

ANGLOGOLD ASHANTI LTD

Form 6-K

May 11, 2011

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, DC 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 May 11, 2011

Commission File Number 1-14846

AngloGold Ashanti Limited

(Name of registrant)

76 Jeppe Street

Newtown, 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**  **X** 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**  **X**

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**  **X**

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**  **X**

Enclosure: Press release ANGLOGOLD ASHANTI REPORT FOR THE QUARTER ENDED  
31 MARCH 2011 PREPARED IN ACCORDANCE WITH IFRS

**Quarter 1 2011**

**Report**

**for the quarter ended 31 March 2011**

**Group results for the quarter....**

- First quarter production of 1.039Moz at a total cash cost of \$706/oz.
- First quarter uranium production of 365klbs and silver production of 681koz
- Adjusted headline earnings of \$203m, or 53 US cents a share.
- Hedge removal ensures strong cash generation from operating activities of \$513m.
- Continued improvement in net debt to \$1.1bn; a reduction of some \$200m during the quarter.
- Kopanang shows 3% production gain, despite South Africa Christmas shutdown.
- Sadiola benefits from higher tonnages and grades for 3% production increase.
- Iduapriem showing early benefits from Project ONE, higher tonnages offset lower grade.
- Cripple Creek & Victor continues turnaround, with strong production gain.
- Exploration at Hutite prospect in Egypt showing promising, high-grade intercepts.
- New ore body discovered at Sunrise Dam.

**Events post quarter-end...**

- Proposed BEE restructuring ensures value for all beneficiaries; incremental accounting cost of about \$18m.

**Quarter**

**Year**

**Quarter**

**Year**

**ended**

**ended**

**ended**

**ended**

**ended**

**ended**

**ended**

**ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

**SA rand / Metric**

**US dollar / Imperial**

**Operating review**

**Gold**

**Produced**

**- kg / oz (000)**

**32,303**

35,703 33,574

140,418

**1,039**

1,148

1,079

4,515

Price received

1

- R/kg / \$/oz

**312,261**

99,671 244,873 135,862

**1,391**

452

1,015

561

Price received excluding hedge

buy-back costs

1

- R/kg / \$/oz

**312,261**

303,454 244,873 271,018

**1,391**

1,372

1,015

1,159

Total cash costs

- R/kg / \$/oz

**158,707**

148,474 149,431 149,577

**706**

672

619

638

Total production costs

- R/kg / \$/oz

**200,632**

201,465 190,374 190,889

**893**

912

789

816

**Financial review**

Adjusted gross profit (loss)

2

- Rm / \$m

**3,464**

(3,718)

1,638 (8,027)

**497**

(540) 218

(1,191)

Adjusted gross profit excluding hedge  
buy-back costs

2

- Rm / \$m

**3,464**

3,598 1,638

10,927

**497**

522

218

1,507

Profit attributable to equity  
shareholders

- Rm / \$m

**1,658**

404 1,150 637

**241**

56

157

76

-

cents/share

**430**

105 313 171

**62**

15

43

20

Adjusted headline earnings (loss)

3

- Rm / \$m

**1,415**

(5,263)

463 (12,210)

**203**

(764) 61

(1,758)

-

cents/share

**367**

(1,368)

126 (3,283)

**53**

(199) 17

(473)

Adjusted headline earnings

excluding hedge buy-back costs

3

- Rm / \$m

**1,415**

2,026 463  
 5,652  
**203**  
 294  
 61  
 787

-  
 cents/share

**367**  
 527 126  
 1,520

**53**  
 76  
 17  
 212

Cash flow from operating activities  
 excluding hedge buy-back costs  
 - Rm / \$m

**3,607**  
 5,076 1,326  
 12,603

**513**  
 679  
 179  
 1,669

Capital expenditure  
 - Rm / \$m

**1,740**  
 2,572 1,283 7,413  
**249**

365  
 171  
 1,015

**Notes:**

1. Refer to note C "Non-GAAP disclosure" for the definition.
  2. Refer to note B "Non-GAAP disclosure" for the definition.
  3. Refer to note A "Non-GAAP disclosure" for the definition.
- \$ represents US dollar, unless otherwise stated.  
 Rounding of figures may result in computational discrepancies.



**Operations at a glance**

for the quarter ended 31 March 2011

**oz (000)**

**% Variance**

**2**

**\$/oz**

**% Variance**

**2**

**\$m**

**\$m Variance**

**2**

**SOUTH AFRICA**

**401**

(16)

**637**

3

**210**

(29)

Great Noligwa

**22**

(35)

**1,202**

31

(2)

(8)

Kopanang

**80**

3

**589**

(10)

**40**

7

Moab Khotsong

**68**

(11)

**586**

(12)

**29**

13

Mponeng

**118**

(17)

**516**

6

**87**

(19)

Savuka

**11**

-

**833**

(6)

<b>6</b>	
2	
TauTona	
<b>54</b>	
(33)	
<b>856</b>	
33	
<b>11</b>	
(22)	
Surface Operations	
<b>48</b>	
(8)	
<b>540</b>	
1	
<b>40</b>	
(2)	
<b>CONTINENTAL AFRICA</b>	
<b>363</b>	
(3)	
<b>819</b>	
4	
<b>163</b>	
22	
<b>Ghana</b>	
Iduapriem	
<b>56</b>	
(3)	
<b>714</b>	
(4)	
<b>24</b>	
(1)	
Obuasi	
<b>70</b>	
6	
<b>1,011</b>	
7	
<b>14</b>	
4	
<b>Guinea</b>	
Siguiri - Attributable 85%	
<b>65</b>	
(8)	
<b>675</b>	
(2)	
<b>45</b>	
1	
<b>Mali</b>	
Morila - Attributable 40%	
3	
<b>22</b>	
(8)	



**832**

9

**11**

(3)

Sadiola - Attributable 41%

3

**30**

3

**699**

(11)

**20**

5

Yatela - Attributable 40%

3

**7**

(22)

**1,387**

-

-

3

**Namibia**

Navachab

**17**

(39)

**955**

28

**6**

(11)

**Tanzania**

Geita

**94**

4

**817**

9

**36**

10

**Production**

**Total cash costs**

**Adjusted**

**gross profit (loss) excluding**

**hedge buy-back costs**

**1**

Non-controlling interests, exploration

and other

**7**

12

**AUSTRALASIA**

**72**

(29)

**1,153**

29

**5**

(36)

**Australia**

Sunrise Dam

**72**

(29)

**1,083**

26

**11**

(33)

Exploration and other

**(5)**

(1)

**AMERICAS**

**203**

4

**480**

3

**156**

31

**Argentina**

Cerro Vanguardia - Attributable 92.50%

**45**

(10)

**435**

22

**32**

(7)

**Brazil**

AngloGold Ashanti Mineração

**84**

(1)

**444**

(3)

**66**

34

Serra Grande - Attributable 50%

**17**

(11)

**711**

40

**6**

(7)

**United States of America**

Cripple Creek & Victor

**57**

36

**494**

(11)

**42**

15

Non-controlling interests, exploration  
and other

**10**

(4)

**OTHER**

(7)

(9)

**Sub-total** **1,039** (9) **706** 5

**527** (21)

Equity accounted investments included above

**(31)**

(5)

**AngloGold Ashanti**

**497** (25)

1

Refer to note B "Non-GAAP disclosure" for the definition.

3

Equity accounted joint ventures.

2

Variance March 2011 quarter on December 2010 quarter - increase (decrease).

*Rounding of figures may result in computational discrepancies.*

Financial and Operating Report

**OVERVIEW FOR THE QUARTER**

**FINANCIAL AND CORPORATE REVIEW**

The first quarter of 2011 is the first period in which the company's earnings were unencumbered by the hedge book, which was removed on 7 October 2010. The group now has full exposure to the spot price of gold, which continued to perform strongly in the face of inflationary fears, macroeconomic uncertainty and geopolitical tension. Adjusted headline earnings were \$203m, or 53 US cents a share in the seasonally weak production period, compared with \$294m, or 76 US cents the previous quarter. Profit attributable to ordinary shareholders was \$241m, from \$56m the previous quarter.

Cash generated from operating activities was strong at \$513m. Free cash flow (after all capital expenditure, finance costs and tax) was \$229m and this helped reduce net debt (excluding the mandatory convertible bond) from \$1.3bn at the end of last quarter to \$1.1bn at 31 March 2011.

On 14 April 2011, following the end of the quarter, AngloGold Ashanti announced the proposed restructuring of its black economic empowerment transaction, initially entered into in 2006, to ensure the intended benefits accrue to its recipients, namely its South African employees, through the Bokamoso ESOP trust and BEE Partner, Izingwe Holdings.

The total incremental accounting cost to AngloGold Ashanti of the proposed restructuring which is subject to shareholders' approval, is around R121m (approximately \$18m of which \$12m will be recorded in 2011), while the pro-forma impact on adjusted headline earnings and net asset value per share is 0.4% and 0.2% respectively. When implemented following shareholder approval, approximately \$8m of the accounting cost will be recorded during the second quarter 2011, with the balance of \$4m spread equally in the third and fourth quarters of 2011. The principal component of the restructured transaction is the proposed reinstatement over the next three years of a total of some 1.37m E Ordinary shares that have either lapsed or are expected to lapse without realising the anticipated value for their holders. Also, an additional 48,923 new ordinary shares will be allotted to employees who qualify for the scheme as of the original cut-off date.

The Board believes that proactively implementing the proposed restructuring will be recognised by government, AngloGold Ashanti's employees, Izingwe and society as a whole, as reinforcing the company's continued commitment to the spirit of transformation and empowerment as contained in the Mining Charter. Management believes that the amendment of this transaction has the potential to enhance labour relations within AngloGold Ashanti's South African operations and more broadly, reinforce AngloGold Ashanti's reputation as a good corporate citizen in South Africa.

**OPERATING RESULTS**

Production and total cash costs for the three months to 31 March 2011, traditionally the slowest production quarter for AngloGold Ashanti, were 1.039Moz at \$706/oz, compared with 1.148Moz at \$672/oz the previous quarter. The result was affected by torrential rainfall which disrupted production at Sunrise Dam in Australia and Navachab in Namibia, as well as the seasonally slow restart after the Christmas break in South Africa. Strong performances were delivered by Cripple Creek & Victor in the U.S., Kopanang in South Africa and Sadiola in Mali.

Guidance for the first quarter was initially set at 1.04Moz at a total cash cost of \$675/oz - \$700/oz. This was adjusted to 1.02Moz, with a consequent impact on costs, on 15 March 2011 following the weather impact on the Australian operations.

Total cash costs at \$706/oz were adversely impacted by higher fuel prices, royalties (on the back of improved spot prices) and accounting deferred stripping costs.

**SAFETY**

Tragically, two employees lost their lives during the quarter in separate incidents at Great Nologwa, in South Africa and at Obuasi, in Ghana. This is especially distressing, given the unblemished record of the previous quarter. Thorough analysis of those incidents was undertaken and steps taken to prevent their reoccurrence. Encouragement can be taken from AngloGold Ashanti's long-term all-injury statistics, which at 10.25 per million hours worked, were the lowest in the company's history and bear testimony to the commitment at all levels to reaching our goal of an injury free workplace, and to the effectiveness of the systemic cultural changes being made in this business. In March, this broad measure of safety had improved by more than half from its levels of 2007, with South Africa and the Continental Africa regions leading the improvements. While these gains are encouraging, additional interventions and procedures are being designed and implemented to address specific factors influencing safety performance in order to drive continued improvements in these statistics.

**OPERATING REVIEW**

*The South Africa operations produced 401,000oz at a total cash cost of \$637/oz in the first quarter of 2011, compared with 476,000oz at a total cash cost of \$616/oz the previous quarter.* The performance was impacted by the slow restart following the annual year-end break by most of the South African workforce, as well as disruption caused by safety stoppages. At the West Wits operations, production from Mponeng, the company's largest mine, declined by 17% to 118,000oz due mainly to lower grades and tonnages, influenced by underground temperature-related constraints. At neighbouring TauTona, the seasonal factors had a similar impact on production, compounded by lower yield and a seismic event in February. Production fell 33% to 54,000oz at a total cash cost of \$856/oz. At the Vaal River operations, production from Moab Khotsong declined by 11% to 68,000oz due to lower volumes resulting from the restart after Christmas, safety stoppages during February and high underground temperatures. This was partially offset by higher yield. Kopanang managed a 3% increase in production despite the Christmas shutdown as yields improved by 13%. Costs declined by 10% to \$589/oz. At Great Nologwa, production dropped 35% to 22,000oz, with safety stoppages and ore-pass blockages contributing to the decline. Lower grade affected production from the Surface Operations, resulting in a 8% decline to 48,000oz. Costs were well contained at \$540/oz.

*The Continental Africa operations produced 363,000oz at a total cash cost of \$819/oz in the first quarter of 2011, compared with 374,000oz at a total cash cost of \$790/oz the previous quarter.* Geita's production increased by 4% to 94,000oz mainly due to higher grades mined from the Nyankanga pit. Higher fuel and labour charges pushed total cash costs 9% higher to \$817/oz. Production from Iduapriem declined 3% as planned to 56,000oz due to the decrease in recovered grade. This was partially offset by improved throughput arising from increased plant availability and utilisation. Total cash costs improved by 4% to \$714/oz. At Obuasi, production rose 6% to 70,000oz due to a 5% increase in tonnage, achieved through consistency in plant operations and improved underground equipment availability. The operation's 7% increase in total cash costs to \$1,011/oz included a \$54/oz non-cash charge for inventory movements. At Siguiri, production was 8% lower at 65,000oz following a reduction in tonnages, which was offset by higher recovered grades. Total cash costs improved by 2% to \$675/oz due to reduced spending on external service providers. Mali continued to deliver strong operational free cashflow to the business. Production from Morila fell 8% to 22,000oz at a total cash cost of \$832/oz. At Yatela, output fell 22% to 7,000oz as less ore was stacked. Higher recovered grade and tonnages at Sadiola led to a 3% increase in production to 30,000oz. Costs decreased 11% to \$699/oz. In Namibia, Navachab's production fell to 17,000oz as torrential rainfall hampered access to higher grade areas at the base of the pit.

*The Americas operations produced 203,000oz at a total cash cost of \$480/oz in the first quarter of 2011, compared with 196,000oz at a total cash cost of \$465/oz the previous quarter.* Cerro Vanguardia, in Argentina, posted a 10% decline in production to 45,000oz due to a planned reduction in grade and two scheduled plant shutdowns. Accelerating inflation in Argentina, particularly evident in higher payroll costs, caused a 22% rise in total cash costs to \$435/oz, though this was partially offset by lower consumption of fuel, explosives and other consumables. At Cripple Creek & Victor in the U.S., production rose 36% to 57,000oz as planned, due to stacking ore closer to the liner on the new pad. Cash costs improved 11% to \$494/oz. At AngloGold Ashanti Córrego do Sítio Mineração (AngloGold Ashanti Mineração), production was little changed at 84,000oz, as higher grades offset lower tonnage caused by continued challenges relating to performance of the underground fleet

and geotechnical challenges in the underground mine. Total cash costs improved by 3% to \$444/oz, aided by higher by-product credits and lower costs on certain consumables. At Serra Grande, production decreased by

11% as planned to 17,000oz, due to lower grades and tonnages. Total cash cost increased 40% from previous quarter to \$711/oz as a consequence of the lower production, local currency appreciation and additional equipment maintenance.

*Australasia produced 72,000oz at a total cash cost of \$1,153/oz in the first quarter of 2011, compared with 102,000oz at a total cash cost of \$894/oz the previous quarter.* (This figure includes deferred stripping charge of \$73/oz) The flood inundation event during the quarter at Sunrise Dam severely impacted all aspects of the operation. Laverton, 56km from the mine, had its highest rainfall in February since records were first kept in 1899. Sunrise Dam, meanwhile, recorded rainfall 30% higher than Laverton's for the month, with the bulk of the rain falling in only two events. In one 24-hour period alone, more than 150mm fell, resulting in destructive flash flooding and substantial inflows of water into the open pit and underground. All efforts were directed into pumping and dewatering during the period.

## **PROJECTS**

AngloGold Ashanti incurred capital expenditure of \$249m during the quarter, of which \$89m was spent on growth projects. Of the growth-related capital, \$49m was spent in the Americas, \$18m was spent in Continental Africa, \$5m in Australasia and \$17m in South Africa.

Good progress was made on the Córrego do Sítio project in Brazil's Minas Gerais state. The team from Sherritt is preparing to visit the site to commission the autoclave, while the major plant refurbishment was finalised during April. Purchasing processes for the main pieces of equipment and major civil works are also complete. The ball mill from the Queiroz plant has been disassembled and trucked to Córrego do Sítio, while the new jaw crusher, screen and vibrating feeders are already on site. Other imported equipment, including Knelson concentrator and autoclave lining have already been shipped to Brazil. Ore production was ahead of plan during the period.

In the Democratic Republic of the Congo, progress was made on the Kibali joint venture, operated by AngloGold Ashanti's joint venture partner Randgold Resources. The partners have been involved in detailed technical discussions around the final project design. Randgold has further provided guidelines on a high-level integrated project implementation schedule. However, this schedule requires further work. A mining-study manager was appointed to co-ordinate a full redesign and schedule for the underground mine. Randgold also provided a milestone schedule which indicates that the project approval is planned for the first quarter in 2012. The relocation action plan project is progressing well with good support from the community.

Also in the DRC, AngloGold Ashanti completed the feasibility study on the Mongbwalu project in March 2011. The Mongbwalu project forms part of Ashanti Goldfields Kilo, a DRC company 86.22% owned and managed by AngloGold Ashanti and 13.78% by SOKIMO, the DRC state-owned mining company. The project is currently moving into an optimisation phase which is planned to be completed by June 2011 and the project will be submitted to the AngloGold Ashanti board for project funding approval. The Mineral Resource model is currently updated with the latest drilling data and is due for completion during the current quarter. A project manager has been appointed to oversee the upgrade and refurbishment of the existing run-of-river hydro power station. The project will result in reliable green power to the surrounding district residents and industry.

At the Tropicana project in Australia (AngloGold Ashanti 70% and manager, Independence Group NL 30%), the contract for construction of the 220km site access road was awarded during the quarter. Major approvals for the road were obtained and construction has begun. In April, the EPCM contract with Lycopodium was executed and the open-pit mining contract was nearing completion. Tenders were issued for the long lead-time, major equipment packages. Detailed engineering design of the plant and infrastructure is underway and will be carried out in parallel with road construction, while plant construction is scheduled to begin early in 2012. Boston Shaker feasibility study work during the quarter included metallurgical testing, resource modelling, pit optimisations and design. It is anticipated that reserves and resources for Boston Shaker will be updated by mid 2011. A two-year pre-feasibility study on Havana Deeps was approved by the Tropicana JV partners during the quarter and drilling to support the study began in late March. The study will examine the best options for exploiting the Havana Deeps mineralisation, including mining using an expanded pit with an underground operation beneath the pit, or using an underground mine below the current planned pit design.

## EXPLORATION

Total exploration expenditure during the first quarter, inclusive of expenditure at equity accounted joint ventures, was \$71m (\$26m on brownfield, \$25m on greenfield and \$20m on pre-feasibility studies), compared with \$65m the previous quarter (\$23m on brownfield, \$26m on greenfield and \$16m on pre-feasibility studies). The following are highlights from the company's exploration activities during the quarter. More detail on AngloGold Ashanti's exploration programme can be found at [www.anglogoldashanti.com](http://www.anglogoldashanti.com).

Greenfield exploration activities were undertaken in six regions (Australia, Americas, China, Southeast Asia, Sub-Saharan Africa and the Middle East & North Africa) during the first quarter. A total of 35,801m of diamond, RC and AC drilling was completed at existing priority targets and used to delineate new targets in Australia, Guinea, Gabon, the DRC, Egypt and the Solomon Islands.

In **Australia**, in the Tropicana JV (AngloGold Ashanti 70%, Independence Group 30%) regional Greenfields exploration during the quarter was affected by seasonal, but larger than anticipated, rainfall events in the Tropicana area and adjacent goldfields. Exploration programs were impacted, but have re-commenced. Regional geochemical sampling programs recommenced in February at the wholly-owned Viking project, which lies southwest of the Tropicana JV within the Albany-Fraser foreland tectonic setting that hosts the Tropicana deposit. Aircore drilling of geochemical anomalies and an airborne magnetic survey are planned for the second quarter. In late 2010, AngloGold Ashanti entered a farm-in and joint venture agreement with Stellar Resources over the Coronation Bore and Gairdner projects in the Gawler Craton of South Australia, targeting world-class Iron Oxide Copper Gold mineralisation. Land access negotiations have progressed with expectations of commencing geophysical surveys in the second quarter. At the Cornelia Range project, located in central Western Australia, land access negotiations advanced during the quarter and planning commenced for airborne geophysical surveying and field reconnaissance. AngloGold Ashanti withdrew from the Saxby JV (NW Queensland) with Falcon Minerals Limited in February 2011 and has no further interest in the project.

Greenfields exploration in the **Americas** during the first quarter of 2011 continued focusing on early stage exploration in Colombia, Canada, USA, Brazil and Argentina. In **Canada**, joint-venture partner Commander Resources is preparing for the field season at the Baffin Island Gold Project in Nunavut. In **Brazil**, at the *Falcão Joint Venture*, 100m x 50m spaced infill soil sampling has been extended along strike to cover prospective areas of the target structure highlighted by the geophysics. To date 11 lines with a total length of 46.1km have been sampled. Drill testing is scheduled to commence in May. In **Colombia**, field teams continued rock and soil sampling and mapping at Quebradona. In March, a diamond drilling program was initiated at the Chaquiro Project. A total of 694m were drilled in Q1 and drilling at Chaquiro continues. At the Colosa project area, where AngloGold Ashanti now has four rigs working, a series of strong drill results continue to confirm the company's confidence in the ore body.

In the **Solomon Islands**, exploration activities continued at the Kele and Mase joint ventures with XDM Resources. Tenement applications associated with two additional joint venture agreements covering the New Georgia and Vangunu project areas progressed. At Kele, diamond drilling resumed in late February, with 997m of drilling completed during the quarter. Other work included mechanical trenching totalling 1.71km and geochemical sampling with work focussed in the Babatia, Tango West, Konga, Arovo and Vulu prospect areas. Specialist activities included further geophysical, structural and spectral studies of the established mineralised prospect areas.

In the **Democratic Republic of the Congo**, regional exploration continued on Ashanti Goldfields Kilo's (AGK) 5,487km

2

Kilo project. A 5,000m diamond drilling programme over key targets in the regional Kilo area that commenced last quarter at Mont Tsi continued and a total of 1,212m over four holes were drilled to test the mineralisation in and around intrusive bodies. Preliminary results are encouraging with hole MTDD001 returning an intercept of 23.03m @ 3.08 g/t Au. A follow-up soil sampling grid comprising 1,275 samples has been completed on the 2010 stream sediment sampling anomaly. Several soil anomalies have been identified so far and further investigations are underway. Follow-up of regional soil anomalies by trenching, detailed mapping and sampling is ongoing in the northern and central areas with encouraging results. In Gabon, drilling continued on the Ndjolé licence being explored in a joint venture with Dome Ventures. To date, a total of 3,000m has been



drilled at the LaMboumi prospect. Extensive sampling has been carried out with 16,000 samples on the Dome JV licences and 5,200 samples on AngloGold Ashanti's own exploration licences, with robust anomalies that will be tested in the coming months. An EM and magnetic survey was flown during the first quarter over the Ndjole

licence and preliminary results show that the prospective lithologies can be mapped in detail below the soil cover with the EM. This geophysical data will be used to generate further drill targets in the short term and direct the continuing soil sampling programme.

In **Tanzania**, a field mapping exercise was undertaken on the Lusahunga licences, some 150km west of Geita Gold Mine, to test the initial interpretation of airborne geophysical data from a survey completed in 2010. Grab samples yielded encouraging results up to 11 g/t Au and a follow-up sampling and drilling programme is being planned for later in the year.

In **Guinea**, regional exploration work including soil sampling and drilling continued on Blocks 2 and 4 that form part of the greater Siguiri mine tenement. At the end of the first quarter, a total of 6,763 soil samples have been collected, including 2,454 from Block 2 and 4,309 from Block 4. The first phase of diamond drilling to better understand the geological model and mineralisation controls at Saraya (Block 2) has been completed. A total of 2,058m over 8 holes were drilled during the quarter and interpretation of the results is in progress. The first phase of reconnaissance aircore drilling in Block 3 (Kounkoun) was also completed with a total of 9,840m over 107 holes. The interpretation of the findings is underway and preliminary results are encouraging. A reconnaissance aircore drilling programme in the Corridor Block was carried out and by the end of the first phase a total of 6,775m over 96 holes had been drilled.

Greenfields exploration in the **Middle East and North Africa** region is being undertaken by Thani Ashanti; a 50:50 Strategic Alliance between AngloGold Ashanti and Thani Investments. During the first quarter, 1,822m of drilling was completed and results have been received from three of the nine holes. The results include:

12m @ 3.6 g/t Au from 178m;

14m @ 2.9 g/t Au from 193m;

6m @ 4.3 g/t Au from 155m;

8m @ 2.3 g/t Au from 168m;

1m @ 15.7 g/t Au from 133m;

6m @ 1.8 g/t Au from 175m.

Hutite is an historical underground gold mine, which ceased operations in 1952. While historical production figures are unknown, the deposit has many characteristics of other orogenic gold deposits throughout the world. Mineralisation, including significant visible gold, has been defined by drilling over a strike length of 1.5km and remains open along strike and at depth. A second rig is scheduled to start drilling in April.

In Eritrea, the 10,000 line km airborne EM, magnetic and radiometric survey was completed at the Kerkasha and Akordat North exploration licences. The preliminary results of this survey are currently being interpreted and surface geochemical programmes have commenced.

Thani Ashanti signed a Heads of Terms with Stratex International in 2010 signed a Joint Venture Agreement in April 2011. The JV is for 11 exploration licences in the Afar region of Ethiopia and Djibouti and will explore for low-sulphidation, bonanza epithermal deposits. As part of this agreement, Thani Ashanti has a minimum exploration commitment of US\$1M, and can earn 51% interest in the licences by spending US\$3M. In addition, Thani Ashanti has completed a US\$0.5M private placement into Stratex International. Encouraging surface sample results from the Megenta prospect in Ethiopia will be followed up with 3,000m drill programme in the second quarter. In addition, the Asal and Dimoli Khan ELs in Djibouti have returned positive rock chip assays, with eight of eighteen samples from Asal assaying between 0.22 – 3.08 g/t Au.

## **OUTLOOK**

Second quarter production is expected to be around 1.09Moz. Given stronger, volatile currencies and fuel prices, AngloGold Ashanti is guiding second-quarter total cash costs at \$760/oz (R6.75/\$, Brent crude \$120/bl) and equivalent Australian dollar and Brazilian real rates. The quarter-on-quarter increase is influenced by stronger local currencies, higher fuel prices and electricity costs. The above numbers include accounting for deferred stripping charges at \$14/oz.

## Review of the Gold Market

### **Gold price movement and investment markets**

#### **Gold price data**

The gold price traded as low as \$1,308/oz at the beginning of the year as investors moved out of safe-haven holdings into riskier assets, before recovering steadily to current near-record levels. Civil unrest in the Middle East and North Africa unnerved oil markets and resulted in Brent Crude trading well above the key \$100/barrel, with the prospects of continued elevated prices while a speedy resolution of the Libyan conflict looks increasingly unlikely. The consequences of higher oil prices and concomitant inflationary implications have raised questions about the sustainability of the nascent global economic recovery. Widespread civil unrest in the Middle East and North Africa, continued debt concerns among European Union members and growing uncertainty over the United States long-term macroeconomic outlook – underscored by Standard & Poor's surprise 18 April 2011 downgrade of the outlook on US debt to 'negative' have propelled the gold price to new record levels above \$1,500/oz.

#### **Investment demand**

Despite the rebound in the gold price from February onwards, total ETF investment holdings still reflect a net redemption of 1.72Moz, or 2.5% of the gross holdings over the quarter, relative to the start of the year. Gross holdings at the end of the first quarter were 66.81Moz or \$95.3bn at \$1,426/oz. Much of the ETF sell-off in January was attributed to a rebalancing of portfolios as investors banked gains resulting from the 30% rise in the gold price in 2010. Global sales of bar and coin in 2010 amounted to some 60% of investment demand, with ETFs accounting for 20%. It is also worth noting that the rate of bar and coin outflows in the March quarter is likely to have been less than ETF sales as coins and bars are not as easy to sell as ETFs. The COMEX positioning, whilst traditionally more volatile, also showed a net decrease over the quarter. Having started at 28Moz net long, it finished 6% lower at 26.3Moz net long. In India, gold medallion and bar sales for the first quarter were higher than the same period last year. The Indian ETF market continued to grow. During the quarter under review, new gold mutual funds were launched to tap mass market demand for gold ETFs. China experienced another stellar quarter on the investment front, with an estimated year-on-year increase of some 50%. In the US, coin and bar demand remained strong, though with no anecdotal evidence of a repeat in coin minting shortfalls.

#### **Official sector**

The World Gold Council released a report during the quarter which confirmed widespread expectations that the official sector was a net purchaser of gold in 2010. This marks the first time since 1998 that the sector has contributed to demand, rather than being a significant source of supply. Continuing sovereign debt concerns in the Eurozone are likely to keep bullion in central banks vaults, while the trend of emerging nations bolstering gold reserves is also expected to continue.

#### **Jewellery sales**

India's gold resurgence continued in the first quarter of 2011 as January and February import figures reflected a 28% increase in volume terms over the same period last year. After a record 2010, consumption still remained robust at the beginning of the year due to a drop in gold prices and relative stability during the beginning of the auspicious period. An interesting trend has developed in India, with consumers advancing money to retailers to book prices when there is a significant drop. As a result of this trend, retailers are flush with welcome working capital. A further development saw significant demand for bars and coins, not for investment but to be converted into jewellery during the marriage season. China experienced its strongest quarter for gold jewellery demand in five years with an estimated 12% to 15% year-on-year increase. Remarkably, demand remained very strong following the Chinese New Year period which traditionally sees a dramatic slow down in demand. Eighteen-carat gold jewellery once again failed to keep pace with pure gold, but still registered strong growth of about 8%. During the first quarter, the beleaguered US market continued to build upon its improved fourth-quarter performance, with many retailers expressing some optimism for the future. A 4% increase in gold jewellery demand is expected in the quarter under review. The low-end gold market has been severely damaged by the twin blows recession and high gold prices, but the higher-end market continues to grow.

Group income statement

Quarter

Quarter

Quarter

Year

ended

ended

ended

ended

March

December

March

December

2011

2010

2010

2010

SA Rand million

Notes

Unaudited

Unaudited

Unaudited

Audited

Revenue

2

**10,402**

11,095

8,453

40,135

Gold income

**9,934**

10,614

8,222

38,833

Cost of sales

3

**(6,469)**

(7,016)

(6,060)

(25,833)

Gain (loss) on non-hedge derivatives and other  
commodity contracts

4

**11**

(529)

59

(5,136)

**Gross profit**

**3,476**

3,069

2,221

7,864  
Corporate administration, marketing and other  
expenses  
**(465)**  
(518)  
(301)  
(1,589)  
Exploration costs  
**(397)**  
(338)  
(277)  
(1,446)  
Other operating expenses  
5  
**(88)**  
(27)  
(56)  
(149)  
Special items  
6  
**11**  
(208)  
(174)  
(894)  
**Operating profit**  
**2,537**  
1,978  
1,413  
3,786  
Interest received  
**55**  
119  
65  
311  
Exchange gain  
**4**  
93  
38  
18  
Fair value adjustment on option component of  
convertible bonds  
**90**  
(280)  
356  
39  
Finance costs and unwinding of obligations  
7  
**(341)**  
(357)  
(239)  
(1,203)

Fair value adjustment on mandatory convertible  
 bonds  
**139**  
 (222)  
 -  
 (382)  
 Share of equity accounted investments' profit  
**81**  
 63  
 163  
 467  
**Profit before taxation**  
**2,565**  
 1,394  
 1,796  
 3,036  
 Taxation  
 8  
**(864)**  
 (878)  
 (558)  
 (2,018)  
**Profit for the period**  
**1,701**  
 516  
 1,238  
 1,018  
 Allocated as follows:  
 Equity shareholders  
**1,658**  
 404  
 1,150  
 637  
 Non-controlling interests  
**43**  
 112  
 88  
 381  
**1,701**  
 516  
 1,238  
 1,018  
 Basic earnings per ordinary share (cents)  
 1  
**430**  
 105  
 313  
 171  
 Diluted earnings per ordinary share (cents)  
 2  
**429**

105

313

171

1

Calculated on the basic weighted average number of ordinary shares.

*Rounding of figures may result in computational discrepancies.*

2

Calculated on the diluted weighted average number of ordinary shares.

Group **income statement**

**Quarter**

**Quarter**

**Quarter**

**Year**

**ended**

**ended**

**ended**

**ended**

**March**

**December**

**March**

**December**

**2011**

**2010**

**2010**

**2010**

**US Dollar million**

**Notes**

Unaudited

Unaudited

Unaudited

Audited

**Revenue**

2

**1,489**

1,613

1,126

5,514

Gold income

**1,422**

1,543

1,095

5,334

Cost of sales

3

**(926)**

(1,021)

(807)

(3,550)

Gain (loss) on non-hedge derivatives and other  
commodity contracts

4

**2**

(77)

13

(702)

**Gross profit**

**498**

445

301



1,082

Corporate administration, marketing and other expenses

**(66)**

(76)

(40)

(220)

Exploration costs

**(57)**

(49)

(37)

(198)

Other operating expenses

5

**(13)**

(4)

(8)

(20)

Special items

6

**1**

(31)

(23)

(126)

**Operating profit**

**363**

285

193

518

Interest received

**8**

17

9

43

Exchange gain

-

14

4

3

Fair value adjustment on option component of convertible bonds

**15**

(41)

48

(1)

Finance costs and unwinding of obligations

7

**(49)**

(52)

(32)

(166)

Fair value adjustment on mandatory convertible bonds	
<b>22</b>	
(33)	
-	
(55)	
Share of equity accounted investments' profit	
<b>12</b>	
9	
22	
63	
<b>Profit before taxation</b>	
<b>371</b>	
199	
244	
405	
Taxation	
8	
<b>(123)</b>	
(127)	
(76)	
(276)	
<b>Profit for the period</b>	
<b>248</b>	
72	
168	
129	
Allocated as follows:	
Equity shareholders	
<b>241</b>	
56	
157	
76	
Non-controlling interests	
<b>7</b>	
16	
11	
53	
<b>248</b>	
72	
168	
129	
Basic earnings per ordinary share (cents)	
1	
<b>62</b>	
15	
43	
20	
Diluted earnings per ordinary share (cents)	
2	
<b>62</b>	

14

43

20

1

Calculated on the basic weighted average number of ordinary shares.

*Rounding of figures may result in computational discrepancies.*

2

Calculated on the diluted weighted average number of ordinary shares.

Group statement of comprehensive income

Quarter

Quarter

Quarter

Year

ended

ended

ended

ended

March

December

March

December

2011

2010

2010

2010

SA Rand million

Unaudited

Unaudited

Unaudited

Audited

**Profit for the period**

**1,701**

516

1,238

1,018

Exchange differences on translation of foreign operations

**474**

(759)

(280)

(1,766)

Share of equity accounted investments' other comprehensive (expense) income

**(2)**

1

-

(1)

Net loss on cash flow hedges

-

-

(1)

-

Net loss on cash flow hedges removed from equity and reported in gold income

-

-

279

279

Realised gain on hedges of capital items

**1**  
 1  
 1  
 3  
 Deferred taxation thereon  
 -  
 -  
 (98)  
 (99)  
**1**  
 1  
 181  
 183  
 Net (loss) gain on available-for-sale financial  
 assets  
**(11)**  
 403  
 (45)  
 545  
 Release on disposal and impairment of  
 available-for-sale financial assets  
 -  
 (299)  
 -  
 (340)  
 Deferred taxation thereon  
 -  
 -  
 1  
 13  
**(11)**  
 104  
 (44)  
 218  
 Actuarial loss recognised  
 -  
 (175)  
 -  
 (175)  
 Deferred taxation thereon  
 -  
 47  
 -  
 47  
 Deferred taxation thereon  
 47  
 47  
 -  
 (128)  
 -  
 (128)

**Other comprehensive income (expense)  
for the period net of tax**

**462**

(781)

(143)

(1,494)

**Total comprehensive income (expense)  
for the period net of tax**

**2,163**

(265)

1,095

(476)

Allocated as follows:

Equity shareholders

**2,120**

(377)

1,007

(857)

Non-controlling interests

**43**

112

88

381

**2,163**

(265)

1,095

(476)

*Rounding of figures may result in computational discrepancies.*

Group statement of comprehensive income

Quarter

Quarter

Quarter

Year

ended

ended

ended

ended

March

December

March

December

2011

2010

2010

2010

US Dollar million

Unaudited

Unaudited

Unaudited

Audited

**Profit for the period**

**248**

72

168

129

Exchange differences on translation of foreign operations

**(48)**

123

22

213

Share of equity accounted investments' other comprehensive (expense) income

-

-

-

-

Net loss on cash flow hedges

-

-

-

-

Net loss on cash flow hedges removed from equity and reported in gold income

-

-

37

38

Realised gain on hedges of capital items

-  
-  
-  
-  
Deferred taxation thereon  
-  
-  
(13)  
(13)  
-  
-  
24  
25  
Net (loss) gain on available-for-sale financial  
assets  
(2)  
56  
(6)  
75  
Release on disposal and impairment of  
available-for-sale financial assets  
-  
(41)  
-  
(47)  
Deferred taxation thereon  
-  
-  
-  
2  
(2)  
15  
(6)  
30  
Actuarial loss recognised  
-  
(24)  
-  
(24)  
Deferred taxation thereon  
-  
6  
-  
6  
Deferred taxation thereon  
6  
6  
-  
(18)  
-  
(18)



**Other comprehensive (expense) income  
for the period net of tax**

**(50)**

120

40

250

**Total comprehensive income  
for the period net of tax**

**198**

192

208

379

Allocated as follows:

Equity shareholders

**191**

176

197

326

Non-controlling interests

**7**

16

11

53

**198**

192

208

379

*Rounding of figures may result in computational discrepancies.*

Group **statement of financial position**

**As at**

**As at**

**As at**

**March**

**December**

**March**

**2011**

**2010**

**2010**

**SA Rand million**

**Note**

Unaudited

Audited

Unaudited

**ASSETS**

**Non-current assets**

Tangible assets

**41,488**

40,600

42,476

Intangible assets

**1,325**

1,277

1,309

Investments in associates and equity accounted joint ventures

**4,337**

4,087

4,795

Other investments

**1,677**

1,555

1,315

Inventories

**2,453**

2,268

2,485

Trade and other receivables

**1,099**

1,000

867

Derivatives

-

-

19

Deferred taxation

**87**

131

349

Cash restricted for use

**131**

214	
364	
Other non-current assets	
<b>68</b>	
59	
99	
<b>52,665</b>	
51,191	
54,078	
<b>Current assets</b>	
Inventories	
<b>6,082</b>	
5,848	
5,216	
Trade and other receivables	
<b>1,878</b>	
1,625	
1,517	
Derivatives	
<b>17</b>	
6	
1,517	
Current portion of other non-current assets	
<b>27</b>	
4	
2	
Cash restricted for use	
<b>123</b>	
69	
118	
Cash and cash equivalents	
<b>4,187</b>	
3,776	
5,346	
<b>12,314</b>	
11,328	
13,716	
Non-current assets held for sale	
<b>10</b>	
110	
665	
<b>12,324</b>	
11,438	
14,381	
<b>TOTAL ASSETS</b>	
<b>64,989</b>	
62,629	
68,459	
<b>EQUITY AND LIABILITIES</b>	
Share capital and premium	
11	

<b>45,742</b>
45,678
39,884
Retained earnings and other reserves
<b>(17,641)</b>
(19,470)
(17,465)
Non-controlling interests
<b>874</b>
815
956
<b>Total equity</b>
<b>28,975</b>
27,023
23,375
<b>Non-current liabilities</b>
Borrowings
<b>16,991</b>
16,877
4,809
Environmental rehabilitation and other provisions
<b>4,025</b>
3,873
3,383
Provision for pension and post-retirement benefits
<b>1,268</b>
1,258
1,181
Trade, other payables and deferred income
<b>112</b>
110
144
Derivatives
<b>1,093</b>
1,158
941
Deferred taxation
<b>6,428</b>
5,910
5,661
<b>29,917</b>
29,186
16,119
<b>Current liabilities</b>
Current portion of borrowings
<b>312</b>
886
7,095
Trade, other payables and deferred income
<b>4,645</b>
4,630

3,867

Derivatives

-

-

16,674

Taxation

**1,140**

882

1,271

**6,097**

6,398

28,907

Non-current liabilities held for sale

-

22

58

**6,097**

6,420

28,965

**Total liabilities**

**36,014**

35,606

45,084

**TOTAL EQUITY AND LIABILITIES**

**64,989**

62,629

68,459

*Rounding of figures may result in computational discrepancies.*

Group **statement of financial position**

**As at**

**As at**

**As at**

**March**

**December**

**March**

**2011**

**2010**

**2010**

**US Dollar million**

**Note**

Unaudited

Audited

Unaudited

**ASSETS**

**Non-current assets**

Tangible assets

**6,132**

6,180

5,823

Intangible assets

**196**

194

180

Investments in associates and equity accounted joint ventures

**641**

622

657

Other investments

**248**

237

180

Inventories

**363**

345

340

Trade and other receivables

**162**

152

119

Derivatives

-

-

3

Deferred taxation

**13**

20

48

Cash restricted for use

**19**

33
50
Other non-current assets
<b>10</b>
9
14
<b>7,784</b>
7,792
7,414
<b>Current assets</b>
Inventories
<b>899</b>
890
715
Trade and other receivables
<b>277</b>
247
208
Derivatives
<b>3</b>
1
208
Current portion of other non-current assets
<b>4</b>
1
-
Cash restricted for use
<b>18</b>
10
16
Cash and cash equivalents
<b>619</b>
575
733
<b>1,820</b>
1,724
1,880
Non-current assets held for sale
<b>2</b>
16
91
<b>1,822</b>
1,740
1,971
<b>TOTAL ASSETS</b>
<b>9,606</b>
9,532
9,385
<b>EQUITY AND LIABILITIES</b>
Share capital and premium
11

<b>6,637</b>
6,627
5,811
Retained earnings and other reserves
<b>(2,483)</b>
(2,638)
(2,738)
Non-controlling interests
<b>129</b>
124
131
<b>Total equity</b>
<b>4,283</b>
4,113
3,204
<b>Non-current liabilities</b>
Borrowings
<b>2,511</b>
2,569
659
Environmental rehabilitation and other provisions
<b>595</b>
589
464
Provision for pension and post-retirement benefits
<b>187</b>
191
162
Trade, other payables and deferred income
<b>16</b>
17
20
Derivatives
<b>162</b>
176
129
Deferred taxation
<b>950</b>
900
776
<b>4,421</b>
4,442
2,210
<b>Current liabilities</b>
Current portion of borrowings
<b>46</b>
135
973
Trade, other payables and deferred income
<b>687</b>
705



530

Derivatives

-

-

2,286

Taxation

**169**

134

174

**902**

974

3,963

Non-current liabilities held for sale

-

3

8

**902**

977

3,971

**Total liabilities**

**5,323**

5,419

6,181

**TOTAL EQUITY AND LIABILITIES**

**9,606**

9,532

9,385

*Rounding of figures may result in computational discrepancies.*

Group **statement of cash flows**

**Quarter**

**Quarter**

**Quarter**

**Year**

**ended**

**ended**

**ended**

**ended**

**March**

**December**

**March**

**December**

**2011**

**2010**

**2010**

**2010**

**SA Rand million**

Unaudited

Unaudited

Unaudited

Audited

**Cash flows from operating activities**

Receipts from customers

**10,123**

10,955

8,166

39,717

Payments to suppliers and employees

**(6,596)**

(5,944)

(6,640)

(26,682)

Cash generated from operations

**3,527**

5,011

1,526

13,035

Dividends received from equity accounted investments

**203**

218

117

939

Taxation paid

**(123)**

(153)

(317)

(1,371)

Cash utilised for hedge buy-back costs

-

(7,312)

-
(18,333)
Net cash inflow (outflow) from operating activities
<b>3,607</b>
(2,236)
1,326
(5,730)
<b>Cash flows from investing activities</b>
Capital expenditure
<b>(1,635)</b>
(2,470)
(1,267)
(7,108)
Proceeds from disposal of tangible assets
<b>12</b>
12
16
500
Other investments acquired
<b>(215)</b>
(152)
(120)
(832)
Acquisition of associates and equity accounted joint ventures
<b>(166)</b>
(100)
(72)
(319)
Proceeds on disposal of associate
-
-
4
4
Loans advanced to associates and equity accounted joint ventures
-
-
(17)
(22)
Proceeds from disposal of subsidiary
<b>62</b>
-
-
-
Cash in subsidiary disposed
<b>(77)</b>
-
-
-
Proceeds from disposal of investments
<b>105</b>
578

54  
 1,039  
 Decrease (increase) in cash restricted for use  
**31**  
 8  
 (3)  
 182  
 Interest received  
**54**  
 59  
 59  
 232  
 Loans advanced  
 -  
 (8)  
 (37)  
 (41)  
 Repayment of loans advanced  
 -  
 2  
 1  
 3  
 Net cash outflow from investing activities  
**(1,829)**  
 (2,071)  
 (1,382)  
 (6,362)  
**Cash flows from financing activities**  
 Proceeds from issue of share capital  
**5**  
 31  
 3  
 5,656  
 Share issue expenses  
 -  
 (31)  
 -  
 (144)  
 Proceeds from borrowings  
 -  
 1,880  
 264  
 16,666  
 Repayment of borrowings  
**(1,080)**  
 (2,400)  
 (2,642)  
 (12,326)  
 Finance costs paid  
**(122)**  
 (398)

(76)	
(821)	
Mandatory convertible bond transaction costs	
-	
(30)	
-	
(184)	
Dividends paid	
<b>(306)</b>	
(139)	
(260)	
(846)	
Net cash (outflow) inflow from financing activities	
<b>(1,503)</b>	
(1,087)	
(2,711)	
8,001	
<b>Net increase (decrease) in cash and cash equivalents</b>	
<b>275</b>	
(5,394)	
(2,767)	
(4,091)	
Translation	
<b>63</b>	
(70)	
(63)	
(236)	
Cash and cash equivalents at beginning of period	
<b>3,849</b>	
9,313	
8,176	
8,176	
<b>Cash and cash equivalents at end of period</b>	
<b>(1)</b>	
<b>4,187</b>	
3,849	
5,346	
3,849	
<b>Cash generated from operations</b>	
Profit before taxation	
<b>2,565</b>	
1,394	
1,796	
3,036	
Adjusted for:	
Movement on non-hedge derivatives and other commodity contracts	
<b>(11)</b>	
499	
(672)	
2,946	
Amortisation of tangible assets	

<b>1,294</b>
1,341
1,267
5,022
Finance costs and unwinding of obligations
<b>341</b>
357
239
1,203
Environmental, rehabilitation and other expenditure
<b>1</b>
470
30
535
Special items
<b>45</b>
279
169
1,076
Amortisation of intangible assets
<b>4</b>
7
4
18
Deferred stripping
<b>141</b>
156
204
921
Fair value adjustment on option component of convertible bonds
<b>(90)</b>
280
(356)
(39)
Fair value adjustment on mandatory convertible bonds
<b>(139)</b>
222
-
382
Interest received
<b>(55)</b>
(119)
(65)
(311)
Share of equity accounted investments' profit
<b>(81)</b>
(63)
(163)
(467)
Other non-cash movements
<b>43</b>

133

21

250

Movements in working capital

**(531)**

55

(948)

(1,537)

**3,527**

5,011

1,526

13,035

**Movements in working capital**

Increase in inventories

**(354)**

(101)

(97)

(667)

Increase in trade and other receivables

**(497)**

(200)

(302)

(781)

Increase (decrease) in trade and other payables

**320**

356

(549)

(89)

**(531)**

55

(948)

(1,537)

*Rounding of figures may result in computational discrepancies.*

(1)

The cash and cash equivalents balance at 31 December 2010 includes cash and cash equivalents included on the statement of financial

position as part of non-current assets held for sale of R73m.

Group **statement of cash flows**

**Quarter**

**Quarter**

**Quarter**

**Year**

**ended**

**ended**

**ended**

**ended**

**March**

**December**

**March**

**December**

**2011**

**2010**

**2010**

**2010**

**US Dollar million**

Unaudited

Unaudited

Unaudited

Audited

**Cash flows from operating activities**

Receipts from customers

**1,451**

1,589

1,086

5,448

Payments to suppliers and employees

**(950)**

(925)

(881)

(3,734)

Cash generated from operations

**501**

664

205

1,714

Dividends received from equity accounted investments

**30**

39

16

143

Taxation paid

**(18)**

(24)

(42)

(188)

Cash utilised for hedge buy-back costs

-

(1,061)



-
(2,611)
Net cash inflow (outflow) from operating activities
<b>513</b>
(382)
179
(942)
<b>Cash flows from investing activities</b>
Capital expenditure
<b>(234)</b>
(350)
(169)
(973)
Proceeds from disposal of tangible assets
<b>2</b>
2
2
69
Other investments acquired
<b>(31)</b>
(23)
(16)
(114)
Acquisition of associates and equity accounted joint ventures
<b>(24)</b>
(15)
(10)
(44)
Proceeds on disposal of associate
-
-
1
1
Loans advanced to associates and equity accounted joint ventures
-
-
(2)
(3)
Proceeds from disposal of subsidiary
<b>9</b>
-
-
-
Cash in subsidiary disposed
<b>(11)</b>
-
-
-
Proceeds from disposal of investments
<b>15</b>
80

7  
 142  
 Decrease in cash restricted for use  
**5**  
 2  
 -  
 25  
 Interest received  
**8**  
 8  
 8  
 32  
 Loans advanced  
 -  
 (1)  
 (5)  
 (6)  
 Repayment of loans advanced  
 -  
 -  
 -  
 -  
 Net cash outflow from investing activities  
**(261)**  
 (297)  
 (184)  
 (871)  
**Cash flows from financing activities**  
 Proceeds from issue of share capital  
**1**  
 4  
 -  
 798  
 Share issue expenses  
 -  
 (4)  
 -  
 (20)  
 Proceeds from borrowings  
 -  
 276  
 35  
 2,316  
 Repayment of borrowings  
**(152)**  
 (324)  
 (352)  
 (1,642)  
 Finance costs paid  
**(18)**  
 (58)

(10)	
(115)	
Mandatory convertible bond transaction costs	
-	
(4)	
-	
(26)	
Dividends paid	
<b>(43)</b>	
(20)	
(35)	
(117)	
Net cash (outflow) inflow from financing activities	
<b>(212)</b>	
(130)	
(362)	
1,194	
<b>Net increase (decrease) in cash and cash equivalents</b>	
<b>40</b>	
(809)	
(367)	
(619)	
Translation	
(7)	
57	
-	
105	
Cash and cash equivalents at beginning of period	
<b>586</b>	
1,338	
1,100	
1,100	
<b>Cash and cash equivalents at end of period</b>	
<b>(1)</b>	
<b>619</b>	
586	
733	
586	
<b>Cash generated from operations</b>	
Profit before taxation	
<b>371</b>	
199	
244	
405	
Adjusted for:	
Movement on non-hedge derivatives and other commodity contracts	
<b>(2)</b>	
72	
(94)	
408	
Amortisation of tangible assets	

<b>185</b>
195
169
690
Finance costs and unwinding of obligations
<b>49</b>
52
32
166
Environmental, rehabilitation and other expenditure
-
69
4
78
Special items
<b>7</b>
42
23
152
Amortisation of intangible assets
<b>1</b>
1
-
2
Deferred stripping
<b>20</b>
23
27
125
Fair value adjustment on option component of convertible bonds
<b>(15)</b>
41
(48)
1
Fair value adjustment on mandatory convertible bonds
<b>(22)</b>
33
-
55
Interest received
<b>(8)</b>
(17)
(9)
(43)
Share of equity accounted investments' profit
<b>(12)</b>
(9)
(22)
(63)
Other non-cash movements
<b>7</b>

19

3

37

Movements in working capital

**(80)**

(56)

(124)

(299)

**501**

664

205

1,714

**Movements in working capital**

Increase in inventories

**(17)**

(85)

(33)

(236)

Increase in trade and other receivables

**(66)**

(46)

(45)

(142)

Increase (decrease) in trade and other payables

**3**

75

(46)

79

**(80)**

(56)

(124)

(299)

*Rounding of figures may result in computational discrepancies.*

(1)

The cash and cash equivalents balance at 31 December 2010 includes cash and cash equivalents included on the statement of financial

position as part of non-current assets held for sale of \$11m.

**Group statement of changes in equity**

**Share**

**Cash**

**Available**

**Foreign**

**capital**

**Other**

**flow**

**for**

**Actuarial**

**currency**

**Non-**

**and**

**capital**

**Retained**

**hedged**

**sale**

**(losses) translation**

**controlling**

**Total**

**SA Rand million**

**premium**

**reserves**

**earnings**

**reserve**

**reserve**

**gains**

**reserve**

**Total**

**interests**

**equity**

Balance at 31 December 2009

39,834

1,194

(25,739)

(174)

414

(285)

6,314

21,558

966

22,524

Profit for the period

1,150

1,150

88

1,238

Other comprehensive (expense) income

181

(44)

(280)

(143)							
(143)							
Total comprehensive income (expense)							
-	-	1,150	181	(44)	-	(280)	1,007
88	1,095						
Shares issued							
50							
50							
50							
Share-based payment for share awards net of exercised							
45							
45							
45							
Dividends paid							
(255)							
(255)							
(255)							
Dividends of subsidiaries							
-							
(84)							
(84)							
Translation							
(2)							
22							
(6)							
14							
(14)							
-							
<b>Balance at 31 March 2010</b>							
<b>39,884</b>							
<b>1,237</b>							
<b>(24,822)</b>							
<b>7</b>							
<b>364</b>							
<b>(285)</b>							
<b>6,034</b>							
<b>22,419</b>							
<b>956</b>							
<b>23,375</b>							
Balance at 31 December 2010							
<b>45,678</b>							
<b>1,275</b>							
<b>(25,437)</b>							
<b>(15)</b>							
<b>568</b>							
<b>(409)</b>							
<b>4,548</b>							
<b>26,208</b>							
<b>815</b>							
<b>27,023</b>							

Profit for the period

**1,658**

**1,658**

**43**

**1,701**

Other comprehensive income (expense)

(2)

**1**

(11)

**474**

**462**

**462**

Total comprehensive income (expense)

- (2) 1,658 1 (11) - 474 2,120

**43 2,163**

Shares issued

**64**

**64**

**64**

Share-based payment for share awards

net of exercised

**31**

**31**

**31**

Dividends paid

(306)

(306)

(306)

Translation

**8**

(39)

**16**

(1)

(16)

**16**

-

**Balance at 31 March 2011**

**45,742**

**1,312**

(24,124)

(14)

**573**

(410)

**5,022**

**28,101**

**874**

**28,975**

**US Dollar million**

Balance at 31 December 2009

5,805

161



(2,744)  
 (23)  
 56  
 (38)  
 (317)  
 2,900  
 130  
 3,030

**Equity holders of the parent**

(,  
 )  
 (  
 )  
 (  
 )  
 (  
 )  
 ,  
 ,  
 Profit for the period  
 157  
 157  
 11  
 168  
 Other comprehensive income (expense)  
 24  
 (6)  
 22  
 40  
 40  
 Total comprehensive income (expense)  
 -                      -                      157                      24                      (6)                      -                      22                      197  
 11                      208  
 Shares issued  
 6  
 6  
 6  
 Share-based payment for share awards  
 net of exercised  
 6  
 6  
 6  
 Dividends paid  
 (35)  
 (35)  
 (35)  
 Dividends of subsidiaries  
 -  
 (11)  
 (11)  
 Translation

3						
(3)						
(1)						
(1)						
1						
-						
<b>Balance at 31 March 2010</b>			<b>5,811</b>	<b>170</b>	<b>(2,625)</b>	<b>1</b>
<b>50</b>	<b>(39)</b>	<b>(295)</b>	<b>3,073</b>	<b>131</b>	<b>3,204</b>	
Balance at 31 December 2010						
<b>6,627</b>						
<b>194</b>						
<b>(2,750)</b>						
<b>(2)</b>						
<b>86</b>						
<b>(62)</b>						
<b>(104)</b>						
<b>3,989</b>						
<b>124</b>						
<b>4,113</b>						
Profit for the period						
<b>241</b>						
<b>241</b>						
<b>7</b>						
<b>248</b>						
Other comprehensive expense						
<b>(2)</b>						
<b>(48)</b>						
<b>(50)</b>						
<b>(50)</b>						
Total comprehensive income (expense)						
<b>-</b>	<b>-</b>	<b>241</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>(48)</b>
<b>7</b>	<b>198</b>					<b>191</b>
Shares issued						
<b>10</b>						
<b>10</b>						
<b>10</b>						
Share-based payment for share awards net of exercised						
<b>5</b>						
<b>5</b>						
<b>5</b>						
Dividends paid						
<b>(43)</b>						
<b>(43)</b>						
<b>(43)</b>						
Translation						
<b>(5)</b>						
<b>5</b>						
<b>1</b>						
<b>1</b>						
<b>2</b>						

(2)

-

**Balance at 31 March 2011**

**6,637**

**194**

**(2,547)**

**(2)**

**85**

**(61)**

**(152)**

**4,154**

**129**

**4,283**

*Rounding of figures may result in computational discrepancies.*

**Segmental reporting**

**for the quarter ended 31 March 2011**

**Year ended**

**Year ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Audited

Unaudited

Unaudited

Unaudited

Audited

**Gold income**

South Africa

**3,910**

4,499

3,083

16,056

**560**

654

410

2,207

Continental Africa

**3,805**

3,654

3,082

13,604

**545**

532

411

1,868

Australasia

**674**

988

844

3,391

**97**

143

113

466

Americas

**2,119**

2,073

1,879

8,202

**303**

301

250

1,124

**10,508**

11,214

8,888

41,253

**1,505**

1,630

1,184

5,665

Equity accounted investments

included above

**(574)**

(600)

(667)

(2,420)

**(82)**

(87)

(89)

(331)

**9,934**

10,614

8,222

38,833

**1,422**

1,543

1,095

5,334

**Year ended**

**Year ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Audited

Unaudited

Unaudited

Unaudited

Audited

**Gross profit (loss)**

South Africa

**1,469**

(345)

797

3,180

**210**

(50)

108

429

Continental Africa

**1,132**

4,412

815

4,219

**163**

640

110

604

AngloGold Ashanti's operating segments are being reported based on the financial information provided to the Chief Executive

Officer and the Executive Management team, collectively identified as the Chief Operating Decision Maker ("CODM"). Individual

members of the Executive Management team are responsible for geographic regions of the business.

**Quarter ended**

**Quarter ended**

**Quarter ended**

**Quarter ended**

SA Rand million

US Dollar million

SA Rand million

US Dollar million

Continental Africa

**1,132**

4,412

815

4,219

**163**

640

110

604

Australasia

**37**

(513)

(24)

(1,452)

**5**

(75)

(3)

(206)

Americas

**1,101**

(317)

909

2,664

**158**

(46)

122

357

Corporate and other

**(49)**

13

41

171

(7)

2

5

23

**3,690**

3,250

2,538

8,782

**529**

471

343

1,207

Equity accounted investments

included above

**(214)**

(180)

(317)

(918)

**(31)**

(26)

(42)

(125)

**3,476**

3,069

2,221

7,864

**498**

445

301

1,082

**Year ended**

**Year ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

**Adjusted gross profit (loss)  
excluding hedge buy-back  
costs**

**(1)**

South Africa

**1,469**

1,652

387

4,580

**210**

239

51

634

Continental Africa

**1,132**

971

781

3,314



**163**  
141  
104  
455  
Australasia  
**37**  
279  
(25)  
217  
**5**  
41  
(3)  
33  
Americas  
**1,090**  
863  
771  
3,563  
**156**  
125  
103  
487  
Corporate and other  
**(49)**  
13  
41  
171  
**(7)**  
2  
5  
23  
**3,678**  
3,778  
1,955  
11,845  
**527**  
548  
260  
1,632  
Equity accounted investments  
included above  
**(214)**  
(180)  
(317)  
(918)  
**(31)**  
(26)  
(42)  
(125)  
**3,464**  
3,598

1,638  
10,927  
**497**  
522  
218  
1,507  
(1)

Refer to note B "Non-GAAP disclosure" for definition.

*Rounding of figures may result in computational discrepancies.*

**Quarter ended**

**Quarter ended**

SA Rand million

US Dollar million

**Segmental reporting (continued)**

**Year ended**

**Year ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Audited

Unaudited

Unaudited

Unaudited

Audited

**Gold production**

**(1)**

South Africa

**12,466**

14,801

11,949

55,528

**401**

476

384

1,785

Continental Africa

**11,287**

11,623

11,643

46,390

**363**

374

374

1,492

Australasia

**2,244**

3,175

3,552

12,313

**72**

102

114

396

Americas

**6,306**

6,105

6,431

26,187

**203**

196

207

842

**32,303**

35,703

33,574

140,418

**1,039**

1,148

1,079

4,515

**Year ended**

**Year ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Audited

Unaudited

Unaudited

Unaudited

Audited

**Capital expenditure**

South Africa

**663**

1,009  
610  
3,096  
**95**  
144  
81  
424  
Continental Africa  
**436**  
685  
204  
1,708  
**62**  
97  
27  
234  
Australasia  
**75**  
71  
65  
290  
**11**  
10  
9  
40  
Americas  
**551**  
782  
393  
2,270  
**79**  
111  
52  
311  
Corporate and other  
**14**  
25  
11  
49  
**2**  
3  
2  
6  
**1,740**  
2,572  
1,283  
7,413  
**249**  
365  
171  
1,015

Equity accounted investments  
 included above  
**(105)**  
 (102)  
 (16)  
 (305)  
**(15)**  
 (15)  
 (2)  
 (42)  
**1,635**  
 2,470  
 1,267  
 7,108  
**234**  
 350  
 169  
 973  
**Quarter ended**  
**Quarter ended**  
**Quarter ended**  
**Quarter ended**  
 kg  
 oz (000)  
 SA Rand million  
 US Dollar million  
**As at**  
**As at**  
**As at**  
**As at**  
**As at**  
**As at**  
**As at**  
**Mar**  
**Dec**  
**Mar**  
**Mar**  
**Dec**  
**Mar**  
**2011**  
**2010**  
**2010**  
**2011**  
**2010**  
**2010**  
 Unaudited  
 Audited  
 Unaudited  
 Unaudited  
 Audited  
 Unaudited  
**Total assets**

South Africa

**16,275**

16,226

16,892

**2,406**

2,469

2,316

Continental Africa

**26,682**

26,060

28,660

**3,944**

3,966

3,929

Australasia

**4,000**

3,644

4,208

**591**

555

577

Americas

**14,656**

13,855

14,692

**2,166**

2,109

2,014

Corporate and other

**3,917**

3,384

4,526

**579**

515

620

**65,530**

63,169

68,978

**9,686**

9,614

9,456

Equity accounted investments  
included above

**(541)**

(540)

(518)

**(80)**

(82)

(71)

**64,989**

62,629

68,459

**9,606**

9,532

9,385

(1)

Gold production includes equity accounted investments.

*Rounding of figures may result in computational discrepancies.*

US Dollar million

SA Rand million



**Notes****for the quarter ended 31 March 2011****1.****Basis of preparation**

The financial statements in this quarterly report have been prepared in accordance with the historic cost convention except for certain financial instruments which are stated at fair value. The group's accounting policies used in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2010.

The financial statements of AngloGold Ashanti Limited have been prepared in compliance with IAS34, JSE Listings Requirements and in the manner required by the South African Companies Act, 1973 (as amended) for the preparation of financial information of the group for the quarter ended 31 March 2011.

**2. Revenue****Quarter ended****Year ended****Quarter ended****Year ended**

<b>Mar</b>	<b>Dec</b>	<b>Mar</b>
<b>Dec</b>		
<b>Mar</b>		
<b>Dec</b>	<b>Mar</b>	<b>Dec</b>
<b>2011</b>	<b>2010</b>	<b>2010</b>
<b>2010</b>		
<b>2011</b>		
<b>2010</b>	<b>2010</b>	<b>2010</b>

Unaudited

Unaudited

Unaudited

Audited

Unaudited

Unaudited

Unaudited

Audited

SA Rand million

US Dollar million

Gold income

**9,934**

10,614

8,222

38,833

**1,422**

1,543

1,095

5,334

By-products (note 3)

**356**

321

166

935

**51**

47

22

129  
 Royalties received  
**57**  
 42  
 -  
 56  
**8**  
 6  
 -  
 8  
 Interest received  
**55**  
 119  
 65                    311  
**8**  
 17  
 9  
 43  
**10,402**  
 11,095  
 8,453  
 40,135  
**1,489**  
 1,613  
 1,126  
 5,514  
**3.**  
**Cost of sales**  
**Quarter ended**  
**Year ended**  
**Quarter ended**  
**Year ended**  
**Mar                    Dec                    Mar**  
**Dec**  
**Mar**  
**Dec                    Mar                    Dec**  
**2011                    2010                    2010**  
**2010**  
**2011**  
**2010                    2010                    2010**  
 Unaudited  
 Unaudited  
 Unaudited  
 Audited  
 Unaudited  
 Unaudited  
 Unaudited  
 Audited  
 SA Rand million  
 US Dollar million  
 Cash operating costs

<b>(5,107)</b>	
(5,120)	(4,773)
(20,084)	
<b>(730)</b>	
(745)	(636)
(2,756)	
Insurance reimbursement	
-	
-	
-	123
-	
-	
16	
By-products revenue (note 2)	
<b>356</b>	
321	
166	
935	
<b>51</b>	
47	
22	
129	
<b>(4,751)</b>	
(4,799)	(4,607)
(19,026)	
<b>(679)</b>	
(698)	(614)
(2,611)	
Royalties	
<b>(276)</b>	
(313)	(189)
(1,030)	
<b>(40)</b>	
(45)	(25)
(142)	
Other cash costs	
<b>(50)</b>	
(54)	(37)
(182)	
<b>(7)</b>	
(8)	(5)
(25)	
Total cash costs	
<b>(5,077)</b>	
(5,166)	(4,832)
(20,238)	
<b>(726)</b>	
(751)	(644)
(2,778)	
Retrenchment costs	

<b>(28)</b>		
(64)	(52)	
(166)		
<b>(4)</b>		
(9)	(7)	
(23)		
Rehabilitation and other non-cash costs		
<b>(68)</b>		
(529)	(86)	
(756)		
<b>(10)</b>		
(78)	(12)	
(109)		
Production costs		
<b>(5,173)</b>		
(5,759)	(4,971)	
(21,160)		
<b>(740)</b>		
(838)	(663)	
(2,910)		
Amortisation of tangible assets		
<b>(1,294)</b>		
(1,341)	(1,267)	
(5,022)		
<b>(185)</b>		
(195)	(169)	(690)
Amortisation of intangible assets		
<b>(4)</b>		
(7)	(4)	
(18)		
<b>(1)</b>		
(1)	-	
(2)		
Total production costs		
<b>(6,471)</b>		
(7,107)	(6,242)	
(26,200)		
<b>(925)</b>		
(1,034)	(832)	
(3,602)		
Inventory change		
<b>2</b>		
92		
182		
367		
<b>(1)</b>		
13		
24		
52		
<b>(6,469)</b>		

(7,016) (6,060)  
 (25,833)  
**(926)**  
 (1,021) (807)  
 (3,550)

**4.**

**Gain (loss) on non-hedge derivatives and other commodity contracts**

**Quarter ended**

**Year ended**

**Quarter ended**

**Year ended**

**Mar Dec**

**Mar**

**Dec**

**Mar**

**Dec Mar Dec**

**2011 2010**

**2010**

**2010**

**2011**

**2010 2010 2010**

Unaudited

Unaudited

Unaudited

Audited

Unaudited

Unaudited

Unaudited

Audited

SA Rand million

US Dollar million

Loss on realised non-hedge  
 derivatives

-  
 - (524)  
 (2,073)

-

-

(69)

(277)

Loss on hedge buy-back costs

-

(7,316)

- (18,954)

-

(1,061)

-

(2,698)

Gain on unrealised non-hedge  
 derivatives

**11**

6,787 583

15,891

**2**

985

82

2,273

**11**

(529)

59 (5,136)

**2**

(77) 13

(702)

*Rounding of figures may result in computational discrepancies.*

## 5.

**Other operating expenses**

Quarter ended

Year ended

Quarter ended

Year ended

Mar Dec

Mar

Dec

Mar

Dec Mar Dec

2011 2010

2010

2010

2011

2010 2010 2010

Unaudited Unaudited

Unaudited

Audited

Unaudited

Unaudited Unaudited

Audited

SA Rand million

US Dollar million

Pension and medical defined benefit provisions

**(26)**

45 (24)

(28)

**(4)**

7

(3)

(3)

Claims filed by former employees in respect of

loss of employment, work-related accident

injuries and diseases, governmental fiscal

claims and care and maintenance of old

tailings operations

**(62)**

(72)

(32)

(121)

**(9)**

(11) (5)

(17)

**(88)**

(27)

(56)

(149)

**(13)**

(4) (8)

(20)

**6. Special items**

**Quarter ended**

**Year ended**

**Quarter ended**

**Year ended**

**Mar Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011 2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited Unaudited

Unaudited

Audited

Unaudited

Unaudited

Unaudited

Audited

SA Rand million

US Dollar million

Indirect tax expenses and legal claims

**(35)**

(46)

(44)

(125)

**(5)**

(6)

(6)

(17)

Mandatory convertible bonds issue discount,  
underwriting and professional fees

-

5

-

(396)

-

1

-

(56)

Net impairments of tangible assets (note 9)

**(7)**

(399)

(81)

(634)

**(1)**

(59)

(11)

(91)

Recovery on consignment inventory

-

-

-

39

-



-		
-		
5		
Impairment of other receivables		
<b>(7)</b>		
(11)		
(33)		
(67)		
<b>(1)</b>		
(2)	(4)	(9)
Contractor termination costs at Geita Gold Mining Limited		
-		
-	(5)	
(8)		
-		
-		
(1)		
(1)		
Insurance claim recovery		
-		
31	-	
134	-	
4		
-		
19		
Royalties received		
<b>57</b>		
41	-	
56	<b>8</b>	
6		
-		
8		
Net loss on disposal and derecognition of land, mineral rights, tangible assets and exploration properties (note 9)		
<b>(11)</b>		
(81)		
(11)		
(191)		
<b>(2)</b>		
(11)	(2)	
(25)		
Impairment of investment (note 9)		
-		
(16)		
-	(16)	
-		
(2)	-	
(2)		
Profit on disposal of investments (note 9)		

-			
269	-		
314	-		
37			
-			
43			
Profit on disposal of subsidiary			
ISS International Limited (note 9)			
<b>14</b>			
-	-	-	2
-			
-			
-			
<b>11</b>			
(208)			
(174)			
(894)			
<b>1</b>			
(31)	(23)		
(126)			
<b>7.</b>			
<b>Finance costs and unwinding of obligations</b>			
<b>Quarter ended</b>			
<b>Year ended</b>			
<b>Quarter ended</b>			
<b>Year ended</b>			
<b>Mar</b>	<b>Dec</b>		
<b>Mar</b>			
<b>Dec</b>			
<b>Mar</b>			
<b>Dec</b>	<b>Mar</b>	<b>Dec</b>	
<b>2011</b>	<b>2010</b>		
<b>2010</b>			
<b>2010</b>			
<b>2011</b>			
<b>2010</b>	<b>2010</b>	<b>2010</b>	
Unaudited	Unaudited		
Unaudited			
Audited			
Unaudited			
Unaudited	Unaudited		
Audited			
SA Rand million			
US Dollar million			
Finance costs			
<b>(248)</b>			
(259)			
(142)			
(834)			
<b>(36)</b>			
(38)	(19)		

(115)  
 Unwinding of obligations, accretion of  
 convertible bonds and other discounts  
**(93)**  
 (98)  
 (97)  
 (369)  
**(13)**  
 (14) (13) (51)  
**(341)**  
 (357)  
 (239)  
 (1,203)  
**(49)**  
 (52) (32)  
 (166)

**8. Taxation**

**Quarter ended**

**Year ended**

**Quarter ended**

**Year ended**

**Mar Dec**

**Mar**

**Dec**

**Mar**

**Dec Mar Dec**

**2011 2010**

**2010**

**2010**

**2011**

**2010 2010 2010**

Unaudited Unaudited

Unaudited

Audited

Unaudited

Unaudited Unaudited

Audited

SA Rand million

US Dollar million

**South African taxation**

Non-mining tax

**(10)**

(53)

(95)

(112)

**(1)**

(8) (13) (13)

(Under) over provision prior year

**(5)**

34

(12)

628			
<b>(1)</b>			
5			
(2)			
89			
<b>Deferred taxation</b>			
Temporary differences			
<b>(403)</b>			
80	108		
1,377	<b>(58)</b>		
12			
14			
195			
Unrealised non-hedge derivatives and other commodity contracts			
-			
(461)			
(160)			
(2,353)			
-			
(67)	(22)		
(334)			
Change in estimated deferred tax rate			
-			
39	29	39	-
6			
4			
6			
<b>(418)</b>			
(361)			
(130)			
(421)			
<b>(60)</b>			
(52)	(18)	(57)	
<b>Foreign taxation</b>			
Normal taxation			
<b>(367)</b>			
(617)			
(337)			
(1,628)			
<b>(52)</b>			
(90)	(45)		
(226)			
Over provision prior year			
-			
46	2		
17	-		
7			
-			
3			
<b>Deferred taxation</b>			

Temporary differences

**(79)**

54 (92)

37 **(11)**

8

(13)

7

Unrealised non-hedge derivatives and  
other commodity contracts

-

- -

(23)

-

-

-

(3)

**(446)**

(517)

(428)

(1,597)

**(63)**

(75) (58)

(219)

**(864)**

(878)

(558)

(2,018)

**(123)**

(127) (76)

(276)

*Rounding of figures may result in computational discrepancies.*

**9. Headline earnings****Quarter ended****Year ended****Quarter ended****Year ended****Mar Dec****Mar****Dec****Mar****Dec Mar Dec****2011 2010****2010****2010****2011****2010 2010 2010**

Unaudited

Unaudited

Unaudited

Audited

Unaudited

Unaudited

Unaudited

Audited

SA Rand million

US Dollar million

The profit attributable to equity shareholders

has been adjusted by the following to arrive

at headline earnings:

Profit attributable to equity shareholders

**1,658**404 1,150 637 **241**

56

157

76

Net impairments of tangible assets (note 6)

**7**

399 81

634 **1**

59

11

91

Net loss on disposal and derecognition of land,

mineral rights, tangible assets and

exploration properties (note 6)

**11**

81 11

191 **2**

11

2

25

Impairment of investment (note 6)

-			
16	-		
16	-		
2			
-			
2			
Profit on disposal of ISS International Limited (note 6)			
(14)			
-	-	-	
(2)			
-			
-			
-			
Profit on disposal of investments (note 6)			
-			
(269)			
-	(314)		
-			
(37)	-		
(43)			
Impairment of investment in associates and joint ventures			
-			
166	20		
157	-		
23			
3			
24			
Reversal of impairment in associates			
-			
(94)			
-	(126)		
-			
(13)	-		
(19)			
Special items of associates			
-			
-	-		
(7)			
-			
-			
-			
(1)			
Taxation on items above - current portion			
-			
-	-	4	-
-			
-			
-			
Taxation on items above - deferred portion			

<b>(6)</b>			
(143)			
(21)			
(230)			
<b>(1)</b>			
(21)	(3)		
(33)			
<b>1,656</b>			
561	1,241	962	<b>241</b>
79			
169			
122			

Headline earnings per ordinary share (cents)

(1)			
<b>429</b>			
146	338	259	<b>62</b>
21			
46			
33			

Diluted headline earnings per ordinary share

(cents)			
(2)			
<b>428</b>			
145	337	258	<b>62</b>
20			
46			
33			

(1)  
Calculated on the basic weighted average number of ordinary shares.

(2)  
Calculated on the diluted weighted average number of ordinary shares.

## 10. Number of shares

Quarter ended

Year ended

Mar

Dec

Mar

Dec

2011

2010

2010

2010

Unaudited

Unaudited

Unaudited

Audited

Authorised number of shares:

Ordinary shares of 25 SA cents each

**600,000,000**

600,000,000

600,000,000

600,000,000

E ordinary shares of 25 SA cents each

**4,280,000**

4,280,000

4,280,000

4,280,000

A redeemable preference shares of 50 SA cents each

**2,000,000**

2,000,000

2,000,000

2,000,000



B redeemable preference shares of 1 SA cent each

**5,000,000**

5,000,000	5,000,000	5,000,000
-----------	-----------	-----------

Issued and fully paid number of shares:

Ordinary shares in issue

**381,403,955**

381,204,080	362,352,345	381,204,080
-------------	-------------	-------------

E ordinary shares in issue

**2,774,290**

2,806,126

3,709,362	2,806,126	
-----------	-----------	--

Total ordinary shares:

**384,178,245**

384,010,206	366,061,707	384,010,206
-------------	-------------	-------------

A redeemable preference shares

**2,000,000**

2,000,000	2,000,000	2,000,000
-----------	-----------	-----------

B redeemable preference shares

**778,896**

778,896	778,896	778,896
---------	---------	---------

In calculating the basic and diluted number of ordinary shares outstanding

for the period, the following were taken into consideration:

Ordinary shares

**381,272,542**

381,103,478	362,295,477	367,664,700
-------------	-------------	-------------

E ordinary shares

**2,782,784**

2,818,699	3,734,382	3,182,662
-----------	-----------	-----------

Fully vested options

**1,587,017**

797,875	1,186,849	1,023,459
---------	-----------	-----------

Weighted average number of shares

**385,642,343**

384,720,052	367,216,708	371,870,821
-------------	-------------	-------------

Dilutive potential of share options

**834,453**

1,493,052	733,901	
-----------	---------	--

1,569,606

Diluted number of ordinary shares

**386,476,796**

386,213,104	367,950,609	373,440,427
-------------	-------------	-------------

## **11. Share capital and premium**

As at

As at

Mar

Dec

Mar

Mar            Dec

Mar

2011

2010

<b>2010</b>	<b>2011</b>	<b>2010</b>
Unaudited		
Audited		
Unaudited		
Unaudited		
Audited		
Unaudited		
SA Rand million		
US Dollar million		
Balance at beginning of period		
<b>46,343</b>		
40,662	40,662	<b>6,734</b>
5,935		
5,935		
Ordinary shares issued		
<b>61</b>		
5,771	43	<b>9</b>
812		
5		
E ordinary shares cancelled		
<b>(3)</b>		
(90)		
(10)		
<b>(1)</b>		
(13)	(1)	
Sub-total		
<b>46,401</b>		
46,343	40,695	<b>6,742</b>
6,734		
5,939		
Redeemable preference shares held within the group		
<b>(313)</b>		
(313)		
(313)		
<b>(53)</b>		
(53)	(53)	
Ordinary shares held within the group		
<b>(136)</b>		
(139)		
(205)		
<b>(21)</b>		
(22)	(31)	
E ordinary shares held within the group		
<b>(210)</b>		
(213)		
(293)		
<b>(31)</b>		
(32)	(44)	
Balance at end of period		

**45,742**

45,678

39,884

**6,637**

6,627

5,811

*Rounding of figures may result in computational discrepancies.*

**12. Exchange rates**

<b>Mar</b>		<b>Mar</b>
<b>Dec</b>		
<b>2011</b>		
<b>2010</b>		<b>2010</b>
Unaudited		Unaudited
ZAR/USD average for the year to date		Unaudited
<b>6.99</b>		
7.30		7.50
ZAR/USD average for the quarter		
<b>6.99</b>		
6.88		7.50
ZAR/USD closing		
<b>6.77</b>		
6.57		7.30
ZAR/AUD average for the year to date		
<b>7.03</b>		
6.71		6.78
ZAR/AUD average for the quarter		
<b>7.03</b>		
6.80		6.78
ZAR/AUD closing		
<b>6.99</b>		
6.70		6.68
BRL/USD average for the year to date		
<b>1.67</b>		
1.76		1.80
BRL/USD average for the quarter		
<b>1.67</b>		
1.70		1.80
BRL/USD closing		
<b>1.63</b>		
1.67		1.78
ARS/USD average for the year to date		
<b>4.01</b>		
3.91		3.83
ARS/USD average for the quarter		
<b>4.01</b>		
3.96		3.83
ARS/USD closing		
<b>4.05</b>		
3.97		3.87

**13. Capital commitments**

<b>Mar</b>		<b>Mar</b>
<b>Dec</b>		
<b>Mar</b>	<b>Mar</b>	
<b>Dec</b>	<b>Mar</b>	
<b>2011</b>		
<b>2010</b>		
<b>2010</b>	<b>2011</b>	

2010	2010				
Unaudited	Audited	Unaudited	Unaudited	Audited	Unaudited

SA Rand million

US Dollar million

Orders placed and outstanding on capital contracts at the prevailing rate of exchange

(1)

**1,852**

1,156                      1,179

**274**

176

162

(1)

*Includes capital commitments relating to equity accounted joint ventures.***Liquidity and capital resources**

To service the above capital commitments and other operational requirements, the group is dependent on existing cash resources, cash generated from operations and borrowing facilities.

Cash generated from operations is subject to operational, market and other risks. Distributions from operations may be subject to foreign investment, exchange control laws and regulations and the quantity of foreign exchange available in offshore countries. In addition, distributions from joint ventures are subject to the relevant board approval.

The credit facilities and other finance arrangements contain financial covenants and other similar undertakings. To the extent that external borrowings are required, the group's covenant performance indicates that existing financing facilities will be available to meet the above commitments. To the extent that any of the financing facilities mature in the near future, the group believes that sufficient measures are in place to ensure that these facilities can be refinanced.

**14. Contingencies**

AngloGold Ashanti's material contingent liabilities and assets at 31 March 2011 are detailed below:

**Contingencies and guarantees**

SA Rand million

US Dollar million

**Contingent liabilities**

Groundwater pollution

(1)

-

-

Deep groundwater pollution – South Africa

(2)

-

-

Sales tax on gold deliveries – Brazil

(3)

642

95

Other tax disputes – Brazil

(4)

266

39

Indirect taxes – Ghana

(5)

73

11  
ODMWA litigation  
(6)

-  
-

**Contingent assets**

Royalty – Boddington Gold Mine  
(7)

Royalty – Tau Lekoa Gold Mine  
(8)

-  
-  
-  
-

**Financial Guarantees**

Oro Group (Pty) Limited  
(9)

100  
15

**1,081**

**160**

AngloGold Ashanti is subject to contingencies pursuant to environmental laws and regulations that may in future require the group to take corrective action as follows:

(1) Groundwater pollution – AngloGold Ashanti has identified groundwater contamination plumes at certain of its operations, which have occurred primarily as a result of seepage from mine residue stockpiles. Numerous scientific, technical and legal studies have been undertaken to assist in determining the magnitude of the contamination and to find sustainable remediation solutions. The group has instituted processes to reduce future

potential seepage and it has been demonstrated that Monitored Natural Attenuation (MNA) by the existing environment will contribute to improvement in some instances. Furthermore, literature reviews, field trials and base line modelling techniques suggest, but are not yet proven, that the use of phyto-technologies can address the 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.

(2) Deep groundwater pollution – The company has identified a flooding and future pollution risk posed by deep groundwater in the Klerksdorp and Far West Rand gold fields. Various studies have been undertaken by AngloGold Ashanti since 1999. Due to the interconnected nature of mining operations, any proposed solution needs to be a combined one supported by all the mines located in these gold fields. As a result the Department of Mineral Resources and affected mining companies are now involved in the development of a “Regional Mine Closure Strategy”. In view of the limitation of current information for the accurate estimation of a liability, no reliable estimate can be made for the obligation.

(3) Sales tax on gold deliveries – Mineração Serra Grande S.A. (MSG), received two tax assessments from the State of Goiás related to payments of sales taxes on gold deliveries for export. AngloGold Ashanti C rrego do Sit o Mineração S.A. manages the operation and its attributable share of the first assessment is approximately \$59m. In November 2006 the administrative council’s second chamber ruled in favour of MSG and fully cancelled 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 \$36m. The company believes both assessments are in violation of federal legislation on sales taxes.

(4) Other tax disputes – MSG received a tax assessment in October 2003 from the State of Minas Gerais related to sales taxes on gold. The tax administrators rejected the company’s appeal against the assessment. The company is now appealing the dismissal of the case. The company’s attributable share of the assessment is approximately \$10m.

AngloGold Ashanti subsidiaries in Brazil are involved in various disputes with tax authorities. These disputes involve federal tax assessments including income tax, royalties, social contributions and annual property tax. The amount involved is approximately \$29m.

(5) Indirect taxes – AngloGold Ashanti (Ghana) Limited received a tax assessment for \$11m during September 2009 in respect of 2006, 2007 and 2008 tax years, following an audit by the tax authorities related to indirect taxes on various items. Management is of the opinion that the indirect taxes are not payable and the company has lodged an objection.

(6) Occupational Diseases in Mines and Works Act (ODMWA) litigation – The case of Mr Thembekile Mankayi was

heard in the High Court of South Africa in June 2008, and an appeal heard in the Supreme Court of Appeals in 2010. In both instances judgement was awarded in favour of AngloGold Ashanti Limited. A further appeal that was lodged by Mr Mankayi was heard in the Constitutional Court in 2010. Judgement in the Constitutional Court was handed down on 3 March 2011.

Following the judgement, Mr Mankayi’s executor may proceed with his case in the High Court. This will comprise, amongst others, providing evidence showing that Mr Mankayi contracted silicosis as a result of negligent conduct on the part of AngloGold Ashanti.

The company will defend the case and any subsequent claims on their merits. Should other individuals or groups lodge similar claims, these too would be defended by the company and adjudicated by the Courts on their merits. In view of the limitation of current information for the accurate estimation of a possible liability, no reliable estimate can be made for this possible obligation.

(7) Royalty – As a result of the sale of the interest in the Boddington Gold Mine joint venture during 2009, the group is entitled to receive a royalty on any gold recovered or produced by the Boddington Gold Mine, where the gold price is in excess of Boddington Gold Mine’s cash cost plus \$600/oz. The royalty commenced on 1 July 2010 and is capped at a total amount of \$100m, R677m. Royalties of \$6m, R49m were received during the quarter.

(8) Royalty – As a result of the sale of the interest in the Tau Lekoa Gold Mine during 2010, the group is entitled to receive a royalty on the production of a total of 1.5Moz by the Tau Lekoa Gold Mine and in the event that the average monthly rand price of gold exceeds R180,000/kg (subject to inflation adjustment). Where the average

monthly rand price of gold does not exceed R180,000/kg (subject to inflation adjustment), the ounces produced in that quarter do not count towards the total 1.5Moz upon which the royalty is payable.

The royalty will be determined at 3% of the net revenue (being gross revenue less State royalties) generated by the Tau Lekoa assets. Royalties of \$1m, R8m were received during the quarter.

(9) Provision of surety – The company has provided sureties in favour of a lender on a gold loan facility with its affiliate Oro Group (Pty) Limited and one of its subsidiaries to a maximum value of \$15m, R100m. The suretyship agreements have a termination notice period of 90 days.



## 15. Concentration of risk

There is a concentration of risk in respect of recoverable value added tax and fuel duties from the Tanzanian government:

- Recoverable value added tax due from the Tanzanian government amounts to \$47m at 31 March 2011 (31 December 2010: \$49m). The last audited value added tax return was for the period ended 31 October 2010 and at the reporting date the audited amount was \$47m. The outstanding amounts at Geita have been discounted to their present value at a rate of 7.82%.

- Recoverable fuel duties from the Tanzanian government amounts to \$67m at 31 March 2011 (31 December 2010: \$62m). Fuel duty claims are required to be submitted after consumption of the related fuel and are subject to authorisation by the Customs and Excise authorities. Claims for the refund of fuel duties amounting to \$52m have been lodged with the Customs and Excise authorities which are still outstanding, whilst claims for a refund of \$15m have not yet been submitted. The amounts outstanding have been discounted to their present value at a rate of 7.82%.

## 16. Subsequent events

On 14 April 2011, AngloGold Ashanti Limited, the National Union of Mineworkers (NUM), Solidarity, The Union (UASA), Izingwe Holdings (Proprietary) Limited and the Bokamoso ESOP Board of Trustees announced the restructuring of the empowerment transactions concluded respectively between the company and the unions, and the company and Izingwe in 2006.

This restructuring was motivated by the fact that share price performance since the onset of the 2008 global financial crisis led to a situation where the first two tranches of E shares (otherwise known to participants as loan shares), which operate essentially as share appreciation rights, vested and lapsed at no additional value to Bokamoso ESOP beneficiaries and Izingwe.

In order to remedy this situation in a manner that would ensure an element of value accruing to participants, though at a reasonable incremental cost to AngloGold Ashanti shareholders, the scheme will be restructured as follows:

- all lapsed loan shares that vested without value will be reinstated;
  - the strike (base) price will be fixed at R320 per share for the Bokamoso ESOP and R330 for Izingwe;
  - the notional interest charge will fall away;
  - as previously, 50% of any dividends declared will be used to reduce the strike price;
  - as previously, the remaining 50% is paid directly to participants under the empowerment transaction; and
  - the life span of the scheme will be extended by an additional one year, the last vesting being in 2014, instead of 2013. A minimum payout on vesting of the E shares has been set at R40 each and a maximum payout of R70 each per E Share for Izingwe and R90 each for members of the Bokamoso ESOP (i.e. employees), plus the impact of the 50% of dividend flow. While the floor price provides certainty to all beneficiaries of the empowerment transactions, the creation of a ceiling serves to limit the cost to AngloGold Ashanti and its shareholders
- The total incremental accounting cost to AngloGold Ashanti of the proposed restructuring of the BEE Transaction which was subject to shareholders' approval, is around R121m (approximately \$18m) over the total vesting period of the scheme, while the pro-forma impact on adjusted headline earnings and net asset value per share is 0.4% and 0.2% respectively.

## 17. Borrowings

AngloGold Ashanti's borrowings are interest bearing.

## 18. Announcements

**Retirement of Deputy Chairman:** Dr T J Motlatsi retired from the board of AngloGold Ashanti, effective from 17 February 2011.

**Mankayi case – Constitutional Court ruling:** On 3 March 2011, AngloGold Ashanti noted the decision of the Constitutional Court to grant Mr Mankayi leave to appeal against the decision of the Supreme Court of Appeal, which itself upheld the June 2008 Johannesburg High Court decision that employees who qualify for benefits in respect of the Occupational Diseases in Mines and Works Act (ODMWA) may not, in addition, lodge civil claims against their employers in respect of their relevant conditions.

The company is still studying the details of the judgment and its initial impression is that should the Executor of Mr Mankayi's estate wish to pursue his claim, he or she will now need to return to the High Court to continue with the litigation action. AngloGold Ashanti will defend the case on its merits. Should other individuals lodge similar claims, these too would ultimately be defended by the company and judged on their merits.

**Sunrise Dam, Australia:** On 15 March 2011, AngloGold Ashanti announced that its Sunrise Dam Gold Mine, situated 56km south of Laverton in Western Australia, had been impacted by unprecedented heavy rains over the prior month. While open pit mining had resumed, underground mining remained suspended for safety reasons, with the expectation that Sunrise Dam would achieve normal mining rates in the June Quarter. AngloGold Ashanti was therefore expecting that first quarter guidance of 1.04Moz would be negatively impacted by approximately 20,000oz with a consequential impact on total cash costs.

**Proposed restructuring of the Black Economic Empowerment share ownership transaction:** On 14 April 2011 AngloGold Ashanti announced that it was proposing to restructure its Black Economic Empowerment (BEE share ownership transaction first announced in 2006, to ensure the intended benefits will accrue to its recipients, namely its South African employees, through the Bokamoso ESOP trust and BEE Partner, Izingwe Holdings (Proprietary) Limited (Izingwe) (an investment company controlled by black investors) (proposed restructuring). See Note 16.

#### **19. Dividend**

Final Dividend No. 109 of 80 South African cents or 7.1181 UK pence or 17.38 cedis per ordinary share was paid to registered shareholders on 18 March 2011, while a dividend of 2.275 Australian cents per CHES Depositary Interest (CDI) was paid on the same day. On 21 March 2011, holders of Ghanaian Depositary Shares (GhDSs) were paid 0.1738 cedis per GhDS. Each CDI represents one-fifth of an ordinary share, and 100 GhDSs represents one ordinary share. A dividend of 11.2599 US cents per American Depositary Share (ADS) was paid to holders of American Depositary Receipts (ADRs) on 28 March 2011. Each ADS represents one ordinary share.

Final Dividend No. E9 of 40 South African cents was paid to holders of E ordinary shares on 18 March 2011, being those employees participating in the Bokamoso ESOP and Izingwe Holdings (Proprietary) Limited.

By order of the Board

**T T MBOWENI**

**M CUTIFANI**

Chairman

Chief Executive Officer

9 May 2011

**Non-GAAP disclosure**

**A**

**Year ended**

**Year ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Headline earnings (note 9)

**1,656**

561

1,241

962

**241**

79

169

122

Gain on unrealised non-hedge derivatives and other  
commodity contracts (note 4)

**(11)**

(6,787)

(583)

(15,891)

**(2)**

(985)

(82)

(2,273)

Deferred tax on unrealised non-hedge derivatives and other  
commodity contracts (note 8)

-

461

160  
 2,376  
 -  
 67  
 22  
 337  
 Fair value adjustment on option component of convertible bonds  
**(90)**  
 280  
 (356)  
 (39)  
**(15)**  
 41  
 (48)  
 1  
 Fair value adjustment on mandatory convertible bonds  
**(139)**  
 222  
 -  
 382  
**(22)**  
 33  
 -  
 55  
 Adjusted headline earnings (loss)  
 (1)  
**1,415**  
 (5,263)  
 463  
 (12,210)  
**203**  
 (764)  
 61  
 (1,758)  
 Hedge buy-back and related costs net of taxation  
 -  
 7,289  
 -  
 17,862  
 -  
 1,058  
 -  
 2,545  
 Adjusted headline earnings excluding hedge buy-back costs  
 (1)  
**1,415**  
 2,026  
 463  
 5,652  
**203**  
 294

61

787

**Cents per share**

**(2)**

Adjusted headline earnings (loss)

(1)

**367**

(1,368)

126

(3,283)

**53**

(199)

17

(473)

Adjusted headline earnings excluding hedge buy-back costs

(1)

**367**

527

126

1,520

**53**

76

17

212

(1)

-

-

-

-

-

-

-

(2)

*Settled positions: The change in fair value from the previous reporting date or date of recognition (if later) through to the date of settlement.*

*The unrealised fair value change in contracts that were still open at reporting dates, as well as, the unwinding of the historic marked-to-market value of the position settled in the period;*

*Investment in hedge restructure transaction: During the hedge restructure in December 2004 and March 2005 quarters, \$83m and \$69m in cash was injected respectively into the hedge*

*book in these quarters to increase the value of long-dated contracts. The entire investment in long-dated derivatives (certain of which have now matured), for the purposes of the*

*adjustment to earnings, will only be taken into account when the realised portion of long-dated non-hedge derivatives are settled, and not when the short-term contracts were settled;*

*Calculated on the basic weighted average number of ordinary shares.*

From time to time AngloGold Ashanti Limited may publicly disclose certain "Non-GAAP" financial measures in the course of its financial presentations, earnings releases, earnings conference calls and otherwise.

The group uses certain Non-GAAP performance measures and ratios in managing the business and may provide users of this financial information with additional meaningful comparisons between current results and results in prior operating periods. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to, the reported

operating results or cash flow from operations or any other measure of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures that other companies use.

*During 2010 the Group completed the elimination of its hedge book which has resulted in full exposure to prevailing spot gold prices.*

**Adjusted headline earnings**

**Quarter ended**

*(Gain) loss on non-hedge derivatives and other commodity contracts in the income statement comprise the change in fair value of all non-hedge derivatives and other commodity contracts as follows:*

SA Rand million

*The unrealised fair value change on the option component of the convertible bonds;*

US Dollar million

**Quarter ended**

*In the September 2010 quarter the hedge book was further reduced and contracts to the value of \$1.6bn were accelerated and settled. The impact on earnings after taxation was \$1.5bn*

*in the September 2010 quarter. In the December 2010 quarter the hedge book was fully settled and hedge contracts to the value of \$1.1bn were accelerated and settled. The impact on*

*earnings after taxation was \$1.1bn in the December 2010 quarter;*

*The unrealised fair value change of the warrants on shares and the embedded derivative.*

*Open positions: The change in fair value from the previous reporting date or date of recognition (if later) through to the current reporting date; and*

*Adjusted headline earnings is intended to illustrate earnings after adjusting for:*

**B**

**Year ended**

**Year ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Reconciliation of gross profit to adjusted gross profit (loss):

(1)  
 Gross profit  
**3,476**  
 3,069  
 2,221  
 7,864  
**498**  
 445  
 301  
 1,082  
 Gain on unrealised non-hedge derivatives and other  
 commodity contracts (note 4)  
**(11)**  
 (6,787)  
 (583)  
 (15,891)  
**(2)**  
 (985)  
 (82)  
 (2,273)  
 Adjusted gross profit (loss)  
 (1)  
**3,464**  
 (3,718)  
 1,638  
 (8,027)  
**497**  
 (540)  
 218  
 (1,191)  
 Hedge buy-back costs (note 4)  
 -  
 7,316  
 -  
 18,954  
 -  
 1,061  
 -  
 2,698  
 Adjusted gross profit excluding hedge buy-back costs  
 (1)  
**3,464**  
 3,598  
 1,638  
 10,927  
**497**  
 522  
 218  
 1,507  
**C**  
**Price received**



**Year ended**  
**Year ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Gold income (note 2)

**9,934**

10,614

8,222

38,833

**1,422**

1,543

1,095

5,334

Adjusted for non-controlling interests

**(275)**

(320)

(284)

(1,173)

**(39)**

(47)

(38)

(161)

**9,659**

10,294

7,938

37,660

**1,383**

1,496

1,057

5,173  
 Loss on realised non-hedge derivatives (note 4)  
 -  
 -  
 (524)  
 (2,073)  
 -  
 -  
 (69)  
 (277)  
 Hedge buy-back costs (note 4)  
 -  
 (7,316)  
 -  
 (18,954)  
 -  
 (1,061)  
 -  
 (2,698)  
 Associates and equity accounted joint ventures' share of gold  
 income including realised non-hedge derivatives  
**574**  
 600  
 667  
 2,420  
**82**  
 87  
 89  
 330  
 Attributable gold income including realised non-hedge derivatives  
**10,233**  
 3,578  
 8,081  
 19,053  
**1,465**  
 522  
 1,077  
 2,528  
 Attributable gold sold - kg / - oz (000)  
**32,771**  
 35,900  
 32,999  
 140,240  
**1,054**  
 1,154  
 1,061  
 4,509  
 Revenue price per unit - R/kg / - \$/oz  
**312,261**  
 99,671  
 244,873

135,862  
**1,391**  
 452  
 1,015  
 561  
 Attributable gold income including realised non-hedge derivatives  
 as above  
**10,233**  
 3,578  
 8,081  
 19,053  
**1,465**  
 522  
 1,077  
 2,528  
 Hedge buy-back costs (note 4)  
 -  
 7,316  
 -  
 18,954  
 -  
 1,061  
 -  
 2,698  
 Attributable gold income including realised non-hedge derivatives  
 normalised for hedge buy-back costs  
**10,233**  
 10,894  
 8,081  
 38,007  
**1,465**  
 1,584  
 1,077  
 5,226  
 Attributable gold sold - kg / - oz (000)  
**32,771**  
 35,900  
 32,999  
 140,240  
**1,054**  
 1,154  
 1,061  
 4,509  
 Revenue price per unit normalised for hedge buy-back costs  
 - R/kg / - \$/oz  
**312,261**  
 303,454  
 244,873  
 271,018  
**1,391**  
 1,372

1,015

1,159

*Rounding of figures may result in computational discrepancies.*

(1)

Adjusted gross profit excludes unrealised non-hedge derivatives and other commodity contracts.

**Quarter ended**

US Dollar million / Imperial

**Quarter ended**

SA Rand million / Metric

SA Rand million

US Dollar million

**Adjusted gross profit (loss)**

**Quarter ended**

**Quarter ended**

**Year ended**  
**Year ended**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**Mar**

**Dec**

**2011**

**2010**

**2010**

**2010**

**2011**

**2010**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

**D**

**Total costs**

Total cash costs (note 3)

**5,077**

5,166

4,832

20,238

**726**

751

644

2,778

Adjusted for non-controlling interests and non-gold producing companies

**(299)**

(226)

(155)

(642)

**(43)**

(33)

(21)

(90)

Associates' and equity accounted joint ventures' share of total cash costs

**349**

361

340  
 1,407  
**50**  
 53  
 46  
 193  
**Total cash costs adjusted for non-controlling interests  
 and non-gold producing companies**  
**5,127**  
 5,301  
 5,017  
 21,003  
**733**  
 771  
 669  
 2,881  
 Retrenchment costs (note 3)  
**28**  
 64  
 52  
 166  
**4**  
 9  
 7  
 23  
 Rehabilitation and other non-cash costs (note 3)  
**68**  
 529  
 86  
 756  
**10**  
 78  
 12  
 109  
 Amortisation of tangible assets (note 3)  
**1,294**  
 1,341  
 1,267  
 5,022  
**185**  
 195  
 169  
 690  
 Amortisation of intangible assets (note 3)  
**4**  
 7  
 4  
 18  
**1**  
 1  
 -

2

Adjusted for non-controlling interests and non-gold producing companies

**(55)**

(104)

(51)

(266)

**(8)**

(15)

(7)

(37)

Associates and equity accounted joint ventures' share of production costs

**15**

55

17

105

**2**

8

2

15

**Total production costs adjusted for non-controlling interests and non-gold producing companies**

**6,481**

7,193

6,392

26,804

**927**

1,047

852

3,683

Gold produced - kg / - oz (000)

**32,303**

35,703

33,574

140,418

**1,039**

1,148

1,079

4,515

Total cash cost per unit - R/kg / -\$/oz

**158,707**

148,474

149,431

149,577

**706**

672

619

638

Total production cost per unit - R/kg / -\$/oz

**200,632**

201,465

190,374

190,889

**893**

912

789

816

**E**

**EBITDA**

Operating profit

**2,537**

1,978

1,413

3,786

**363**

285

193

518

Amortisation of tangible assets (note 3)

**1,294**

1,341

1,267

5,022

**185**

195

169

690

Amortisation of intangible assets (note 3)

**4**

7

4

18

**1**

1

-

2

Net impairments of tangible assets (note 6)

**7**

399

81

634

**1**

59

11

91

Gain on unrealised non-hedge derivatives and other commodity contracts (note 4)

**(11)**

(6,787)

(583)

(15,891)



(2)	
(985)	
(82)	
(2,273)	
Hedge buy-back costs (note 4)	
-	
7,316	
-	
18,954	
-	
1,061	
-	
2,698	
Mandatory convertible bond issue discount, underwriting and professional fees (note 6)	
-	
(5)	
-	
396	
-	
(1)	
-	
56	
Exchange effects of equity raising	
-	
-	
-	
21	
-	
-	
-	
3	
Share of associates' EBITDA	
<b>181</b>	
182	
318	
936	
<b>26</b>	
27	
41	
128	
Impairment of investment (note 6)	
-	
16	
-	
16	
-	
2	
-	
2	
Loss on disposal and abandonment of assets (note 6)	

**11**  
 81  
 11  
 191  
**2**  
 11  
 2  
 25  
 Profit on disposal of ISS International Limited (note 6)  
**(14)**  
 -  
 -  
 -  
**(2)**  
 -  
 -  
 -  
 Profit on disposal of investments (note 6)  
 -  
 (269)  
 -  
 (314)  
 -  
 (37)  
 -  
 (43)  
**4,009**  
 4,260  
 2,511  
 13,769  
**574**  
 619  
 334  
 1,897  
**F**  
**Interest cover**  
**Quarter ended**  
**Quarter ended**  
 SA Rand million / Metric  
 US Dollar million / Imperial  
**F**  
**Interest cover**  
 EBITDA (note E)  
**4,009**  
 4,260  
 2,511  
 13,769  
**574**  
 619  
 334  
 1,897

Finance costs (note 7)

**248**

259

142

834

**36**

38

19

115

Capitalised finance costs

-

-

-

-

-

-

-

-

**248**

259

142

834

**36**

38

19

115

Interest cover - times

**16**

16

18

17

**16**

16

18

16

**G**

**Operating cash flow**

Net cash inflow (outflow) from operating activities

**3,607**

(2,236)

1,326

(5,730)

**513**

(382)

179

(942)

Stay-in-business capital expenditure

**(1,114)**

(1,892)

(880)

(5,279)

**(159)**

(268)

(117)

(723)

**2,493**

(4,128)

446

(11,009)

**354**

(650)

62

(1,665)

**As at**

**As at**

**As at**

**As at**

**As at**

**As at**

**Mar**

**Dec**

**Mar**

**Mar**

**Dec**

**Mar**

**2011**

**2010**

**2010**

**2011**

**2010**

**2010**

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

Unaudited

**H**

**Net asset value - cents per share**

Total equity

**28,975**

27,023

23,375

**4,283**

4,113

3,204

Mandatory convertible bonds

**5,742**

5,739

-

**849**

874

-  
**34,717**  
 32,762  
 23,375  
**5,132**  
 4,987  
 3,204  
 Number of ordinary shares in issue - million (note 10)  
**384**  
 384  
 366  
**384**  
 384  
 366  
 Net asset value - cents per share  
**9,037**  
 8,532  
 6,386  
**1,336**  
 1,299  
 875  
 Total equity  
**28,975**  
 27,023  
 23,375  
**4,283**  
 4,113  
 3,204  
 Mandatory convertible bonds  
**5,742**  
 5,739  
 -  
**849**  
 874  
 -  
 Intangible assets  
**(1,325)**  
 (1,277)  
 (1,309)  
**(196)**  
 (194)  
 (180)  
**33,392**  
 31,485  
 22,066  
**4,936**  
 4,793  
 3,024  
 Number of ordinary shares in issue - million (note 10)  
**384**  
 384

366  
**384**  
 384  
 366  
 Net tangible asset value - cents per share  
**8,692**  
 8,199  
 6,028  
**1,285**  
 1,248  
 826  
**I**  
**Net debt**  
 Borrowings - long-term portion  
**11,259**  
 11,148  
 4,809  
**1,664**  
 1,697  
 659  
 Borrowings - short-term portion  
**301**  
 876  
 7,095  
**44**  
 133  
 973  
 Total borrowings  
 (1)  
**11,560**  
 12,024  
 11,904  
**1,708**  
 1,830  
 1,632  
 Corporate office lease  
**(259)**  
 (259)  
 (258)  
**(38)**  
 (39)  
 (35)  
 Unamortised portion on the convertible and rated bonds  
**593**  
 757  
 905  
**88**  
 115  
 124  
 Cash restricted for use  
**(254)**

(283)

(482)

**(37)**

(43)

(66)

Cash and cash equivalents

**(4,187)**

(3,776)

(5,346)

**(619)**

(575)

(733)

Net debt excluding mandatory convertible bonds

**7,453**

8,463

6,722

**1,102**

1,288

922

(1) Borrowings exclude the mandatory convertible bonds of \$849m, R5,742m.

*Rounding of figures may result in computational discrepancies.*

US Dollar million

SA Rand million

**South Africa**

**Continental**

**Africa**

**Australasia**

**Americas**

**Total group**

**UNDERGROUND OPERATION**

Area mined

- 000 ft

2

2,698

-

-

-

2,698

Mined

- 000 tons

1,718

491

226

514

2,949

Milled / Treated

- 000 tons

1,533

544

265

539

2,880

Yield

- oz/t

0.230

0.127

0.154

0.193

0.197

Gold produced

- oz (000)

353

69

41

104

567

**SURFACE AND DUMP RECLAMATION**

Milled / Treated

- 000 tons

2,960

-

-

-

2,960



Yield

- oz/t

0.016

-

-

0.017

Gold produced

- oz (000)

48

1

-

-

49

**OPEN-PIT OPERATION**

Volume mined

- 000 bcy

-

15,064

1,446

-

16,510

Mined

- 000 tons

-

31,443

3,390

7,233

42,066

Treated

- 000 tons

-

6,067

646

244

6,957

Stripping ratio

- ratio

-

3.43

6.13

24.42

4.35

Yield

- oz/t

-

0.047

0.048

0.157

0.051

Gold produced

- oz (000)

-

285

31

38

355

**HEAP LEACH OPERATION**

Mined

- 000 tons

-

1,640

-

17,280

18,921

Placed

- 000 tons

-

304

-

5,748

6,052

Stripping ratio

- ratio

-

6.14

-

2.08

2.24

Yield

- oz/t

-

0.029

-

0.011

0.012

Gold placed

- oz (000)

-

9

-

64

73

Gold produced

- oz (000)

-

7

-

61

68

**PRODUCTIVITY PER EMPLOYEE**

Actual

- oz  
5.80  
10.92  
40.58  
20.06  
9.10

**TOTAL**

Subsidiaries' gold produced

- oz (000)  
401  
303  
72  
203  
979  
60  
60

**IMPERIAL OPERATING RESULTS**

**QUARTER ENDED MARCH 2011**

Joint ventures' gold produced - oz (000)

-  
-

Attributable gold produced

- oz (000)  
401  
363  
72  
203  
1,039

Minority gold produced

- oz (000)  
-  
11  
-  
20  
32

Subsidiaries' gold sold

- oz (000)  
401  
322  
70  
203  
995

Joint ventures' gold sold

- oz (000)  
-  
59  
-  
-  
59

Attributable gold sold

- oz (000)

401  
 381  
 70  
 203  
 1,054  
 Minority gold sold  
 - oz (000)  
 -  
 12  
 -  
 19  
 31  
 Spot price  
 - \$/oz  
 1,387  
 1,387  
 1,387  
 1,387  
 1,387  
 Price received  
 - \$/oz sold  
 1,397  
 1,388  
 1,387  
 1,386  
 1,391  
 Total cash costs  
 - \$/oz produced  
 637  
 819  
 1,153  
 480  
 706  
 Total production costs  
 - \$/oz produced  
 871  
 965  
 1,304  
 651  
 893

*Rounding of figures may result in computational discrepancies.*

**FINANCIAL RESULTS**

**QUARTER ENDED MARCH 2011 \$'m**

**South Africa**

**Continental**

**Africa**

**Australasia**

**Americas**

**Corporate**

**and other**

**Sub-total**

**Less equity**

**accounted**

**investments**

**Total group**

Gold income

560

545

97

303

-

1,505

(82)

1,422

Cash costs

(282)

(307)

(83)

(150)

(5)

(827)

50

(777)

By-products revenue

27

2

-

22

-

51

-

51

Total cash costs

(255)

(305)

(83)

(128)

(5)

(776)

50

(726)

Retrenchment costs

(3)

-

-

(1)

-

(4)

-

(4)

Rehabilitation and other non-cash costs

(2)

(8)

-

(1)

-

(10)

-

(10)

Amortisation of assets

(89)

(46)

(11)

(39)

(2)

(188)

2

(186)

Total production costs

(349)

(359)

(94)

(169)

(7)

(977)

52

(925)

Inventory change

-

(24)

3

21

-

-

(1)

(1)

Cost of sales

(349)

(383)

(91)

(147)

(7)

(977)

52  
(926)  
**Adjusted gross profit (loss)**

**210**

**163**

**5**

**156**

**(7)**

**527**

**(31)**

**497**

Unrealised non-hedge derivatives and other  
commodity contracts

-

-

2

-

2

-

2

2

**Gross profit (loss)**

**210**

**163**

**5**

**158**

**(7)**

**529**

**(31)**

**498**

Corporate and other costs

(2)

(3)

(2)

(14)

(58)

(79)

-

(79)

Exploration

-

(20)

(11)

(19)

(8)

(58)

1

(57)

Intercompany transactions

-

(12)

-
-
12
-
-
-
Special items
(1)
(6)
7
-
1
1
-
1
<b>Operating profit (loss)</b>
<b>207</b>
<b>121</b>
-
<b>124</b>
<b>(59)</b>
<b>393</b>
<b>(30)</b>
<b>363</b>
Net finance (costs) income, unwinding of obligations and fair value adjustments
(1)
(2)
1
-
(2)
(4)
-
(4)
Exchange gain (loss)
-
(3)
-
1
-
(2)
2
-
Share of equity accounted investments profit
-
-
-
(4)
(2)
(6)
18



12
Profit (loss) before taxation
206
116
1
121
(63)
381
(10)
371
Taxation
(55)
(42)
(2)
(29)
(6)
(133)
10
(123)
<b>Profit (loss) for the period</b>
<b>151</b>
<b>74</b>
<b>(1)</b>
<b>92</b>
<b>(68)</b>
<b>248</b>
-
<b>248</b>
Equity shareholders
151
69
(1)
87
(64)
241
-
241
Non-controlling interests
-
5
-
5
(4)
6
-
7
Operating profit (loss)
207
121
-
124

(59)	
393	
(30)	
363	
Unrealised non-hedge derivatives and other commodity contracts	
-	
-	
-	
(2)	
-	
(2)	
-	
(2)	
Intercompany transactions	
-	
12	
-	
-	
(12)	
-	
-	
-	
Special items	
1	
1	
-	
-	
(2)	
1	
-	
1	
Share of associates' EBIT	
-	
-	
-	
(4)	
(2)	
(6)	
30	
24	
<b>EBIT</b>	
<b>209</b>	
<b>134</b>	
-	
<b>119</b>	
<b>(75)</b>	
<b>386</b>	
-	
<b>386</b>	
Amortisation of assets	

89
46
11
39
2
188
(2)
186
Share of associates' amortisation
-
-
-
-
-
2
2
<b>EBITDA</b>
<b>298</b>
<b>180</b>
<b>11</b>
<b>158</b>
<b>(73)</b>
<b>574</b>
-
<b>574</b>
Profit (loss) attributable to equity shareholders
151
69
(1)
87
(64)
241
-
241
Special items
1
1
-
-
(2)
1
-
1
Share of associates' special items
-
-
-
-
-
-

-
-
Taxation on items above
(1)
-
-
-
(1)
-
(1)
<b>Headline earnings (loss)</b>
<b>152</b>
<b>70</b>
<b>(1)</b>
<b>87</b>
<b>(66)</b>
<b>241</b>
-
<b>241</b>
Unrealised non-hedge derivatives and other commodity contracts
-
-
-
(2)
-
(2)
-
(2)
Deferred tax on unrealised non-hedge derivatives and other commodity contracts
-
-
-
-
-
-
-
-
Fair value adjustment on option component of convertible bonds
-
-
-
(15)
(15)
-
(15)

Fair value adjustment on mandatory convertible bonds

-  
-  
-  
-  
(22)  
(22)  
-  
(22)

**Adjusted headline earnings (loss)**

**152**  
**70**  
**(1)**  
**85**  
**(103)**  
**203**

-  
**203**

Ore reserve development capital

65  
12  
4  
15  
-  
95

-  
95

Stay-in-business capital

14  
32  
2  
15  
2  
65  
(1)  
64

Project capital

17  
18  
5  
49  
-  
89  
(14)  
75

**Total capital expenditure**

**95**  
**62**  
**11**  
**79**

**2**

**249**

**(15)**

**234**

*Rounding of figures may result in computational discrepancies.*

South Africa  
 Continental  
 Africa  
 Australasia  
 Americas

**Total group**

**UNDERGROUND OPERATION**

Area mined

- 000 ft

2

3,147

-

-

-

3,147

Mined

- 000 tons

1,573

465

288

514

2,839

Milled / Treated

- 000 tons

1,845

463

174

539

3,020

Yield

- oz/t

0.230

0.141

0.159

0.188

0.205

Gold produced

- oz (000)

424

65

28

101

618

**SURFACE AND DUMP RECLAMATION**

Milled / Treated

- 000 tons

2,986

54

-

-

3,040

Yield

- oz/t

0.017

0.018

-

1.000

0.017

Gold produced

- oz (000)

52

1

-

-

53

**OPEN-PIT OPERATION**

Volume mined

- 000 bcy

-

17,919

1,771

-

19,689

Mined

- 000 tons

-

34,046

4,183

8,500

46,729

Treated

- 000 tons

-

6,550

820

286

7,656

Stripping ratio

- ratio

-

4.07

5.12

25.80

5.05

Yield

- oz/t

-

0.046

0.091

0.164

0.055

Gold produced



- oz (000)

-

299

74

47

420

**HEAP LEACH OPERATION**

Mined

- 000 tons

-

1,525

-

17,759

19,284

Placed

- 000 tons

-

340

-

5,608

5,948

Stripping ratio

- ratio

-

5.55

-

2.19

2.33

Yield

- oz/t

-

0.028

-

0.012

0.013

Gold placed

- oz (000)

-

10

-

65

75

Gold produced

- oz (000)

-

9

-

48

57

**PRODUCTIVITY PER EMPLOYEE**

Actual

- oz  
6.07  
11.10  
67.29  
19.88  
9.30

**TOTAL**

Subsidiaries' gold produced

- oz (000)

476  
313  
102  
196  
1,087  
61  
61

**IMPERIAL OPERATING RESULTS**

**QUARTER ENDED DECEMBER 2010**

Joint ventures' gold produced - oz (000)

-

-

-

Attributable gold produced

- oz (000)

476  
374  
102  
196  
1,148

Minority gold produced

- oz (000)

-

12

-

23

36

Subsidiaries' gold sold

- oz (000)

476  
312  
105  
198  
1,090

Joint ventures' gold sold

- oz (000)

-

64

-

-

64  
 Attributable gold sold  
 - oz (000)  
 476  
 376  
 105  
 198  
 1,154  
 Minority gold sold  
 - oz (000)  
 -  
 12  
 -  
 24  
 37  
 Spot price  
 - \$/oz  
 1,370  
 1,370  
 1,370  
 1,370  
 1,370  
 Price received  
 - \$/oz sold  
 368  
 582  
 273  
 504  
 452  
 Price received excluding  
 hedge buy-back costs  
 - \$/oz sold  
 1,373  
 1,370  
 1,368  
 1,374  
 1,372  
 Total cash costs  
 - \$/oz produced  
 616  
 790  
 894  
 465  
 672  
 Total production costs  
 - \$/oz produced  
 870  
 997  
 992  
 798  
 912

*Rounding of figures may result in computational discrepancies.*

**FINANCIAL RESULTS**

**QUARTER ENDED DECEMBER 2010 \$'m**

**South Africa**

**Continental**

**Africa**

**Australasia**

**Americas**

**Corporate**

**and other**

**Sub-total**

**Less equity**

**accounted**

**investments**

**Total group**

Gold income received

(1)

654

532

143

301

-

1,630

(87)

1,543

Cash costs

(318)

(305)

(91)

(142)

5

(851)

53

(798)

By-products revenue

25

1

-

21

-

47

-

47

Total cash costs

(293)

(304)

(91)

(121)

5

(804)

53

(751)

Retrenchment costs

(7)

(1)

-

(1)

-

(9)

-

(9)

Rehabilitation and other non-cash costs

(22)

(30)

1

(32)

-

(83)

5

(78)

Amortisation of assets

(92)

(47)

(11)

(46)

(3)

(199)

3

(196)

Total production costs

(414)

(381)

(101)

(200)

2

(1,095)

61

(1,034)

Inventory change

-

(10)

(2)

24

-

13

1

13

Cost of sales

(414)

(391)

(103)

(176)

2

(1,082)  
61  
(1,021)  
**Adjusted gross profit (loss) excluding  
hedge buy-back costs**  
**239**  
**141**  
**41**  
**125**  
**2**  
**548**  
**(26)**  
**522**  
Hedge buy-back costs  
(478)  
(296)  
(115)  
(172)  
-  
(1,061)  
-  
(1,061)  
**Adjusted gross profit (loss)**  
**(239)**  
**(155)**  
**(75)**  
**(47)**  
**2**  
**(513)**  
**(26)**  
**(540)**  
Unrealised non-hedge derivatives and other  
commodity contracts  
189  
795  
-  
1  
-  
985  
-  
985  
**Gross profit (loss)**  
**(50)**  
**640**  
**(75)**  
**(46)**  
**2**  
**471**  
**(26)**  
**445**  
Corporate and other costs

(3)  
(6)  
(1)  
(18)  
(51)  
(79)  
-  
(80)  
Exploration  
(1)  
(13)  
(13)  
(11)  
(12)  
(50)  
1  
(49)  
Intercompany transactions  
-  
(12)  
-  
(1)  
13  
-  
-  
-  
Special items  
(60)  
(7)  
3  
35  
(2)  
(31)  
-  
(31)  
**Operating profit (loss)**  
**(114)**  
**602**  
**(86)**  
**(40)**  
**(51)**  
**311**  
**(26)**  
**285**  
Net finance (costs) income, unwinding of  
obligations and fair value adjustments  
(1)  
(3)  
(1)  
2  
(106)



(109)  
 -  
 (109)  
 Exchange gain (loss)  
 -  
 4  
 -  
 11  
 (1)  
 14  
 (1)  
 14  
 Share of equity accounted investments profit  
 -  
 -  
 -  
 (1)  
 (11)  
 (12)  
 21  
 9  
 Profit (loss) before taxation  
 (115)  
 604  
 (86)  
 (29)  
 (169)  
 204  
 (5)  
 199  
 Taxation  
 (51)  
 (40)  
 (12)  
 (28)  
 (1)  
 (132)  
 5  
 (127)  
**Profit (loss) for the period**  
**(166)**  
**564**  
**(98)**  
**(57)**  
**(170)**  
**72**  
 -  
**72**  
 Equity shareholders  
 (166)  
 559

(98)  
 (68)  
 (171)  
 56  
 -  
 56  
 Non-controlling interests  
 -  
 4  
 -  
 11  
 1  
 16  
 -  
 16  
 Operating profit (loss)  
 (114)  
 602  
 (86)  
 (40)  
 (51)  
 311  
 (26)  
 285  
 Unrealised non-hedge derivatives and other  
 commodity contracts  
 (189)  
 (795)  
 -  
 (1)  
 -  
 (985)  
 -  
 (985)  
 Hedge buy-back and related costs  
 478  
 296  
 115  
 172  
 -  
 1,061  
 -  
 1,061  
 Intercompany transactions  
 -  
 12  
 -  
 1  
 (13)  
 -  
 -

-	
Special items	
68	
2	
-	
(36)	
1	
34	
-	
34	
Share of associates' EBIT	
-	
-	
-	
(1)	
(1)	
(2)	
26	
24	
<b>EBIT</b>	
<b>243</b>	
<b>117</b>	
<b>29</b>	
<b>95</b>	
<b>(63)</b>	
<b>420</b>	
-	
<b>420</b>	
Amortisation of assets	
92	
47	
11	
46	
3	
199	
(3)	
196	
Share of associates' amortisation	
-	
-	
-	
-	
-	
-	
3	
3	
<b>EBITDA</b>	
<b>335</b>	
<b>163</b>	
<b>40</b>	
<b>141</b>	

<b>(60)</b>	
<b>619</b>	
-	
<b>619</b>	
Profit (loss) attributable to equity shareholders	
(166)	
559	
(98)	
(68)	
(171)	
56	
-	
56	
Special items	
68	
2	
-	
(36)	
1	
34	
-	
34	
Share of associates' special items	
-	
-	
-	
-	
10	
10	
-	
10	
Taxation on items above	
(20)	
(1)	
-	
-	
-	
(21)	
-	
(21)	
<b>Headline earnings (loss)</b>	
<b>(119)</b>	
<b>560</b>	
<b>(98)</b>	
<b>(104)</b>	
<b>(160)</b>	
<b>79</b>	
-	
<b>79</b>	
Unrealised non-hedge derivatives and other commodity contracts	

(189)  
(795)  
-  
(1)  
-  
(985)  
-  
(985)  
Deferred tax on unrealised non-hedge  
derivatives and other commodity contracts  
67  
-  
-  
-  
-  
67  
-  
67  
Fair value adjustment on option component of  
convertible bonds  
-  
-  
-  
-  
41  
41  
-  
41  
Fair value loss on mandatory convertible  
b  
d  
-  
-  
-  
-  
33  
33  
-  
33  
Hedge buy-back and related costs  
net of taxation  
475  
296  
115  
172  
-  
1,058  
-  
1,058  
**Adjusted headline earnings (loss)**  
**excluding hedge buy-back costs**

<b>234</b>
<b>61</b>
<b>17</b>
<b>68</b>
<b>(86)</b>
<b>294</b>
-
<b>294</b>
Ore reserve development capital
66
9
3
16
-
93
-
93
Stay-in-business capital
55
73
4
41
3
177
(2)
175
Project capital
23
14
3
54
-
95
(12)
82
<b>Total capital expenditure</b>
<b>144</b>
<b>97</b>
<b>10</b>
<b>111</b>
<b>3</b>
<b>365</b>
<b>(15)</b>
<b>350</b>

(1) Gold income received is gold income per income statement and loss on realised non-hedge derivatives (note 4).  
*Rounding of figures may result in computational discrepancies.*

South Africa  
 Continental  
 Africa  
 Australasia  
 Americas  
 Total group

**UNDERGROUND OPERATION**

Area mined

- 000 ft

2

3,444

-

-

-

3,444

Mined

- 000 tons

2,074

589

165

439

3,268

Milled / Treated

- 000 tons

1,877

561

144

505

3,087

Yield

- oz/t

0.187

0.162

0.157

0.191

0.181

Gold produced

- oz (000)

350

91

23

96

560

**SURFACE AND DUMP RECLAMATION**

Milled / Treated

- 000 tons

2,678

289

-

-

2,967

Yield

- oz/t

0.013

0.024

-

-

0.014

Gold produced

- oz (000)

34

7

-

-

41

**OPEN-PIT OPERATION**

Volume mined

- 000 bcy

-

16,243

1,809

-

18,052

Mined

- 000 tons

-

32,530

4,287

7,122

43,939

Treated

- 000 tons

-

5,400

844

280

6,525

Stripping ratio

- ratio

-

4.07

5.04

24.60

4.93

Yield

- oz/t

-

0.046

0.108

0.178

0.060

Gold produced



- oz (000)

-

250

92

50

391

**HEAP LEACH OPERATION**

Mined

- 000 tons

-

776

-

17,484

18,260

Placed

- 000 tons

-

335

-

5,680

6,015

Stripping ratio

- ratio

-

4.29

-

2.02

2.08

Yield

- oz/t

-

0.054

-

0.014

0.016

Gold placed

- oz (000)

-

18

-

80

99

Gold produced

- oz (000)

-

27

-

61

87

**PRODUCTIVITY PER EMPLOYEE**

Actual

- oz  
4.67  
11.43  
78.77  
23.15  
8.61

**TOTAL**

Subsidiaries' gold produced

- oz (000)

384  
292  
114  
207  
997  
82  
82

**IMPERIAL OPERATING RESULTS**

**QUARTER ENDED MARCH 2010**

Joint ventures' gold produced - oz (000)

-  
-  
-

Attributable gold produced

- oz (000)

384  
374  
114  
207  
1,079

Minority gold produced

- oz (000)

-  
13  
-  
24  
37

Subsidiaries' gold sold

- oz (000)

366  
296  
113  
205  
981

Joint ventures' gold sold

- oz (000)

-  
80  
-  
-  
80

Attributable gold sold

- oz (000)  
366  
376  
113  
205  
1,061  
Minority gold sold  
- oz (000)  
-  
13  
-  
24  
37  
Spot price  
- \$/oz  
1,110  
1,110  
1,110  
1,110  
1,110  
Price received  
- \$/oz sold  
1,011  
1,027  
1,001  
1,008  
1,015  
Total cash costs  
- \$/oz produced  
626  
630  
931  
416  
619  
Total production costs  
- \$/oz produced  
867  
767  
1,014  
555  
789

*Rounding of figures may result in computational discrepancies.*

**FINANCIAL RESULTS**

**QUARTER ENDED MARCH 2010 \$'m**

**South Africa**

**Continental**

**Africa**

**Australasia**

**Americas**

**Corporate**

**and other**

**Sub-total**

**Less equity**

**accounted**

**investments**

**Total group**

Gold income received

(1)

370

401

113

231

-

1,115

(89)

1,026

Cash costs

(249)

(244)

(107)

(120)

8

(712)

46

(666)

By-products revenue

9

1

-

13

(1)

23

-

22

Total cash costs

(241)

(243)

(106)

(107)

7

(689)

46

(644)

Retrenchment costs

(6)

-

-

(1)

-

(7)

-

(7)

Rehabilitation and other non-cash costs

(1)

(10)

-

-

-

(12)

-

(12)

Amortisation of assets

(85)

(42)

(9)

(33)

(2)

(172)

2

(169)

Total production costs

(333)

(295)

(116)

(141)

5

(880)

48

(832)

Inventory change

14

(1)

(1)

13

-

25

(1)

24

Cost of sales

(319)

(297)

(116)

(128)

5

(854)

47

(807)

**Adjusted gross profit (loss)**

**51**

**104**

**(3)**

**103**

**5**

**260**

**(42)**

**218**

Unrealised non-hedge derivatives and other  
commodity contracts

57

6

-

19

-

82

-

82

**Gross profit (loss)**

108

110

(3)

122

5

343

(42)

301

Corporate and other costs

(2)

(5)

-

(8)

(31)

(48)

-

(48)

Exploration

-

(12)

(8)

(15)

(3)

(38)

1

(37)

Intercompany transactions

-

(5)	
(1)	
-	
6	
-	
-	
-	
Special items	
(9)	
(17)	
-	
1	
2	
(23)	
-	
(23)	
<b>Operating profit (loss)</b>	
<b>97</b>	
<b>71</b>	
<b>(11)</b>	
<b>99</b>	
<b>(22)</b>	
<b>234</b>	
<b>(41)</b>	
<b>193</b>	
Net finance (costs) income, unwinding of obligations and fair value adjustments	
-	
(3)	
-	
-	
27	
24	
-	
24	
Exchange gain (loss)	
-	
1	
-	
-	
4	
6	
(1)	
4	
Share of equity accounted investments profit	
-	
-	
-	
-	
(4)	
(4)	

25
22
Profit (loss) before taxation
97
70
(12)
100
5
260
(16)
244
Taxation
(18)
(35)
-
(38)
-
(92)
16
(76)
<b>Profit (loss) for the period</b>
<b>78</b>
<b>34</b>
<b>(12)</b>
<b>62</b>
<b>6</b>
<b>168</b>
-
<b>168</b>
Equity shareholders
78
31
(12)
55
4
157
-
157
Non-controlling interests
-
3
-
7
1
12
-
11
Operating profit (loss)
97
71
(11)



99  
(22)  
234  
(41)  
193  
Unrealised non-hedge derivatives and other  
commodity contracts  
(57)  
(6)  
-  
(19)  
-  
(82)  
-  
(82)  
commodity contracts  
Intercompany transactions  
-  
5  
1  
-  
(6)  
-  
-  
-  
Special items  
4  
10  
-  
-  
(1)  
12  
-  
12  
Share of associates' EBIT  
-  
-  
-  
-  
(1)  
(1)  
41  
40  
**EBIT**  
**44**  
**80**  
**(11)**  
**80**  
**(30)**  
**163**  
-

**163**

Amortisation of assets

85

42

9

33

2

172

(2)

169

Share of associates' amortisation

-

-

-

-

-

-

2

2

**EBITDA**

**129**

**122**

**(1)**

**113**

**(29)**

**334**

-

**334**

Profit (loss) attributable to equity shareholders

78

31

(12)

55

4

157

-

157

Special items

4

10

-

-

(1)

12

-

12

Share of associates' special items

-

-

-

-

	3
	3
	-
	3
Taxation on items above	
(1)	
(2)	
-	
-	
-	
(3)	
-	
(3)	
<b>Headline earnings (loss)</b>	
<b>82</b>	
<b>39</b>	
<b>(12)</b>	
<b>55</b>	
<b>5</b>	
<b>169</b>	
-	
<b>169</b>	
Unrealised non-hedge derivatives and other commodity contracts	
(57)	
(6)	
-	
(19)	
-	
(82)	
-	
(82)	
Deferred tax on unrealised non-hedge derivatives and other commodity contracts	
22	
-	
-	
-	
-	
22	
-	
22	
Fair value adjustment on option component of convertible bonds	
-	
-	
-	
-	
(48)	
(48)	
-	

(48)  
**Adjusted headline earnings (loss)**

47

32

(12)

35

(42)

61

-

61

Ore reserve development capital

54

7

4

12

-

77

-

77

Stay-in-business capital

16

9

2

13

2

41

(1)

40

Project capital

11

11

3

27

-

53

(1)

52

**Total capital expenditure**

81

27

9

52

2

171

(2)

169

(1) Gold income received is gold income per income statement and loss on realised non-hedge derivatives (note 4).  
*Rounding of figures may result in computational discrepancies.*

South Africa  
 Continental  
 Africa  
 Australasia  
 Americas  
 Total group

**UNDERGROUND OPERATION**

Area mined

- 000 ft

2

13,182

-

-

-

13,182

Mined

- 000 tons

7,723

2,015

756

2,021

12,516

Milled / Treated

- 000 tons

7,564

1,987

571

2,105

12,227

Yield

- oz/t

0.212

0.150

0.131

0.187

0.194

Gold produced

- oz (000)

1,607

299

75

394

2,374

**SURFACE AND DUMP RECLAMATION**

Milled / Treated

- 000 tons

11,297

917

-

-

12,214

Yield

- oz/t

0.016

0.019

-

1.000

0.016

Gold produced

- oz (000)

179

18

-

-

196

**OPEN-PIT OPERATION**

Volume mined

- 000 bcy

-

64,978

6,780

-

71,758

Mined

- 000 tons

-

127,402

15,949

32,305

175,656

Treated

- 000 tons

-

24,129

3,416

1,146

28,691

Stripping ratio

- ratio

-

4.04

4.94

25.51

5.02

Yield

- oz/t

-

0.046

0.094

0.170

0.057

Gold produced

- oz (000)

-

1,115

321

195

1,631

**HEAP LEACH OPERATION**

Mined

- 000 tons

-

5,467

-

68,601

74,068

Placed

- 000 tons

-

1,293

-

22,917

24,210

Stripping ratio

- ratio

-

6.50

-

2.03

2.17

Yield

- oz/t

-

0.036

-

0.013

0.015

Gold placed

- oz (000)

-

46

-

306

352

Gold produced

- oz (000)

-

60

-

253

314

**PRODUCTIVITY PER EMPLOYEE**

Actual

- oz  
5.63  
11.24  
66.77  
22.44  
9.15

**TOTAL**

Subsidiaries' gold produced

- oz (000)  
1,785  
1,219  
396  
842  
4,242  
273  
273

**IMPERIAL OPERATING RESULTS**

**YEAR ENDED DECEMBER 2010**

Joint ventures' gold produced - oz (000)

-  
-  
-

Attributable gold produced

- oz (000)  
1,785  
1,492  
396  
842  
4,515

Minority gold produced

- oz (000)  
-  
48  
-  
93  
141

Subsidiaries' gold sold

- oz (000)  
1,791  
1,206  
396  
844  
4,237

Joint ventures' gold sold

- oz (000)  
-  
272  
-  
-  
272



Attributable gold sold

- oz (000)

1,791

1,478

396

844

4,509

Minority gold sold

- oz (000)

-

48

-

95

143

Spot price

- \$/oz

1,227

1,227

1,227

1,227

1,227

Price received

- \$/oz sold

488

663

519

555

561

Price received excluding

hedge buy-back costs

- \$/oz sold

1,162

1,165

1,148

1,148

1,159

Total cash costs

- \$/oz produced

598

712

982

432

638

Total production costs

- \$/oz produced

809

867

1,065

615

816

*Rounding of figures may result in computational discrepancies.*

**FINANCIAL RESULTS - YEAR  
ENDED DECEMBER 2010 \$'m**

**South Africa**

**Continental  
Africa**

**Australasia**

**Americas**

**Corporate  
and other**

**Sub-total**

**Less equity  
accounted**

**investments**

**Total group**

Gold income received

(1)

2,082

1,780

454

1,071

-

5,388

(330)

5,056

Cash costs

(1,118)

(1,097)

(389)

(527)

31

(3,100)

194

(2,906)

By-products revenue

50

4

1

73

2

130

(1)

129

Total cash costs

(1,068)

(1,093)

(389)

(454)

33

(2,970)

193

(2,778)

Retrenchment costs

(19)

(1)

-

(3)

-

(23)

1

(23)

Rehabilitation and other non-cash costs

(26)

(56)

1

(33)

-

(114)

5

(109)

Amortisation of assets

(331)

(176)

(34)

(150)

(10)

(701)

9

(692)

Total production costs

(1,444)

(1,326)

(422)

(640)

23

(3,809)

208

(3,602)

Inventory change

(4)

1

-

56

-

53

(2)

52

Cost of sales

(1,448)

(1,325)

(422)

(584)

23

(3,756)  
 206  
 (3,550)  
**Adjusted gross profit (loss) excluding  
 hedge buy-back costs**  
**634**  
**455**  
**33**  
**487**  
**23**  
**1,632**  
**(125)**  
**1,507**  
 Hedge buy-back costs  
 (1,207)  
 (742)  
 (249)  
 (500)  
 -  
 (2,698)  
 -  
 (2,698)  
**Adjusted gross profit (loss)**  
**(574)**  
**(287)**  
**(216)**  
**(13)**  
**23**  
**(1,066)**  
**(125)**  
**(1,191)**  
 Unrealised non-hedge derivatives and other  
 commodity contracts  
 1,003  
 890  
 10  
 370  
 -  
 2,273  
 -  
 2,273  
**Gross profit (loss)**  
**429**  
**604**  
**(206)**  
**357**  
**23**  
**1,207**  
**(125)**  
**1,082**  
 Corporate and other costs

(10)	
(11)	
(2)	
(38)	
(178)	
(240)	
-	
(240)	
Exploration	
(2)	
(47)	
(45)	
(72)	
(35)	
(201)	
2	
(198)	
Intercompany transactions	
-	
(37)	
(1)	
(2)	
40	
-	
-	
-	
Special items	
(84)	
(31)	
10	
35	
(55)	
(125)	
(1)	
(126)	
<b>Operating profit (loss)</b>	
<b>334</b>	
<b>477</b>	
<b>(244)</b>	
<b>280</b>	
<b>(205)</b>	
<b>642</b>	
<b>(124)</b>	
<b>518</b>	
Net finance (costs) income, unwinding of obligations and fair value adjustments	
(2)	
(8)	
(1)	
3	
(172)	

(178)  
 -  
 (178)  
 Exchange (loss) gain  
 -  
 (6)  
 -  
 3  
 7  
 3  
 -  
 3  
 Share of equity accounted investments profit  
 -  
 -  
 -  
 (1)  
 (8)  
 (10)  
 73  
 63  
 Profit (loss) before taxation  
 332  
 462  
 (245)  
 285  
 (378)  
 456  
 (51)  
 405  
 Taxation  
 (46)  
 (152)  
 (8)  
 (111)  
 (11)  
 (327)  
 51  
 (276)  
**Profit (loss) for the period**  
**286**  
**311**  
**(253)**  
**174**  
**(389)**  
**129**  
 -  
**129**  
 Equity shareholders  
 286  
 297

(253)  
 143  
 (396)  
 76  
 -  
 76  
 Non-controlling interests  
 -  
 14  
 -  
 31  
 8  
 53  
 -  
 53  
 Operating profit (loss)  
 334  
 477  
 (244)  
 280  
 (205)  
 642  
 (124)  
 518  
 Unrealised non-hedge derivatives and other  
 commodity contracts  
 (1,003)  
 (890)  
 (10)  
 (370)  
 -  
 (2,273)  
 -  
 (2,273)  
 Hedge buy-back and related costs  
 1,207  
 742  
 249  
 500  
 59  
 2,757  
 -  
 2,757  
 Intercompany transactions  
 -  
 37  
 1  
 2  
 (40)  
 -  
 -

-
Special items
100
12
(6)
(35)
3
74
1
75
Share of associates' EBIT
-
-
-
(1)
(4)
(5)
123
118
<b>EBIT</b>
<b>638</b>
<b>378</b>
<b>(10)</b>
<b>376</b>
<b>(187)</b>
<b>1,196</b>
-
<b>1,196</b>
Amortisation of assets
331
176
34
150
10
701
(9)
692
Share of associates' amortisation
-
-
-
-
-
9
9
<b>EBITDA</b>
<b>969</b>
<b>555</b>
<b>24</b>
<b>526</b>



(177)	
<b>1,897</b>	
-	
<b>1,897</b>	
Profit (loss) attributable to equity shareholders	
286	
297	
(253)	
143	
(396)	
76	
-	
76	
Special items	
100	
12	
(6)	
(35)	
3	
74	
1	
75	
Share of associates' special items	
-	
-	
-	
-	
5	
5	
(1)	
4	
Taxation on items above	
(28)	
(4)	
-	
(1)	
-	
(33)	
-	
(33)	
<b>Headline earnings (loss)</b>	
<b>358</b>	
<b>305</b>	
<b>(259)</b>	
<b>107</b>	
<b>(389)</b>	
<b>122</b>	
-	
<b>122</b>	
Unrealised non-hedge derivatives and other commodity contracts	

(1,003)  
(890)  
(10)  
(370)  
-  
(2,273)  
-  
(2,273)  
Deferred tax on unrealised non-hedge  
derivatives and other commodity contracts  
334  
-  
3  
-  
-  
337  
-  
337  
Fair value adjustment on option component  
of convertible bonds  
-  
-  
-  
-  
1  
1  
-  
1  
Fair value loss on mandatory convertible  
b  
d  
-  
-  
-  
-  
55  
55  
-  
55  
Hedge buy-back and related costs  
net of taxation  
998  
739  
249  
500  
59  
2,545  
-  
2,545  
**Adjusted headline earnings (loss)**  
**excluding hedge buy-back costs**

**686**  
**154**  
**(17)**  
**237**  
**(273)**  
**787**  
 -  
**787**  
 Ore reserve development capital  
 247  
 36  
 16  
 54  
 -  
 352  
 -  
 352  
 Stay-in-business capital  
 121  
 135  
 13  
 100  
 6  
 376  
 (5)  
 371  
 Project capital  
 56  
 63  
 11  
 157  
 -  
 287  
 (37)  
 250  
**Total capital expenditure**  
**424**  
**234**  
**40**  
**311**  
**6**  
**1,015**  
**(42)**  
**973**

(1) Gold income received is gold income per income statement and loss on realised non-hedge derivatives (note 4).  
*Rounding of figures may result in computational discrepancies.*

**South Africa**  
**Continental**  
**Africa**

**Australasia**

**Americas**

**Total group**

**UNDERGROUND OPERATION**

Area mined

- 000 m

2

251

-

-

-

251

Mined

- 000 tonnes

1,558

445

205

467

2,676

Milled / Treated

- 000 tonnes

1,390

493

240

489

2,613

Yield

- g/t

7.89

4.37

5.29

6.60

6.75

Gold produced

- kg

10,974

2,154

1,271

3,229

17,628

**SURFACE AND DUMP RECLAMATION**

Milled / Treated

- 000 tonnes

2,685

-

-

-

2,685

Yield

- g/t

0.56

-

-

0.57

Gold produced

- kg

1,493

35

-

-

1,527

**OPEN-PIT OPERATION**

Volume mined

- 000 bcm

-

11,517

1,105

-

12,622

Mined

- 000 tonnes

-

28,525

3,075

6,561

38,161

Treated

- 000 tonnes

-

5,504

586

221

6,311

Stripping ratio

- ratio

-

3.43

6.13

24.42

4.35

Yield

- g/t

-

1.61

1.66

5.37

1.75

Gold produced

- kg

-

8,867

973

1,189

11,029

**HEAP LEACH OPERATION**

Mined

- 000 tonnes

-

1,488

-

15,676

17,164

Placed

- 000 tonnes

-

276

-

5,215

5,491

Stripping ratio

- ratio

-

6.14

-

2.08

2.24

Yield

- g/t

-

0.99

-

0.38

0.41

Gold placed

- kg

-

272

-

2,002

2,274

Gold produced

- kg

-

232

-

1,888

2,119

**PRODUCTIVITY PER EMPLOYEE**

Actual

- g  
180  
340  
1,262  
624  
283

**TOTAL**

Subsidiaries' gold produced

- kg  
12,466  
9,429  
2,244  
6,306  
30,445

k  
1 858  
1 858

**METRIC OPERATING RESULTS**

**QUARTER ENDED MARCH 2011**

Joint ventures' gold produced

- kg

-  
-  
-

Attributable gold produced

- kg  
12,466  
11,287  
2,244  
6,306  
32,303

Minority gold produced

- kg

-  
356

-  
634  
989

Subsidiaries' gold sold

- kg  
12,465  
10,001  
2,168  
6,299  
30,933

Joint ventures' gold sold

- kg

-  
1,838

-  
-

1,838  
 Attributable gold sold  
 - kg  
 12,465  
 11,839  
 2,168  
 6,299  
 32,771  
 Minority gold sold  
 - kg  
 -  
 381  
 -  
 576  
 956  
 Spot price  
 - R/kg  
 311,511  
 311,511  
 311,511  
 311,511  
 311,511  
 Price received  
 - R/kg sold  
 313,682  
 311,339  
 310,879  
 311,657  
 312,261  
 Total cash costs  
 - R/kg produced  
 143,256  
 184,129  
 258,724  
 107,929  
 158,707  
 Total production costs  
 - R/kg produced  
 195,878  
 217,000  
 292,533  
 146,254  
 200,632

*Rounding of figures may result in computational discrepancies.*



**FINANCIAL RESULTS - QUARTER ENDED**

**MARCH 2011 ZAR'm**

**South Africa**

**Continental  
Africa**

**Australasia**

**Americas**

**Corporate  
and other**

**Sub-total**

**Less equity  
accounted**

**investments**

**Total group**

Gold income

3,910

3,805

674

2,119

-

10,508

(574)

9,934

Cash costs

(1,971)

(2,145)

(582)

(1,049)

(36)

(5,783)

349

(5,433)

By-products revenue

185

12

2

155

3

357

(1)

356

Total cash costs

(1,786)

(2,132)

(581)

(894)

(33)

(5,426)

349

(5,077)

Retrenchment costs

(21)  
 (1)  
 -  
 (6)  
 -  
 (28)  
 1  
 (28)  
 Rehabilitation and other non-cash costs  
 (12)  
 (53)  
 -  
 (4)  
 -  
 (69)  
 -  
 (68)  
 Amortisation of assets  
 (623)  
 (323)  
 (76)  
 (274)  
 (16)  
 (1,312)  
 14  
 (1,298)  
 Total production costs  
 (2,442)  
 (2,509)  
 (656)  
 (1,178)  
 (49)  
 (6,835)  
 364  
 (6,471)  
 Inventory change  
 -  
 (163)  
 19  
 149  
 -  
 6  
 (3)  
 2  
 Cost of sales  
 (2,441)  
 (2,672)  
 (637)  
 (1,030)  
 (49)  
 (6,830)

360  
 (6,469)  
**Adjusted gross profit (loss)**

**1,469**

**1,133**

**37**

**1,090**

**(49)**

**3,678**

**(214)**

**3,464**

Unrealised non-hedge derivatives and other  
 commodity contracts

-

(1)

-

12

-

11

-

11

**Gross profit (loss)**

**1,469**

**1,132**

**37**

**1,101**

**(49)**

**3,690**

**(214)**

**3,476**

Corporate and other costs

(14)

(24)

(11)

(95)

(407)

(551)

(2)

(553)

Exploration

(2)

(138)

(76)

(133)

(55)

(403)

6

(397)

Intercompany transactions

-

(83)

-
(3)
86
-
-
-
Special items
(5)
(44)
49
1
10
11
-
11
<b>Operating profit (loss)</b>
<b>1,448</b>
<b>843</b>
-
<b>871</b>
<b>(415)</b>
<b>2,747</b>
<b>(210)</b>
<b>2,537</b>
Net finance (costs) income, unwinding of obligations and fair value adjustments
(10)
(11)
6
(2)
(41)
(58)
2
(57)
Exchange gain (loss)
-
(24)
-
9
2
(13)
16
4
Share of equity accounted investments profit (loss)
-
-
-
(28)
(16)
(44)

125  
 81  
 Profit (loss) before taxation  
 1,437  
 809  
 6  
 850  
 (470)  
 2,632  
 (67)  
 2,565  
 Taxation  
 (382)  
 (293)  
 (12)  
 (205)  
 (39)  
 (931)  
 67  
 (864)  
**Profit (loss) for the period**  
**1,056**  
**516**  
 (7)  
**645**  
**(509)**  
**1,701**  
 -  
**1,701**  
 Equity shareholders  
 1,056  
 480  
 (7)  
 610  
 (480)  
 1,658  
 -  
 1,658  
 Non-controlling interests  
 -  
 36  
 -  
 35  
 (29)  
 43  
 -  
 43  
 Operating profit (loss)  
 1,448  
 843  
 -

871  
(415)  
2,747  
(210)  
2,537  
1  
(12)  
(11)  
(11)  
Unrealised non hedge derivatives and other  
commodity contracts  
-  
1  
-  
-  
(11)  
-  
  
Intercompany transactions  
-  
83  
-  
3  
(86)  
-  
-  
-  
Special items  
10  
9  
-  
(2)  
(14)  
4  
-  
4  
Share of associates' EBIT  
-  
-  
-  
(28)  
(15)  
(43)  
210  
167  
**EBIT**  
**1,457**  
**936**  
-  
**833**  
**(530)**

**2,696**

-

**2,696**

Amortisation of assets

623

323

76

274

16

1,312

(14)

1,298

Share of associates' amortisation

-

-

-

-

-

-

14

14

**EBITDA**

**2,081**

**1,259**

**75**

**1,107**

**(514)**

**4,009**

-

**4,009**

Profit (loss) attributable to equity shareholders

1,056

480

(7)

610

(480)

1,658

-

1,658

Special items

10

9

-

(2)

(14)

4

-

4

Share of associates' special items

-

-

-
-
-
-
-
-
Taxation on items above
(5)
-
-
-
(6)
-
(6)
<b>Headline earnings (loss)</b>
<b>1,060</b>
<b>489</b>
(7)
<b>608</b>
<b>(494)</b>
<b>1,656</b>
-
<b>1,656</b>
Unrealised non-hedge derivatives and other commodity contracts
-
1
-
(12)
-
(11)
-
(11)
Deferred tax on unrealised non-hedge derivatives and other commodity contracts
-
-
-
-
-
-
-
Fair value adjustment on option component of convertible bonds
-
-
-
(90)



(90)  
 -  
 (90)  
 Fair value loss on mandatory convertible  
 -  
 -  
 -  
 -  
 (139)  
 (139)  
 -  
 (139)  
**Adjusted headline earnings (loss)**  
**1,060**  
**490**  
**(7)**  
**596**  
**(724)**  
**1,415**  
 -  
**1,415**  
 Ore reserve development capital  
 453  
 86  
 25  
 102  
 -  
 666  
 -  
 666  
 Stay-in-business capital  
 95  
 225  
 15  
 105  
 14  
 454  
 (6)  
 448  
 Project capital  
 116  
 125  
 35  
 344  
 -  
 620  
 (99)  
 521  
**Total capital expenditure**  
**663**  
**436**

**75**

**551**

**14**

**1,740**

**(105)**

**1,635**

*Rounding of figures may result in computational discrepancies.*

**South Africa**  
**Continental**  
**Africa**

**Australasia**

**Americas**

**Total group**

**UNDERGROUND OPERATION**

Area mined

- 000 m

2

292

-

-

-

292

Mined

- 000 tonnes

1,427

422

261

466

2,576

Milled / Treated

- 000 tonnes

1,673

420

158

489

2,739

Yield

- g/t

7.88

4.84

5.47

6.44

7.02

Gold produced

- kg

13,190

2,030

862

3,149

19,232

**SURFACE AND DUMP RECLAMATION**

Milled / Treated

- 000 tonnes

2,709

49

-

-

2,758

Yield

- g/t

0.59

0.60

-

34.29

0.59

Gold produced

- kg

1,611

29

-

-

1,640

**OPEN-PIT OPERATION**

Volume mined

- 000 bcm

-

13,699

1,354

-

15,053

Mined

- 000 tonnes

-

30,886

3,795

7,712

42,392

Treated

- 000 tonnes

-

5,942

744

259

6,945

Stripping ratio

- ratio

-

4.07

5.12

25.80

5.05

Yield

- g/t

-

1.56

3.11

5.63

1.88

Gold produced

- kg

-

9,291

2,313

1,459

13,063

**HEAP LEACH OPERATION**

Mined

- 000 tonnes

-

1,384

-

16,110

17,494

Placed

- 000 tonnes

-

308

-

5,088

5,396

Stripping ratio

- ratio

-

5.55

-

2.19

2.33

Yield

- g/t

-

0.97

-

0.40

0.43

Gold placed

- kg

-

298

-

2,019

2,317

Gold produced

- kg

-

272

-

1,496

1,768

**PRODUCTIVITY PER EMPLOYEE**

Actual

- g  
189  
345  
2,093  
618  
289

**TOTAL**

Subsidiaries' gold produced

- kg  
14,801  
9,723  
3,175  
6,105  
33,803

k  
1 900  
1 900

**METRIC OPERATING RESULTS**

**QUARTER ENDED DECEMBER 2010**

Joint ventures' gold produced

- kg

-  
-  
-

Attributable gold produced

- kg  
14,801  
11,623  
3,175  
6,105  
35,703

Minority gold produced

- kg

-  
388

-  
722

1,110

Subsidiaries' gold sold

- kg  
14,805  
9,712  
3,263  
6,143  
33,924

Joint ventures' gold sold

- kg

-  
1,976

-  
-

1,976  
 Attributable gold sold  
 - kg  
 14,805  
 11,688  
 3,263  
 6,143  
 35,900  
 Minority gold sold  
 - kg  
 -  
 381  
 -  
 756  
 1,136  
 Spot price  
 - R/kg  
 303,106  
 303,106  
 303,106  
 303,106  
 303,106  
 Price received  
 - R/kg sold  
 81,074  
 128,171  
 60,117  
 111,273  
 99,671  
 Price received excluding hedge  
 buy-back costs  
 - R/kg sold  
 303,857  
 302,768  
 302,843  
 304,114  
 303,454  
 Total cash costs  
 - R/kg produced  
 136,217  
 174,621  
 197,828  
 102,746  
 148,474  
 Total production costs  
 - R/kg produced  
 192,292  
 220,079  
 219,476  
 176,022  
 201,465

*Rounding of figures may result in computational discrepancies.*



**FINANCIAL RESULTS**

**QUARTER ENDED DECEMBER 2010 ZAR'm**

**South Africa**

**Continental**

**Africa**

**Australasia**

**Americas**

**Corporate**

**and other**

**Sub-total**

**Less equity**

**accounted**

**investments**

**Total group**

Gold income received

(1)

4,499

3,654

988

2,073

-

11,214

(600)

10,614

Cash costs

(2,186)

(2,098)

(629)

(973)

36

(5,850)

363

(5,487)

By-products revenue

169

9

1

144

(2)

323

(1)

321

Total cash costs

(2,016)

(2,088)

(628)

(829)

34

(5,527)

361

(5,166)

Retrenchment costs

(50)

(5)

-

(10)

-

(65)

1

(64)

Rehabilitation and other non-cash costs

(150)

(204)

7

(218)

-

(564)

35

(529)

Amortisation of assets

(630)

(320)

(76)

(318)

(22)

(1,366)

18

(1,348)

Total production costs

(2,846)

(2,617)

(697)

(1,375)

13

(7,523)

416

(7,107)

Inventory change

(1)

(65)

(12)

166

-

88

5

92

Cost of sales

(2,847)

(2,683)

(709)

(1,209)

13

(7,435)  
 420  
 (7,016)  
**Adjusted gross profit (loss) excluding  
 hedge buy-back costs**  
**1,652**  
**971**  
**279**  
**863**  
**13**  
**3,778**  
**(180)**  
**3,598**  
 Hedge buy-back costs  
 (3,298)  
 (2,041)  
 (792)  
 (1,185)  
 -  
 (7,316)  
 -  
 (7,316)  
**Adjusted gross profit (loss)**  
**(1,647)**  
**(1,069)**  
**(513)**  
**(321)**  
**13**  
**(3,537)**  
**(180)**  
**(3,718)**  
 Unrealised non-hedge derivatives and other  
 commodity contracts  
 1,301  
 5,481  
 -  
 4  
 -  
 6,787  
 -  
 6,787  
**Gross profit (loss)**  
**(345)**  
**4,412**  
**(513)**  
**(317)**  
**13**  
**3,250**  
**(180)**  
**3,069**  
 Corporate and other costs

(22)  
(41)  
(6)  
(122)  
(355)  
(545)  
-  
(545)  
Exploration  
(9)  
(87)  
(91)  
(75)  
(80)  
(342)  
4  
(338)  
Intercompany transactions  
-  
(84)  
-  
(4)  
88  
-  
-  
-  
Special items  
(406)  
(49)  
19  
244  
(15)  
(208)  
-  
(208)  
**Operating profit (loss)**  
**(782)**  
**4,150**  
**(591)**  
**(275)**  
**(349)**  
**2,154**  
**(176)**  
**1,978**  
Net finance (costs) income, unwinding of  
obligations and fair value adjustments  
(4)  
(18)  
(5)  
11  
(724)

(740)  
 -  
 (740)  
 Exchange gain (loss)  
 -  
 31  
 -  
 74  
 (7)  
 98  
 (5)  
 93  
 Share of equity accounted investments  
 profit (loss)  
 -  
 -  
 -  
 (8)  
 (75)  
 (83)  
 146  
 63  
 Profit (loss) before taxation  
 (786)  
 4,163  
 (595)  
 (198)  
 (1,155)  
 1,429  
 (35)  
 1,394  
 Taxation  
 (355)  
 (275)  
 (82)  
 (192)  
 (9)  
 (913)  
 35  
 (878)  
**Profit (loss) for the period**  
**(1,141)**  
**3,888**  
**(678)**  
**(390)**  
**(1,164)**  
**516**  
 -  
**516**  
 Equity shareholders  
 (1,141)

3,858  
 (678)  
 (465)  
 (1,170)  
 404  
 -  
 404  
 Non-controlling interests  
 -  
 31  
 -  
 76  
 6  
 112  
 -  
 112  
 Operating profit (loss)  
 (782)  
 4,150  
 (591)  
 (275)  
 (349)  
 2,154  
 (176)  
 1,978  
 Unrealised non-hedge derivatives and other  
 commodity contracts  
 (1,301)  
 (5,481)  
 -  
 (4)  
 -  
 (6,787)  
 -  
 (6,787)  
 Hedge buy-back and related costs  
 3,298  
 2,041  
 792  
 1,185  
 (5)  
 7,311  
 -  
 7,311  
 Intercompany transactions  
 -  
 84  
 -  
 4  
 (88)  
 -

-
-
Special items
460
11
-
(248)
5
228
-
228
Share of associates' EBIT
-
-
-
(8)
(4)
(12)
176
164
<b>EBIT</b>
<b>1,675</b>
<b>804</b>
<b>201</b>
<b>653</b>
<b>(441)</b>
<b>2,894</b>
-
<b>2,894</b>
Amortisation of assets
630
320
76
318
22
1,366
(18)
1,348
Share of associates' amortisation
-
-
-
-
-
-
18
18
<b>EBITDA</b>
<b>2,306</b>
<b>1,125</b>
<b>277</b>

**971**  
**(419)**  
**4,260**  
 -  
**4,260**  
 Profit (loss) attributable to equity shareholders  
 (1,141)  
 3,858  
 (678)  
 (465)  
 (1,170)  
 404  
 -  
 404  
 Special items  
 460  
 11  
 -  
 (248)  
 5  
 228  
 -  
 228  
 Share of associates' special items  
 -  
 -  
 -  
 -  
 71  
 71  
 -  
 71  
 Taxation on items above  
 (138)  
 (5)  
 -  
 -  
 -  
 (143)  
 -  
 (143)  
**Headline earnings (loss)**  
**(819)**  
**3,864**  
**(678)**  
**(713)**  
**(1,093)**  
**561**  
 -  
**561**



Unrealised non-hedge derivatives and  
 other commodity contracts  
 (1,301)  
 (5,481)  
 -  
 (4)  
 -  
 (6,787)  
 -  
 (6,787)  
 Deferred tax on unrealised non-hedge  
 derivatives and other commodity contracts  
 461  
 -  
 -  
 -  
 -  
 461  
 -  
 461  
 Fair value adjustment on option component  
 of convertible bonds  
 -  
 -  
 -  
 -  
 280  
 280  
 -  
 280  
 Fair value loss on mandatory convertible  
 -  
 -  
 -  
 -  
 222  
 222  
 -  
 222  
 Hedge buy-back and related costs  
 3,276  
 2,041  
 792  
 1,185  
 (5)  
 7,289  
 -  
 7,289  
**Adjusted headline earnings (loss)**  
**excluding hedge buy-back costs**  
**1,617**

<b>424</b>
<b>114</b>
<b>467</b>
<b>(596)</b>
<b>2,026</b>
-
<b>2,026</b>
Ore reserve development capital
453
61
20
109
-
644
-
644
Stay-in-business capital
390
527
31
290
25
1,264
(15)
1,248
Project capital
166
97
19
383
-
665
(88)
578
<b>Total capital expenditure</b>
<b>1,009</b>
<b>685</b>
<b>71</b>
<b>782</b>
<b>25</b>
<b>2,572</b>
<b>(102)</b>
<b>2,470</b>

(1) Gold income received is gold income per income statement and loss on realised non-hedge derivatives (note 4).  
*Rounding of figures may result in computational discrepancies.*

**South Africa**  
**Continental**  
**Africa**

**Australasia**

**Americas**

**Total group**

**UNDERGROUND OPERATION**

Area mined

- 000 m

2

320

-

-

-

320

Mined

- 000 tonnes

1,882

535

150

398

2,965

Milled / Treated

- 000 tonnes

1,703

509

131

458

2,801

Yield

- g/t

6.40

5.54

5.38

6.54

6.22

Gold produced

- kg

10,891

2,821

704

2,998

17,414

**SURFACE AND DUMP RECLAMATION**

Milled / Treated

- 000 tonnes

2,430

262

-

-

2,692

Yield

- g/t

0.44

0.83

-

-

0.47

Gold produced

- kg

1,058

218

-

-

1,276

**OPEN-PIT OPERATION**

Volume mined

- 000 bcm

-

12,418

1,383

-

13,801

Mined

- 000 tonnes

-

29,511

3,889

6,461

39,861

Treated

- 000 tonnes

-

4,899

766

254

5,919

Stripping ratio

- ratio

-

4.07

5.04

24.60

4.93

Yield

- g/t

-

1.59

3.72

6.09

2.05

Gold produced

- kg

-

7,764

2,848

1,549

12,161

**HEAP LEACH OPERATION**

Mined

- 000 tonnes

-

704

-

15,861

16,565

Placed

- 000 tonnes

-

304

-

5,153

5,457

Stripping ratio

- ratio

-

4.29

-

2.02

2.08

Yield

- g/t

-

1.86

-

0.49

0.56

Gold placed

- kg

-

565

-

2,503

3,068

Gold produced

- kg

-

840

-

1,883

2,723

**PRODUCTIVITY PER EMPLOYEE**

Actual

- g  
145  
355  
2,450  
720  
268

**TOTAL**

Subsidiaries' gold produced

- kg  
11,949  
9,095  
3,552  
6,431  
31,026  
k  
2 548  
2 548

**METRIC OPERATING RESULTS**

**QUARTER ENDED MARCH 2010**

Joint ventures' gold produced

- kg

-  
-  
-

Attributable gold produced

- kg  
11,949  
11,643  
3,552  
6,431  
33,574

Minority gold produced

- kg

-  
400

-  
745  
1,145

Subsidiaries' gold sold

- kg  
11,383  
9,225  
3,515  
6,391  
30,515

Joint ventures' gold sold

- kg

-  
2,484

-  
-

2,484  
 Attributable gold sold  
 - kg  
 11,383  
 11,709  
 3,515  
 6,391  
 32,999  
 Minority gold sold  
 - kg  
 -  
 395  
 -  
 745  
 1,141  
 Spot price  
 - R/kg  
 267,578  
 267,578  
 267,578  
 267,578  
 267,578  
 Price received  
 - R/kg sold  
 244,200  
 247,821  
 240,990  
 242,808  
 244,873  
 Total cash costs  
 - R/kg produced  
 151,186  
 151,942  
 224,450  
 100,373  
 149,431  
 Total production costs  
 - R/kg produced  
 209,205  
 185,017  
 244,516  
 134,018  
 190,374

*Rounding of figures may result in computational discrepancies.*

**FINANCIAL RESULTS - QUARTER ENDED**

**MARCH 2010 ZAR'm**

**South Africa**

**Continental**

**Africa**

**Australasia**

**Americas**

**Corporate**

**and other**

**Sub-total**

**Less equity**

**accounted**

**investments**

**Total group**

Gold income received

(1)

2,780

3,008

847

1,730

-

8,364

(667)

7,698

Cash costs

(1,871)

(1,832)

(799)

(899)

61

(5,340)

341

(4,999)

By-products revenue

65

8

1

98

(4)

168

(1)

166

Total cash costs

(1,806)

(1,824)

(797)

(801)

57

(5,172)

340

(4,832)



Retrenchment costs

(46)

-

-

(6)

-

(52)

-

(52)

Rehabilitation and other non-cash costs

(10)

(77)

-

-

-

(87)

1

(86)

Amortisation of assets

(638)

(313)

(71)

(249)

(15)

(1,287)

16

(1,271)

Total production costs

(2,500)

(2,215)

(869)

(1,057)

41

(6,599)

357

(6,242)

Inventory change

107

(12)

(3)

97

-

189

(8)

182

Cost of sales

(2,393)

(2,226)

(872)

(959)

41

(6,409)  
 349  
 (6,060)  
**Adjusted gross profit (loss)**  
**387**  
**781**  
**(25)**  
**771**  
**41**  
**1,955**  
**(317)**  
**1,638**  
 Unrealised non-hedge derivatives and other  
 commodity contracts  
 410  
 34  
 1  
 138  
 -  
 583  
 -  
 583  
**Gross (loss) profit**  
**797**  
**815**  
**(24)**  
**909**  
**41**  
**2,538**  
**(317)**  
**2,221**  
 Corporate and other costs  
 (18)  
 (41)  
 -  
 (61)  
 (237)  
 (357)  
 -  
 (357)  
 Exploration  
 (2)  
 (89)  
 (58)  
 (110)  
 (28)  
 (287)  
 9  
 (277)  
 Intercompany transactions  
 -

(38)  
 (5)  
 (2)  
 44  
 -  
 -  
 -  
 Special items  
 (64)  
 (123)  
 -  
 5  
 9  
 (174)  
 -  
 (174)  
**Operating profit (loss)**  
**713**  
**524**  
**(87)**  
**740**  
**(170)**  
**1,720**  
**(307)**  
**1,413**  
 Net finance (costs) income, unwinding of  
 obligations and fair value adjustments  
 (2)  
 (21)  
 (1)  
 3  
 201  
 181  
 1  
 182  
 Exchange gain (loss)  
 -  
 9  
 -  
 3  
 32  
 44  
 (6)  
 38  
 Share of equity accounted investments profit  
 -  
 -  
 -  
 -  
 (26)  
 (26)

190
163
Profit (loss) before taxation
711
512
(87)
746
37
1,918
(123)
1,796
Taxation
(133)
(265)
(4)
(281)
1
(680)
123
(558)
<b>Profit (loss) for the period</b>
<b>578</b>
<b>247</b>
<b>(91)</b>
<b>465</b>
<b>38</b>
<b>1,238</b>
-
<b>1,238</b>
Equity shareholders
578
223
(91)
410
29
1,150
-
1,150
Non-controlling interests
-
24
-
55
9
88
-
88
Operating profit (loss)
713
524
(87)

740  
 (170)  
 1,720  
 (307)  
 1,413  
 Unrealised non-hedge derivatives and  
 (410)  
 (34)  
 (1)  
 (138)  
 -  
 (583)  
 -  
 (583)  
 other commodity contracts  
 Intercompany transactions  
 -  
 38  
 5  
 2  
 (44)  
 -  
 -  
 -  
 Special items  
 31  
 74  
 -  
 (4)  
 (10)  
 92  
 -  
 92  
 Share of associates' EBIT  
 -  
 -  
 -  
 -  
 (5)  
 (5)  
 307  
 302  
**EBIT**  
**334**  
**602**  
**(83)**  
**600**  
**(230)**  
**1,224**  
 -  
**1,224**

Amortisation of assets

638  
 313  
 71  
 249  
 15  
 1,287  
 (16)  
 1,271

Share of associates' amortisation

-  
 -  
 -  
 -  
 -  
 -

16  
 16

**EBITDA**

**971**  
**915**  
**(11)**  
**849**  
**(213)**  
**2,511**

-  
**2,511**

Profit (loss) attributable to equity shareholders

578  
 223  
 (91)  
 410  
 29  
 1,150

-  
 1,150

Special items

31  
 74  
 -  
 (4)  
 (10)  
 92

-  
 92

Share of associates' special items

-  
 -  
 -  
 -  
 20

20	
-	
20	
Taxation on items above	
(5)	
(16)	
-	
1	
-	
(21)	
-	
(21)	
<b>Headline earnings (loss)</b>	
<b>604</b>	
<b>280</b>	
<b>(90)</b>	
<b>407</b>	
<b>40</b>	
<b>1,241</b>	
-	
<b>1,241</b>	
Unrealised non-hedge derivatives and other commodity contracts	
(410)	
(34)	
(1)	
(138)	
-	
(583)	
-	
(583)	
Deferred tax on unrealised non-hedge derivatives and other commodity contracts	
160	
-	
-	
-	
-	
160	
-	
160	
Fair value adjustment on option component of convertible bonds	
-	
-	
-	
-	
(356)	
(356)	
-	
(356)	

**Adjusted headline earnings (loss)**

**354**

**246**

**(91)**

**269**

**(316)**

**463**

-

**463**

Ore reserve development capital

407

51

30

91

-

579

-

579

Stay-in-business capital

119

67

13

96

11

306

(5)

301

Project capital

85

85

23

205

-

398

(11)

387

**Total capital expenditure**

**610**

**204**

**65**

**393**

**11**

**1,283**

**(16)**

**1,267**

(1) Gold income received is gold income per income statement and loss on realised non-hedge derivatives (note 4).

*Rounding of figures may result in computational discrepancies.*



South Africa  
 Continental  
 Africa  
 Australasia  
 Americas  
 Total group

**UNDERGROUND OPERATION**

Area mined

- 000 m

2

1,225

-

-

-

1,225

Mined

- 000 tonnes

7,007

1,828

686

1,834

11,354

Milled / Treated

- 000 tonnes

6,862

1,803

518

1,910

11,092

Yield

- g/t

7.28

5.16

4.50

6.41

6.66

Gold produced

- kg

49,970

9,300

2,330

12,248

73,847

**SURFACE AND DUMP RECLAMATION**

Milled / Treated

- 000 tonnes

10,248

832

-

-

11,081

Yield

- g/t

0.54

0.66

-

34.29

0.55

Gold produced

- kg

5,558

548

-

-

6,106

**OPEN-PIT OPERATION**

Volume mined

- 000 bcm

-

49,678

5,183

-

54,861

Mined

- 000 tonnes

-

115,577

14,469

29,306

159,352

Treated

- 000 tonnes

-

21,889

3,099

1,040

26,028

Stripping ratio

- ratio

-

4.04

4.94

25.51

5.02

Yield

- g/t

-

1.58

3.22

5.83

1.95

Gold produced

- kg

-

34,676

9,983

6,057

50,716

**HEAP LEACH OPERATION**

Mined

- 000 tonnes

-

4,960

-

62,234

67,194

Placed

- 000 tonnes

-

1,173

-

20,790

21,963

Stripping ratio

- ratio

-

6.50

-

2.03

2.17

Yield

- g/t

-

1.23

-

0.46

0.50

Gold placed

- kg

-

1,445

-

9,504

10,949

Gold produced

- kg

-

1,867

-

7,882

9,749

**PRODUCTIVITY PER EMPLOYEE**

Actual

- g

175

350

2,077

698

285

**TOTAL**

Subsidiaries' gold produced

- kg

55,528

37,892

12,313

26,187

131,920

Joint ventures' gold produced

kg

8 498

8 498

**METRIC OPERATING RESULTS**

**YEAR ENDED DECEMBER 2010**

-

-

-

-

Attributable gold produced

- kg

55,528

46,390

12,313

26,187

140,418

Minority gold produced

- kg

-

1,499

-

2,897

4,396

Subsidiaries' gold sold

- kg

55,717

37,518

12,311

26,241

131,786

Joint ventures' gold sold

- kg

-

8,454

-

-  
8,454  
Attributable gold sold  
- kg  
55,717  
45,972  
12,311  
26,241  
140,240  
Minority gold sold  
- kg  
-  
1,480  
-  
2,961  
4,441  
Spot price  
- R/kg  
288,148  
288,148  
288,148  
288,148  
288,148  
Price received  
- R/kg sold  
119,239  
159,203  
126,167  
134,816  
135,862  
Price received excluding  
hedge buy-back costs  
- R/kg sold  
271,453  
272,523  
267,875  
268,931  
271,018  
Total cash costs  
- R/kg produced  
140,077  
166,693  
230,777  
101,296  
149,577  
Total production costs  
- R/kg produced  
189,319  
202,674  
250,322  
143,788

190,889

*Rounding of figures may result in computational discrepancies.*

**FINANCIAL RESULTS - YEAR  
ENDED DECEMBER 2010 ZAR'm**

**South Africa**

**Continental  
Africa**

**Australasia**

**Americas**

**Corporate  
and other**

**Sub-total**

**Less equity  
accounted**

**Total group**

Gold income received

(1)

15,125

12,952

3,298

7,806

-

39,180

(2,420)

36,761

Cash costs

(8,133)

(7,990)

(2,847)

(3,841)

226

(22,585)

1,412

(21,173)

By-products revenue

355

31

6

532

16

940

(5)

935

Total cash costs

(7,778)

(7,959)

(2,841)

(3,309)

242

(21,645)

1,407

(20,238)

Retrenchment costs

(138)  
(8)  
-  
(23)  
-  
(169)  
4  
(166)  
Rehabilitation and other non-cash costs  
(182)  
(393)  
7  
(224)  
-  
(791)  
34  
(756)  
Amortisation of assets  
(2,415)  
(1,287)  
(248)  
(1,086)  
(71)  
(5,106)  
67  
(5,040)  
Total production costs  
(10,512)  
(9,646)  
(3,082)  
(4,642)  
171  
(27,712)  
1,512  
(26,200)  
Inventory change  
(31)  
8  
1  
399  
-  
377  
(11)  
367  
Cost of sales  
(10,544)  
(9,638)  
(3,081)  
(4,243)  
171  
(27,335)



1,501  
 (25,833)  
**Adjusted gross profit (loss) excluding  
 hedge buy-back costs**  
**4,580**  
**3,314**  
**217**  
**3,563**  
**171**  
**11,845**  
**(918)**  
**10,927**  
 Hedge buy-back costs  
 (8,481)  
 (5,210)  
 (1,745)  
 (3,519)  
 -  
 (18,954)  
 -  
 (18,954)  
**Adjusted gross profit (loss)**  
**(3,900)**  
**(1,896)**  
**(1,528)**  
**44**  
**171**  
**(7,109)**  
**(918)**  
**(8,027)**  
 Unrealised non-hedge derivatives and other  
 commodity contracts  
 7,080  
 6,115  
 75  
 2,621  
 -  
 15,891  
 -  
 15,891  
**Gross profit (loss)**  
**3,180**  
**4,219**  
**(1,452)**  
**2,664**  
**171**  
**8,782**  
**(918)**  
**7,864**  
 Corporate and other costs  
 (72)

(77)  
(14)  
(273)  
(1,300)  
(1,737)  
(1)  
(1,738)  
Exploration  
(14)  
(344)  
(327)  
(527)  
(252)  
(1,464)  
18  
(1,446)  
Intercompany transactions  
-  
(270)  
(8)  
(14)  
293  
-  
-  
-  
Special items  
(586)  
(229)  
77  
242  
(391)  
(886)  
(8)  
(894)  
**Operating profit (loss)**  
**2,508**  
**3,299**  
**(1,725)**  
**2,092**  
**(1,479)**  
**4,696**  
**(910)**  
**3,786**  
Net finance (costs) income, unwinding of  
obligations and fair value adjustments  
(13)  
(59)  
(5)  
24  
(1,183)  
(1,236)

1  
 (1,235)  
 Exchange gain (loss)  
 -  
 (50)  
 -  
 15  
 55  
 20  
 (2)  
 18  
 Share of equity accounted investments  
 profit (loss)  
 -  
 -  
 -  
 (8)  
 (59)  
 (67)  
 534  
 467  
 Profit (loss) before taxation  
 2,495  
 3,190  
 (1,730)  
 2,123  
 (2,665)  
 3,413  
 (377)  
 3,036  
 Taxation  
 (342)  
 (1,108)  
 (54)  
 (816)  
 (76)  
 (2,396)  
 377  
 (2,018)  
**Profit (loss) for the period**  
**2,153**  
**2,083**  
**(1,784)**  
**1,307**  
**(2,741)**  
**1,018**  
 -  
**1,018**  
 Equity shareholders  
 2,153  
 1,981

(1,784)  
 1,084  
 (2,796)  
 637  
 -  
 637  
 Non-controlling interests  
 -  
 101  
 -  
 223  
 55  
 381  
 -  
 381  
 Operating profit (loss)  
 2,508  
 3,299  
 (1,725)  
 2,092  
 (1,479)  
 4,696  
 (910)  
 3,786  
 Unrealised non-hedge derivatives and  
 other commodity contracts  
 (7,080)  
 (6,115)  
 (75)  
 (2,621)  
 -  
 (15,891)  
 -  
 (15,891)  
 Hedge buy-back and related costs  
 8,481  
 5,210  
 1,745  
 3,519  
 417  
 19,371  
 -  
 19,371  
 Intercompany transactions  
 -  
 270  
 8  
 14  
 (293)  
 -  
 -

-
Special items
697
91
(45)
(242)
19
519
8
527
Share of associates' EBIT
-
-
-
(8)
(24)
(33)
902
869
<b>EBIT</b>
<b>4,606</b>
<b>2,755</b>
<b>(93)</b>
<b>2,754</b>
<b>(1,359)</b>
<b>8,663</b>
-
<b>8,663</b>
Amortisation of assets
2,415
1,287
248
1,086
71
5,106
(67)
5,040
Share of associates' amortisation
-
-
-
-
-
67
67
<b>EBITDA</b>
<b>7,021</b>
<b>4,042</b>
<b>155</b>
<b>3,841</b>

**(1,288)**

**13,769**

-

**13,769**

Profit (loss) attributable to equity shareholders

2,153

1,981

(1,784)

1,084

(2,796)

637

-

637

Special items

697

91

(45)

(242)

19

519

8

527

Share of associates' special items

-

-

-

-

32

32

(8)

24

Taxation on items above

(193)

(27)

2

(8)

-

(226)

-

(226)

**Headline earnings (loss)**

**2,657**

**2,045**

**(1,827)**

**833**

**(2,746)**

**962**

-

**962**

Unrealised non-hedge derivatives and  
other commodity contracts

(7,080)  
(6,115)  
(75)  
(2,621)  
-  
(15,891)  
-  
(15,891)  
Deferred tax on unrealised non-hedge  
derivatives and other commodity contracts  
2,353  
-  
23  
-  
-  
2,376  
-  
2,376  
Fair value adjustment on option component  
of convertible bonds  
-  
-  
-  
-  
(39)  
(39)  
-  
(39)  
Fair value loss on mandatory convertible  
-  
-  
-  
-  
382  
382  
-  
382  
Hedge buy-back and related costs  
net of taxation  
6,993  
5,188  
1,745  
3,519  
417  
17,862  
-  
17,862  
**Adjusted headline earnings (loss)**  
**excluding hedge buy-back costs**  
**4,923**  
**1,118**

<b>(135)</b>
<b>1,731</b>
<b>(1,986)</b>
<b>5,652</b>
-
<b>5,652</b>
Ore reserve development capital
1,806
259
114
391
-
2,570
-
2,570
Stay-in-business capital
881
987
97
729
49
2,744
(35)
2,709
Project capital
409
461
79
1,150
-
2,099
(271)
1,828
<b>Total capital expenditure</b>
<b>3,096</b>
<b>1,708</b>
<b>290</b>
<b>2,270</b>
<b>49</b>
<b>7,413</b>
<b>(305)</b>
<b>7,108</b>

(1) Gold income received is gold income per income statement and loss on realised non-hedge derivatives (note 4).  
*Rounding of figures may result in computational discrepancies.*



**Notes**



Certain statements made in this communication, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices, production, cash costs and other operating results, growth prospects and outlook of AngloGold Ashanti's operations, individually or in the aggregate, including the completion and commencement of commercial operations of certain of AngloGold Ashanti's exploration and production projects and the completion of announced mergers and acquisitions transactions, AngloGold Ashanti's liquidity, capital resources and capital expenditure and the outcome and consequences of any litigation or regulatory proceedings and AngloGold Ashanti's Project One performance targets, contain certain forward-looking statements regarding AngloGold Ashanti's operations, economic performance and financial condition. 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 and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, including environmental approvals and actions, fluctuations in gold prices and exchange rates, and business and operational risk management. For a discussion of certain of these and other factors, refer to AngloGold Ashanti's annual report for the year ended 31 December 2009, which was distributed to shareholders on 30 March 2010. 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. The company's annual report on Form 20-F was filed with the Securities and Exchange Commission in the United States on April 19, 2010 and was amended on May 18, 2010. AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. 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. This communication contains certain "Non-GAAP" financial measures. AngloGold Ashanti utilises certain Non-GAAP performance measures and ratios in managing its business. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the reported operating results or cash flow from operations or any other measures of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures other companies may use. AngloGold Ashanti posts information that is important to investors on the main page of its website at [www.anglogoldashanti.com](http://www.anglogoldashanti.com) and under the "Investors" tab on the main page. This information is updated regularly. Investors should visit this website to obtain important information about AngloGold Ashanti.

**Administrative information**

**ANGLOGOLD ASHANTI LIMITED**

Registration No. 1944/017354/06

Incorporated in the Republic of South Africa

**Share codes:**

ISIN: ZAE000043485

JSE:

ANG

LSE:

AGD

NYSE:

AU

ASX:

AGG

GhSE (Shares):

AGA

GhSE (GhDS):

AAD

Euronext Paris:

VA

Euronext Brussels:

ANG

**JSE Sponsor:**

UBS

**Auditors:**

Ernst & Young Inc.

**Offices**

***Registered and Corporate***

76 Jeppe Street

Newtown 2001

(PO Box 62117, Marshalltown 2107)

South Africa

Telephone: +27 11 637 6000

Fax: +27 11 637 6624

***Australia***

Level 13, St Martins Tower

44 St George's Terrace

Perth, WA 6000

(PO Box Z5046, Perth WA 6831)

Australia

Telephone: +61 8 9425 4602

Fax: +61 8 9425 4662

***Ghana***

Gold House

Patrice Lumumba Road

(PO Box 2665)

Accra

Ghana

Telephone: +233 303 772190

Fax: +233 303 778155

***United Kingdom Secretaries***

St James's Corporate Services Limited

6 St James's Place

London SW1A 1NP

England

Telephone: +44 20 7499 3916

Fax: +44 20 7491 1989

E-mail: jane.kirton@corpserv.co.uk

**Directors**

***Executive***

M Cutifani ~ (Chief Executive Officer)

S Venkatakrisnan \* (Chief Financial  
Officer)

***Non-Executive***

T T Mboweni (Chairman)

F B Arisman

#

R Gasant  
W A Nairn  
Prof L W Nkuhlu  
F Ohene-Kena

+

S M Pityana  
\* British

#

American  
~ Australian  
South African  
+ Ghanaian

**Officers**

Company Secretary:

Ms L Eatwell

**Investor Relations Contacts**

**South Africa**

Michael Bedford  
Telephone: +27 11 637 6273  
Mobile: +27 82 374 8820  
E-mail: mbedford@AngloGoldAshanti.com

**United States**

Stewart Bailey  
Telephone: +1-212-836-4303  
Mobile: +1-646-717-3978  
E-mail: sbailey@AngloGoldAshanti.com

**General E-mail enquiries**

investors@AngloGoldAshanti.com

**AngloGold Ashanti website**

<http://www.AngloGoldAshanti.com>

**Company secretarial E-mail**

Companysecretary@AngloGoldAshanti.com  
AngloGold Ashanti posts information that is important to investors on the main page of its website at [www.anglogoldashanti.com](http://www.anglogoldashanti.com) and under the "Investors" tab on the main page. This information is updated regularly. Investors should visit this website to obtain important information about AngloGold Ashanti.

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**Share Registrars**

**South Africa**

Computershare Investor Services (Pty)  
Limited  
Ground Floor, 70 Marshall Street  
Johannesburg 2001  
(PO Box 61051, Marshalltown 2107)  
South Africa  
Telephone: 0861 100 950 (in SA)

Fax: +27 11 688 5218  
web.queries@computershare.co.za

**United Kingdom**

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS99 7NH  
England  
Telephone: +44 870 702 0000  
Fax: +44 870 703 6119

**Australia**

Computershare Investor Services Pty  
Limited  
Level 2, 45 St George's Terrace  
Perth, WA 6000  
(GPO Box D182 Perth, WA 6840)  
Australia  
Telephone: +61 8 9323 2000  
Telephone: 1300 55 2949 (in Australia)  
Fax: +61 8 9323 2033

**Ghana**

NTHC Limited  
Martco House  
Off Kwame Nkrumah Avenue  
PO Box K1A 9563 Airport  
Accra  
Ghana  
Telephone: +233 303 229664  
Fax: +233 303 229975

**ADR Depositary**

The Bank of New York Mellon ("BoNY")  
BNY Shareowner Services  
PO Box 358016  
Pittsburgh, PA 15252-8016  
United States of America  
Telephone: +1 800 522 6645 (Toll free in  
USA) or +1 201 680 6578 (outside USA)  
E-mail: shrrelations@mellon.com  
Website:  
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Telephone: +1-888-BNY-ADRS

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AngloGold Ashanti Limited

Date: May 11, 2011

By:

/s/ L Eatwell

Name: L EATWELL

Title: Company Secretary