ANGLOGOLD ASHANTI LTD
Form 6-K
February 04, 2008
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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 6-K
REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 or 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934
Report on Form 6-K dated February 4, 2008

This Report on Form 6-K shall be incorporated by reference in our automatic shelf Registration Statement on Form F-3 as amended (File No. 333-132662) and our Registration Statements on Form S-8 (File Nos. 333-10990 and 333-113789) as amended, to the extent not superseded by documents or reports subsequently filed by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, in each case as amended

AngloGold Ashanti Limited____
(Name of Registrant)
76 Jeppe Street
Newtown, Johannesburg, 2001
(P O Box 62117, Marshalltown, 2107)
South Africa
(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F: Form 40-F:

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes:
No:

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes:
No:

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes:
No:

Enclosures:
Unaudited condensed consolidated financial statements as of September 30, 2007 and December 31, 2006 and for each of the nine month periods ended September 30, 2007 and 2006, prepared in accordance with U.S. GAAP, and related management's discussion and analysis of financial condition and results of operations.

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ANGLOGOLD ASHANTI LIMITED

CONDENSED CONSOLIDATED STATEMENTS OF LOSS

Prepared in accordance with US GAAP

	Nine months ended September 30,	
	2007 (unaudited)	**2006** (unaudited)
(in US Dollars, millions, except for share data)		
Sales and other income	2,290	2,009
Product sales	2,259	1,985
Interest, dividends and other	31	24
Cost and expenses	2,432	2,109
Production costs	1,337	1,163
Exploration costs	83	43
Related party transactions	(9)	9
General and administrative	98	64
Royalties	51	43
Market development costs	11	12
Depreciation, depletion and amortization	459	498
Interest expense	56	59
Accretion expense	13	11
Employment severance costs	6	6
Profit on sale of assets, realization of loans and indirect taxes (see note F)	(24)	(11)
Non-hedge derivative loss	343	215

Other operating costs and expenses
8
(3)
Loss from continuing operations before income tax, equity income, minority interests
(142) (100)
Taxation expense (see note G)
(106)
(47)
Minority interest
(22) (23)
Equity income in affiliates
20
76
Loss from continuing operations
(250) (94)
Discontinued operations (see note H)
(4)
2
Net loss – applicable to common stockholders
(254) (92)
Loss per share : (cents)
From continuing operations
Ordinary shares
(89)
(35)
E Ordinary shares
(44)
-
Ordinary shares – diluted
(89)
(35)
E Ordinary shares – diluted
(44)
-
Discontinued operations
Ordinary shares
(1) 1
E Ordinary shares
(1)
-
Ordinary shares – diluted
(1)
1
E Ordinary shares – diluted
(1)
-
Net loss
Ordinary shares
(90)
(34)

E Ordinary shares
(45)
-
Ordinary shares – diluted
(90)
(34)
E Ordinary shares – diluted
(45)
-
Weighted average number of shares used in computation
Ordinary shares
277,247,087 271,588,698
E Ordinary shares – basic and diluted
4,131,425
-
Ordinary shares – diluted 277,247,087
271,588,698
Dividend paid per ordinary share (cents)
45 39
Dividend paid per E ordinary share (cents)
22 -

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ANGLOGOLD ASHANTI LIMITED

CONDENSED CONSOLIDATED BALANCE SHEETS

Prepared in accordance with US GAAP

At September 30,
2007
(unaudited)
At December 31,
2006
(in US Dollars, millions)

ASSETS

Current assets
2,050 1,876
Cash and cash equivalents
478
471
Restricted cash
43
11
Receivables
204 160
Trade
33 40
Recoverable taxes, rebates, levies and duties
79
59
Related parties
8
1
Other
84 60
Inventories (see note C)
456
354
Materials on the leach pad (see note C)
49
46
Derivatives
594
649
Deferred taxation assets
197
167
Assets held for sale
29
18
Property, plant and equipment, net
5,375 4,977
Acquired properties, net
1,289 1,289
Goodwill and other intangibles, net

592 566
Derivatives
- 6
Other long-term inventory (see note C)
93 68
Materials on the leach pad (see note C)
183 149
Other long-term assets (see note E)
532 543
Deferred taxation assets
38 39
Total assets
10,152 9,513
LIABILITIES AND STOCKHOLDERS' EQUITY
Current liabilities
3,614 2,467
Accounts payable and other current liabilities
624
498
Derivatives
2,273 1,782
Short-term debt (see note D)
606
33
Tax payable
110 148
Liabilities held for sale
1
6
Other non-current liabilities
127 24
Long-term debt (see note D)
1,109 1,472
Derivatives
321 397
Deferred taxation liabilities
1,288 1,275
Provision for environmental rehabilitation (see note E)
342 310
Other accrued liabilities
40 27
Provision for pension and other post-retirement medical benefits
178 172
Minority interest
59 61
Commitments and contingencies
- -
Stockholders' equity
3,074 3,308
Common stock

400,000,000 (2006 – 400,000,000) authorized common stock of 25 ZAR
cents each
Stock issued 2007 – 276,919,836 (2006 – 276,236,153)
10
10
Additional paid in capital
5,586
5,539
Accumulated deficit
(1,880)
(1,476)
Accumulated other comprehensive income (see note L)
(642)
(765)
Total liabilities and stockholders' equity
10,152 9,513

ANGLOGOLD ASHANTI LIMITED

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Prepared in accordance with US GAAP

	Nine months ended September 30,	
	2007 (unaudited)	**2006** (unaudited)
(in US Dollars, millions)		
Net cash provided by operating activities	471	592
Net loss – applicable to common stockholders	(254)	(92)
Reconciled to net cash provided by operations:		
Profit on sale of assets, realization of loans and indirect taxes	(21)	(7)
Depreciation, depletion and amortization	459	498
Deferred taxation	(40)	(87)
Movement in non-hedge derivatives	332	307
Equity income in affiliates	(20)	(76)
Dividends received from affiliates	49	77
Other non cash items	49	9
Net increase/(decrease) in provision for environmental rehabilitation and pension and other post-retirement medical benefits	16	(14)
Effect of changes in operating working capital items:		
Receivables	(46)	21
Inventories	(163)	(127)
Accounts payable and other current liabilities	113	85
Net cash provided by continuing operations	474	

594
Net cash used in discontinued operations
(3)
(2)
Net cash used in investing activities
(685) (440)
Acquisition of assets
(40)
-
Increase in non-current investments
(2)
(14)
Additions to property, plant and equipment
(685)
(554)
Proceeds on sale of mining assets
24
11
Proceeds on sale of discontinued assets
1
6
Proceeds on sale of investments
19
13
Dividends from investments
2
-
Cash inflows from derivatives with financing
26
91
Net loans repaid
- 5
Change in restricted cash
(30)
2
Net cash generated in financing activities
209 29
Net repayments of short-term debt
(65)
(540)
Issuance of stock
22
511
Share issue expenses
(1)
(5)
Net proceeds of long-term debt
240
93
Cash inflows from derivatives with financing
154

95

Dividends paid

(141)

(125)

Net (decrease)/increase in cash and cash equivalents		
	(5)	181
Effect of exchange rate changes on cash		
	12	(29)
Cash and cash equivalents – January 1,		
	471	196
Cash and cash equivalents – September 30,		
	478	348

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2007
Prepared in accordance with US GAAP
Note A. Basis of presentation
The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by US GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine-month period ended September 30, 2007 are not necessarily indicative of the results that may be expected for the year ending December 31, 2007.
The balance sheet as at December 31, 2006 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by US GAAP for complete financial statements.
For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 20-F for the year ended December 31, 2006.
Note B. Accounting developments
Recently adopted pronouncements
Income taxes
The Company adopted Financial Accounting Standards Board (FASB) Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48") on January 1, 2007.
Resulting from the implementation of FIN 48, the Company recognized a $25 million increase in its net liability for unrecognized income tax benefits. In addition, the Company reclassified $121 million of income tax liabilities from current to Other non-current liabilities as of September 30, 2007, as payment of cash is not anticipated within one year of the balance sheet date.
As at January 1, 2007, the Company had $84 million of total gross unrecognized tax benefits and the Company recorded an opening adjustment of $25 million against opening retained income as a result of adopting FIN 48 on January 1, 2007. The total tax provision as of January 1, 2007 (including interest accrued of $28 million) was $173 million. Of this, $109 million represents the amount of net unrecognized tax benefits that, if recognized, would affect the Company's effective income tax rate. The Company's continuing practice is to recognize interest and penalties related to unrecognized tax benefits as part of its income tax expense.
During the nine months ended September 30, 2007, the Company increased its accrual for interest by $7 million.
The Company operates in numerous countries around the world and accordingly is subject to, and pays annual income taxes under, the various income tax regimes in the countries in which it operates. Some of these tax regimes are defined by contractual agreements with local government and others are defined by the general corporate income tax laws of the country. The Company has historically filed, and continues to file, all required income tax returns and to pay the taxes reasonably determined to be due. The tax rules and regulations in many countries are highly complex and subject to interpretation. From time to time, the Company is subject to a review of its historic income tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Company's business conducted within the country involved.
As at September 30, 2007, the Company's South African tax filings for the years 1998 – 2003 remain open to scrutiny by the South African Revenue Service. As at September 30, 2007, in South Africa, the Company's assessments due from the tax authorities for 2004 and all subsequent years have yet

to be received. It is possible that the Company will receive assessments during the next twelve months, which may have an effect on uncertain tax positions.

In all other jurisdictions, the revenue system is based on a self-assessment process, all tax filings due by September 30, 2007 have been filed, and the self-assessed position recorded in the consolidated financial statements. The legislation of individual jurisdictions provides for different periods for the authorities to review the filings with specified expiry dates. In Tanzania, audits for the years 2000 – 2005 are in progress. The Company is disputing some of the adjustments for the years 2000 – 2003 and these arguments are under consideration by the authorities. Based on current legal advice, the Company does not expect the resolution will significantly affect the Company's consolidated financial statements.

Recently issued pronouncements

Fair value option for financial assets and liabilities

In February 2007, the FASB issued FASB Statement No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" ("SFAS159"). SFAS159 permits entities to choose to measure many financial instruments and certain other items at fair value, with the objective of improving financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. The provisions of SFAS159 are effective for the Company's year ending December 31, 2008. The Company is currently reviewing the guidance issued in SFAS159 and has not yet determined the impact of this on the financial statements.

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2007 …continued
Prepared in accordance with US GAAP
Note B. Accounting developments (continued)
Recently issued pronouncements (continued)
Employers' accounting for defined benefit pension and other post-retirement plans
In September 2006 the FASB issued FASB Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Post-retirement Plans, an amendment of FASB Statements No. 87, 88, 106 and 132(R)" ("SFAS158"). The recognition and disclosure requirements of SFAS158 adopted by the Company had no material impact as of December 31, 2006, while the measurement requirements of SFAS158, which are effective for fiscal years ending December 31, 2008, requires an entity to measure a defined benefit post-retirement plan's assets and obligations that determine its funded status as of the same day of the employer's fiscal year-end statement of financial position. The Company is currently considering processes to meet these measurement requirements of SFAS158.
Fair value measurements
In September 2006, the FASB issued FASB Statement No. 157, "Fair Value Measurements" ("SFAS157"). SFAS157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurement. The provisions of SFAS157 are effective for the Company's fiscal year ending December 31, 2008. The Company is currently reviewing the guidance issued in SFAS157 and has not yet determined the impact of this on the financial statements.
Business combinations
In December 2007, the FASB issued FASB Statement No. 141 (R), "Business Combinations" ("SFAS141(R)"). SFAS141(R) requires the acquiring entity in a business combination to recognize all (and only) the assets acquired and liabilities assumed in the transaction; establishes the acquisition-date fair value as the measurement objective for all assets acquired and liabilities assumed; and requires the acquirer to disclose to investors and other users all of the information they need to evaluate and understand the nature and financial effect of the business combination. SFAS141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. SFAS141(R) applies to all transactions or other events in which an entity (the acquirer) obtains control of one or more businesses (the acquiree), including combinations achieved without the transfer of consideration.
Noncontrolling interests
In December 2007, the FASB issued FASB Statement No. 160, "Noncontrolling Interests in Consolidated Financial Statements" ("SFAS160"). SFAS160 amends ARB 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. SFAS160 shall be effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. It shall be applied prospectively as of the beginning of the fiscal year in which this Statement is initially adopted, except for the presentation and disclosure requirements. The presentation and disclosure requirements shall be applied retrospectively for all periods presented.
Note C. Inventories
At September 30,
2007
At December 31,

2006

(unaudited)

(in US Dollars, millions)

The components of inventory consist of the following :

Short-term

Gold in process	124	111
Gold on hand	40	37
Ore stockpiles	134	84
Uranium oxide and sulfuric acid	13	6
Supplies	194	162
	505	400
Less: Heap leach inventory (1)	(49)	(46)
	456	354

(1)
Short-term portion relating to heap leach inventory classified separate, as materials on the leach pad.

Long-term

Gold in process	183	149
Ore stockpiles	91	66
Supplies	2	2
	276	217
Less: Heap leach inventory (1)	(183)	(149)
	93	68

(1)
Long-term portion relating to heap leach inventory classified separate, as materials on the leach pad.

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ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2007 …continued
Prepared in accordance with US GAAP

Note D. Long-term debt

The Company entered into a fifteen-year secured capital lease for its new corporate office (Turbine Square). The lease is payable in monthly installments terminating March 2022 and is South African rand based. The amount outstanding on the capital lease was $32 million as of September 30, 2007.

During the nine months ended September 30, 2007, the Company repaid $20 million and $8 million, under its $700 million unsecured syndicated loan facility (refinanced during December 2007 – see note P) and Ghanaian Cedi-based bank overdraft, respectively. These amounts were funded from cash flow from operations.

In addition, during the nine months ended September 30, 2007 the Company drew down $135 million and $70 million, under the $700 million unsecured syndicated loan facility and the Australia and New Zealand Banking Group facility, respectively. As of September 30, 2007, $295 million was drawn under the $700 million unsecured syndicated loan facility and the total amount included in short-term debt under this facility amounted to $298 million. Advances and repayments on short-term loans in South America amounted to $30 million and $28 million, respectively, during the nine months ended September 30, 2007.

Note E. Provision for environmental rehabilitation

Long-term environmental obligations comprising decommissioning and restoration are based on the Company’s environmental management plans, in compliance with the current environmental and regulatory requirements.

The following is a reconciliation of the total liabilities for reclamation and remediation obligations:

	(in US Dollars, millions)
Balance as at December 31, 2006	310
Additions to liabilities	18
Liabilities settled	(8)
Accretion expense	13
Translation	9
Balance as at September 30, 2007	342

Certain amounts have been contributed to a rehabilitation trust and environmental protection bond under the Company's control. The monies in the trust and bond are invested primarily in interest bearing debt securities and are included in Other long-term assets in the Company’s consolidated balance sheet. Cash balances held in the trust and bond are classified as restricted cash in the Company’s consolidated balance sheets for all periods presented. As at September 30, 2007 and December 31, 2006 the balances held in the trust and bond (cash and investments) amounted to $86 million and $91 million, respectively. Besides these assets there were no other assets that were legally restricted for purposes of settling asset retirement obligations as at September 30, 2007.

Note F. Profit on sale of assets, realization of loans and indirect taxes

In the nine months ended September 30, 2007, the Company recorded a profit of $24 million (before taxation of $1 million) relating mainly to the disposal of minor assets in South Africa and South

America, the recovery of loans written off, proceeds received on the sale of Central African Gold Plc (CAG) shares arising from the sale of Bibiani (concluded in December 2006) and a reassessment of indirect taxes in Brazil. The profit of $11 million (before taxation of $2 million) recorded in the nine months ended September 30, 2006 mainly related to the disposal of minor equipment and assets in North and South America, the recovery of loans written off, the write-off of non-recoverable value added state tax in South America and a reassessment of indirect taxes in Guinea and Tanzania.

Note G. Taxation

A net taxation expense of $106 million was recorded in the nine months ended September 30, 2007 compared to a net expense of $47 million in the same period in 2006. Net taxation expense for the nine months ended September 30, 2007 was 74 percent of loss before tax compared to 47 percent for the same period in 2006. Charges for deferred tax in the nine months ended September 30, 2007 amounted to a net tax benefit of $40 million compared to a net tax benefit of $87 million in the same period in 2006.The nine months ended September 30, 2006 benefited from deferred tax credits of $91 million on unrealized non-hedge derivative losses, compared to similar tax credits of $50 million in the same period in 2007. Charges for current tax in the nine months ended September 30, 2007 amounted to $146 million compared to $134 million in the same period in 2006 reflecting mainly the impact of the South African tax formula on the increase in the earnings of the operations in that country. Charges for deferred tax in the nine months ended September 30, 2007 included a tax expense of $30 million as a result of a change to the estimated deferred tax rate in South Africa.

Note H. Discontinued operations

The Ergo reclamation surface operation, which forms part of the South African operations and is included under South Africa for segmental reporting, has been discontinued as the operation has reached the end of its useful life and the assets are no longer in use. After a detailed investigation of several options and scenarios, and based on management’s decision reached on February 1, 2005, mining operations at Ergo ceased on March 31, 2005 with only site restoration obligations remaining. The results of Ergo for the nine months ended September 30, 2007 and 2006, are summarized as follows:

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ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007 …continued

Prepared in accordance with US GAAP

Note H. Discontinued operations (continued)

	Nine months ended September 30,			
	2007		**2006**	
	(unaudited)		(unaudited)	
	(in US Dollars, millions, except for share data)			
		Per share (1)(2) (cents)		**Per share (2) (cents)**
Revenue	1	-	3	1
Costs, expenses and recoveries	(2)	-	2	1
Pre-tax profit	(1)	-	5	2
Taxation	(3)	(1)	(3)	(1)
Net (loss)/profit attributable to discontinued operations	(4)	(1)	2	1

(1) Per basic and diluted ordinary and E ordinary shares.

(2) Basic and diluted (loss)/earnings per common share. The calculation of diluted (loss)/earnings per common share for the nine months ended September 30, 2007 and 2006 did not assume the effect of 15,384,615 shares, issuable upon the exercise of Convertible Bonds as their effects are anti-dilutive for these periods. The calculation of diluted (loss)/earnings per common share for the nine months ended September 30, 2007 and 2006 did not assume the effect of 833,584 and 124,674 shares,

respectively, issuable upon the exercise of stock incentive options as their effects are anti-dilutive for these periods. The calculation of diluted loss per common share for the nine months ended September 30, 2007 did not assume the effect of conversion of E Ordinary shares as the Company recorded a loss from continuing operations during this period.

Note I. Stock-based compensation plans

As at September 30, 2007, the Company has five stock-based employee compensation plans consisting of time-based awards (TRO), performance related awards (PRO), Bonus Share Plan awards (BSP), Long-Term Incentive Plan awards (LTIP) and the Employee Share Ownership Plan (ESOP). During the nine months ended September 30, 2007 and 2006 the Company recognized a compensation expense of $25 million (net of $1 million income tax benefit) and $5 million (net of $ nil million income tax benefit), respectively, related to stock based compensation plans in accordance with the provisions of SFAS123(R).

The following table summarizes activity for stock options (PRO, TRO) outstanding as of September 30, 2007:

	2007 **Options** **(000)**	**2007** **Weighted-average exercise price** **Rand**
Outstanding at beginning of year	3,059	229
Granted	13	239
Exercised	(672)	235
Forfeited (terminations)	(60)	244
Outstanding at September 30, 2007	2,340	227
Options exercisable at September 30, 2007	1,460	226

As of September 30, 2007, there was $1 million of total unrecognized compensation cost related to unvested stock options.

The following table summarizes activity for equity settled compensation awards (BSP, LTIP) outstanding as of September 30, 2007:

	2007 **Awards** **(000)**
Outstanding at beginning of year	1,142
Granted	618
Exercised	(6)
Forfeited (terminations)	(57)
Outstanding at September 30, 2007	1,697
Awards exercisable at September 30, 2007	-

As of September 30, 2007, there was $23 million of total unrecognized compensation cost related to unvested stock awards. These awards have no exercise price.

The following table summarizes activity for the ESOP as of September 30, 2007:

E Ordinary Shares outstanding as of September 30, 2007:

	2007	**2007**
	Options (000)	**Weighted-average exercise price Rand**
Outstanding at beginning of year	2,786	289
Granted	-	-
Exercised	(108)	296
Forfeited (terminations)	-	-
Outstanding at September 30, 2007	2,678	302
Options exercisable at September 30, 2007	-	-

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007 …continued
Prepared in accordance with US GAAP
Note I. Stock-based compensation plans (continued)
Free shares awarded under ESOP outstanding as of September 30, 2007:

	2007 Awards (000)
Outstanding at beginning of year	929
Granted	-
Exercised	(36)
Forfeited (terminations)	-
Outstanding at September 30, 2007	893
Awards exercisable at September 30, 2007	-

As of September 30, 2007, there was $47 million of total unrecognized compensation cost related to unvested ESOP awards. Free shares have no exercise price.

Note J. Segment information

The Company produces gold as its primary product and does not have distinct divisional segments in terms of principal business activity, but manages its business on the basis of different geographic segments. During 2007, the Company changed the method of allocating hedging to individual mines. In prior periods, forward contracts were allocated to each reporting segment, based on the then prevailing contractual relationship with the counterparty. Following the removal of certain counterparty restrictions and the granting of group level guarantees during 2006, the Company has applied an average received gold price across all reporting segments. The average received gold price for each mine is thus similar to the Company's average received gold price which includes realized gains/losses on non-hedge derivatives. Where applicable, the corresponding items of segment information for all earlier periods presented have been restated to reflect this. This information is consistent with the information used by the Company's chief operating decision maker in evaluating operating performance of, and making resource allocation decisions among operations.

	Nine months ended September 30,	
	2007	**2006**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Revenues by area		
South Africa	1,110	1,160
Argentina	104	96
Australia	272	210
Brazil	229	182

Ghana	272	251
Guinea	149	115
Mali	201	242
Namibia	39	40
USA	117	70
Tanzania	173	145
Other, including Corporate and Non-gold producing subsidiaries	6	7
	2,672	2,518
Less: Equity method investments included in above	(201)	(242)
Less: Gains on realized non-hedge derivatives included in above	(181)	(267)
Total revenues	2,290	2,009

	Nine months ended September 30,	
	2007	**2006**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Segment income/(loss)		
South Africa	289	249
Argentina	55	43
Australia	92	48
Brazil	58	69
Ghana	(3)	(54)
Guinea	-	(5)
Mali	72	92
Namibia	7	16
USA	(3)	(29)
Tanzania	(86)	(84)
Other, including Corporate and Non-gold producing subsidiaries		

(60)
(38)

Total segment income	
421	307

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ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2007 …continued

Prepared in accordance with US GAAP

Note J. Segment information (continued)

	Nine months ended September 30,	
	2007	**2006**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Reconciliation of segment income to Net loss		
Segment total	421	307
Exploration costs	(83)	(43)
General and administrative expenses	(98)	(64)
Market development costs	(11)	(12)
Non-hedge derivative loss	(343)	(215)
Other operating costs and expenses	(8)	3
Taxation expense	(106)	(47)
Discontinued operations	(4)	2
Minority interest	(22)	(23)
Net loss	(254)	(92)

	At September 30, 2007	**At December 31, 2006**
	(unaudited)	
	(in US Dollars, millions)	
Segment assets		
South Africa	3,287	3,093
Argentina	233	254
Australia	1,089	805
Brazil	635	

544
Ghana
2,121
2,058
Guinea
345
357
Mali
285
(1)
280
(1)
Namibia
72
64
USA
521
507
Tanzania
1,356
1,382
Other, including Corporate, Assets held for sale and Non-gold producing subsidiaries
208
169
Total segment assets
10,152
9,513
(1)
Investment held.
Nine months ended September 30,
Note K. Loss per share data

	2007	**2006**
The following table sets forth the computation of basic and diluted loss per share (in US dollars millions, except per share data):	(unaudited)	(unaudited)
Numerator		
Net loss	(254)	(92)
Less Dividends:		
Ordinary shares	(124)	(107)
E Ordinary shares	(1)	-
Undistributed losses	(379)	(199)
Ordinary shares undistributed losses	(376)	(199)
E Ordinary shares undistributed losses	(3)	-
Total undistributed losses	(379)	(199)

Denominator for basic loss per ordinary share

Ordinary shares

276,698,228 271,143,179

Fully vested options

(1)

548,859 445,519

Weighted average number of ordinary shares

277,247,087

271,588,698

Effect of dilutive potential ordinary shares

Dilutive potential of stock incentive options

(2)

- -

Dilutive potential of convertible bonds

(3)

- -

Dilutive potential of E Ordinary shares

(4)

- -

Denominator for diluted loss per share – adjusted weighted average number of ordinary shares and assumed conversions

277,247,087 271,588,698

Weighted average number of E Ordinary shares used in calculation of basic and diluted loss per E Ordinary share

4,131,425 -

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ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007 …continued

Prepared in accordance with US GAAP

Note K. Loss per share data (continued)

	Nine months ended September 30,	
	2007	**2006**
	(unaudited)	(unaudited)
Loss per share (cents)		
Ordinary shares	(90)	(34)
E Ordinary shares	(45)	-
Ordinary shares – diluted	(90)	(34)
E Ordinary shares – diluted	(45)	-

(1)
Compensation awards are included in the calculation of basic loss per common share from when the necessary conditions have been met, and it is virtually certain that shares will be issued as a result of employees exercising their options.

(2)
The calculation of diluted loss per common share for the nine months ended September 30, 2007 and 2006 did not assume the effect of 833,584 and 124,674 shares, respectively, issuable upon the exercise of stock incentive options as their effects are anti-dilutive for these periods.

(3)
The calculation of diluted loss per common share for the nine months ended September 30, 2007 and 2006 did not assume the effect of 15,384,615 shares, issuable upon the exercise of Convertible Bonds as their effects are anti-dilutive for these periods.

(4)
The calculation of diluted loss per common share for the nine months ended September 30, 2007 did not assume the effect of conversion of E Ordinary shares as the Company recorded a loss from continuing operations during this period.

Note L. Accumulated other comprehensive income

Other comprehensive income, net of related taxation, consists of the following:

	Nine months ended September 30,	
	2007	**2006**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Opening balance	(765)	(676)
Translation gain/(loss)	95	(227)
Financial instruments	28	(20)
	(642)	(923)

Net loss	(254)	(92)
Translation gain/(loss)	95	(227)
Financial instruments	28	(20)
Total other comprehensive income is:	(131)	(339)

Note M. Employee benefit plans

The Company has made provision for pension and provident schemes covering substantially all employees.

Components of net periodic benefit cost

	Nine months ended September 30,			
	2007		**2006**	
	(unaudited)		(unaudited)	
(in US Dollars, millions)				
	Pension benefits	**Other benefits**	**Pension benefits**	**Other benefits**
Service cost	4	1	1	3
Interest cost	10	9	12	8
Expected return on plan assets	(14)	-	(18)	-
Net periodic benefit cost	-	10	(5)	11

Employer contributions

As disclosed in the Company's annual report on Form 20-F for the year ended December 31, 2006, the Company expected to contribute $6 million to its pension plan in 2007. As of September 30, 2007, the Company had contributed $4 million.

The actuarial valuation completed during December 31, 2006 indicated that the pension fund was fully funded and that no additional funding is required.

Note N. Summarized income statement information of affiliates

The Company has investments in certain joint venture arrangements consisting of operating entities situated in Mali (the Sadiola, Yatela and Morila Joint Ventures) accounted for under the equity method. In addition, the Company holds a 50 percent interest in Nufcor International Limited.

Summarized income statement information reflecting the results of significant investees in the period ended September 30, 2007 and 2006, are as follows:

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ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2007 …continued
Prepared in accordance with US GAAP
Note N. Summarized income statement information of affiliates (continued)

	Nine months ended September 30,	
	2007	**2006**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Revenue	61	242
Costs and expenses	(29)	(137)
Income before taxation	32	105
Taxation	(14)	(28)
Net income	18	77

Note O. Commitments and contingencies
Capital expenditure commitments
Capital commitments and contingent liabilities of the Company include total contracted capital expenditure of $641 million and total authorized capital expenditure not yet contracted of approximately $560 million as of September 30, 2007. The expenditure is expected to be financed from existing cash resources, cash generated by operations and existing and future debt facilities.
South Africa – groundwater pollution
The Company has identified a number of groundwater pollution sites at its current operations in South Africa and has investigated a number of different technologies and methodologies that could possibly be used to remediate the pollution plumes. The viability of the suggested remediation techniques in the local geologic formation in South Africa is however unknown. No sites have been remediated and present research and development work is focused on several pilot projects to find a solution that will in fact yield satisfactory results in South African conditions. Subject to the technology being developed as a remediation technique, no reliable estimate can be made for the obligation.
Brazil – sales tax on gold deliveries
Mineração Serra Grande S.A. (MSG), the operator of the Crixas mine in Brazil, has received two tax assessments from the State of Goiás related to payments of sales taxes on gold deliveries for export namely, one assessment for the period between February 2004 and June 2005 and the other for the period between July 2005 and May 2006. The tax authorities maintain that whenever a taxpayer exports gold mined in the State of Goiás through a branch located in a different Brazilian state, it must obtain an authorization from the Goiás State Treasury by means of a Special Regime Agreement (*Termo de Acordo re Regime Especial – TARE*). The Serra Grande operation is co-owned with Kinross Gold Corporation. The Company's attributable share of the first assessment is approximately $36 million. Although MSG requested the *TARE* in early 2004, the *TARE*, which authorized the remittance of gold to the Company's branch in Minas Gerais specifically for export purposes, was only granted and executed in May 2006. In November 2006 the administrative

council's second chamber ruled in favor of Serra Grande and fully canceled the tax liability related to the first period. The State of Goiás has appealed to the full board of the State of Goiás tax administrative council. The second assessment was issued by the State of Goiás in October 2006 on the same grounds as the first assessment, and the Company's attributable share of the assessment is approximately $22 million. The Company believes both assessments are in violation of federal legislation on sales taxes.

Brazil – VAT dispute

Morro Velho is involved in a dispute with tax authorities, as a result of an erroneous duplication of a shipping invoice between two states in Brazil, tax authorities are claiming that VAT is payable on the second invoice. The amount involved is approximately $5 million.

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ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED

SEPTEMBER 30, 2007 …continued

Prepared in accordance with US GAAP

Note O. Commitments and contingencies (continued)

Brazil – VAT dispute

Mineração Serra Grande S.A. received a tax assessment in October 2003 from the State of Minas Gerais related to sales taxes on gold allegedly returned from the branch in Minas Gerais to the company head office in the State of Goiás. The tax administrators rejected the Company's appeal against the assessment. The Company is now appealing the dismissal of the case at the judicial sphere. The Company's attributable share of the assessment is approximately $7 million.

AngloGold Offshore Investments Limited – Nufcor International Limited loan facility

AngloGold Offshore Investments Limited, a wholly-owned subsidiary of the Company, has guaranteed 50 percent of the Nufcor International Limited loan facility with FirstRand (Ireland) plc (formerly RMB International (Dublin) Limited) amounting to $40 million. Nufcor International Limited is accounted for under the equity method.

South Africa – provision of surety

The Company has provided surety in favor of the lender in respect of gold loan facilities to wholly owned subsidiaries of Oro Group (Proprietary) Limited an affiliate of the Company. The Company has a total maximum liability, in terms of the suretyships, of R100 million ($15 million). The suretyship agreements have a termination notice period of 90 days. The probability of the non-performance under the suretyships is considered minimal, based on factors of no prior defaults, being well-established companies and recourse via general notarial bonds over the gold stocks of the subsidiaries of the Oro Group. These bonds should enable the Company to recover the majority of the guaranteed amount. The Company receives a fee from the associate for providing the surety and has assessed the possibility of a claim for non-performance.

North America – reclamation

Pursuant to US environmental and mining requirements, gold mining companies are obligated to close their operations and rehabilitate the lands that they mine in accordance with these requirements. AngloGold Ashanti USA has posted reclamation bonds with various federal and state governmental agencies to cover potential rehabilitation obligations in amounts aggregating approximately $50 million.

The Company has provided a guarantee for these obligations which would be payable in the event of AngloGold Ashanti USA not being able to meet its rehabilitation obligations. As at September 30, 2007 the carrying value of these obligations relating to AngloGold Ashanti USA amounted to $28 million and are included in the Provision for environmental rehabilitation in the Company's consolidated balance sheet. The obligations will expire upon completion of such rehabilitation and release of such areas by the applicable federal and/or state agency. There are no recourse provisions that would enable AngloGold Ashanti to recover from third parties any of the amounts paid under the guarantee.

Guarantee for convertible bond

The Company has guaranteed all payments and other obligations of AngloGold Ashanti Holdings plc regarding the issued $1,000,000,000 2.375 percent convertible bonds due 2009. The Company's obligations regarding the guarantee are direct, unconditional and unsubordinated.

Guarantee for syndicated loan facility

AngloGold Ashanti Limited, AngloGold Offshore Investments Limited and AngloGold American Investments Limited have guaranteed all payments and other obligations of the wholly-owned subsidiaries AngloGold Ashanti Holdings plc and AngloGold Ashanti USA Incorporated regarding the $700 million syndicated loan facility. The total amount outstanding under the syndicated $700 million facility as of September 30, 2007 amounted to $298 million. The facility was refinanced and increased to $1.15 billion during December 2007.

North and South America delivery guarantees

The Company has issued gold delivery guarantees to several counterparty banks in which it guarantees the due performance of its subsidiaries AngloGold (USA) Trading Company, AngloGold South America Limited and Cerro Vanguardia S.A. under their respective gold hedging agreements.

Ashanti Treasury Services – guarantees

The Company together with its wholly-owned subsidiary AngloGold Ashanti Holdings plc have provided guarantees to several counterpart banks for the hedging commitments of its wholly-owned subsidiary Ashanti Treasury Services Limited (ATS). The maximum potential amount of future payments is all moneys due, owing or incurred by ATS under or pursuant to the Hedging Agreements. At September 30, 2007 the marked-to-market valuation of the ATS hedge book was negative $1,261 million.

Geita hedge guarantee

The Company and its wholly-owned subsidiary AngloGold Ashanti Holdings plc have issued hedging guarantees to several counterpart banks in which they have guaranteed the due performance by the Geita Management Company Limited (GMC) of its obligations under or pursuant to the hedging agreements entered into by GMC, and to the payment of all money owing or incurred by GMC as and when due. This guarantee remains in force until no sum remains to be paid under the Hedging Agreements and the Bank has irrevocably recovered or received all sums payable to it under the Hedging Agreements. The maximum potential amount of future payments is all moneys due, owing or incurred by GMC under or pursuant to the Hedging Agreements. At September 30, 2007 the marked-to-market valuation of the GMC hedge book was negative $405 million.

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2007 …continued
Prepared in accordance with US GAAP
Note O. Commitments and contingencies (continued)
In addition to the above, the Company has contingent liabilities in respect of certain claims, disputes and guarantees which are not considered to be material.
Taxation
With operations in several countries on several continents, many of which are emerging markets, AngloGold Ashanti is subject to, and pays annual taxes under the various tax regimes where it operates. Some of these tax regimes are defined by contractual agreements with the local government, but others are defined by the general corporate tax laws of the country. The Company has historically filed, and continues to file, all required tax returns and to pay the taxes reasonably determined to be due. In some jurisdictions, tax authorities are yet to complete their assessments for previous years. The tax rules and regulations in many countries are complex and subject to interpretation. From time to time the Company is subject to a review of its historic tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Company’s business conducted within the country involved. Management believes based on information currently to hand, that such tax contingencies have been adequately provided for, and as assessments are completed, the Company will make appropriate adjustments to those estimates used in determining amounts due.
Vulnerability from concentrations
There is a concentration of risk in respect of reimbursable value added tax and fuel duties from the Malian government. Reimbursable value added tax due from the Malian government to the Company amounts to $37 million at September 30, 2007 (June 30, 2007: $32 million). The last audited value added tax return was for the period ended March 31, 2007 and as at September 30, 2007, $29 million was still outstanding and $8 million is still subject to audit. The accounting processes for the unaudited amount are in accordance with the processes advised by the Malian government in terms of the previous audits.
Reimbursable fuel duties from the Malian government to the Company amount to $8 million at September 30, 2007 (June 30, 2007: $8 million). Fuel duty refund claims are required to be submitted before January 31 of the following year and are subject to authorization by, firstly, the Department of Mining, and secondly, the Customs and Excise authorities. As at September 30, 2007, the Customs and Excise authorities have approved $1 million which is still outstanding, while $7 million is still subject to authorization. The accounting processes for the unauthorized amount are in accordance with the processes advised by the Malian government in terms of the previous authorizations. With effect from February 2006, fuel duties are no longer payable to the Malian government.
The Government of Mali is a shareholder in all of the Company’s entities in Mali and protocol agreements governing repayments of certain of these amounts have been signed. All payments as scheduled in terms of the protocol agreements have been recovered up to September 2007. The amounts outstanding have been discounted to their present value at a rate of 5 percent.
There is a concentration of risk in respect of reimbursable value added tax and fuel duties from the Tanzanian government. Reimbursable value added tax due from the Tanzanian government to the Company amounts to $18 million at September 30, 2007 (June 30, 2007: $17 million). The last audited value added tax return was for the period ended April 30, 2007 and as at September 30, 2007 $15 million was still outstanding and $3 million is still subject to audit. The accounting processes for the unaudited amount are in accordance with the processes advised by the Tanzanian government in terms of the previous audits. The amounts outstanding have been

discounted to their present value at a rate of 5 percent.

Reimbursable fuel duties from the Tanzanian government to the Company amount to $30 million at September 30, 2007 (June 30, 2007: $26 million). Fuel duty claims are required to be submitted after consumption of the related fuel and are subject to authorization by the Customs and Excise authorities. As at September 30, 2007, claims for refund of fuel duties amounting to $19 million have been lodged with the Customs and Excise authorities, which are still outstanding, whilst claims for refund of $11 million have not yet been submitted. The accounting processes for the unauthorized amount are in accordance with the processes advised by the Tanzanian government in terms of the previous authorizations. The amounts outstanding have been discounted to their present value at a rate of 5 percent.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007 …continued

Prepared in accordance with US GAAP

Note P. Recent developments

Announcements made after September 30, 2007:

On December 12, 2007, AngloGold Ashanti announced the successful closing of a $1.15 billion syndicated revolving loan facility. The new 3-year facility will be used to refinance an existing $700 million revolving credit facility (due January 2008), an AUD200 million facility and for general corporate purposes.

On January 14, 2008, AngloGold Ashanti announced that it had agreed to acquire 100 percent of Golden Cycle Gold Corporation (GCGC) through a transaction in which GCGC's shareholders will receive 29 AngloGold Ashanti ADRs for every 100 shares of GCGC common stock held. GCGC currently hold a 33 percent shareholding in Cripple Creek & Victor while AngloGold Ashanti hold the remaining 67 percent. The transaction will result in Cripple Creek & Victor being wholly-owned by AngloGold Ashanti. The transaction is subject to a number of regulatory and statutory approvals, including approval by GCGC shareholders. The transaction, at the date of announcement was valued at approximately $149 million.

Note Q. Related parties

The Company, which holds an equity interest of 29.9 percent in Trans-Siberian Gold plc (TSG), entered into a transaction during the quarter ended June 30, 2007 with TSG in which two companies were acquired from TSG for a cash consideration of $40 million. The companies acquired consist of Amikan (which holds the Veduga deposit, related exploration and mining licenses) and AS APK (which holds the Bogunay deposit, related exploration and mining licenses).

Note R. Declaration of dividends

On February 12, 2007 AngloGold Ashanti declared a final dividend of 240 South African cents (32.384 US cents) per ordinary share for the year ended December 31, 2006 with a record date of March 9, 2007 and payment dates of March 16, 2007 for holders of ordinary shares and CDIs, March 19, 2007 for holders of GhDSs and March 26, 2007 for holders of ADSs. In addition, on February 12, 2007 AngloGold Ashanti declared a dividend of 120 South African cents (16 US cents) per E ordinary share, payable on March 16, 2007 to employees participating in the Bokamoso ESOP and Izingwe Holdings (Proprietary) Limited.

On July 30, 2007 AngloGold Ashanti declared an interim dividend of 90 South African cents (12.435 US cents) per ordinary share for the six months ended June 30, 2007 with a record date of August 24, 2007 and a payment date of August 31, 2007 for holders of ordinary shares and CDIs, September 3, 2007 for holders of GhDSs and September 10, 2007 for holders of ADSs. In addition, on July 30, 2007 AngloGold Ashanti declared a dividend of 45 South African cents (6 US cents) per E ordinary share, payable on August 31, 2007 to employees participating in the Bokamoso ESOP and Izingwe Holdings (Proprietary) Limited.

In addition to the cash dividend, an amount equal to the dividend paid to holders of E ordinary shares will be offset when calculating the strike price of E ordinary shares. Each CDI represents one-fifth of an ordinary share and 100 GhDSs represents one ordinary share. Each ADS represents one ordinary share.

Note S. Supplemental condensed consolidating financial information

With effect from October 1, 2004, AngloGold Ashanti has transferred certain of its operations and assets located outside South Africa (excluding certain operations and assets in the United States, Australia and Africa) to AngloGold Ashanti Holdings plc (originally SMI Holdings Limited and formerly AngloGold Holdings plc) ("IOMco"), its wholly-owned subsidiary. IOMco is an Isle of Man registered company.

IOMco has issued debt securities which are fully and unconditionally guaranteed by AngloGold Ashanti Limited (being the "Guarantor"). The following is condensed financial information of the registrant and consolidating financial information for the Company as of September 30, 2007 and December 31, 2006 and for the nine months ended September 30, 2007 and 2006, with a separate column for each of IOMco as Issuer, AngloGold Ashanti Limited as Guarantor and the other businesses of the group combined (the "Non-Guarantor Subsidiaries"). For the purposes of the condensed consolidating financial information, the Company carries its investments under the equity method.

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007…continued

Prepared in accordance with US GAAP

Note S. Supplemental condensed consolidating financial information (continued)

Condensed consolidating statements of (loss)/income

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007

(unaudited)

(In million US dollars, except share information)

	AngloGold Ashanti (the "Guarantor")	**IOMco** (the "Issuer")	**Other subsidiaries** (the "Non-Guarantor Subsidiaries")	**Cons adjustments**	**Total**
Sales and other income	1,084	2	1,209	(5)	2,290
Product sales	1,060	-	1,199	-	2,259
Interest, dividends and other	24	2	10	(5)	31
Costs and expenses	1,000	(50)	1,440	42	2,432
Production costs	598	-	739	-	1,337
Exploration costs	2	-	81	-	83
Related party transactions	(9)	-	-	-	(9)

General and administrative
83 (98)
50
63
98
Royalties paid/(received)
- -
51
-
51
Market development costs
6 -
5
-
11
Depreciation, depletion and amortization
195 - 264
-
459
Interest expense
20 26
10
-
56
Accretion expense
7 -
6
-
13
Employment severance costs
3 -
3
-
6
(Profit)/loss on sale of assets, realization of loans and indirect taxes
(13) 22
(12)
(21)
(24)
Non-hedge derivative gain and other commodity contracts
108 - 243
-
351
Income/(loss) from continuing operations before income tax, equity income, minority interests
84 52 (231)
(47)
(142)
Taxation expense
(59) (2)
(45)

-
(106)
Minority interest
- - (22)
-
(22)
Equity income/(loss) in affiliates
34 (14)
-
-
20
Equity (loss)/income in subsidiaries
(307) -
-
307
-
(Loss)/income from continuing operations
(248) 36 (298)
260
(250)
Discontinued operations
(4) -
-
-
(4)
(Loss)/income
(252) 36 (298)
260
(254)
Preferred stock dividends
(2) -
(3)
5
-
Net (loss)/income - applicable to common stockholders
(254) 36 (301)
265
(254)
16

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007…continued
Prepared in accordance with US GAAP
Note S. Supplemental condensed consolidating financial information (continued)
Condensed consolidating statements of (loss)/income
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2006
(unaudited)
(In million US dollars, except share information)

	AngloGold Ashanti (the "Guarantor")	IOMco (the "Issuer")	Other subsidiaries (the "Non-Guarantor Subsidiaries")	Cons adjustments	Total
Sales and other income	1,031	31	956	(9)	2,009
Product sales	1,021	-	964	-	1,985
Interest, dividends and other	10	31	(8)	(9)	24
Costs and expenses	962	3	1,156	(12)	2,109
Production costs	540	-	623	-	1,163
Exploration costs	4	-	39	-	43
Related party transactions	9	-	-	-	

9
General and administrative
67 (8)
15
(10)
64
Royalties paid/(received)
- -
43
-
43
Market development costs
6 -
6
-
12
Depreciation, depletion and amortization
193 - 305
-
498
Interest expense
24 30
5
-
59
Accretion expense
6 -
5
-
11
Employment severance costs
6 -
-
-
6
(Profit)/loss on sale of assets, realization of loans and indirect taxes
(1) (19)
9
-
(11)
Non-hedge derivative loss and other commodity contracts
108 - 106
(2)
212
Income/(loss) from continuing operations before income tax, equity income, minority interests
69 28 (200)
3
(100)
Taxation benefit/(expense)
(2) (2)

(43)
-
(47)
Minority interest
- - (23)
-
(23)
Equity income/(loss) in affiliates
78 (2)
-
-
76
Equity (loss)/income in subsidiaries
(235) -
-
235
-
(Loss)/income from continuing operations
(90) 24 (266)
238
(94)
Discontinued operations
2 -
-
-
2
(Loss)/income
(88) 24 (266)
238
(92)
Preferred stock dividends
(4) -
(5)
9
-
Net (loss)/income - applicable to common stockholders
(92) 24 (271)
247
(92)
17

Condensed consolidating balance sheets
AT SEPTEMBER 30, 2007
(unaudited)
(In million US dollars, except share information)
AngloGold Ashanti
(the "Guarantor")
IOMco
(the "Issuer")
Other subsidiaries
(the "Non-Guarantor
Subsidiaries")
Cons
adjustments
Total
ASSETS
Current Assets
1,537 2,513
4,843
(6,843)
2,050
Cash and cash equivalents
235 69 174 -
478
Restricted cash
20 - 23 -
43
Receivables and other current assets
1,282
2,444
4,646
(6,843)
1,529
Trade and other receivables and deferred taxation assets
211
6
187
(3)
401
Inter-group balances
797 2,438
3,605
(6,840) -
Derivatives
200 - 394
-
594
Inventories
60 - 396
-
456

Materials on the leach pad
- - 49
-
49
Assets held for sale
14 - 15
-
29
Property, plant and equipment, net
1,923 -
3,452
-
5,375
Acquired properties, net
261 -
1,028
-
1,289
Goodwill and other intangibles, net
- 247
612
(267)
592
Derivatives
- -
-
-
-
Other long-term inventory
- - 93
-
93
Materials on the leach pad
- - 183
-
183
Other long-term assets and deferred taxation assets
2,720 2,460
489
(5,099)
570
Total assets
6,441 5,220 10,700
(12,209)
10,152
LIABILITIES AND STOCKHOLDERS' EQUITY
Current liabilities
2,224 281 7,926
(6,817)
3,614
Accounts payable and other current liabilities

209 1
422
(8)
624
Inter-group balances
828 58 5,923
(6,809)
-
Derivatives
845 -
1,428
-
2,273
Short-term debt
294 219
93 -
606
Tax payable
47 3 60
-
110
Liabilities held for sale
1 -
-
-
1
Other non-current liabilities
121 - 97
(91)
127
Long-term debt
31 1,000
78
-
1,109
Derivatives
92 - 229
-
321
Deferred taxation liabilities
588 - 684
16
1,288
Provision for environmental rehabilitation
145 - 197
-
342
Other accrued liabilities
- - 40
-
40

Provision for pension and other post-retirement medical benefits
166 - 12
-
178
Minority interest
- - 58
1
59
Commitments and contingencies
- -
-
-
-
Stockholders' equity
3,074 3,939
1,379
(5,318)
3,074
Stock issued
10 3,625
900
(4,525)
10
Additional paid in capital
5,586 69 332
(401)
5,586
Accumulated (deficit)/profit
(1,880) 245 (1,005)
760
(1,880)
Accumulated other comprehensive income
(642) -
1,152
(1,152)
(642)
Total liabilities and stockholders' equity
6,441 5,220 10,700
(12,209)
10,152
ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007…continued
Prepared in accordance with US GAAP
Note S. Supplemental condensed consolidating financial information (continued)
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Condensed consolidating balance sheets
AT DECEMBER 31, 2006
(In million US dollars, except share information)
AngloGold Ashanti
(the "Guarantor")
IOMco
(the "Issuer")
Other subsidiaries
(the "Non-Guarantor
Subsidiaries")
Cons
adjustments
Total
ASSETS
Current Assets
1,390 2,275
4,733
(6,522)
1,876
Cash and cash equivalents
180 32
259
-
471
Restricted cash
5 -
6
-
11
Receivables and other current assets
1,205 2,243
4,468
(6,522)
1,394
Trade and other receivables and deferred taxation assets
150 6
181
(10)
327
Inter-group balances
756 2,237
3,518
(6,511) -
Derivatives
225 - 425
(1)
649
Inventories
59 - 295
-
354

Materials on the leach pad
- -
46
-
46
Assets held for sale
15 -
3
-
18
Property, plant and equipment, net
1,790 - 3,183
4
4,977
Acquired properties, net
273 - 1,016
-
1,289
Goodwill and other intangibles, net
- 247
586
(267)
566
Derivatives
5 -
1
-
6
Other long-term inventory
- -
68
-
68
Materials on the leach pad
- - 149
-
149
Other long-term assets and deferred taxation assets
2,858 2,437
480
(5,193)
582
Total assets
6,316 4,959
10,216
(11,978)
9,513
LIABILITIES AND STOCKHOLDERS' EQUITY
Current liabilities
1,769 71 7,047
(6,420)

2,467
Accounts payable and other current liabilities
182 -
310
6
498
Inter-group balances
778 60 5,620
(6,458)
-
Derivatives
712 - 1,037
33
1,782
Short-term debt
11 9
13
-
33
Tax payable
80 2
67
(1)
148
Liabilities held for sale
6 -
-
-
6
Other non-current liabilities
- - 117
(93)
24
Long-term debt
286 1,080
106
-
1,472
Derivatives
124 - 307
(34)
397
Deferred taxation liabilities
533 - 730
12
1,275
Provision for environmental rehabilitation
137 - 173
-
310
Other accrued liabilities

- -
27
-
27
Provision for pension and other post-retirement medical benefits
159 -
13
-
172
Minority interest
- -
61
-
61
Commitments and contingencies
- -
-
-
-
Stockholders' equity
3,308 3,808
1,635
(5,443)
3,308
Stock issued
10 3,625
898
(4,523)
10
Additional paid in capital
5,539 1 357
(358)
5,539
Accumulated (deficit)/profit
(1,476)