Siguiri, 17,823m of reverse circulation and diamond drilling were done across six projects in Block 1. These included reconnaissance, Mineral Resource delineation, and infill projects for oxide and fresh rock mineralisation. The Ebola epidemic in West Africa led to significant disruptions, particularly with field mapping and geophysics and the work programme was suspended in the second half of the year.

Ghana: Underground exploration at Obuasi focused on a portion of the Red Zone 6 (Block 9) area above 50 level with the aim of upgrading the block s Inferred Mineral Resource. At Iduapriem, the main focus in early-2014 was the logging, sampling and analysis of core from 2013 s Block 7&8 infill drilling. Several new targets were produced from the existing regional magnetic data over the Iduapriem concession. Analysis of a distinct magnetic anomaly in an area west of the Teberebie warehouse, which is also being exploited by artisanal and small-scale miners, led to the identification of hydrothermal, vein-hosted, mineralisation. Initial sampling results show some promise and a detailed follow-up is expected to begin in 2015.

Democratic Republic of the Congo: Drilling at Kibali totalled 19,018m, with an additional 1,666m drilled on regional projects. The aim is to add material to the Ore Reserve at above run-of-mine grade, to find gap fillers where required, or to add sufficient new material (3-5Moz) to justify a step change to the operation. At Gorumbwa, three phases of infill drilling were completed during the year.

Mali: A number of key oxide targets were identified at Sadiola. Research by the Centre for Exploration Targetting continued during the year and a structural framework for mineralisation was defined for Tambali and the FE complex. The most promising target, FE2S, shows potential for low-grade, wide ore zones over a 1.2km strike length. Some results remain outstanding for drilling along the Sadiola northern extension. Limited fresh rock exploration was conducted in the FE3 and FE4 pits with positive results at both. A scoping- study was done for the newly generated Tambali Mineral Resource. Drilling targets were defined for a possible infill programme. Field mapping and sampling continued over the lease area and the geological map has been refined with new information from most target area.

Australia: A 3D seismic survey to image the mineralised zone down dip of Tropicana was designed and completed during the year. Its dataset is high quality and is being interpreted to create a structural model that is expected to be used to help plan drill holes in 2015. At Sunrise Dam all mine exploration was focused on Mineral Resource definition and extension to support the underground mine. Drilling totalled 53,100m for the year 67% diamond core and 33% UGRC. Drilling in 2014 targeted the Vogue/Dolly area (42%); Cosmo East (23%); Sunrise Shear (22%) and GQ South (13%). Drilling in Vogue/Dolly defined an Indicated Mineral Resource above the 1,700mRL, in line with the plan to start mining stopes in the upper part of Vogue/Dolly area in 2015. In Cosmo East, the mining area has now been upgraded to an Indicated Mineral Resource down to the ~1,500mRL, enabling planned mining below the current 1,625mRL level. The 2015 programme is on more extensional drilling and defining new areas to replenish the Inferred Mineral Resource.

TECHNOLOGY AND INNOVATION

Towards a new mining method for ultra-deep South African mines

The long-term future of our South African mining operations lies in extracting ore from depths never before achieved and where safety and cost considerations preclude the use of conventional mining practices. Refer Item 3D: Risk Factors some of AngloGold Ashanti s technologies are unproven and failure could adversely impact costs and production . Safety is paramount, and at AngloGold Ashanti our approach to addressing the challenges of depth is to design and develop innovative mechanised methods that remove miners from hazardous and unhealthy working places.

To overcome the challenges of depth we established the Technology Innovation Consortium charged with investigating and devising ways of safely mining all of the gold, all of the time and at greater depths than those at which we currently operate. The key component of the new mining method under development is the use of mechanical boring techniques targeting the gold reefs alone, thereby minimising dilution, while reducing or even eliminating seismicity risks.

An initial test site was established at TauTona mine in South Africa where reef-boring applications are being tested along with that of ultra-high strength backfill (UHSB). The success of this technology would enable the wider deployment of small-scale prototype units, initially targeting mining opportunities not currently available using conventional practices. Five additional test sites have been identified.

In 2014, the Technology Innovation Consortium, which includes a group of original-equipment manufacturers, made progress in advancing and differentiating the profiles of the individual key technology projects. Progress on developing technologies for safe, automated mining for selective use at our deep-level mines is as follows:

Ore body knowledge and exploration geological drilling

Geological drilling is a key area of development for the new mining method. The consortium has identified that a solution for fast and accurate geological information of the complex vein structures will be required to ensure that only the gold is being mined during the reef boring process. During 2014, progress was made in achieving targeted drilling rates with no loss in accuracy. An overall 294m depth (drill string length available) was reached in line with the set target of 8m/hour and depths of between 270m-300m.

Reef boring

The developments of the reef boring technologies have progressed beyond initial trials and are in the preliminary stages of producing ore from trial sites. Reef boring machines in three different sizes have been commissioned in an attempt to address the variable reef channel widths that reside in the deep underground mining environment of AngloGold Ashanti s assets. These machines have been commissioned and, in many cases, deployed to the operating environment for testing and further improvement. The biggest challenges were found in areas with softer footwall conditions, typically associated with the C-reef ground. The commissioning, application and development of reef boring machines is expected to continue at various prototype sites. Work teams are expected to continue to focus on improving technical and work management aspects of machine performance toward design expectations.

Machine manufacturing: All four of the medium-reef (width 40-80cm) machines and the two small-reef (width 0-400mm) machines were manufactured and delivered.
TauTona test site: 30 holes were drilled during the year, at diameters of between 660mm and 720mm, to address changing reef channel. Improvement in the drilling theory remains a focus area and different reamer cutter configurations were tested. Due to the reef channel increasing, more holes are expected to be drilled with the 660mm and 720mm reamers and the further information obtained will allow us to evaluate the extent to which the reamers can be deployed at the prototype sites.

TauTona mine prototype site: Three medium-reef (width 400mm-800mm) Atlantis machines were commissioned at TauTona and were progressively deployed at different prototype sites on 97 Level where 11 holes were drilled. Industrial and mechanical engineering support assisted the work teams in identifying technical and work management aspects to achieve machine performance that reach design expectations.

Great Noligwa and Kopanang: Testing started using the new hydro-power equipment, the narrow-reef (0-400mm) machine. Nine holes have been drilled to date. This drilling method requires a double-pass drilling sequence where an initial pilot or direction hole is drilled, followed by a larger diameter cutter that reams the initial hole to a greater width. Drilling of the 115mm pilot holes succeeded in delivering acceptable drilling rates and directions. However, reaming with 250mm and 350mm reamers remains a challenge as the softer footwall conditions associated with the C-reef ground caused the cutter head to diverge from the direction hole into the barren rock below the reef.

It was decided to test the technology in the Vaal Reef where footwall conditions are more consistent, and the machine was moved to Kopanang.

A Sandvik machine was delivered and installed underground, but was removed from underground and returned to the manufacturer for modifications.

Site equipping: In 2014 equipping of the prototype sites was completed and work continues on equipping sites for 2015.

Ultra high-strength backfill (UHSB)

The successful development of the UHSB product, together with the reef-boring technology for use in mining applications as a support medium, creates the potential for the earlier mining of shaft pillars, the pre-extraction of planned stabilising pillars, post-extraction of existing stabilising pillars and change from conventional mining to mechanical reef-boring mining.

During the year, alterations were made to the underground backfill plant at TauTona mine to enhance the efficiency of the system. All available reef-bored holes in the prototype production block and test site have been filled. As part of the process to install instrumentation a datalogging software system was installed and commissioned in the prototype production site. Data are currently been captured and analysed. A tailings dry plant has been commissioned on surface.

Surface testing to increase the mixing volume from 4m³/hour to 8m³/hour has seen positive results. Alternative mixing methodologies have been developed with a laboratory scale mixer in Germany. A full-scale prototype mixer was manufactured, delivered and commissioned. Initial trials gave positive results. Mixing trials to increase the volume per mix as well as to reduce the mixing times continued during the first quarter of 2015.

4C. ORGANISATIONAL STRUCTURE
GROUP STRUCTURE

AngloGold Ashanti s operations are divided into the following regions:

- South Africa operations in Vaal River, West Wits and surface operations;
- Continental Africa operations in Ghana, Guinea and Tanzania and joint venture operations in the DRC and Mali;
- Australasia operations in Australia; and
- Americas operations in Argentina, Brazil and the United States.

The above four regions also correspond to AngloGold Ashanti s four business segments.

Day-to-day management of the group is entrusted to AngloGold Ashanti s executive management team, chaired by the Chief Executive Officer. See Item 6.: Directors, senior management and employees .

Support is provided to the executive management team in managing AngloGold Ashanti s corporate activities at both the central and local levels. Group support functions include planning and technical, strategy, sustainability, finance, human resources, legal and stakeholder relations, risk, insurance and information technology.

SUBSIDIARIES

AngloGold Ashanti Limited has investments in principal subsidiaries and joint venture interests, see Item 19.: Exhibits Exhibit 19.8 Principal subsidiaries and operating entities for details.

4D. PROPERTY, PLANTS AND EQUIPMENT

For more information about our mines, refer Item 4B: Business overview .

AngloGold Ashanti s operating mines are all accessible by road.

SOUTH AFRICA - GEOLOGY

The Witwatersrand Basin comprises a six kilometre thick sequence of inter-bedded argillaceous and arenaceous sediments that extend laterally for some 300 kilometres north-east/south-west and 100 kilometres north-west/south-east on the Kaapvaal Craton. The upper portion of the basin, which contains the orebodies, crops out at its northern extent near Johannesburg. Further west, south and east the basin is overlain by up to four kilometres of Archaean, Proterozoic and Mesozoic volcanic and sedimentary rocks. The Witwatersrand Basin is late Archaean in age and is considered to be in the order of 2.7 to 2.8 billion years old.

Gold occurs in laterally extensive quartz pebble conglomerate horizons or reefs, generally less than two metres thick, which are widely considered to represent laterally extensive braided fluvial deposits. Separate fan systems were developed at different entry points and these are preserved as distinct goldfields. The most fundamental control to the gold distribution in the Basin remains the sedimentary features, such as facies variations and channel directions. Gold generally occurs in native form often associated with pyrite and carbon, with quartz being the main gangue mineral.

Operations in the South Africa region are powered by electricity from Eskom Holdings Limited which supplies 95 percent of the electricity used in South Africa.

Vaal River operations

Description

The Vaal River operations consist of Great Noligwa, Kopanang, Moab Khotsong as well as surface operations.

Geology

In order of importance, the reefs mined at the Vaal River operations are the Vaal Reef, the VCR and the C Reef:

The Vaal Reef contains approximately 85 percent of the reserve tonnage with mining grades between 10 and 20g/t and comprises a series of oligomictic conglomerates and quartzite packages developed on successive unconformities. Several distinct facies have been identified, each with its unique gold distribution and grade characteristic.

The VCR has a lower grade than the Vaal Reef, and contains approximately 15 percent of the estimated reserves. The economic portion is mainly concentrated in the western part of the lease area and can take the form of a massive conglomerate, a pyritic sand unit with intermittent pebble layers or a thin conglomerate horizon. The reef is located at the contact between the overlying Klipriviervberg Lavas of the Ventersdorp SuperGroup and the underlying sediments of the Witwatersrand SuperGroup which creates a distinctive seismic reflector. The VCR is located up to one kilometre above the Vaal Reef.

The C Reef is a thin, small pebble conglomerate with a carbon-rich basal contact, located approximately 270 metres above the Vaal Reef. It has less than 1 percent of the estimated reserves with grades similar to the Vaal Reef, but is more erratic. The most significant structural features are the north-east striking normal faults which dip to the north-west and south-east, resulting in zones of fault loss.

Vaal River Summary of metallurgical operations

	West Gold Plant	Noligwa Gold Plant	Mispah Gold Plant	Kopanang Gold Plant
Gold plants				
Capacity (000 tonnes/month)	180	260	140	420
Uranium plants				
Capacity (000 tonnes/month)		260		

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Vaal River Great Noligwa

Description

Great Noligwa, which began operations in 1972, is a mature operation which adjoins Kopanang and Moab Khotsong and is located close to the town of Orkney, near the Vaal River. The Vaal Reef, the operation s primary reef, and the Crystalkop Reef, a secondary reef, are mined from a twin-shaft system over eight main levels at an average depth of 2,400 metres. Given the geological complexity of the orebody at Great Noligwa, a pillar mining method is employed.

The mine shares a milling and treatment circuit with Moab Khotsong and Kopanang.

Vaal River Kopanang

Description

Kopanang is located in the Free State province, roughly 170 kilometres southwest of Johannesburg and approximately 10 kilometres southeast of the town of Orkney on a lease area of 35km^2. The operation which started in 1984 is west of neighbour Great Noligwa and bound to the south by the Jersey Fault. Gold is the primary output with uranium oxide as a by-product from a single shaft system to a depth of 2,600 metres.

Kopanang almost exclusively exploits the Vaal Reef, although minor amounts of gold are also extracted from the secondary Crystalkop Reef. Given the geologically complex orebody, scattered mining is used.

Vaal River Moab Khotsong

Description

Moab Khotsong started operations in 2003 and is AGA s newest gold mine in South Africa. It is situated near Orkney, Klerksdorp and Viljoenskroon, about 180 kilometres southwest of Johannesburg. Given the geological complexity of the Vaal Reef, scattered mining is employed.

Surface Operations

Surface Operations consists of Hard Rock Surface Sources and Mine Waste Solutions (MWS).

Hard Rock Surface Sources

Description

Hard Rock Surface Sources extract gold from marginal ore dumps at various Vaal River and West Wits operations where there is more metallurgical capacity than reef mined. Uranium is produced as a by-product at Vaal River South Uranium Plant. In addition, backfill product is produced and used as support in mining operations. The Hard Rock Surface Sources includes the rail transport infrastructure, the Vaal River and West Wits Laboratories and tailings management facilities.

Mine Waste Solutions

Description

MWS is a gold and uranium tailings recovery operation located in the western portion of the Witwatersrand Basin, some 160 kilometres from Johannesburg approximately 8 kilometres from the town of Klerksdorp near Stilfontein in the North West Province. It has been operational since 1964 and was previously owned by First Uranium Corp.

MWS consists of 14 tailings dams, which are made up of deposits from three gold and uranium mines that operated for 50 years.

The tailings dams are scattered over an area that stretches approximately 13.5 kilometres north to south and 14 kilometres east to west. The footprints of the 14 tailings dams cover an area of approximately 1,100 hectares.

The MWS gold plants have the capacity to treat tailings of 1.93 million tonnes per month. The uranium plant has a design capacity of 100,000 tonnes per month. The uranium plant was commissioned in the fourth quarter of 2014.

The tailings dams are comprised of tailings material which originated from the processing of underground ore from the now defunct Buffelsfontein Gold Mine (BGM) and Stilfontein Gold Mine (SGM). Both BGM and SGM predominately extracted gold from conglomerate reefs of the Witwatersrand Basin. The material contained in the tailings dams is generally fine.

West Wits operations

Description

The West Wits operations, Mponeng and TauTona, are situated southwest of Johannesburg, on the border between Gauteng and North West Province. From 1 January 2013 the Savuka mine was incorporated into the TauTona mine to access Savuka s remaining Ore Reserves via TauTona s infrastructure and Savuka and TauTona operate as a single mine.

Geology

Two reef horizons are exploited at the West Wits operations, the VCR located at the top of the Central Rand Group and the CLR near the base. The separation between the two reefs increases from east to west from 400 to 900 metres, due to unconformity in the VCR. TauTona exploits both reefs, whereas Mponeng only mines the VCR. Faults of greater than 70 metres are rare. The CLR consists of one or more conglomerate units and varies from several centimetres to more than three metres in thickness. Regionally, the VCR dips at approximately 21 degrees but may vary between 5 degrees and 50 degrees, accompanied by changes in thickness of the conglomerate units. Where the conglomerate has the attitude of the regional dip, it tends to be thick, well-developed and accompanied by higher gold accumulations. Where the attitude departs significantly from the regional dip, the reef is thin, varying from several centimetres to more than three metres in thickness.

West Wits Mponeng

Description

Mponeng, in operation since 1986, is located between the towns of Carletonville and Fochville on the border between Gauteng and the North West Province, southwest of Johannesburg. The operation, the world s deepest mine, extracts the VCR at depths between 2,400 metres and 3,900 metres through sequential-grid mining. The Mponeng lease area is constrained to the north by the TauTona mine, to the east by Sibanye s Driefontein mine and to the west by Harmony s Kusasalethu mine. Mponeng comprises a twin-shaft system housing two surface shafts and two sub-shafts. Ore is treated and smelted at the mine s gold plant. The plant has a monthly capacity of 170,000 tonnes.

West Wits TauTona

Description

TauTona lies on the West Wits Line, just south of Carletonville in Gauteng, about 70 kilometres southwest of Johannesburg. Mining takes place at depths of between 1,850 metres and 3,450 metres. The mine has a three shaft system, supported by secondary and tertiary shafts and employs mainly sequential grid mining method to mine the CLR. Savuka, which is adjacent to and shared a processing plant with TauTona, was incorporated into TauTona following a study in 2012 that concluded that the optimal, most efficient means of accessing Savuka s remaining resources would be through TauTona s infrastructure. The merging of Savuka into TauTona early in 2013 was determined as the most efficient way of mining the remainder of Savuka s lower grade reserves, while minimising operational and infrastructure maintenance costs. A link between the two mines reduces dependency on a single infrastructure system, including ore passes.

The TauTona and Mponeng reef material is processed through the Mponeng Gold Plant.

The Savuka Gold Plant has a monthly capacity of 165,000 tonnes, processing mainly material from the Mponeng marginal ore dump.

CONTINENTAL AFRICA

GHANA - Summary of metallurgical operations

	Obuasi			Iduapriem
	Sulphide Treatment Plant	Tailings Treatment Plant	Alternate Ore Treatment Plant	Iduapriem Plant
Capacity (000 tonnes/month)	195	180	120	392

Ghana Iduapriem

Description

Iduapriem, wholly owned by AngloGold Ashanti since September 2007, comprises the Iduapriem and Teberebie properties on a 110km^2 concession. The mine, which began operations in 1992, is situated in the western region of Ghana, some 70 kilometres north of the coastal city of Takoradi and 10 kilometres southwest of Tarkwa.

Iduapriem is an open-pit mine and its processing facilities include a Carbon-in-pulp (CIP) plant.

Geology

The Iduapriem and Teberebie properties are located along the southern end of the Tarkwa basin. The mineralisation is contained in the Banket Series of rocks within the Tarkwaian System of Proterozoic age. The outcropping Banket Series of rocks in the mine area form prominent, arcuate ridges extending southwards from Tarkwa, westwards through Iduapriem and northwards towards Teberebie.

Ghana Obuasi

Description

Obuasi, wholly owned by AngloGold Ashanti since 2004, is located in the Ashanti Region of Ghana, approximately 60 kilometres south of Kumasi. Mining operations are primarily underground, to a depth of 1.5 kilometres. However, some surface mining in the form of open pit and tailings reclamation also occurs. Obuasi originally opened in 1897.

Geology

The gold deposits at Obuasi are part of a prominent gold belt of Proterozoic (Birimian) volcano-sedimentary and igneous formations which extend for a distance of approximately 300 kilometres in a north-east/south-west trend in south-western Ghana. Obuasi mineralisation is shear-zone related and there are three main structural trends hosting gold mineralisation: the Obuasi trend, the Gyabunsu trend and the Binsere trend.

Two main ore types are mined:

- quartz veins which consist mainly of quartz with free gold in association with lesser amounts of various metal sulphides such as iron, zinc, lead and copper. The gold particles are generally fine-grained and occasionally visible to the naked eye. This ore type is generally non-refractory; and
- sulphide ore which is characterised by the inclusion of gold in the crystal structure of a sulphide material. The gold in these ores is fine-grained and often locked in arsenopyrite. Higher gold grades tend to be associated with finer grained arsenopyrite crystals. Other prominent minerals include quartz, chlorite and sericite. Sulphide ore is generally refractory.

Power is supplied to the mines by the Volta River Authority and the transmission is done by the GridCo Company.

GUINEA

Description

Siguiri, a multiple open-pit oxide gold mine which opened in 1997, is AngloGold Ashanti s sole operation in the Republic of Guinea. It is located in the district of Siguiri, around 850 kilometres northeast of the country s capital Conakry. Conventional mining activities are performed by contractors in multiple open pits using conventional techniques. On surface, Siguiri s gold processing plant treats about 998,000 tonnes per month. Power to the mine is self-generated.

AngloGold Ashanti holds an 85 percent interest in Siguiri and the balance of 15 percent is held by the Government of Guinea.

Geology

This concession is dominated by Proterozoic Birimian rocks which consist of turbidite facies sedimentary sequences. The two main types of gold deposits which occur in the Siguiri basin and are mined are:

- laterite mineralisation (CAP) which occurs as surficial aprons of colluvium or as palaeo-channels of alluvial lateritic gravel adjacent to, and immediately above in-situ deposits; and
- in-situ quartz-vein related mineralisation hosted in meta-sediments with the better mineralisation associated with vein stockworks that occurs preferentially in the coarser, brittle siltstones and sandstones.

The mineralised rocks have been deeply weathered to below 100 metres in places to form saprolite mineralisation (SAP). With the percentage of available CAP ore decreasing, a CIP plant is used to treat predominantly SAP ore.

MALI

AngloGold Ashanti has interests in three gold mining operations in Mali, namely, Sadiola, Yatela and Morila. It manages two of these operations, Sadiola and Yatela.

Mali Morila

Description

AngloGold Ashanti has an effective 40 percent stake in Morila, as does Randgold Resources Limited (which manages the mine). The state of Mali owns the remaining 20 percent.

The Morila mine has operated for 14 years and is situated 280 kilometres southeast of Bamako, the capital of Mali. The operation treats low-grade stockpiles while the plant, which incorporates a conventional CIL process with an upfront gravity section to extract the free gold, has annual throughput capacity of 3.7 million tonnes. Since mining was concluded in 2009 with the depletion of the orebody, operations at Morila currently involve processing of the stockpile which stood at 1.3 million tonnes (mineralised waste) as at year-end. In addition, a push back at the open pit provided limited amounts of ore. Power is supplied by a subcontractor.

Geology

The Morila deposit is hosted in a flat lying fold structure which rises sharply to surface in the south and west. The deposit occurs within a sequence Birimian metal-arkoses of amphibolite metamorphic grade. Mineralisation is characterised by silica-feldspar alteration and sulphide mineralisation consists of arsenopyrite, pyrrhotite, pyrite and chalcopyrite.

Mali Sadiola

Description

The Sadiola mine is situated in western Mali, some 77 kilometres south-southwest of the regional capital Kayes. The mine is a joint venture between AngloGold Ashanti (41 percent) and IAMGOLD (41 percent) and the state of Mali (18 percent). The mine has been operating since 1996. Mining reduced considerably to adapt to the 2014 gold price decrease but continued predominantly in Tambali. On-site surface infrastructure includes a 4.9 million tonnes per annum CIP gold plant where the ore is eluted and smelted. Power to the Sadiola and Yatela mines is self-generated.

Geology

The Sadiola deposit occurs within an inlier of greenschist facies metamorphosed Birimian rocks known as the Kenieba Window. The specific rocks which host the mineralisation are marbles and greywackes which have been intensely weathered to a maximum depth of 200 metres. As a result of an east-west regional compression event, deformation occurs along a north-south striking marble-greywacke contact, increasing the porosity of this zone. North-east striking structures which intersect the north-south contact have introduced mineralisation, mainly with the marble where the porosity was greatest. The Sadiola Hill deposit generally consists of two zones, an upper oxidised cap and an underlying sulphide zone. From 1996 until 2010, oxide and transitional ore from the Sadiola Hill pit was the primary ore source for the mine while being increasingly supplemented from the outlying satellite pits during the latter years. From 2011 when the Sadiola Main pit was mined out, the satellite pits became the dominant source of oxide and transitional ore.

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Mali Yatela

Description

Yatela, operational since 2001, is 80 percent owned by the Sadiola Exploration Company Limited, a joint venture between AngloGold Ashanti and IAMGOLD, giving each a 40 percent stake in Yatela. The balance of 20 percent is owned by the state of Mali.

The Yatela mine which is a heap leach operation is situated in western Mali, some 25 kilometres north of Sadiola and approximately 50 kilometres south-southwest of the regional capital Kayes. Ore extraction ceased in September 2013 and processing is planned to end during 2015. The main activity at Yatela is the implementation of the closure plan in order to relinquish the property.

Geology

Yatela mineralisation occurs as a keel-shaped body in Birimian metacarbonates. The keel is centered on a fault which was the feeder for the original mesothermal mineralisation, with an associated weakly mineralised diorite intrusion. Mineralisation occurs as a layer along the sides and in the bottom of the keel . The ore dips almost vertically on the west limb and more gently towards the west on the east limb, with tight closure to the south.

TANZANIA

Tanzania Geita

Description

The Geita gold mine is located in the Lake Victoria goldfields of the Mwanza region of Tanzania, about 120 kilometres from Mwanza and 5 kilometres west of the town of Geita. It has been in operation for 15 years.

The Geita gold mine is a multiple open pit operation with underground potential and is currently serviced by a 5.1 million tonnes per annum CIL processing plant. Power to the mine is self-generated.

Geology

Geita is a multi- open pit operation with the dominant ore sources being from the Nyankanga and Geita Hill pits. Historically, other pits such as Star and Comet, Matandani and Kukuluma have also contributed to the ore feed. The terrain is Archaean in age and generally characterised by Greenschist metamorphism, although amphibolitic metamorphism n occurs in places. Ore zones are usually associated with Banded Iron Formation (BIF) or other iron rich rocks and typically when they are in contact with intrusive rocks such as diorites. These contacts have been deformed and act as fluid pathways for the mineralising fluids. Gold mineralisation is associated with alteration that includes sulphides such as pyrite and arsenopyrite, whilst other minerals such as hematite, magnetite, quartz, calcite, dolomite, biotite and chlorite also occur.

DEMOCRATIC REPUBLIC OF THE CONGO

Kibali

Description

The Kibali Gold Mine is a Joint venture between AngloGold Ashanti (45 percent), Randgold Resources Limited (45 percent) with Société Miniere de Kilo-Moto (SOKIMO), a state-owned gold company owning the balance. Randgold Resources is the operator and project manager.

Kibali comprises 10 permits covering an area of 1,836 km^2 in the Moto goldfields of the north-east DRC.

The mine is located within 10 kilometres of the town of Watsa in the north east portion of the DRC in the Orientale Province. Access to the area is available by gravel road from the Ugandan border town of Arua over a distance of 180 kilometres. Power to the mine is self-generated.

The Kibali Gold Mine has a processing operation capable of producing an average of 600koz of gold per annum by treating 7.2Mtpa throughput. The processing plant has a capability of process oxide and sulphide material. Once the project is completed, the mine is expected to consist of:

An open pit generating a peak run of mine capacity of 7Mtpa;
Vertical shaft complex generating a peak run of mine capacity of 3Mtpa;
Decline underground development providing a run of mine capacity of 1.4Mtpa;

Tailings storage facilities with a total capacity of 75Mt; and
Associated infrastructure.

In October 2013, the oxide circuit was commissioned. During 2014 the oxide plant was successfully ramped up. The sulphide circuit has been commissioned and ramped during the second quarter of 2014.

On the mining front, the development of the decline system continued. Blasting of the first stope took place in quarter four, hence the commencement of underground mining. On the vertical shaft, the shaft depth at the end of December was 719.5 metres.

Geology

The Kibali Gold Mine is located within the Moto Greenstone Belt, which consists of Archean Kibalian volcano sedimentary rocks and ironstone-chert horizons that have been metamorphosed to greenschist facies.

The combined Karagba, Chauffeur and Durba (KCD) deposit is host to the majority of the currently defined Mineral Resource and Ore Reserve, as well as the current open pit and underground mining operations. KCD is hosted within a mineralised corridor that also hosts the Sessenge, Gorumbwa and Pakaka deposits and a number of exploration prospects.

The known deposits of the Kibali project are hosted along a reactivated thrust plane that creates plunging lodes of mineralisation as exemplified by the KCD deposit. The majority of gold mineralisation identified to date is disseminated style, hosted within a sequence of coarse volcaniclastic and sedimentary rocks. The mineralisation is generally stratigraphically bound and associated with carbonate-silica-albite alteration with minor sulphide.

AUSTRALASIA

AUSTRALIA

Australia Sunrise Dam

Description

Sunrise Dam, which is wholly-owned, is located 220km northeast of Kalgoorlie and 55km south of Laverton in Western Australia. Mining of the Crown Pillar at the base of the 490m deep pit was completed in early 2014. By year-end, underground mining, which is conducted by a contract mining company, was the primary source of ore, with supplementary mill feed provided by stockpiles. Ore is treated via conventional gravity and carbon-in-leach (CIL) processing plant which is owner-managed.

Geology

Gold ore at Sunrise Dam is structurally and lithologically controlled within gently dipping high strain shear zones and steeply dipping brittle-ductile low strain shear zones. Host rocks include andesitic volcanic rocks, volcanogenic sediments and magnetic shales.

Australia Tropicana

Description

Tropicana, a joint venture between AngloGold Ashanti (70% and manager) and Independence Group NL (30%), is located 200 km east of Sunrise Dam and 330 km east-northeast of Kalgoorlie. First gold was poured ahead of schedule and on budget in September 2013, following development approval in November 2010. The open pit operation features a large scale, modern processing plant which uses conventional carbon-in-leach technology and includes high-pressure grinding rolls for energy-efficient comminution. Mining is carried out by a contract mining company and the plant is owner-managed.

The mine is a fly in fly out operation, with a mine site village and aviation services operated from Perth and Kalgoorlie. A 220km private road and the public road network provide access for the delivery of supplies to the operation.

The Tropicana JV includes approximately 3,000km^2 of tenure in the prospective Tropicana belt, with active exploration programmes seeking both satellite extensions to the Tropicana Gold Mine and discoveries with standalone potential.

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Geology

Gold mineralisation at Tropicana occurs in high metamorphic grade gneissic rocks, which dip gently to the south east. Mineralisation is structurally controlled and occurs within a preferred host unit within the gneissic package. Post mineralisation faulting has separated the once continuous ore zone, with the open pits developed on each of the fault bounded blocks.

THE AMERICAS

UNITED STATES OF AMERICA

United States of America Cripple Creek & Victor

Description

AngloGold Ashanti holds a 100 percent interest in Cripple Creek & Victor (CC&V) Gold Mining Company s Cresson Project, located in the state of Colorado in the United States. A surface mining operation provides ore to a crusher and valley-leach facility, one of the largest in the world. Production here began in 1994. Production from the mine life extension (MLE1) project, which involved expanding capacity at the heap-leach pad, began in 2011. A further life extension and production expansion project (MLE2), approved in 2012, is in implementation phase and is expected to increase production from 2015. The power for the mine is purchased from Black Hills Energy. The mine became operational in 1976. The mine has been operated by AngloGold Ashanti since 1999.

Geology

The district of Cripple Creek is centered on an intensely altered alkaline, Tertiary-aged, diatreme-volcanic, intrusive complex, approximately circular in shape covering 18.4 square kilometres and surrounded by Precambrian rocks. The Precambrian rocks consist of biotite gneiss, granodiorite and quartz monzonite and granite.

Geologic events that created the intersection of these Precambrian units also formed an area of regional dilation which, subsequently, facilitated the formation of the volcanic complex. The majority of the complex then in-filled with the eruptive phase of the Cripple Creek Breccia host rock. This complex was subsequently intruded by a series of intrusive dykes and sills that include syenites, phonolites, phonotephrites and lamprophyres. These intrusives occupy all of the dominant district structural orientations. District structures are generally near vertical and strike north-north-west to north-east. These structures acted as primary conduits for the late-stage gold mineralising solutions. Higher grade pods of mineralisation occur at structural intersections and/or as sheeted veins along zones of strike deflection. High-grade gold mineralisation is associated with K-feldspar + pyrite +/- carbonate alteration and occurs within the major structural and intrusive dyke zones. The broader zones of disseminated mineralisation occur primarily as micro-fractured halos around the stronger alteration zones in the more permeable Cripple Creek Breccia wall rocks.

The average depth of oxidation is 120 metres and is also developed along major structural zones to even greater depths. Individual orebodies can be tabular, pipe-like, irregular or massive. Individual gold particles are generally less than 20 microns in size. Gold occurs primarily as gold tellurides, gold-silver tellurides or their oxidized equivalents. It can also occur as native gold, native gold with pyrite or native gold with iron and manganese oxides. Silver is present but is economically unimportant. Gold mineralisation can be encapsulated by iron and manganese oxides, pyrite, K-feldspar alteration and minor quartz.

Cripple Creek & Victor Summary of metallurgical operations

Gold plants	
Capacity (000 tonnes/month)	
- crushed ore production	1,607
- total ore production	1,757
- solution processed	2,630

ARGENTINA

Argentina Cerro Vanguardia

Description

AngloGold Ashanti has a 92.5 percent interest in Cerro Vanguardia with Fomicruz (the province of Santa Cruz) owning the remaining 7.5 percent. Located to the northwest of Puerto San Julian in the province of Santa Cruz, Cerro Vanguardia consists of multiple small open pits. Shallow underground mining began in 2010 to access high-grade material and accounts for about 23 percent of the mine s production. The orebodies comprise a series of hydrothermal vein deposits containing gold and large quantities of silver, which is mined as a by-product. Ore is processed at the metallurgical plant which has a capacity of 3,150 tonnes per day and includes a cyanide recovery facility. Power for the mine is self-generated but operated by an external contractor. The mine has been operated by AngloGold Ashanti since 1998.

Geology

The oldest rocks in this part of Patagonia are metamorphics of the Precambrian-Cambrian age. These are overlain by Permian and Triassic continental clastic rocks which have been faulted into a series of horsts and grabens and are associated with both limited basaltic sills and dykes and with calc-alkaline granite and granodiorite intrusions. Thick andesite flows of Lower Jurassic age occur above these sedimentary units. A large volume of rhyolitic ignimbrites was emplaced during the Middle and Upper Jurassic age over an area of approximately 100,000 square kilometres. These volcanic rocks include the Chon Aike formation ignimbrite units that host the gold bearing veins at Cerro Vanguardia. Post-mineral units include Cretaceous and Tertiary rocks of both marine and continental origin, the Quaternary La Avenida formation, the Patagonia gravel and the overlying La Angelita basalt flows. These flows do not cover the area of the Cerro Vanguardia veins.

Gold and silver mineralisation at Cerro Vanguardia occurs within a vertical range of about 150 metres to 200 metres in a series of narrow, banded quartz veins that occupy structures within the Chon Aike ignimbrites. These veins form a typical structural pattern related to major north-south (Concepcion) and east-west (Vanguardia) shears. Two sets of veins have formed in response to this shearing. One set of veins strikes about N40W and generally dips 65 to 90 degrees to the east; while the other set strikes about N75W and the veins dip 60 degrees to 80 degrees to the south.

The veins are typical of epithermal, low-temperature, adularia-sericite character and consist primarily of quartz in several forms: as massive quartz, banded chalcedonic quartz, and quartz-cemented breccias. Dark bands in the quartz are due to finely disseminated pyrite, now oxidised to limonite. The veins show sharp contacts with the surrounding ignimbrite which hosts narrow stockwork zones that are weakly mineralised and appear to have been cut by a sequence of north-east-trending faults that have southerly movement with no appreciable lateral displacement.

BRAZIL

Brazil AngloGold Ashanti Córrego do Sítio Mineração (AGA Mineração)

Description

AngloGold Ashanti Córrego do Sítio Mineração (AGA Mineração) comprises two operational units, namely the Cuiabá and the Córrego do Sítio complexes. The Cuiabá complex includes the Cuiabá and Lamego mines and the Cuiabá and Queiroz plants. In operation for 29 years, the Cuiabá mine is a mix of sublevel bench and cut-and-fill mine accessed by ramp and shaft. Lamego is a new mine developed to mine an underground sulphide ore. The first stage of the processing of the ore from Cuiabá and Lamego mines is in the gold plant at the Cuiabá complex, where concentrate is produced. The material is then transported 15 kilometres by aerial ropeway to the Queiroz plant where milling, flotation, roasting, leaching, precipitation and refining occur. Total capacity of the complete circuit is 1.7 million tonnes per year and recoveries of 93 percent are achieved. Power for the mine is both self-generated and supplied by Cemig a state owned company. The Cuiaba mine became operational in 1988 and the Lamego mine in 2009. However some of the older mines which are now closed have been operating since 1834.

The Córrego do Sítio operation comprises one surface (oxide) and two underground (sulphide) mines, as well as a heap leach pad and sulphide plant, the latter originally acquired from Eldorado late in 2008 was refurbished and brought into operation in January 2012.

Geology

The area in which Brasil Mineração is located is known as the Iron Quadrangle and is host to historic and current gold mining operations, as well as a number of open-pit limestone and iron ore operations. The geology of the Iron Quadrangle is composed of Proterozoic and Archaean volcano-sedimentary sequences and Pre-Cambrian granitic complexes. The host to the gold mineralisation is the volcano-sedimentary Nova Lima Group (NLG) that occurs at the base of the Rio das Velhas SuperGroup (RDVS). The upper sequence of the RDVS is the meta-sedimentary Maquiné Group. Cuiabá mine, located at Sabara Municipality, has gold mineralisation associated with sulphides and quartz veins in Banded Ironstone Formation (BIF) and volcanic sequences. At this mine, structural control and fluids flow ascension are the most important factors for gold mineralisation with a common association between large-scale shear zones and their associated structures. Where BIF is mineralised the ore appears strongly stratiform due to the selective sulphidation of the iron rich layers. Steeply plunging shear zones tend to control the ore shoots, which commonly plunge parallel to intersections between the shears and other structures.

The controlling mineralisation structures are the apparent intersection of thrust faults with tight isoclinal folds in a ductile environment. The host rocks at Brasil Mineração are BIF, Lapa Seca and mafic volcanics (principally basaltic). Mineralisation is due to the interaction of low salinity carbon dioxide rich fluids with the high-iron BIF, basalts and carbonaceous graphitic schists. Sulphide mineralisation consists of pyrrhotite and pyrite with subordinate pyrite and chalcopyrite; the latter tends to occur as a late-stage fracture fill and is not associated with gold mineralisation. Wallrock alteration is typically carbonate, potassic and silicic.

Brazil Summary of metallurgical operations

	AngloGold Ashanti Mineração				
	Corrego do Sitio Oxide	Corrego do Sitio Sulphide	Cuiaba	Raposos	Serra Grande
Capacity (000 tonnes/month)	38	50	147	28	108

Brazil Serra Grande

Description

Serra Grande is located in central Brazil, in the state of Goiás, about 5 kilometers from the city of Crixás. Serra Grande comprises three mechanised underground mines: Mina III (which includes orebody IV), Mina Nova (which includes the Pequizão orebody) and Palmeiras and an open pit in the outcrop of Mina III orebodies. Recently a new gold bearing quartz vein was identified just beneath Pequizão Orebody and a new decline is being developed from Mina III (orebody IV) to access and expose this new orebody named Ingá, wich contains high grade content. One dedicated metallurgical plant treats ore from these different sources. The annual capacity of the processing circuit, which has grinding, leaching, filtration, precipitation and smelting facilities, is 1.3 million tonnes. The power for the mine is supplied and purchased in the open market. The mine became operational in 1989 and has been operated by AngloGold Ashanti since 1999.

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Geology

The gold ore deposits are located in the Rio Vermelho and Ribeirão das Antas Formations of the Archaean Pilar de Goia s Group which account together for a large proportion of the Crixás Greenstone Belt in central Brazil.

The stratigraphy of the belt is dominated by basics and ultrabasics in the lower sequences with volcano sedimentary units forming the upper successions.

The gold deposits are hosted in a sequence of schists, meta volcanics and dolomites occurring in a typical greenstone belt structural setting. Gold mineralisation is associated with massive sulphides and vein quartz material associated with carbonaceous and sericitic schists and dolomites. The oreshoots plunge to the north-west with dipping between 6 and 35 degrees. The stratigraphy is overturned and thrusted towards the east, being recognized different shear thrust structures that are stacked and controls the mineralization, behaving as frontal and lateral ramps and horses.

The greenstone belt lithologies are surrounded by Archaean tonalitic gneiss and granodiorites of TTG suite. The metamorphic sediments are primarily composed of quartz, chlorite, sericite, carbonaceous material and garnetiferous schists. The carbonates have been metamorphosed to ferroan dolomite marble with development of siderite and ankerite veining in the surrounding wallrock, usually associated with quartz veins. The basalts are relatively unaltered but do show pronounced stretching with elongation of pillow structures being evident.

The Crixás greenstone belt comprises a series of Archaean to Palaeoproterozoic metavulcanics, metasediments and basement granitoids stacked within a series of north to north-east transported thrust sheet. Thrusting (D1) was accompanied by significant F1 folding/foliation development and progressive alteration in a brittle-ductile regime. D1 thrusting was developed with irregular thrust ramp geometry, in part controlled by concealed early basin faults. The main Crixás orebodies are adjacent to a major north-northwest structural corridor, and up the main fault ramp/corner, to become dispersed to the east and north in zones of foreland thrust flats. Fluid alteration also diminished to the west away from the main fault corner. A series of concealed east-west to northwest-southeast basement block faults may have provided secondary fluid migration, and development of early anti-formal warps in the thrust sheets; these structures probably define the quasi-regular spacing of significant mineralisation within the belt. The D1 thrust stack was gently folded by non-cylindrical folds. Gold mineralising fluids probably migrated during this event, with similar south-south-west to north-north-east migration, and focusing on bedding slip during folding. Gold mineralisation became minor and dispersed to the north and east along the formal thrust flat zone. Concentrations of gold along the case of quartz vein may be due to the damming of fluids migrating upward along layering.

ORE RESERVES

The combined Proven and Probable Ore Reserve of the group amounted to 57.5 million ounces as at 31 December 2014.

Ore Reserve estimates are reported in accordance with the requirements of the SEC s Industry Guide 7. Accordingly, as of the date of reporting, all Ore Reserves are planned to be mined out under the life-of-mine plans within the period of AngloGold Ashanti s existing rights to mine, or within the renewal periods of AngloGold Ashanti s rights to mine. In addition, as of the date of reporting, all Ore Reserves are covered by required mining permits. See Item 4B.: Business overview The regulatory environment enabling AngloGold Ashanti to mine .

AngloGold Ashanti has standard procedures for the estimation of Ore Reserve. These standard procedures are performed by technical personnel at the mining operations and reviewed by regional and corporate competent persons.

In the case of its underground mines, the procedure is as follows: Firstly, gold content and tonnage are estimated for in-situ mineralized material at a mining operation. This mineralized material is not necessarily economically viable over the full extent of the operation. Exclusions on the grounds of safety (for example, stability pillars and shaft pillars) are then also defined. Grade-tonnage curves specific for each of the deposits, in conjunction with parameters such as the cost structure; yield; mine call factor and gold price estimates are used to determine an optimal mining mix. This process facilitates the determination of the average grade to be mined by each operation. This grade is then applied to the grade-tonnage curves, which in turn facilitates the determination of the cut-off grade and Ore Reserve tonnage for the operation. A full mine design is carried out on the blocks of mineralized material, excluding any large mining areas that do not meet the cut-off grade criterion. This mining plan is reviewed to ensure that it satisfies the economic criteria and practical limitations of access and timing. If the review process is positive then the mineralized material (with dilution and discounts) included in the mining plan is declared and published as the Ore Reserve for that operation.

In the case of open-pit mines the procedure is as follows: revenue and costs are calculated for each mining block within a three-dimensional model of the ore body using estimated values for gold price, operating costs and metallurgical recoveries. An optimization process is then applied to determine the combination of blocks within the model that make a positive contribution under these estimations. Block selection is within a shell whose limits are defined by the planned slope angles of the pit. Within this process, a cut-off grade is applied which determines the ore blocks to be treated and included in the Ore Reserve. These blocks are scheduled with consideration being given to practical mining constraints and limitations. Scheduled ore blocks that are classified as Proven or Probable constitute the Ore Reserve.

The gold price and exchange rate used for determining the 2014 and 2013 Ore Reserve are outlined in the following table.

	2014 (3 year average)	2014 (Business Plan)	2013 (3 year average)	Units
Ore Reserve Gold Price	1,448	1,100	1,550	US$ per ounce

As in prior years, the Ore Reserve determined from the planning process was then tested for economic viability at the three-year historical average gold price shown in the above table for determining the SEC compliant Ore Reserve. This did not result in any changes. The resultant SEC compliant Proven and Probable Ore Reserve is shown in the following pages.

In Australia and South Africa, AngloGold Ashanti is legally required to publicly report Ore Reserve and Mineral Resource according to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 edition) and the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code, 2007 edition and amended July 2009). The SEC s Industry Guide 7 does not recognize Mineral Resources. Accordingly, AngloGold Ashanti does not report estimates of Mineral Resource in this annual report on Form 20-F.

The AngloGold Ashanti Ore Reserve reduced from 67.9Moz in December 2013 to 57.5Moz in December 2014. This gross annual decrease of 10.5Moz includes depletion of 4.9Moz and the sale of Navachab 1.9Moz. The remaining reduction of 3.7Moz in Ore Reserve, results from changes in economic assumptions between 2013 and 2014 which resulted in a reduction of 3.0Moz to the Ore Reserve, whilst exploration and modelling changes resulted in a decrease of a further 0.7Moz.

The principal changes in AngloGold Ashanti s Ore Reserves as at 31 December 2014, compared with those published as at 31 December 2013 are as follows:

ORE RESERVE		**Moz**
Ore Reserve as at 31 December 2013		**67.9**
Disposal - Navachab		(1.9)
	Subtotal	**66.1**
Depletion		(4.9)
	Subtotal	**61.1**
Additions		
Siguri	Inclusion of fresh rock for the Kami deposit	0.6
Sunrise Dam	Exploration success at Vogue	0.4
Other	Additions less than 0.3Moz	1.0
	Subtotal	**63.1**
Reductions		
Obuasi	Initial results of feasibility study	(2.6)
Mponeng	Revisions to the Carbon Leader Reef (CLR) and Ventersdorp Contact Reef (VCR) models due to new exploration and development data	(1.3)
Moab Khotsong (Including Great Noligwa)	New surface exploration data led to revision of the project Zaaiplaats models	(0.8)
CC&V	Increased costs and reduction in sub marginal ounces	(0.4)
Other	Reductions less than 0.3Moz	(0.5)
Ore Reserve as at 31 December 2014		**57.5**

AngloGold Ashanti strives to actively create value by growing its major asset the Ore Reserve. This drive is based on a well-defined brownfields and greenfields exploration programme, innovation in both geological modeling and mine planning and optimization of its asset portfolio.

The Ore Reserve estimates in this document include the Ore Reserve below current infrastructure in the case of the underground mines which are in production in South Africa, Ghana, Democratic Republic of the Congo and Brazil.

By-products

Several by-products are recovered as a result of the processing of gold Ore Reserve. These include 122.58 million pounds of uranium oxide from the South African operations, 0.35 million tons of sulphur from Brazil and 25.06 million ounces of silver from Argentina.

External reviews of Mineral Resource and Ore Reserve Statement

During the course of 2014, the following AngloGold Ashanti operations were subjected to external reviews in line with the policy that each operation / project will be reviewed by an independent third party on average once every three years:

Mineral Resource and Ore Reserve at Mponeng
Mineral Resource and Ore Reserve at Moab Khotsong
Mineral Resource and Ore Reserve at Iduapriem
Mineral Resource and Ore Reserve at Sunrise Dam
Mineral Resource and Ore Reserve at Cerro Vanguardia
Mineral Resource and Ore Reserve at Serra Grande
Mineral Resource and Ore Reserve at Obuasi

The company has been informed that the external reviews identified no material shortcomings in the process by which AngloGold Ashanti s grade models were evaluated. The external reviews were conducted by the following companies The Mineral Corporation (Mponeng and Moab Khotsong Mines), Coffey Mining (Iduapriem Mine), Snowden (Sunrise Dam Mine), Optiro (Cerro Vanguardia and Serra Grande Mines), AMEC (Obuasi Mineral Resource) and SRK (Obuasi Mineral Resource and Ore Reserve).

Competent Persons

The information in this report relating Ore Reserves is based on information compiled by or under the supervision of the Competent Persons as defined in the JORC or SAMREC Codes. All Competent Persons are employed by AngloGold Ashanti, unless stated otherwise, and have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking. The Competent Persons consent to the inclusion of Ore Reserve information in this report, in the form and context in which it appears.

During the past decade, the company has developed and implemented a system of internal and external reviews aimed at providing assurance in respect of Ore Reserve estimates were completed by suitably qualified Competent Persons from within AngloGold Ashanti. A documented chain of responsibility exists from the Competent Persons at the operations to the company s Mineral Resource and Ore Reserve Steering Committee. Accordingly, the Chairman of the AngloGold Ashanti Mineral Resource and Ore Reserve Steering Committee, VA Chamberlain, MSc (Mining Engineering), BSc (Hons) (Geology), MGSSA, FAusIMM, assumes responsibility for the Mineral Resource and Ore Reserve processes for AngloGold Ashanti and is satisfied that the Competent Persons have fulfilled their responsibilities.

Ore Reserve: Imperial	At 31 December 2014						
	Proven Ore Reserve [1][2]			Probable Ore Reserve [1][2]			Metallurgical Recovery
	Tons [5] (million)	Gold Grade Content [1] (oz/ton)	Gold (Moz))	Tons [5] (million)	Gold Grade Content [1] (oz/ton)	Gold (Moz)	Factor percent
South Africa							
***Vaal River*(6)**							
Great Noligwa[10]	0.00	0.000	0.00	0.00	0.000	0.00	0.0
Kopanang	2.00	0.174	0.35	5.11	0.176	0.90	94.3
Moab Khotsong[2]	2.95	0.268	0.79	15.73	0.298	4.69	95.0-96.0 [4]
West Wits							
Mponeng[2]	2.39	0.252	0.60	44.02	0.280	12.33	97.7-98.1 [4]
TauTona	0.51	0.261	0.13	4.59	0.233	1.07	96.9
Surface							
Surface sources[6][11]	139.26	0.006	0.86	717.60	0.008	5.73	30.0-88.0 [4]
Continental Africa							
Democratic Republic of the Congo							
Kibali (45 percent)[2][3]	2.66	0.051	0.14	38.46	0.125	4.80	84.5-88.9 [9]
Ghana							
Iduapriem	11.23	0.034	0.38	27.10	0.049	1.32	92.0-95.0 [4]
Obuasi[2]	8.07	0.147	1.19	18.97	0.216	4.10	41.0-87.0 [4]
Guinea							
Siguiri (85 percent)[3]	27.59	0.018	0.49	77.24	0.023	1.75	88.0-93.1 [4]
Mali							
Morila (40 percent)[3]	0.00	0.000	0.00	5.43	0.018	0.10	57.0-91.0 [4]
Sadiola (41 percent)[3]	0.00	0.000	0.00	25.95	0.061	1.57	75.0-96.0 [4]
Namibia							
Navachab[12]	0.00	0.000	0.00	0.00	0.000	0.00	0.0
Tanzania							
Geita	0.00	0.000	0.00	31.54	0.098	3.10	48.1-92.7 [4]
Australasia							
Australia							
Sunrise Dam	15.18	0.031	0.47	8.46	0.096	0.81	80.0-82.5 [4]
Tropicana (70 percent)[3]	15.98	0.056	0.89	22.62	0.059	1.35	89.9
Americas							
Argentina							
Cerro Vanguardia (92.5 percent)[3][7]	10.75	0.035	0.37	6.63	0.139	0.92	61.3-95.0 [4]
Brazil							
AGA Mineraçáo[2][8]	4.90	0.147	0.72	6.89	0.158	1.09	85.0-93.3 [4]
Serra Grande[2]	3.00	0.080	0.24	2.80	0.092	0.26	92.0-94.0 [4]
United States of America							
Cripple Creek & Victor	118.73	0.023	2.72	64.01	0.019	1.24	53.0-83.2 [4]
Total	**365.20**	**0.028**	**10.35**	**1,123.14**	**0.042**	**47.12**	

(1) Ore Reserve includes marginally economic and diluting materials delivered for treatment and allow for losses that may occur during mining.
(2) Proven and/or Probable Ore Reserve includes Ore Reserve below infrastructure. See table that follows.

(3) *Ore Reserve attributable to AngloGold Ashanti s percentage interest shown.*
(4) *Recovery factor varies according to ore type.*
(5) *Tons refers to a short ton, which is equivalent to 2000 pounds avoirdupois.*
(6) *The Vaal Reef Ore Reserve includes 122.58 million pounds of Uranium oxide by-products; this cannot be accounted for by individual mine as Kopanang, Moab Khotsong and Surface sources in Vaal River feed to a combination of plants.*
(7) *The Ore Reserve contains 25.06 million ounces of silver to be recovered as a by-product.*
(8) *The Ore Reserve contains 0.35 million tons of sulphur to be recovered as a by-product.*
(9) *Open pit and underground mining, respectively.*
(10) *No Ore Reserve is declared for 2014 Great Noligwa is reported under Moab Khotsong.*
(11) *Includes Mine Waste Solutions (MWS).*
(12) *Operation sold.*

Rounding may result in computational differences.

The 2014 Proven and Probable Ore Reserve includes Ore Reserve below infrastructure in the case of the following underground mines currently in production:

Mine	Tons (millions)	Grade (ounces/ton)	Gold Content (million ounces)
Moab Khotsong	11.74	0.285	3.34
Mponeng	30.46	0.280	8.54
Kibali	18.65	0.169	3.15
Obuasi	1.75	0.631	1.11
AGA Mineração	3.49	0.156	0.54
Serra Grande	0.71	0.098	0.07
Total	66.81	0.251	16.75

The Ore Reserve has been determined based on completed economic studies.

Ore Reserve: Imperial	At 31 December 2013						
	Proven Ore Reserve [1][2]			Probable Ore Reserve [1][2]			Metallurgical Recovery Factor
	Tons[5] (million)	Grade (oz/ton)	Gold Content [1] (Moz)	Tons [5] (million)	Grade (oz/ton)	Gold Content [1] (Moz)	percent
South Africa							
***Vaal River* (6)**							
Great Noligwa	1.64	0.242	0.40	0.38	0.214	0.08	94.5
Kopanang	2.42	0.188	0.45	5.06	0.197	1.00	95.5
Moab Khotsong[2]	1.37	0.331	0.45	19.62	0.289	5.67	95.1-96.0 [4]
West Wits							
Mponeng[2]	3.08	0.255	0.79	46.98	0.293	13.78	97.9-98.4 [4]
Savuka[10]	0.00	0.00	0.00	0.00	0.000	0.00	0.00
TauTona	0.69	0.273	0.19	4.56	0.263	1.20	97.3
Surface							
Surface sources[6][11]	157.00	0.006	1.00	730.25	0.008	5.89	57.6-90 [4]
Continental Africa							
Democratic Republic of the Congo							
Kibali (45 percent)[2][3]	2.67	0.069	0.18	41.04	0.121	4.98	94.5-88.9 [9]
Ghana							
Iduapriem	15.04	0.032	0.47	30.40	0.049	1.50	95.0
Obuasi[2]	19.94	0.175	3.50	28.41	0.163	4.64	85.4
Guinea							
Siguiri (85 percent)[3]	37.17	0.018	0.68	57.88	0.020	1.17	88.0-90.0 [4]
Mali							
Morila (40 percent)[3]	0.00	0.000	0.00	0.63	0.070	0.04	88.8-91.0 [4]
Sadiola (41 percent)[3]	0.00	0.000	0.00	25.49	0.056	1.43	76.0-94.0 [4]
Yatela (40 percent)[3][10]	0.00	0.000	0.00	0.00	0.000	0.00	0.00
Namibia							
Navachab*	0.00	0.000	0.00	51.08	0.038	1.92	88.6
Tanzania							
Geita	0.00	0.000	0.00	40.70	0.096	3.90	46.2-100.0 [4]
Australasia							
Australia							
Sunrise Dam	16.47	0.032	0.54	6.83	0.094	0.64	85.5
Tropicana (70 percent)[3]	19.21	0.066	1.27	23.10	0.059	1.36	90.0
Americas							
Argentina							
Cerro Vanguardia (92.5 percent)[3][7]	11.32	0.030	0.34	8.05	0.153	1.23	61.3-94.3 [4]
Brazil							
AGA Mineraçáo[2][8]	5.49	0.148	0.81	8.66	0.134	1.16	88.0-93.0 [4]
Serra Grande	3.77	0.080	0.30	2.70	0.098	0.26	92.1
United States of America							
Cripple Creek & Victor	134.49	0.025	3.31	66.85	0.021	1.40	43.0-95.0 [4]
Total	**431.77**	**0.034**	**14.68**	**1,198.70**	**0.044**	**53.26**	

(1) Ore Reserve includes marginally economic and diluting materials delivered for treatment and allow for losses that may occur during mining.

(2) Proven and/or Probable Ore Reserve includes Ore Reserve below infrastructure. See table that follows.

(3) *Ore Reserve attributable to AngloGold Ashanti s percentage interest shown.*
(4) *Recovery factor varies according to ore type.*
(5) *Tons refers to a short ton, which is equivalent to 2000 pounds avoirdupois.*
(6) *The Vaal Reef Ore Reserve includes 127.64 million pounds of Uranium oxide by-products; this cannot be accounted for by individual mine as Great Noligwa, Kopanang, Moab Khotsong and Surface sources in Vaal River feed to a combination of plants.*
(7) *The Ore Reserve contains 29.58 million ounces of silver to be recovered as a by-product.*
(8) *The Ore Reserve contains 0.42 million tons of sulphur to be recovered as a by-product.*
(9) *Open pit and underground mining, respectively.*
(10) *No Ore Reserve is declared for 2013.*
(11) *Includes Mine Waste Solutions (MWS).*

** On 10 February 2014, AngloGold Ashanti announced that it had signed a binding agreement to sell Navachab subject to certain conditions.*

Rounding may result in computational differences.

The 2013 Proven and Probable Ore Reserve includes Ore Reserve below infrastructure in the case of the following underground mines currently in production:

Mine	Tons (millions)	Grade (ounces/ton)	Gold Content (million ounces)
Moab Khotsong	15.46	0.268	4.14
Mponeng	25.69	0.354	9.09
Kibali	21.70	0.165	3.58
Obuasi	3.30	0.382	1.26
AGA Mineração	3.99	0.134	0.53
Total	70.14	0.265	18.60

The Ore Reserve has been determined based on completed economic studies.

Ore Reserve: Metric	At 31 December 2014						
	Proven Ore Reserve [1][2]			Probable Ore Reserve [1][2]			Metallurgical
	Tonnes[6]	Grade	Gold Content	Tonnes[6]	Grade	Gold Content	Recovery factor
	(million)	(g/t)	(tonnes)	(million)	(g/t)	(tonnes)	percent
South Africa							
Vaal River [5]							
Great Noligwa[10]	0.00	0.00	0.00	0.00	0.00	0.00	0.0
Kopanang	1.81	5.98	10.83	4.64	6.04	28.00	94.3
Moab Khotsong[2]	2.68	9.20	24.61	14.27	10.23	145.89	95.0-96.0 [4]
West Wits							
Mponeng[2]	2.16	8.64	18.71	39.94	9.60	383.43	97.7-98.1 [4]
TauTona	0.47	8.93	4.16	4.16	7.99	33.26	96.9
Surface							
Surface sources[5][11]	126.33	0.21	26.89	651.00	0.27	178.13	30.0-88.0 [4]
Continental Africa							
Democratic Republic of the Congo							
Kibali (45 percent)[2][3]	2.41	1.76	4.25	34.89	4.28	149.44	84.5-88.9 [9]
Ghana							
Iduapriem	10.19	1.15	11.74	24.58	1.67	41.11	92.0-95.0 [4]
Obuasi[2]	7.32	5.05	36.7	17.21	7.40	127.45	41.0-87.0 [4]
Guinea							
Siguiri (85 percent)[3]	25.03	0.61	15.16	70.07	0.77	54.29	88.0-93.1 [4]
Mali							
Morila (40 percent)[3]	0.00	0.00	0.00	4.92	0.63	3.11	57.0-91.0 [4]
Sadiola (41 percent)[3]	0.00	0.00	0.00	23.55	2.08	48.98	75.0-96.0 [4]
Namibia							
Navachab[12]	0.00	0.00	0.00	0.00	0.00	0.00	0.0
Tanzania							
Geita	0.00	0.00	0.00	28.61	3.37	96.29	48.1-92.7 [4]
Australasia							
Australia							
Sunrise Dam	13.77	1.07	14.77	7.68	3.29	25.24	80.0-82.5 [4]
Tropicana (70 percent)[3]	14.50	1.92	27.79	20.52	2.04	41.85	89.9
Americas							
Argentina							
Cerro Vanguardia (92.5 percent)[3][7]	9.76	1.18	11.55	6.01	4.78	28.73	61.3-95.0 [4]
Brazil							
AGA Mineraçáo[2][8]	4.45	5.05	22.48	6.25	5.42	33.86	85.0-93.3 [4]
Serra Grande[2]	2.72	2.75	7.47	2.54	3.15	8.00	92.0-94.0 [4]
United States of America							
Cripple Creek & Victor	107.71	0.79	84.64	58.07	0.66	38.44	53.0-83.2 [4]
Total	**331.30**	**0.97**	**322.03**	**1,018.90**	**1.44**	**1,465.51**	

(1) *Ore Reserve includes marginally economic and diluting materials delivered for treatment and allow for losses that may occur during mining.*
(2) *Proven and/or Probable Ore Reserve includes Ore Reserve below infrastructure. See table that follows.*
(3) *Ore Reserve attributable to AngloGold Ashanti s percentage interest shown.*
(4) *Recovery factor varies according to ore type.*

(5) *The Vaal Reef Ore Reserve includes 55.6 thousand tonnes of Uranium oxide by-products; this cannot be accounted for by individual mine as Great Noligwa, Kopanang, Moab Khotsong and Surface sources in Vaal River feed to a combination of plants.*
(6) *Tonnes refers to a metric tonne which is equivalent to 1000 kilograms.*
(7) *The Ore Reserve contains 779.61 tonnes of silver to be recovered as a by-product.*
(8) *The Ore Reserve contains 0.32 million tonnes of sulphur to be recovered as a by-product.*
(9) *Open pit and underground mining, respectively.*
(10) *No Ore Reserve is declared for 2014 Great Noligwa is reported under Moab Khotsong.*
(11) *Includes Mine Waste Solutions (MWS).*
(12) *Operation sold.*
Rounding may result in computational differences.

The 2014 Proven and Probable Ore Reserve includes Ore Reserve below infrastructure in the case of the following underground mines currently in production:

Mine	Tonnes (millions)	Grade (grams/tonne)	Gold Content (tonnes)
Moab Khotsong	10.65	9.76	103.91
Mponeng	27.63	9.61	265.57
Kibali	16.92	5.79	97.98
Obuasi	1.59	21.65	34.43
AGA Mineração	3.17	5.34	16.91
Serra Grande	0.65	3.37	2.17
Total	60.61	8.60	520.96

Ore Reserve: Metric	At 31 December 2013						
	Proven Ore Reserve [1][2]			Probable Ore Reserve [1][2]			Metallurgical
	Tonnes[6]	Grade	Gold Content	Tonnes[6]	Grade	Gold Content	Recovery factor
	(million)	(g/t)	(tonnes)	(million)	(g/t)	(tonnes)	percent
South Africa							
Vaal River[5]							
Great Noligwa	1.48	8.31	12.33	0.35	7.35	2.56	94.5
Kopanang	2.19	6.46	14.15	4.59	6.77	31.09	95.5
Moab Khotsong[2]	1.24	11.34	14.11	17.79	9.91	176.29	95.1-96.0 [4]
West Wits							
Mponeng[2]	2.80	8.73	24.44	42.62	10.06	428.63	97.9-98.4 [4]
Savuka[10]	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TauTona	0.62	9.36	5.85	4.14	9.02	37.33	97.3
Surface							
Surface sources[5][11]	142.43	0.22	31.18	662.48	0.28	183.18	57.6-90 [4]
Continental Africa							
Democratic Republic of the Congo							
Kibali (45 percent)[2][3]	2.43	2.36	5.71	37.23	4.16	154.98	94.5-88.9 [9]
Ghana							
Iduapriem	13.64	1.08	14.75	27.58	1.69	46.54	95.0
Obuasi[2]	18.09	6.02	108.87	25.77	5.60	144.36	85.4
Guinea							
Siguiri (85 percent)[3]	33.72	0.62	21.03	52.51	0.69	36.26	88.0-90.0 [4]
Mali							
Morila (40 percent)[3]	0.00	0.00	0.00	0.57	2.40	1.38	88.8-91.0 [4]
Sadiola (41 percent)[3]	0.00	0.00	0.00	23.13	1.93	44.53	76.0-94.0 [4]
Yatela (40 percent)[3][10]	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Namibia							
Navachab*	0.00	0.00	0.00	46.34	1.29	59.65	88.6
Tanzania							
Geita	0.00	0.00	0.00	36.92	3.28	121.29	46.2-100.0 [4]
Australasia							
Australia							
Sunrise Dam	14.94	1.11	16.65	6.20	3.22	19.97	85.5
Tropicana (70 percent)[3]	17.43	2.26	39.43	20.96	2.02	42.36	90.0
Americas							
Argentina							
Cerro Vanguardia (92.5 percent)[3][7]	10.27	1.04	10.63	7.30	5.23	38.20	61.3-94.3 [4]
Brazil							
AGA Mineraçáo[2][8]	4.98	5.08	25.33	7.85	4.58	35.97	88.0-93.0 [4]
Serra Grande	3.42	2.74	9.38	2.45	3.35	8.22	92.1
United States of America							
Cripple Creek & Victor	122.01	0.84	102.83	60.65	0.72	43.67	43.0-95.0 [4]
Total	**391.70**	**1.17**	**456.65**	**1,087.44**	**1.52**	**1,656.45**	

(1) *Ore Reserve includes marginally economic and diluting materials delivered for treatment and allow for losses that may occur during mining.*

(2) *Proven and/or Probable Ore Reserve includes Ore Reserve below infrastructure. See table that follows.*
(3) *Ore Reserve attributable to AngloGold Ashanti s percentage interest shown.*
(4) *Recovery factor varies according to ore type.*
(5) *The Vaal Reef Ore Reserve includes 57.9 thousand tonnes of Uranium oxide by-products; this cannot be accounted for by individual mine as Great Noligwa, Kopanang, Moab Khotsong and Surface sources in Vaal River feed to a combination of plants.*
(6) *Tonnes refers to a metric tonne which is equivalent to 1000 kilograms.*
(7) *The Ore Reserve contains 920 tonnes of silver to be recovered as a by-product.*
(8) *The Ore Reserve contains 0.38 million tonnes of sulphur to be recovered as a by-product.*
(9) *Open pit and underground mining, respectively.*
(10) *No Ore Reserve is declared for 2013.*
(11) *Includes Mine Waste Solutions (MWS).*

** On 10 February 2014, AngloGold Ashanti announced that it had signed a binding agreement to sell Navachab subject to certain conditions.*

Rounding may result in computational differences.

The 2013 Proven and Probable Ore Reserve includes Ore Reserve below infrastructure in the case of the following underground mines currently in production:

Mine	Tonnes (millions)	Grade (grams/tonne)	Gold Content (tonnes)
Moab Khotsong	14.03	9.18	128.75
Mponeng	23.31	12.13	282.63
Kibali	19.69	5.66	111.33
Obuasi	2.99	13.11	39.23
AGA Mineração	3.62	4.58	16.57
Total	63.63	9.09	578.52

Stockpiles: Imperial

Stockpiles are previously mined ore scheduled for future process plant feed. The Proven and Probable Ore Reserve includes the following stockpile material:

Stockpiles	**At 31 December 2014**		
			Gold content
	Tons (million)	**Grade (ounces/ton)**	**(million ounces)**
South Africa			
Surface sources[2]	856.86	0.008	6.59
Continental Africa			
Ghana			
Iduapriem	4.30	0.025	0.11
Obuasi	5.37	0.057	0.31
Guinea			
Siguiri (85 percent)[1][3]	62.81	0.017	1.04
Mali			
Morila (40 percent)[1]	5.20	0.016	0.08
Sadiola (41 percent)[1]	1.87	0.058	0.11
Namibia			
Navachab [4]	0.00	0.000	0.00
Tanzania			
Geita	7.13	0.034	0.24
Australasia			
Australia			
Sunrise Dam	15.18	0.031	0.47
Tropicana (70 percent)[1]	4.17	0.027	0.11
Americas			
Argentina			
Cerro Vanguardia (92.5 percent)[1]	12.10	0.020	0.24
Brazil			
Serra Grande	0.32	0.052	0.02
United States of America			
Cripple Creek & Victor	1.33	0.036	0.05

(1) *Ore Reserve attributable to AngloGold Ashanti s percentage interest shown.*
(2) *Centralised operations treating material on surface that was previously generated by several underground operations.*
(3) *Spent heap included in Ore Reserve.*
(4) *Operation sold.*
Rounding may result in computational differences.

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Stockpiles: Imperial

Stockpiles are previously mined ore scheduled for future process plant feed. The Proven and Probable Ore Reserve includes the following stockpile material:

Stockpiles	**At 31 December 2013**		
	Tons (million)	**Grade (ounces/ton)**	**Gold content (million ounces)**
South Africa			
Surface sources[2]	887.26	0.008	6.89
Continental Africa			
Ghana			
Iduapriem	7.81	0.025	0.19
Obuasi	6.57	0.058	0.38
Guinea			
Siguiri (85 percent)[1][3]	65.75	0.016	1.08
Mali			
Morila (40 percent)[1]	0.19	0.033	0.01
Sadiola (41 percent)[1]	2.91	0.032	0.09
Namibia			
Navachab*	14.62	0.021	0.31
Tanzania			
Geita	11.55	0.036	0.41
Australasia			
Australia			
Sunrise Dam	16.47	0.032	0.54
Tropicana (70 percent)[1]	2.04	0.060	0.12
Americas			
Argentina			
Cerro Vanguardia (92.5 percent)[1]	12.00	0.017	0.20
Brazil			
Serra Grande	0.20	0.048	0.01
United States of America			
Cripple Creek & Victor	0.71	0.032	0.02

(1) Ore Reserve attributable to AngloGold Ashanti s percentage interest shown.
(2) Centralised operations treating material on surface that was previously generated by several underground operations.
(3) Spent heap included in Ore Reserve.
** On 10 February 2014, AngloGold Ashanti announced that it had signed a binding agreement to sell Navachab subject to certain conditions.*

Rounding may result in computational differences.

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Stockpiles: Metric

Stockpiles are previously mined ore scheduled for future process plant feed. The Proven and Probable Ore Reserve includes the following stockpile material:

Stockpiles	**At 31 December 2014**		
	Tonnes (million)	**Grade (grams/tonne)**	**Gold content (tonnes)**
South Africa			
Surface sources[2]	777.33	0.26	205.02
Continental Africa			
Ghana			
Iduapriem	3.90	0.87	3.40
Obuasi	4.87	1.96	9.57
Guinea			
Siguiri (85 percent)[1][3]	56.98	0.57	32.45
Mali			
Morila (40 percent)[1]	4.72	0.53	2.52
Sadiola (41 percent)[1]	1.70	2.00	3.39
Namibia			
Navachab[4]	0.00	0.00	0.00
Tanzania			
Geita	6.47	1.16	7.52
Australasia			
Australia			
Sunrise Dam	13.77	1.07	14.77
Tropicana (70 percent)[1]	3.78	0.94	3.57
Americas			
Argentina			
Cerro Vanguardia (92.5 percent)[1]	10.98	0.67	7.37
Brazil			
Serra Grande	0.29	1.79	0.52
United States of America			
Cripple Creek & Victor	1.20	1.22	1.47

(1) *Ore Reserve attributable to AngloGold Ashanti s percentage interest shown.*
(2) *Centralised operations treating material on surface that was previously generated by several underground operations.*
(3) *Spent heap included in Ore Reserve.*
(4) *Operation sold.*
Rounding may result in computational differences.

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Stockpiles: Metric

Stockpiles are previously mined ore scheduled for future process plant feed. The Proven and Probable Ore Reserve includes the following stockpile material:

Stockpiles	**At 31 December 2013**		
	Tonnes (million)	**Grade (grams/tonne)**	**Gold content (tonnes)**
South Africa			
Surface sources[2]	804.91	0.27	214.36
Continental Africa			
Ghana			
Iduapriem	7.08	0.86	6.06
Obuasi	5.96	1.99	11.86
Guinea			
Siguiri (85 percent)[1][3]	59.65	0.56	33.49
Mali			
Morila (40 percent)[1]	0.17	1.14	0.20
Sadiola (41 percent)[1]	2.64	1.11	2.92
Namibia			
Navachab*	13.26	0.73	9.66
Tanzania			
Geita	10.48	1.22	12.83
Australasia			
Australia			
Sunrise Dam	14.94	1.11	16.65
Tropicana (70 percent)[1]	1.85	2.04	3.79
Americas			
Argentina			
Cerro Vanguardia (92.5 percent)[1]	10.89	0.58	6.27
Brazil			
Serra Grande	0.19	1.65	0.31
United States of America			
Cripple Creek & Victor	0.64	1.09	0.70

(1) *Ore Reserve attributable to AngloGold Ashanti s percentage interest shown.*
(2) *Centralised operations treating material on surface that was previously generated by several underground operations.*
(3) *Spent heap included in Ore Reserve.*
** On 10 February 2014, AngloGold Ashanti announced that it had signed a binding agreement to sell Navachab subject to certain conditions.*

Rounding may result in computational differences.

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Drill hole spacing: Imperial

In determining the Proven and Probable Ore Reserve, AngloGold Ashanti applied the following drill hole spacing:

	Drill Hole Spacing	
	Proven Ore Reserve	**Probable Ore Reserve**
South Africa		
Underground sources	Ore body opened up, developed and sampled on a 7 to 10 foot spacing on raise lines and on a 16 x 16 foot grid thereafter	From a 131 x 131 foot spacing up to 3281 x 3281 foot spacing
Surface sources	164 x 164 foot auger drilling, variable sampling strategies: Belt samplers, cross stream residue samplers and bulk sampling campaigns	Variable sampling strategies: Belt samplers, cross stream residue samplers
Continental Africa		
Democratic Republic of the Congo		
Kibali	16 x 33 feet	131 x 131 feet
Ghana		
Iduapriem	33 x 39 feet, 33 x 49 feet, 164 x 164 feet	164 x 246 feet, 164 x 328 feet,
	164 x 246 feet, 328 x 164 feet	328 x 246 feet
Obuasi	33 x 33 feet, 66 x 66 feet,	98 x 98 feet, 164 x 164 feet,
	131 x 66 feet, 164 x 164 feet	197 x 197 feet
Guinea		
Siguiri	16 x 33 feet, 16 x 39 feet, 33 x 33 feet	66 x 131 feet, 82 x 82 feet, 164 x 82 feet
Mali		
Morila	33 x 33 feet	98 x 98 feet
Sadiola	16 x 33 feet, 82 x 82 feet	82 x 82 feet, 164 x 82 feet
Tanzania		
Geita	16 x 33 feet	33 x 33 foot, 66 x 66 feet, 82 x 82 feet, 131 x 66 feet, 131 x 131 feet
Australasia		
Australia		
Sunrise Dam	82 x 82 feet	66 x 66 feet, 131 x 131 feet
Tropicana	33 x 39 feet, 82 x 82 feet	164 x 164 feet
Americas		
Argentina		
Cerro Vanguardia	20 x 49 feet, 39 x 16 feet, 39 x 49 feet	131 x 131 feet
Brazil		
AGA Mineraçáo	66 x 33 feet, 82 x 82 feet,	82 x 131 feet, 98 x 82 feet, 164 x 98 feet, 164 x 164 feet, 98 x 197 feet, 410 x 82 feet
	98 x 197 feet	
Serra Grande	33 x 33 feet, 66 x 33 feet	33 x 66 feet, 66 x 164 feet
United States of America		
Cripple Creek & Victor	<98 x 98 feet	148 x 148 feet

Drill hole spacing: Metric

In determining the Proven and Probable Ore Reserve, AngloGold Ashanti applied the following table of drill hole spacing:

	Drill Hole Spacing	
	Proven Ore Reserve	**Probable Ore Reserve**
South Africa		
Underground sources	Ore body opened up, developed and sampled on a 2 to 3 metre spacing on raise lines and on a 5 x 5 metre grid thereafter	From a 40 x 40 metre spacing up to 1000 x 1000 metre spacing
Surface sources	50 x 50 metre auger drilling, variable sampling strategies: Belt samplers, cross stream residue samplers and bulk sampling campaigns	Variable sampling strategies: Belt samplers, cross stream residue samplers
Continental Africa		
Democratic Republic of the Congo		
Kibali	5 x 10 metre	40 x 40 metre
Ghana		
Iduapriem	10 x 12 metre, 10 x 15 metre, 50 x 50 metre, 50 x 75 metre, 100 x 50 metre	50 x 75 metre, 50 x 100 metre, 100 x 75 metre
Obuasi	10 x 10 metre, 20 x 20 metre, 40 x 20 metre, 50 x 50 metre	30 x 30 metre, 50 x 50 metre, 60 x 60 metre
Guinea		
Siguiri	5 x 10 metre, 5 x 12 metre, 10 x 10 metre	20 x 40 metre, 25 x 25 metre, 50 x 25 metre
Mali		
Morila	10 x 10 metre	30 x 30 metre
Sadiola	5 x 10 metre, 25 x 25 metre	25 x 25 metre, 50 x 25 metre
Tanzania		
Geita	5 x 10 metre	10 x 10 metre, 20 x 20 metre, 25 x 25 metre, 40 x 20 metre, 40 x 40 metre
Australasia		
Australia		
Sunrise Dam	25 x 25 metre	20 x 20 metre, 40 x 40 metre
Tropicana	10 x 12 metre, 25 x 25 metre	50 x 50 metre
Americas		
Argentina		
Cerro Vanguardia	6 x 15 metre, 12 x 5 metre, 12 x 15 metre	40 x 40 metre
Brazil		
AGA Mineraçáo	20 x 10 metre, 25 x 25 metre, 30 x 60 metre	25 x 40 metre, 30 x 25 metre, 50 x 30 metre, 50 x 50 metre, 30 x 60 metre, 125 x 25 metre
Serra Grande	10 x 10 metre, 20 x 10 metre	10 x 20 metre, 20 x 50 metre
United States of America		
Cripple Creek & Victor	<30 x 30 metre	45 x 45 metre

ITEM 4A: UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5: OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of AngloGold Ashanti Limited under IFRS for the three years ended and as at 31 December 2014, 2013 and 2012.

This item should be read in conjunction with the company s consolidated financial statements and the notes thereto which are included under Item 18 of this annual report.

The principal accountant of AngloGold Ashanti has made reference to the work of other auditors in its report on the consolidated financial statements of AngloGold Ashanti Limited for the years ended 31 December 2014, 2013 and 2012 and therefore in compliance with Regulation S-X Rule 2-05 the separate reports of the other auditors are included in Item 18.

Overview

AngloGold Ashanti is a global gold mining company headquartered in Johannesburg, South Africa. AngloGold Ashanti s main product is gold. As part of extracting gold the company also produces silver, uranium oxide and sulphuric acid as by-products. Revenue from the sale of by-products is recognised as a reduction of cost of sales in the consolidated statement of income. By-product revenue amounted to $132 million in 2014 (2013: $149 million; 2012: $206 million) out of total revenue of $5,378 million in 2014 (2013: $5,708 million; 2012: $6,632 million). See Note 3 Revenue to the consolidated financial statements for additional information. The company sells its products on world markets.

AngloGold Ashanti conducts gold-mining operations in the following regions, which represent its business segments:

- South Africa (comprising the Vaal River, West Wits and Surface Operations)
- Continental Africa (comprising Ghana, Guinea, Mali, Namibia (sold June 2014), the DRC and Tanzania operations)
- Australasia (comprising Australia)
- Americas (comprising Argentina, Brazil and United States of America)

In particular, AngloGold Ashanti has 20 operations in the four regions comprising open-pit and underground mines and surface metallurgical plants, which are supported by extensive, yet focused exploration activities. For more information on the company s business and operations, see Item 4B.: Business Overview Products, operations and geographical locations .

As at 31 December 2014 the company had on an attributable basis, Proven and Probable Ore Reserves of approximately 57.5 million ounces (including joint ventures). For the year ended 31 December 2014, AngloGold Ashanti had an attributable gold production of approximately 4.44 million ounces (including joint ventures).

AngloGold Ashanti s costs and expenses consist primarily of production costs, amortisation, royalties, corporate administration, marketing and other expenses and exploration and evaluation costs. Production costs include salaries and wages, stores and other consumables (which include explosives, timber and other consumables), fuel, power and water, contractors costs and costs of environmental rehabilitation. The company s mining operations consist of deep-level underground mines as well as open-pit operations, both of which are labour intensive, therefore salaries and wages is a significant component of production costs.

Outlook

Gold production for 2015 is forecast to be between 4.0 million and 4.3 million ounces reflecting Obuasi s limited operations, the sale of Navachab and production decreases in Mali. Capital expenditure is expected to be approximately between $1.00 billion and $1.10 billion in 2015 (2014: $1.21 billion) based on the following assumptions: R11.60/$, $0.85/A$, BRL2.60/$ and ARS9.50/$; Brent crude at $70 per barrel.

AngloGold Ashanti s results of operations, financial condition and prospects, as well as the company s ability to meet its targets, may be adversely affected by a number of factors, risks and uncertainties, some of which are beyond the company s control, including gold prices, exchange rate fluctuations, inflation, as well as political, mining and other risks. In particular, our production outlook is subject to, among other things, labour disruptions, unplanned stoppages and safety-related interventions, the stability and availability of power as well as other operational risks. Certain of these risks, uncertainties and other factors are described in Item 3D.: Risk factors . See also Note regarding forward-looking statements . Furthermore the forecast assumes no changes to the asset portfolio/operating mines.

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5A. OPERATING RESULTS
INTRODUCTION

The gold price started 2014 on a positive trajectory which was unexpected given the negative price action of the final quarter of 2013. It appeared that earlier trepidation around the tapering of the Federal Reserve s quantitative easing program had given way to a more bullish optimism on global growth.

The slow start to the year for the US economy on account of an extreme weather front, underpinned the gold price in the first quarter as many saw this slow start as a justification for the Federal Reserve to extend the tenor of its monetary stimulus. The Russian invasion of Ukraine in the first quarter of 2014 added further support to the gold price which traded up to its high of the year at $1,391/oz in March 2014.

The second half of the year saw a turnaround of economic events and the US Dollar became the focus of attention; European growth was waning and there seemed to be no strategy or agreement amongst EU members on how to tackle it; Japan was not showing any convincing signs of extricating itself from decades of deflation and there was confirmation that China s growth was slowing too. The news out of the US on the other hand was becoming more and more positive and hence attention was once again focused on Federal Reserve meetings for confirmation around the timing of the end of the monetary stimulus and forward looking guidance on interest rates.

Against this backdrop, commodity prices suffered as the Euro increasingly reflected investor concerns around the EU member s ability to agree and implement a suitable economic strategy to deal with Europe s slowing economy. The US Dollar benefitted from this uncertainty as the market focus turned to speculation around the timing of interest rates hikes in the US.

A stronger US Dollar with rising interest rates has historically been negative for gold (other factors being equal), and the gold price traded under pressure for the balance of 2014. Nevertheless, the average gold price for the year was $1,266/oz and it closed the year ($1,183/oz) largely unchanged from its levels at the start of the year ($1,205/oz). This was contrary to many analyst predictions, but these results were in line with the performance of most other precious metals and better than most commodities.

Key factors affecting results

Gold prices

AngloGold Ashanti s operating results are directly related to the price of gold, which can fluctuate widely and is affected by numerous factors beyond its control, including investment, jewellery and industrial demand, expectations with respect to the rate of inflation, the strength of the US dollar (the currency in which the price of gold is generally quoted) and of other currencies, interest rates, actual or expected gold sales and purchases by central banks and the International Monetary Fund (IMF), global or regional political or economic events, and production and cost levels in major gold-producing regions. In addition, the price of gold is often subject to sharp, short-term changes.

The current demand for and supply of gold may affect gold prices, but not necessarily in the same manner as current supply and demand affects the prices of other commodities. The supply of gold consists of a combination of new production and fabricated gold held by governments, public and private financial institutions, industrial organisations and private individuals. As the global gold production in any single year constitutes a small portion of the total potential supply of gold, short term variations in current production do not necessarily have a significant impact on the supply of gold or on its price. The shift in gold demand from physical demand to investment and speculative demand may exacerbate the volatility of gold prices.

Yearly average spot gold prices have changed during the three years under review as follows:

2012 - $1,668 per ounce
2013 - $1,411 per ounce
2014 - $1,266 per ounce

The average of the spot gold price from 1 January 2015 to 23 March 2015 was $1,221 per ounce. On 23 March 2015, the afternoon price for gold on the London Bullion Market was $1,186 per ounce.

If income from gold sales falls for an extended period below the company s production costs at its operations, AngloGold Ashanti could determine that it is not economically feasible to continue production at some or all of its operations. Declining gold prices may also force a reassessment of the feasibility of a particular exploration or development project or projects, and could lead to the curtailment or suspension of such projects. A sustained decrease in gold prices may force the company to

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change its dividend payment policies, reduce expenditures and undertake measures to address its cost base. In addition, the use of lower gold prices in reserve calculations and life-of-mine plans could result in material write-downs of the company s investment in mining properties and increase amortisation, rehabilitation and closure charges.

Production levels

In addition to gold prices, AngloGold Ashanti s gold income in any year is also influenced by its level of gold production. Production levels are in turn influenced by grades, tonnages mined and processed through the plant, and metallurgical recoveries. Attributable gold production (including joint ventures) improved from 4.11 million ounces in 2013 to 4.44 million ounces in 2014. The increase in production levels is due to a variety of factors, as follows:

- South Africa: 6 percent decline in production in 2014 primarily due to the earthquake near the Vaal River operations on 5 August 2014, which caused infrastructure damage, as well as safety related stoppages across the regional portfolio.
- Continental Africa: 9 percent increase in production primarily due to Kibali s full year of production in 2014.
- Australasia: 81 percent increase in production primarily due to Tropicana s full year of production in 2014.
- Americas: production declined by 5,000oz from to 996,000oz in 2014 from 1,001,000oz in 2013 primarily due to low grades and negative stockpile movements.

Grades from gold ore bodies tend to decline as they mature over time. With a view to reversing the grade decline, the company embarked on the following initiatives:

- Short-term: Ongoing deleveraging of the balance sheet to maintain sufficient liquidity and flexibility in a lower gold price environment, review of the asset portfolio with a view to reduce the net debt levels and balance the portfolio with more profitable ounces and maintain ongoing focus in the management of costs to deliver competitive all-in sustaining costs and all-in costs and continue to target sustainable cash generation.
- Medium-term: Active exploration programmes to replenish depletion in existing ore bodies by mine life extensions and new mines.
- Long-term: Technology project in South Africa with a view to using reef boring.

Concurrently, AngloGold Ashanti also embarked on ways of increasing the tonnage mined and processed, and processing improvements to enhance metallurgical recoveries.

Foreign exchange fluctuations

Production costs in all business segments are largely incurred in local currency where the relevant operation is located. US dollar denominated production costs and net income tend to be adversely impacted by local currency strength and favourably impacted by local currency weakness, assuming there are no other offsetting factors. AngloGold Ashanti s financial results can be influenced significantly by the fluctuations in the South African Rand, Brazilian Real, Australian Dollar, and, to a lesser extent, the Argentinean Peso, Ghanaian Cedi and other local currencies. As set out below, during the year ended 31 December 2014, the US dollar strengthened and the South African Rand, Australian dollar, Brazilian Real and Argentinean Peso weakened, which had a favourable impact on AngloGold Ashanti s US Dollar denominated production costs.

Average annual exchange rates to the US dollar	**2014**	**2013**	**2012**
South African Rand	10.83	9.62	8.20
Brazilian Real	2.35	2.16	1.95
Australian Dollar	1.11	1.03	0.97
Argentinian Peso	8.12	5.48	4.55

In 2014, the company derived 64 percent (58 percent including joint ventures) of its revenues from South Africa, Brazil, Australia and Argentina, and incurred 62 percent (57 percent including joint ventures) of its production costs in these local currencies. A one percent strengthening of these local currencies against the US dollar will result in an increase in total cash costs incurred of about $6 per ounce.

Certain exchange controls are currently in force in most emerging markets in which the company operates, including, for example, South Africa and Argentina. In the case of South Africa, although the exchange rate of the rand is primarily market determined, its value at any time may not

be considered a true reflection of the underlying value while exchange controls exist. The government has indicated its intention to relax exchange controls over time. As exchange controls are relaxed, rand exchange rates will be more closely tied to market forces. It is not possible to predict whether or when this will occur or the future value of the rand. For a detailed discussion of these exchange controls, see Item 10D.: Exchange controls .

Production costs and effects of inflation

Production costs include salaries and wages, stores and other consumables (which include explosives, timber and other consumables), fuel, power and water, contractors costs and costs of environmental rehabilitation. The mining industry continues to experience price inflation for costs of inputs used in the production of gold, which leads to higher production costs reported by many gold producers.

AngloGold Ashanti is unable to control the prices at which it sells its gold. Accordingly, in the event of significant inflation in South Africa or, to a lesser extent, Brazil, Argentina or Australia, without a concurrent devaluation of the local currency or an increase in the price of gold, there could be a material adverse effect upon the company s results and financial condition.

AngloGold Ashanti employs over 58,000 people globally, most of whom are members of trade unions, particularly in South Africa, Continental Africa and the Americas. Salaries and wages account for a significant component of production costs and are impacted by annual wage increases.

Energy costs, comprising power, fuel and lubricants, are another material component of production costs. Due to the remote location of some of its mines in Continental Africa, AngloGold Ashanti uses fuel to generate power and uses fuel and lubricants at its mines to run its fleet and processing plants. The price of oil has recently been volatile, fluctuating between $55 and $115 per barrel of Brent crude in 2014. AngloGold Ashanti estimates that for each $1 per barrel rise in the oil price, other factors remaining equal, the average total cash costs of all its operations increases by about $0.78 per ounce, with the cash costs of certain of the company s mines, particularly Geita, Cripple Creek & Victor, Siguiri and Sadiola, which are more dependent on fuel, being more sensitive to changes in the price of oil. Energy costs, even in business segments which are supported by grid power, like South Africa, have increased considerably over the three year period, with price increases from Eskom (South Africa s power utility) that exceeded average inflation. These increases have adversely impacted production costs.

AngloGold Ashanti has no influence over the cost of most consumables, many of which are linked to some degree to the price of oil and steel and in a number of cases have exceeded inflation. Furthermore, there has also been volatility recently in the price of steel, used in the manufacture of most forms of fixed and mobile mining equipment, which is a relatively large contributor to the operating costs and capital expenditure of a mine. All of these cost pressures have adversely impacted net income during the period.

Total group rehabilitation obligation (excluding joint ventures) increased from $728 million in 2013 to $851 million in 2014. This change is attributable to changes in discount rates due to changes in global economic assumptions and changes in mine plans resulting in changes in cash flows and changes in design of tailings storage facilities and in methodology following requests from the environmental regulatory authorities.

Royalties, which are generally calculated as a percentage of revenue, varied over the past three years from $164 million incurred in 2012 to $129 million incurred in 2013 and $131 million in 2014, primarily due to the variations in the spot gold prices and production.

Royalties are likely to continue to vary in the coming years as in a number of jurisdictions host governments increasingly seek to obtain a higher share of revenue by increasing the royalty rates for gold mines.

Exploration and evaluation costs

The company has incurred exploration expenditure during the years ended 31 December 2012, 2013 and 2014 in order to replenish depleting gold reserves and bring new ore bodies into pre-feasibility or feasibility. The exploration costs incurred over the last three fiscal years amounted to $395 million in 2012, $255 million in 2013 and $144 million in 2014. Exploration expenditure was curtailed during 2014, with a significant cut back in brownfields and greenfields exploration as well as prefeasibility studies.

Corporate administration, marketing and other expenses

In order to meet AngloGold Ashanti s strategic objectives, management has incurred costs to build talent, capacity and expertise globally and in particular to support its Project ONE initiatives. The corporate administration, marketing and other expenses incurred over such period amounted to $291 million in 2012, $201 million in 2013 and $92 million in 2014. The costs were lower in 2014 due to reduced labour costs, consultancy and travel costs as well as increased recoveries for shared service costs, aided by the effects of the weaker Rand.

Amortisation of tangible assets

Amortisation of tangible assets decreased during the 2012 2014 period, from $830 million to $750 million, largely due to the reduction in capital expenditure at Obuasi following the impending move to limited operations; lower amortisation at Cripple Creek and Victor and Geita following the impairment of assets in June 2013 and the reset of the amortisation lives; lower production at Sunrise Dam, partly offset by higher amortisation at Tropicana since production started in the fourth quarter of 2013.

Impairments

AngloGold Ashanti reviews and tests the carrying value of its assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. AngloGold Ashanti values individual mining assets at the lowest level for which cash flows are identifiable as independent of cash flows of other mining assets and liabilities.

If there are indications that impairment may have occurred, AngloGold Ashanti prepares estimates of expected future cash flows for each group of assets. Expected future cash flows are inherently uncertain, and could materially change over time. They are significantly affected by reserve and production estimates, together with economic factors, such as spot and forward gold prices, discount rates, currency exchange rates, estimates of costs to produce reserves and future capital expenditures. Alternatively, should any of these factors reverse then AngloGold Ashanti may have to reverse previously recognised impairments.

The impairment charges AngloGold Ashanti incurred on tangible and intangible assets amounted to a charge of $346 million in 2012, a charge of $3,029 million in 2013 and a charge of $10 million in 2014. See Note 7 Special Items , Note 15 Tangible assets and Note 16 Intangib assets to the consolidated financial statements for a detailed description of impairments.

When reviewing goodwill and other tangible assets for impairment, AngloGold Ashanti s assumption on gold price represents its best estimate of the future price of gold. In arriving at the estimated long-term real gold price, AngloGold Ashanti considers all available market information including current prices, historical averages, and forward pricing information and data. The long term real gold price of $1,267 per ounce in 2014 and $1,269 per ounce in 2013, were based on a range of economic and market conditions, which were, at that time, expected to exist over the remaining useful life of the assets.

AngloGold Ashanti considers the long-term fundamentals that provide support to the gold price assumption. These include, amongst other things, gold as a long-term store of value, hedge against inflation, safe haven status, strong physical demand from emerging markets, central bank purchases, quantitative easing and devaluation of paper currency, falling global mine production and rising costs of producing gold, all of which represent significant and enduring trends supportive of AngloGold Ashanti s gold price assumption.

The actual gold price averaged $1,266 per ounce in 2014 and $1,411 per ounce in 2013. The gold price in 2015 has been subject to volatile short term swings and has averaged $1,221 per ounce from 1 January 2015 to 23 March 2015 and closed at $1,186 per ounce on 23 March 2015.

AngloGold Ashanti will continue to monitor the underlying long-term factors driving the gold price and will review its gold price assumption, should it consider it appropriate to do so.

Furthermore, should the gold price fall and remain at such lower levels, management will consider, in addition to other mitigating factors, reviewing and amending the life of mine plans to reduce expenditures, optimise costs and increase cash flows in respect of its mining assets.

Taxation

Taxation decreased over the period 2012 - 2014 from an expense of $346 million in 2012 to an expense of $255 million in 2014. The decrease in the tax charge was mainly due to lower taxable income as a result of the lower gold price as well as tax credits on impairment of assets.

Taxation is likely to continue to be volatile in the coming years, as host governments in a number of jurisdictions increasingly seek to obtain a higher share of revenue by increasing rates of existing taxes and introducing new taxes on gold mines.

Business combinations

The global gold mining industry has experienced active consolidation and rationalisation in recent years. Accordingly, AngloGold Ashanti has been, and expects to continue to be, involved in assessing a number of acquisitions, dispositions and joint ventures as part of this global trend and to identify value-adding business combinations and acquisition opportunities.

Acquisitions and dispositions are described in Note 34 to the consolidated financial statements, Business combinations and disposals . See also Note 39 to the consolidated financial statements, Subsequent events . The consolidated financial statements reflect the operations and financial condition of AngloGold Ashanti, giving effect to the acquisitions and disposals on the effective date.

South African economic and other factors

AngloGold Ashanti is a company domiciled in South Africa with significant operations in South Africa. As a result, the company is subject to various economic, fiscal and monetary factors that affect South African companies generally.

For more information about the impact of governmental economic, fiscal, monetary or political policies or factors on our operations, see also Item 3.D.: Risk factors and Item 4.B.: Business Overview The Regulatory Environment Enabling AngloGold Ashanti to Mine .

Comparison of operating performance in 2014, 2013 and 2012

The following table presents operating data for the AngloGold Ashanti group for the three year period ended 31 December 2014:

Operating data for AngloGold Ashanti	**Year ended 31 December**		
	2014	**2013**	**2012**
Total attributable gold production (thousand ounces)	4,436	4,105	3,944
Total attributable gold sold (thousand ounces)[1]	4,454	4,093	3,953
All-in sustaining costs ($/oz)[2]	1,026	1,174	1,251
All-in costs ($/oz)[2][3]	1,148	1,466	
Total cost of sales (million US dollars) per financial statements	4,190	4,146	3,964
Total cash costs ($/oz)[2]	787	830	829
Total production costs ($/oz)[2]	1,014	1,054	1,054
Total cash costs (million US dollars) per financial statements	3,292	3,297	3,135
Production costs (million US dollars) per financial statements	3,410	3,384	3,212
Capital expenditure (million US dollars)	1,209	1,993	2,322
- Consolidated entities	1,018	1,582	2,019
- Associates and equity accounted joint ventures	191	411	303

[1] Ounces of gold sold used in the calculation of all-in sustaining costs per ounce.

[2] All-in sustaining costs, all-in costs, total cash costs and total production costs are non-GAAP measures. For further information on these non-GAAP measures, see Item 5A.: Operating results Total all-in sustaining costs, all-in costs and total cash costs and total production costs .

[3] All-in costs have been calculated from 2013 onwards.

Attributable gold production

Production in 2014

For the year ended 31 December 2014, AngloGold Ashanti s total attributable gold production at 4.44 million ounces was 330,000 ounces, or 8 percent, higher when compared to the 2013 production of 4.11 million ounces.

In **South Africa**, gold production decreased by 6 percent, or 79,000 ounces, in 2014 as compared to 2013. The lower production was due largely to the earthquake near the Vaal River operations on 5 August 2014, which caused infrastructure damage, as well as safety related stoppages across the regional portfolio. The decrease was partially offset by higher production at Moab Khotsong arising from higher grade due to lower declared waste to reef tonnes.

Production increased by 9 percent, or 137,000 ounces, in 2014, as compared to 2013, in **Continental Africa** mainly due to Kibali s full year of production in 2014, higher production at Siguiri in Guinea due to higher recovered grades and at Geita in Tanzania due to increased tonnage throughput. The strong results were achieved despite Navachab s sale at the end of June 2014, the continued winding down of operations in Mali and the treatment of low grade stockpile during the current year at Iduapriem in Ghana.

Production increased by 81 percent, or 278,000 ounces, in 2014, as compared with 2013, in **Australia** mainly due to Tropicana s full year of production in 2014. Lower grades were mined at Sunrise Dam, in line with the mine plan partially offsettting the increase in production in this segment.

In the **Americas** region, production decreased by 5,000 ounces in 2014, as compared with 2013. In North America at Cripple Creek & Victor production decreased due to ore being placed further from the liner. This decrease and a further decrease at Serra Grande were partially offset by increases in production in Brazil at AGA Mineração and at Cerro Vanguardia. The increase was mainly due to increased tonnage and feed grades at both the Cuiabá and Córrego do Sítio complexes. Development work improved and production began from the new orebody at Córrego do Sítio (Sulphide II) and full production rates were achieved at the underground Mine l.

Production in 2013

For the year ended 31 December 2013, AngloGold Ashanti s total attributable gold production at 4.11 million ounces was 160,000 ounces, or 4 percent, higher when compared to the 2012 production of 3.94 million ounces.

In **South Africa**, gold production increased by 7 percent, or 90,000 ounces, in 2013 as compared to 2012. The increase in output was mainly due to increased production from MWS (acquired effective July 2012), non-recurring strike action in South Africa, fewer safety and associated stoppages, reduced dilution owing to decrease in stoping widths and higher grades mined at Moab Khotsong during 2013. The increase was partially offset by decreased production at Mponeng due to lower grades.

Production decreased by 4 percent, or 61,000 ounces, in 2013, as compared to 2012, in **Continental Africa** mainly due to the mill shutdown at Geita in 2013, lower recovered grades at Morila, Sadiola and Navachab and lower production at Obuasi due to underground mining challenges and backfill constraints. The decrease was partially offset by higher production at Iduapriem in Ghana and Siguiri in Guinea due to higher grades and production starting ahead of schedule at Kibali.

Production increased by 33 percent, or 84,000 ounces, in 2013, as compared with 2012, in **Australia** mainly due to production starting ahead of schedule at Tropicana Gold Mine and higher grade ore from the Crown pillar in the base of the open pit at Sunrise Dam.

In the **Americas** region, production increased by 5 percent, or 48,000 ounces in 2013, as compared with 2012. In Brazil the increase was mainly due the increase of the company s ownership in of Serra Grande to 100 percent, effective July 2012. In Argentina at Cerro Vanguardia, the increase in production was mainly due to operational improvements giving rise to an increase in recoveries and grades. The increase was partially offset by lower production at Cripple Creek & Victor in North America due to lower recovered grades.

Total all-in sustaining costs, all-in costs and total cash costs and total production costs

Comparison of all-in sustaining costs in 2014 with 2013

All-in sustaining costs per ounce (excluding stockpile impairments) in South Africa decreased in 2014 by $56 per ounce to $1,064 per ounce from $1,120 per ounce in 2013. The decrease was a result of a decrease in total sustaining capital expenditure and the weakening of the rand. The decrease was partially offset by a decrease in gold sold of 79,000 ounces in 2014 over 2013.

In Continental Africa, all-in sustaining costs (excluding stockpile impairments) decreased by $234 per ounce, or 19 percent, to $968 per ounce in 2014 from $1,202 per ounce in 2013. This decrease was mainly due to a decrease in cost of sales (refer comparison of total cash costs in 2014 with 2013), total sustaining capital expenditure and a 153,000 ounce increase in gold sold from 1,462,000 ounces in 2013 to 1,615,000 ounces in 2014. The decrease was partially offset by an increase in associates and equity joint ventures share of costs and a decrease in amortisation.

In the Americas, all-in sustaining costs (excluding stockpile impairments) increased by $40 per ounce, or 4 percent, to $1,010 per ounce in 2014 from $970 per ounce in 2013. This increase was mainly due to an increase in costs of sales (refer comparison of total cash costs in 2014 with 2013) and a decrease of 9,000 ounces, or 1 percent, in gold sold in 2014.

In Australia, all-in sustaining costs decreased by $390 per ounce, or 28 percent, to $986 per ounce in 2014 from $1,376 per ounce in 2013, mainly due to an increase in gold sold which was partially offset by an increase in costs. This was mainly due to Tropicana s ramp up for the full year of production in 2014.

Comparison of all-in costs in 2014 with 2013

All-in costs per ounce (excluding stockpile impairments) in South Africa decreased in 2014 by $131 per ounce to $1,107 per ounce from $1,238 per ounce in 2013. The decrease was a result of a decrease in all-in sustaining costs, non-sustaining project capex and the weakening of the rand. The decrease was partially offset by a decrease in gold sold of 79,000 ounces in 2014 over 2013.

In Continental Africa, all-in costs (excluding stockpile impairments) decreased by $433 per ounce, or 28 percent, to $1,105 per ounce in 2014 from $1,538 per ounce in 2013. This decrease was mainly due to a decrease in all-in sustaining costs, non-sustaining project capex, non-sustaining exploration and study costs and a 153,000 ounce increase in gold sold from 1,462,000 ounces in 2013 to 1,615,000 ounces in 2014.

In the Americas, all-in costs (excluding stockpile impairments) decreased by $9 per ounce, or 1 percent, to $1,262 per ounce in 2014 from $1,271 per ounce in 2013.

In Australia, all-in costs decreased by $1,075 per ounce, or 52 percent, to $998 per ounce in 2014 from $2,073 per ounce in 2013, mainly due to an increase in gold sold which was partially offset by an increase in costs.

Comparison of total cash costs in 2014 with 2013

The currencies of South Africa, Australia, Argentina and Brazil were, on average, weaker against the US dollar during 2014 as compared to 2013 which positively impacted total cash costs for 2014.

Total cash costs per ounce in South Africa, at Kopanang, Moab Khotsong, Great Noligwa, Tau Tona and the surface operations, decreased marginally to $849 per ounce in 2014 from $850 per ounce in 2013. The decrease was a result of the weakening of the rand partially offset by a decrease in production.

In Continental Africa, total cash costs decreased by $86 per ounce, or 10 percent, to $783 per ounce in 2014 from $869 per ounce in 2013. The decrease was mainly due to the 137,000 ounces increase in production.

Total cash costs at Geita, in Tanzania, increased by 16 percent from $515 per ounce in 2013 to $599 per ounce in 2014. This was mainly due to the utilisation of higher cost ore stockpiles.

In Mali, at Morila, total cash costs increased by 50 percent in 2014 to $1,162 per ounce compared to $773 per ounce in 2013, mainly due to lower production and an increase in contractor costs. At Sadiola, total cash costs decreased by 23 percent from $1,334 per ounce in 2013 to $1,028 per ounce in 2014. This decrease was primarily due to a decrease in contractor costs. Total cash costs at Yatela decreased by 6 percent from $1,530 per ounce in 2013 to $1,438 per ounce in 2014 mainly due to a decrease in all the costs which was partially offset by lower

production.

In Ghana, at Obuasi, total cash costs decreased by 23 percent in 2014 to $1,086 per ounce compared to $1,406 per ounce in 2013 mainly due to a decrease in all the costs due to the transition to a limited operating state. At Iduapriem, in Ghana, total cash costs increased marginally to $865 per ounce in 2014 compared to $861 per ounce in 2013 mainly due to decreased production which was partially offset by a decrease in salaries, consumable store costs, power costs and contractor costs. At Siguiri, in Guinea, total cash costs decreased by 13 percent to $799 per ounce in 2014 from $918 per ounce in 2013 mainly due to an increase in production and a decrease in consumable store costs, contractor costs and service related costs.

In the DRC, at Kibali, total cash costs increased by 23 percent to $578 per ounce in 2014 from $471 per ounce in 2013 mainly due to an increase in all the costs partially offset by an increase in production. The increase in production and costs are due to Kibali s ramp up to the full year of production in 2014.

In the Americas, total cash costs increased to $709 per ounce in 2014 from $671 per ounce in 2013. The increase was mainly due to an increase in consumable store costs, contractor costs and a decrease in production.

In the United States, at Cripple Creek, total cash costs increased by 13 percent or $97 per ounce to $829 per ounce in 2014 from $732 per ounce in 2013 due primarily to a decline in production. In Brazil, at AngloGold Ashanti Córrego do Sítio Mineração, total cash costs decreased marginally to $644 per ounce in 2014 from $646 per ounce in 2013 primarily due to higher production partially offset by an increase in consumable store costs. At Serra Grande total cash costs increased by 4 percent or $29 per ounce to $748 per ounce in 2014 as compared to $719 per ounce in 2013 due to an increase in service related costs and a decrease in production. In Argentina at Cerro Vanguardia, total cash costs increased to $692 per ounce in 2014 from $622 per ounce in 2013 primarily due to an increase in contractor costs and service related costs partially offset by higher production.

In Australia, total cash costs decreased by $243 per ounce, or 23 percent, to $804 per ounce in 2014 from $1,047 per ounce in 2013.

In Australia, at Sunrise Dam, total cash costs decreased in 2014 to $1,105 per ounce compared to $1,110 per ounce in 2013, mainly due to the weakening of the Australian Dollar. The decrease was partially offset by a decrease in production. At Tropicana total cash costs decreased in 2014 to $545 per ounce compared to $568 per ounce in 2013, mainly due to an increase in production and the weakening of the Australian Dollar. The decrease was partially offset by an increase in consumable store costs, power costs, contractor costs and service related costs. The increase in production and costs was mainly due to Tropicana s ramp up to the full year of production in 2014.

Overall the company s total cash costs in 2014 decreased to $787 per ounce compared to $830 per ounce in 2013. Of this decrease, weaker local currencies accounted for $58 per ounce and acquisitions and disposals accounted for $26 per ounce, offset by higher inflation of $44 per ounce.

Comparison of all-in sustaining costs in 2013 with 2012

All-in sustaining costs per ounce in South Africa decreased in 2013 by $69 per ounce to $1,120 per ounce from $1,189 per ounce in 2012. The decrease was a result of an increase in gold sold in 2013 and the weakening of the rand.

In Continental Africa, all-in sustaining costs (excluding stockpile impairments) decreased by $33 per ounce, or 3 percent, to $1,202 per ounce in 2013 from $1,235 per ounce in 2012. This decrease was mainly due to a decrease in all-in sustaining costs adjusted for non-controlling interests of $110 million or 6 percent from $1,886 million in 2012 to $1,776 million in 2013. This decrease was partially offset by a 65,000 ounce decrease in gold sold from 1,527,000 ounces in 2012 to 1,462,000 ounces in 2013.

In the Americas, all-in sustaining costs decreased by $36 per ounce, or 4 percent, to $970 per ounce in 2013 from $1,006 per ounce in 2012. This decrease was mainly due to an increase of 48,000 ounces, or 5 percent, in gold sold in 2013.

In Australia, all-in sustaining costs decreased by $304 per ounce, or 18 percent, to $1,376 per ounce in 2013 from $1,680 per ounce in 2012, mainly due to an increase in gold sold which was partially offset by an increase in costs. The increase in gold sold and costs are due to Tropicana starting production ahead of schedule.

Comparison of all-in costs in 2013 with 2012

No comparison of all-in costs in 2013 with 2012 is presented as all-in costs have been calculated from 2013 onwards.

Comparison of total cash costs in 2013 with 2012

The currencies of South Africa, Australia, Argentina and Brazil were, on average, weaker against the US dollar during 2013 as compared to 2012 which positively impacted total cash costs for 2013.

Total cash costs per ounce in South Africa, at Kopanang, Moab Khotsong, Great Noligwa, Tau Tona and the surface operations, decreased by $23 per ounce, or 3 percent, to $850 per ounce in 2013 from $873 per ounce in 2012. The decrease was a result of an increase in production in 2013 and the weakening of the rand.

In Continental Africa, total cash costs increased by $39 per ounce, or 5 percent, to $869 per ounce in 2013 from $830 per ounce in 2012. The increase was mainly due to the 61,000 ounces decrease in production.

Total cash costs at Geita, in Tanzania, increased by 21 percent from $427 per ounce in 2012 to $515 per ounce in 2013. This was mainly as a result of decreased production and an increase in labour, consumables and contract labour costs.

In Mali, at Morila, total cash costs increased by 1 percent in 2013 to $773 per ounce compared to $767 per ounce in 2012, mainly due to lower production which was partially offset by a decrease in inventory adjustments. At Sadiola, total cash costs increased by 14 percent from $1,169 per ounce in 2012 to $1,334 per ounce in 2013. This increase was primarily due to lower production. Total cash costs at Yatela decreased by 13 percent from $1,758 per ounce in 2012 to $1,530 per ounce in 2013 mainly due to a decrease in contract labour which was partially offset by lower production.

In Ghana, at Obuasi, total cash costs increased by 18 percent in 2013 to $1,406 per ounce compared to $1,187 per ounce in 2012 mainly due to the decline in production. At Iduapriem, in Ghana, total cash costs decreased by 10 percent to $861 per ounce in 2013 compared to $955 per ounce in 2012 mainly due to increased production which was partially offset by an increase in contract labour costs. At Siguiri, in Guinea, total cash costs decreased by 2 percent to $918 per ounce in 2013 from $938 per ounce in 2012 mainly due to an increase in production which was partially offset by an increase in ore stockpile adjustments and increased costs related to labour.

In the DRC, at Kibali, total cash costs were $471 per ounce in 2013. Kibali began commercial production in October 2013.

In the Americas, total cash costs increased marginally to $671 per ounce in 2013 from $669 per ounce in 2012. The increase was mainly due to an increase in commodity prices, labour costs and service related costs partially offset by an increase in production.

In the United States, at Cripple Creek, total cash costs increased by 15 percent or $94 per ounce to $732 per ounce in 2013 from $638 per ounce in 2012 due primarily to a decline in production, rising commodity prices (stores, in particular) and increased labour costs. In Brazil at AngloGold Ashanti Córrego do Sítio Mineração, total cash costs decreased by 7 percent to $646 per ounce in 2013 from $696 per ounce in 2012 primarily due to a decrease in service related costs and higher production. At Serra Grande total cash costs decreased by 12 percent or $102 per ounce to $719 per ounce in 2013 as compared to $821 per ounce in 2012 due to a decrease in service related and store costs.

In Australia, total cash costs decreased by $164 per ounce, or 14 percent, to $1,047 per ounce in 2013 from $1,211 per ounce in 2012.

In Australia, at Sunrise Dam, total cash costs decreased in 2013 to $1,110 per ounce compared to $1,126 per ounce in 2012, mainly due to an increase in production and the weakening of the Australian Dollar. The decrease was partially offset by an increase in service related costs due to a reduction in recovery from settled insurance claims as compared with 2012 during which there was a reimbursement of costs relating to the pitwall failure at Sunrise Dam (Australia) in the amount of $30 million. At Tropicana Gold Mine total cash costs were $568 per ounce in 2013. Tropicana began commercial production in October 2013.

Overall the company s total cash costs in 2013 increased marginally to $830 per ounce compared to $829 per ounce in 2012. Of these increased costs, inflation accounted for $51 per ounce and unfavourable inventory movements accounted for $10 per ounce, offset by higher production and weaker local currencies.

Reconciliation of all-in sustaining costs and all-in costs to cost of sales per the financial statements

During June 2013 the World Gold Council (WGC), an industry body, published a Guidance Note on all-in sustaining costs and all-in costs metrics, which gold mining companies can use to supplement their overall non-GAAP disclosure. The WGC worked closely with its members (including AngloGold Ashanti) to develop these non-GAAP measures which are intended to provide further transparency into the full cost associated with producing gold. It is expected that these new metrics, in particular the all-in sustaining cost and all-in cost metrics which AngloGold Ashanti provides in this annual report on Form 20-F, will be helpful to investors, governments, local communities and other stakeholders in understanding the economics of gold mining. All-in sustaining costs is an extension of the existing cash cost metric and incorporates all costs related to sustaining production and in particular recognises the sustaining capital expenditures associated with developing and maintaining gold mines. In addition, this metric includes the cost associated with Corporate Office structures that support these operations, the community and rehabilitation costs attendant with responsible mining and any exploration and evaluation cost associated with sustaining current operations. All-in sustaining costs per ounce is arrived at by dividing the dollar value of the sum of these cost metrics, by the ounces of gold sold. All-in cost includes additional costs which reflect the varying costs of producing gold over the life-cycle of a mine including costs incurred at new operations and costs related to major projects at existing operations, which are expected to increase production. All-in cost per ounce is arrived at by dividing the dollar value of the sum of these cost metrics, by the ounces of gold sold.

Reconciliation of total cash costs and total production costs to financial statements

Total cash costs and total production costs are calculated in accordance with the guidelines of the Gold Institute industry standard and industry practice and are non-GAAP measures. The Gold Institute, which has been incorporated into the National Mining Association, is a non-profit international association of miners, refiners, bullion suppliers and manufacturers of gold products, which developed a uniform format for reporting total production costs on a per ounce basis. The guidance was first adopted in 1996 and revised in November 1999.

Total cash costs, as defined in the Gold Institute industry guidelines, are production costs as recorded in the statement of operations, less offsite (i.e. central), general and administrative expenses (including head office costs charged to the mines, central training expenses, industry association fees, refinery charges and social development costs) and rehabilitation costs, plus royalties and employee termination costs.

Total cash costs as calculated and reported by AngloGold Ashanti include costs for all mining, processing, onsite administration costs, royalties and production taxes, as well as contributions from by-products, but exclusive of amortisation of tangible and intangible assets, rehabilitation costs and other non-cash costs, retrenchment costs, corporate administration, marketing and other costs, capital costs and exploration costs. Total cash costs per ounce are calculated by dividing attributable total cash costs by attributable ounces of gold produced.

Total production costs, as defined in the Gold Institute industry guidelines, are total cash costs, as calculated using the Gold Institute industry guidelines, plus amortisation, depreciation and rehabilitation costs.

Total production costs as calculated and reported by AngloGold Ashanti include total cash costs, plus amortisation of tangible and intangible assets, retrenchment costs and rehabilitation and other non-cash costs. Total production costs per ounce are calculated by dividing attributable total production costs by attributable ounces of gold produced.

All-in sustaining costs, all-in sustaining costs per ounce, all-in costs, all-in costs per ounce, total cash costs, total cash costs per ounce, total production costs and total production costs per ounce should not be considered by investors in isolation or as alternatives to production costs, profit/(loss) applicable to equity shareholders, profit/(loss) before taxation, cash flows from operating activities or any other measure of financial performance presented in accordance with IFRS or as an indicator of the company s performance. While the WGC has published guidance on how to define all-in sustaining costs and all-in costs and the Gold Institute has provided definitions for the calculation of total cash costs and total production costs, the calculation of these metrics may vary significantly among gold mining companies, and by themselves do not necessarily provide a basis for comparison with other gold mining companies.

However, AngloGold Ashanti believes that all-in sustaining costs, all-in costs, total cash costs and total production costs in total by mine and per ounce by mine are useful indicators to investors and management as they provide:

- an indication of profitability, efficiency and cash flows;
- the trend in costs as the mining operations mature over time on a consistent basis; and
- an internal benchmark of performance to allow for comparison against other mines, both within the AngloGold Ashanti group and at other gold mining companies.

A reconciliation of both cost of sales and total cash costs as included in the company s audited financial statements to all-in sustaining costs, all-in costs, total cash costs and total production costs for each of the three years in the period ended 31 December 2014 is presented below. In addition, the company has provided below detail of the attributable ounces of gold produced and sold by mine for each of those periods.

For the year ended 31 December 2014

Operations in South Africa

(in $ millions, except as otherwise noted)

All-in sustaining costs											
Cost of sales per financial statements	**94**	**201**	**217**	**512**	**313**	**268**	**581**	**231**	**-**	**1,324**	**1**
Amortisation of tangible and intangible assets	(8)	(50)	(50)	(107)	(71)	(58)	(129)	(22)	1	(258)	(8)
Adjusted for decomissioning amortisation	1	-	-	1	-	-	-	1	(2)	-	-
Corporate administration and marketing related to current operations	-	-	-	-	-	-	-	-	1	1	85
Inventory writedown to net realisable value and other stockpile adjustments	-	-	-	-	-	-	-	-	1	1	1
Total sustaining capital expenditure	7	26	44	76	65	35	100	46	7	230	5
All-in sustaining costs	**94**	**177**	**211**	**482**	**307**	**245**	**552**	**256**	**8**	**1,298**	**84**
Adjusted for non-controlling interests and non-gold producing companies[1]	-	-	-	-	-	-	-	-	-	-	6
All-in sustaining costs adjusted for non-controlling interests and non-gold producing companies	**94**	**177**	**211**	**482**	**307**	**245**	**552**	**256**	**8**	**1,298**	**90**
Adjusted for stockpile write-offs	-	-	-	-	-	-	-	-	(1)	(1)	(1)
All-in sustaining costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**94**	**177**	**211**	**482**	**307**	**245**	**552**	**256**	**7**	**1,297**	**89**
All-in sustaining costs	**94**	**177**	**211**	**482**	**307**	**245**	**552**	**256**	**8**	**1,298**	**84**
Non-sustaining Project Capital expenditure	-	-	2	2	32	-	32	-	-	34	-
Technology improvements	-	-	-	-	-	-	-	-	19	19	-
Non-sustaining exploration and study costs	-	-	-	-	-	-	-	-	-	-	5
Corporate and social responsibility costs not related to current operations	-	-	-	-	-	-	-	-	-	-	7
All-in costs	**94**	**177**	**213**	**484**	**339**	**245**	**584**	**256**	**27**	**1,351**	**96**
Adjusted for non-controlling interests and non-gold producing companies[1]	-	-	-	-	-	-	-	-	-	-	6
All-in costs adjusted for non-controlling interests and non-gold producing companies	**94**	**177**	**213**	**484**	**339**	**245**	**584**	**256**	**27**	**1,351**	**102**
Adjusted for stockpile write-offs	-	-	-	-	-	-	-	-	(1)	(1)	(1)
All-in costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**94**	**177**	**213**	**484**	**339**	**245**	**584**	**256**	**26**	**1,350**	**101**
Gold sold oz (000)[3]	**78**	**140**	**234**	**452**	**313**	**232**	**544**	**223**	**3**	**1,223**	**-**
All-in sustaining cost (excluding stockpile write-offs) per unit $/oz[4]	**1,185**	**1,256**	**903**	**1,061**	**981**	**1,059**	**1,014**	**1,153**	**-**	**1,064**	**-**
All-in cost per unit (excluding stockpile write-offs) $/oz[4]	**1,185**	**1,256**	**909**	**1,064**	**1,085**	**1,059**	**1,074**	**1,153**	**-**	**1,107**	**-**

(1) Adjusting for non-controlling interest of items included in calculation, to disclose the attributable portions only. Other consists of heap leach inventory.

(2) Attributable costs and related expenses of associates and equity accounted joint ventures are included in the calculation of total cash costs per ounce and total production costs per ounce.

(3) Attributable portion.

(4) In addition to the operational performances of the mines, all-in sustaining cost per ounce, all-in cost per ounce, total cash costs per ounce and total production costs per ounce are affected by fluctuations in the currency exchange rate. AngloGold Ashanti reports all-in sustaining cost per ounce and all-in cost per ounce calculated to the nearest US dollar amount and gold sold in ounces. AngloGold Ashanti reports total cash costs per ounce and total

production costs per ounce calculated to the nearest US dollar amount and gold produced in ounces.

(5) Corporate includes non-gold producing subsidiaries.

(6) Total cash costs per ounce calculation includes heap-leach inventory change.

For the year ended 31 December 2014

Operations in South Africa

(in $ millions, except as otherwise noted)

Total cash costs											
Total cash costs per financial statements	**84**	**144**	**160**	**388**	**233**	**205**	**438**	**210**	**(1)**	**1,035**	**(8)**
Adjusted for non-controlling interests, non-gold producing companies and other[1]	-	-	-	-	-	-	-	-	-	-	7
Total cash costs adjusted for non-controlling interests and non-gold producing companies	**84**	**144**	**160**	**388**	**233**	**205**	**438**	**210**	**(1)**	**1,035**	**(1)**
Retrenchment costs	2	5	3	9	4	3	7	-	(1)	16	-
Rehabilitation and other non-cash costs	1	3	4	8	4	3	8	-	1	16	-
Amortisation of tangible assets	6	47	46	100	65	54	119	20	1	239	5
Amortisation of intangible assets	1	2	4	8	5	4	9	2	1	19	3
Total production costs adjusted for non-controlling interests and non-gold producing companies	**94**	**201**	**217**	**513**	**311**	**269**	**581**	**232**	**1**	**1,325**	**7**
Gold produced oz (000)[3]	**78**	**141**	**234**	**453**	**313**	**232**	**544**	**223**	**3**	**1,223**	**-**
Total cash costs per unit $/oz[4]	**1,074**	**1,023**	**685**	**857**	**746**	**882**	**804**	**941**	**-**	**849**	**-**
Total production costs per unit $/oz[4]	**1,208**	**1,431**	**928**	**1,132**	**1,001**	**1,159**	**1,068**	**1,040**	**-**	**1,087**	**-**

For the year ended 31 December 2014

Operations in DRC, Ghana, Guinea, Mali, Namibia and Tanzania

(in $ millions, except as otherwise noted)

All-in sustaining costs											
Cost of sales per financial statements	**-**	**192**	**303**	**314**	**-**	**-**	**-**	**26**	**403**	**5**	**1,243**
Amortisation of tangible and intangible assets	-	(24)	(19)	(32)	-	-	-	-	(99)	(4)	(178)
Adjusted for decomissioning amortisation	-	-	1	4	-	-	-	-	2	(1)	6
Corporate administration and marketing related to current operations	-	-	-	-	-	-	-	-	-	1	1
Associates and equity accounted joint ventures share of costs[2]	133	-	-	-	51	89	20	-	-	1	294
Inventory writedown to net realisable value and other stockpile adjustments	-	-	-	-	-	-	8	-	-	-	8
Sustaining exploration and study costs	-	-	13	2	-	1	-	-	2	(1)	17
Total sustaining capital expenditure	3	21	43	30	6	6	-	1	129	1	240
All-in sustaining costs	**136**	**189**	**341**	**318**	**57**	**96**	**28**	**27**	**437**	**2**	**1,631**
Adjusted for non-controlling interests and non-gold producing companies[1]	-	-	-	(48)	-	-	-	-	-	-	(48)
All-in sustaining costs adjusted for non-controlling interests and non-gold producing companies	**136**	**189**	**341**	**270**	**57**	**96**	**28**	**27**	**437**	**2**	**1,583**
Adjusted for stockpile write-offs	-	-	-	-	-	-	(8)	(2)	(9)	-	(19)
All-in sustaining costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**136**	**189**	**341**	**270**	**57**	**96**	**20**	**25**	**428**	**2**	**1,564**
All-in sustaining costs	**136**	**189**	**341**	**318**	**57**	**96**	**28**	**27**	**437**	**2**	**1,631**
Non-sustaining Project Capital expenditure	176	-	38	-	-	-	-	-	-	-	214
Non-sustaining exploration and study costs	2	-	-	5	-	-	-	-	-	-	7
All-in costs	**314**	**189**	**379**	**323**	**57**	**96**	**28**	**27**	**437**	**2**	**1,852**
Adjusted for non-controlling interests and non-gold producing companies[1]	-	-	-	(48)	-	-	-	-	-	-	(48)
All-in costs adjusted for non-controlling interests and non-gold producing companies	**314**	**189**	**379**	**275**	**57**	**96**	**28**	**27**	**437**	**2**	**1,804**
Adjusted for stockpile write-offs	-	-	-	-	-	-	(8)	(2)	(9)	-	(19)
All-in costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**314**	**189**	**379**	**275**	**57**	**96**	**20**	**25**	**428**	**2**	**1,785**
Gold sold oz (000)[3]	**233**	**185**	**248**	**294**	**44**	**85**	**11**	**34**	**481**	**-**	**1,615**
All-in sustaining cost (excluding stockpile write-offs) per unit $/oz[4]	**588**	**1,020**	**1,374**	**917**	**1,298**	**1,133**	**1,795**	**719**	**890**	**-**	**968**
All-in cost per unit (excluding stockpile write-offs) $/oz[4]	**1,351**	**1,020**	**1,530**	**933**	**1,298**	**1,133**	**1,795**	**719**	**890**	**-**	**1,105**

For the year ended 31 December 2014

Operations in DRC, Ghana, Guinea, Mali, Namibia and Tanzania

(in $ millions, except as otherwise noted)

Total cash costs											
Total cash costs per financial statements	**-**	**153**	**264**	**273**	**-**	**-**	**-**	**25**	**286**	**-**	**1,001**
Adjusted for non-controlling interests and non-gold producing companies and other[1]	-	-	-	(41)	-	-	-	-	-	-	(41)
Associates and equity accounted joint ventures share of total cash costs[2]	137	-	-	-	51	87	16	-	-	-	291
Total cash costs adjusted for non-controlling interests and non-gold producing companies	**137**	**153**	**264**	**232**	**51**	**87**	**16**	**25**	**286**	**-**	**1,251**
Retrenchment costs	-	-	-	-	-	-	-	-	1	-	1
Rehabilitation and other non-cash costs	-	6	15	5	-	-	-	-	7	-	33
Amortisation of tangible assets	-	24	19	32	-	-	-	-	99	-	174
Amortisation of intangible assets	-	-	-	-	-	-	-	-	-	4	4
Adjusted for non-controlling interests and non-gold producing companies[1]	-	-	-	(6)	-	-	-	-	-	-	(6)
Associates and equity accounted joint ventures share of production costs[2]	67	-	-	-	8	25	4	-	-	-	104
Total production costs adjusted for non-controlling interests and non-gold producing companies	**204**	**183**	**298**	**263**	**59**	**112**	**20**	**25**	**393**	**4**	**1,561**
Gold produced - oz (000)[3]	**237**	**177**	**243**	**290**	**44**	**85**	**11**	**33**	**477**	**-**	**1,597**
Total cash costs per unit $/oz[4]	**578**	**865**	**1,086**	**799**	**1,162**	**1,028**	**1,438**	**752**	**599**	**-**	**783**
Total production costs per unit $/oz[4]	**860**	**1,035**	**1,223**	**909**	**1,343**	**1,329**	**1,760**	**756**	**821**	**-**	**977**

For the year ended 31 December 2014

Operations in Australia, United States of America, Argentina and Brazil

(in $ millions, except as otherwise noted)

All-in sustaining costs										
Cost of sales per financial statements	**344**	**296**	**20**	**660**	**218**	**222**	**362**	**156**	**4**	**962**
Amortisation of tangible and intangible assets	(47)	(98)	(5)	(150)	(3)	(33)	(107)	(49)	-	(192)
Adjusted for decomissioning amortisation	-	3	-	3	-	-	-	-	1	1
Corporate administration and marketing related to current operations	-	-	-	-	-	-	1	-	-	1
Inventory writedown to net realisable value and other stockpile adjustments	-	-	-	-	-	-	1	-	-	1
Sustaining exploration and study costs	-	3	6	9	2	2	8	1	10	23
Total sustaining capital expenditure	31	59	1	91	24	58	127	38	1	248
All-in sustaining costs	**328**	**263**	**22**	**613**	**241**	**249**	**392**	**146**	**16**	**1,044**
Adjusted for non-controlling interests and non-gold producing companies[1]	-	-	-	-	-	(19)	-	-	(16)	(35)
All-in sustaining costs adjusted for non-controlling interests and non-gold producing companies	**328**	**263**	**22**	**613**	**241**	**230**	**392**	**146**	**-**	**1,009**
Adjusted for stockpile write-offs	-	-	-	-	-	-	(1)	-	-	(1)
All-in sustaining costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**328**	**263**	**22**	**613**	**241**	**230**	**391**	**146**	**-**	**1,008**
All-in sustaining costs	**328**	**263**	**22**	**613**	**241**	**249**	**392**	**146**	**16**	**1,044**
Non-sustaining Project Capital expenditure	-	-	-	-	145	-	-	-	1	146
Non-sustaining exploration and study costs	-	-	7	7	-	-	1	-	71	72
Corporate and social responsibility costs not related to current operations	-	-	-	-	-	-	14	2	1	17
All-in costs	**328**	**263**	**29**	**620**	**386**	**249**	**407**	**148**	**89**	**1,279**
Adjusted for non-controlling interests and non-gold producing companies[1]	-	-	-	-	-	(19)	-	-	(1)	(20)
All-in costs adjusted for non-controlling interests and non-gold producing companies	**328**	**263**	**29**	**620**	**386**	**230**	**407**	**148**	**88**	**1,259**
Adjusted for stockpile write-offs	-	-	-	-	-	-	(1)	-	-	(1)
All-in costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**328**	**263**	**29**	**620**	**386**	**230**	**406**	**148**	**88**	**1,258**
Gold sold oz (000)[3]	**271**	**350**	**-**	**622**	**210**	**246**	**404**	**138**	**-**	**998**
All-in sustaining cost (excluding stockpile write-offs) per unit $/oz[4]	**1,214**	**752**	**-**	**986**	**1,147**	**938**	**966**	**1,062**	**-**	**1,010**
All-in cost per unit (excluding stockpile write-offs) $/oz[4]	**1,214**	**752**	**-**	**998**	**1,837**	**938**	**1,004**	**1,078**	**-**	**1,262**

For the year ended 31 December 2014

Operations in Australia, United States of America, Argentina and Brazil

(in $ millions, except as otherwise noted)

Total cash costs										
Total cash costs per financial statements	**289**	**195**	**14**	**498**	**222**	**184**	**260**	**102**	**(2)**	**766**
Adjusted for non-controlling interests and non-gold producing companies and other[1]	-	-	-	-	(47)	(14)	-	-	-	(61)
Total cash costs adjusted for non-controlling interests and non-gold producing companies	**289**	**195**	**14**	**498**	**175**	**170**	**260**	**102**	**(2)**	**705**
Retrenchment costs	-	-	1	1	-	2	3	-	1	6
Rehabilitation and other non-cash costs	4	9	-	13	28	5	(7)	-	6	32
Amortisation of tangible assets	47	98	4	149	1	32	101	48	1	183
Amortisation of intangible assets	-	-	1	1	1	-	6	1	1	9
Adjusted for non-controlling interests and non-gold producing companies[1]	-	-	-	-	12	(3)	-	-	(6)	3
Total production costs adjusted for non-controlling interests and non-gold producing companies	**340**	**302**	**20**	**662**	**217**	**206**	**363**	**151**	**1**	**938**
Gold produced oz (000)[3]	**262**	**358**	**-**	**619**	**211**	**246**	**403**	**136**	**-**	**996**
Total cash costs per unit $/oz[4]	**1,105**	**545**	**-**	**804**	**829[6]**	**692**	**644**	**748**	**-**	**709**
Total production costs per unit $/oz[4]	**1,301**	**845**	**-**	**1,070**	**1,031**	**842**	**902**	**1,113**	**-**	**942**

For the year ended 31 December 2014

AngloGold Ashanti operations Total

(in $ millions, except as otherwise noted)

	Year ended December 2014 US Dollar million
All-in sustaining costs	
Cost of sales per financial statements (refer Item 18 Financial Statements, Note 4)	**4,190**
Amortisation of tangible and intangible assets	(786)
Adjusted for decomissioning amortisation	10
Corporate administration and marketing related to current operations	88
Associates and equity accounted joint ventures share of costs	294
Inventory writedown to net realisable value and other stockpile adjustments	11
Sustaining exploration and study costs	49
Total sustaining capital expenditure	814
All-in sustaining costs	**4,670**
Adjusted for non-controlling interests and non-gold producing companies	(77)
All-in sustaining costs adjusted for non-controlling interests and non-gold producing companies	**4,593**
Adjusted for stockpile write-offs	(22)
All-in sustaining costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**4,571**
All-in sustaining costs	**4,670**
Non-sustaining Project Capital expenditure	394
Technology improvements	19
Non-sustaining exploration and study costs	91
Corporate and social responsibility costs not related to current operations	24
All-in costs	**5,198**
Adjusted for non-controlling interests and non-gold producing companies	(62)
All-in costs adjusted for non-controlling interests and non-gold producing companies	**5,136**
Adjusted for stockpile write-offs	(22)
All-in costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**5,114**
Gold sold oz (000)	**4,454**
All-in sustaining cost (excluding stockpile write-offs) per unit $/oz	**1,026**
All-in cost per unit (excluding stockpile write-offs) $/oz	**1,148**

For the year ended 31 December 2014

AngloGold Ashanti operations Total

(in $ millions, except as otherwise noted)

	Year ended December 2014 US Dollar million
Total cash costs	
Total cash costs per financial statements (refer Item 18 Financial Statements, Note 4)	**3,292**
Adjusted for non-controlling interests and non-gold producing companies and other	(94)
Associates and equity accounted joint ventures share of total cash costs	291
Total cash costs adjusted for non-controlling interests and non-gold producing companies	**3,489**
Retrenchment costs	24
Rehabilitation and other non-cash costs	94
Amortisation of tangible assets	750
Amortisation of intangible assets	36
Adjusted for non-controlling interests and non-gold producing companies	(4)
Associates and equity accounted joint ventures share of production costs	104
Total production costs adjusted for non-controlling interests and non-gold producing companies	**4,493**
Gold produced oz (000)	**4,432**
Total cash cost per unit - $/oz	**787**
Total production cost per unit - $/oz	**1,014**

For the year ended 31 December 2013

Operations in South Africa

(in $ millions, except as otherwise noted)

All-in sustaining costs												
Cost of sales per financial statements	**103**	**215**	**240**	**558**	**347**	**-**	**262**	**609**	**226**	**-**	**1,393**	**1**
Amortisation of tangible and intangible assets	(8)	(43)	(60)	(111)	(82)	-	(51)	(133)	(9)	-	(253)	(9)
Adjusted for decomissioning amortisation	(1)	1	1	1	-	-	-	-	-	-	1	(1)
Corporate administration and marketing related to current operations	-	-	-	-	-	-	-	-	-	5	5	168
Associates and equity accounted joint ventures share of costs[2]	-	-	-	-	-	-	-	-	-	-	-	2
Inventory writedown to net realisable value and other stockpile adjustments	-	-	-	-	-	-	-	-	-	1	1	(1)
Sustaining exploration and study costs	-	-	-	-	-	-	-	-	-	-	-	(1)
Total sustaining capital expenditure	14	50	78	142	95	-	59	154	16	-	312	9
All-in sustaining costs	**108**	**223**	**259**	**590**	**360**	**-**	**270**	**630**	**233**	**6**	**1,459**	**168**
All-in sustaining costs adjusted for non-controlling interests and non-gold producing companies	**108**	**223**	**259**	**590**	**360**	**-**	**270**	**630**	**233**	**6**	**1,459**	**168**
Adjusted for stockpile write-offs	-	-	-	-	-	-	-	-	-	(1)	(1)	1
All-in sustaining costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**108**	**223**	**259**	**590**	**360**	**-**	**270**	**630**	**233**	**5**	**1,458**	**169**
All-in sustaining costs	**108**	**223**	**259**	**590**	**360**	**-**	**270**	**630**	**233**	**6**	**1,459**	**168**
Non-sustaining Project Capital expenditure	-	1	39	40	76	-	1	77	23	(1)	139	(1)
Technology improvements	-	-	-	-	-	-	-	-	-	14	14	-
Non-sustaining exploration and study costs	-	-	-	-	-	-	-	-	-	-	-	6
Corporate and social responsibility costs not related to current operations	-	-	-	-	-	-	-	-	-	-	-	16
All-in costs	**108**	**224**	**298**	**630**	**436**	**-**	**271**	**707**	**256**	**19**	**1,612**	**189**
All-in costs adjusted for non-controlling interests and non-gold producing companies	**108**	**224**	**298**	**630**	**436**	**-**	**271**	**707**	**256**	**19**	**1,612**	**189**
Adjusted for stockpile write-offs	-	-	-	-	-	-	-	-	-	(1)	(1)	1
All-in costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	**108**	**224**	**298**	**630**	**436**	**-**	**271**	**707**	**256**	**18**	**1,611**	**190**
Gold sold oz (000)[3]	**83**	**178**	**212**	**472**	**354**	**-**	**235**	**589**	**240**	**-**	**1,302**	**-**
All-in sustaining cost (excluding stockpile write-offs) per unit $/oz[4]	**1,305**	**1,255**	**1,223**	**1,249**	**1,016**	**-**	**1,149**	**1,069**	**969**	**-**	**1,120**	**-**
All-in cost per unit (excluding stockpile write-offs) $/oz[4]	**1,305**	**1,262**	**1,406**	**1,334**	**1,230**	**-**	**1,152**	**1,199**	**1,064**	**-**	**1,238**	**-**

(1) *Adjusting for non-controlling interest of items included in calculation, to disclose the attributable portions only. Other consists of heap leach inventory.*

(2) *Attributable costs and related expenses of associates and equity accounted joint ventures are included in the calculation of total cash costs per ounce and total production costs per ounce.*

(3) *Attributable portion.*

(4) *In addition to the operational performances of the mines, all-in sustaining cost per ounce, all-in cost per ounce, total cash costs per ounce and total production costs per ounce are affected by fluctuations in the currency exchange rate. AngloGold Ashanti reports all-in sustaining cost per ounce and all-in cost per ounce calculated to the nearest US dollar amount and gold sold in ounces. AngloGold Ashanti reports total cash costs per ounce and total production costs per ounce calculated to the nearest US dollar amount and gold produced in ounces.*

(5) *Corporate includes non-gold producing subsidiaries.*

(6) *Total cash costs per ounce calculation includes heap-leach inventory change.*

(7) *As from 1 January 2013, Tau Tona and Savuka were mined as one operation.*

For the year ended 31 December 2013

Operations in South Africa

(in $ millions, except as otherwise noted)

Total cash costs											
Total cash costs per financial statements	**91**	**163**	**169**	**423**	**255**	**216**	**471**	**213**	**-**	**1,107**	**(7)**
Adjusted for non-controlling interests, non-gold producing companies and other[1]	-	-	-	-	-	-	-	-	-	-	6
Total cash costs adjusted for non-controlling interests and non-gold producing companies	**91**	**163**	**169**	**423**	**255**	**216**	**471**	**213**	**-**	**1,107**	**(1)**
Retrenchment costs	3	5	6	14	7	6	13	-	-	27	-
Rehabilitation and other non-cash costs	1	4	6	11	3	(10)	(7)	3	-	7	1
Amortisation of tangible assets	7	41	57	105	77	47	124	8	-	237	5
Amortisation of intangible assets	1	3	3	7	5	3	8	-	-	15	2
Adjusted for non-controlling interests and non-gold producing companies[1]	-	-	-	-	-	-	-	-	-	-	(4)
Associates and equity accounted joint ventures share of production costs[2]	-	-	-	-	-	-	-	-	-	-	1
Total production costs adjusted for non-controlling interests and non-gold producing companies	**103**	**216**	**241**	**560**	**347**	**262**	**609**	**224**	**-**	**1,393**	**4**
Gold produced oz (000)[3]	**83**	**178**	**212**	**472**	**354**	**235**	**589**	**240**	**-**	**1,302**	**-**
Total cash costs per unit $/oz[4]	**1,100**	**918**	**797**	**895**	**719**	**920**	**800**	**883**	**-**	**850**	**-**
Total production costs per unit $/oz[4]	**1,252**	**1,210**	**1,138**	**1,185**	**978**	**1,117**	**1,034**	**933**	**-**	**1,070**	**-**

For the year ended 31 December 2013

Operations in DRC, Ghana, Guinea, Mali, Namibia and Tanzania

(in $ millions, except as otherwise noted)