AngloGold Ashanti Limited
(Incorporated in the Republic of South Africa)
Reg. No. 1944/017354/06
ISIN. ZAE000043485 – JSE share code: ANG
CUSIP: 035128206 – NYSE share code: AU
("AngloGold Ashanti" or the "Company")

NEWS RELEASE

AngloGold Ashanti Boosts Reserves and Dividends, Charts Growth Path

(PRESS RELEASE – JOHANNESBURG) – AngloGold Ashanti reported a fivefold increase in its full-year dividend payment and added 6 million ounces of new Ore Reserve, on a gross basis, as it chartered a return to growth in the coming years.

"After several years of rationalising our portfolio, we have a clear and credible path to disciplined, high-return growth," Interim Chief Executive Officer Christine Ramon said. "We've built a solid balance sheet, which allows us to continue self-funding our capital investment, while rewarding shareholders."

The Company aims to grow annual production from last year's 3.05 million ounces to between 3.2 million ounces and 3.6 million ounces, by 2025.

This growth will mainly include the ramp-up of the Obuasi mine in Ghana, and incremental improvements from existing assets in the next two years. Beyond that, it will include the addition of new production from Colombia assuming plans for investment are approved by the Board of the Company (the "Board") later this year.

In fulfilling a strategic objective to improve direct returns to shareholders, the Company's Board declared a full-year dividend of 705 ZAR cents per share (approximately 48 US cents per share), compared to a dividend of ZAR 165 cents per share (9 US cents per share) in 2019.

RESERVE ADDITIONS

AngloGold Ashanti embarked on a multi-year initiative at the beginning of 2020, to increase investment in ore reserve development and brownfields exploration. In its first year, the programme yielded 6 million ounces of gold – more than replacing depletion from mining and extending the overall reserve life of the Company's portfolio. These additions included 1.4 million new ounces of Ore Reserve at the Geita Gold Mine in Tanzania, and 1.8 million ounces at Obuasi, in Ghana.

The aim of this investment was to increase the rate of Ore Reserve conversion, extend the reserve lives of its assets, enhance mining flexibility and further improve the knowledge of the ore bodies. This programme was designed to unlock latent value from within the existing portfolio, with incremental investment in sustaining capital. The Company will continue to deliver on this programme in 2021.

AngloGold Ashanti has, since 2013, used surplus cash generated by its mines and the proceeds from the sale of assets in the US, South Africa and Mali, to reduce net debt by more than 80%, to the lowest levels in a decade.

The Company also met guidance for the eighth consecutive year on production and cost.

FINANCIAL AND OPERATING PERFORMANCE

Basic earnings for the period ended 31 December 2020 were $953m, or 227 US cents per share, compared with a $12m loss, or 3 US cents loss per share in 2019.

Headline earnings for the period ended 31 December 2020 were $1,000m, or 238 US cents per share, compared with $379m, or 91 US cents per share in 2019. Earnings benefitted from the higher gold price net of increased profit-related taxes. Free cash flow before growth capital – the metric on which dividends are calculated – increased by 124% to $1,003m in 2020 versus $448m in the prior year.

Production was 3.047Moz at a total cash cost of $819/oz in the twelve months to 31 December 2020, from 3.281Moz at a total cash cost of $776/oz in 2019. The 7% reduction in production was due mainly to the sale of our remaining South African producing assets, the cessation of mining activities at Sadiola and Morila in Mali, and the impact of the COVID-19 pandemic. The Company's all-in sustaining costs (AISC) came in at $1,059/oz in 2020, compared with $998/oz in 2019. The COVID-19 impact on production in 2020 was estimated at 140koz or 5% and its impact on AISC was estimated at $55/oz or 5%.

The performance for the year was underpinned by a strong year at Geita, whilst steady performances at Kibali, Iduapriem, Siguiri, Sunrise Dam, and AGA Mineração helped offset declines in production at Tropicana, Cerro Vanguardia (CVSA) and Serra Grande. The Obuasi Redevelopment Project continued its ramp-up, delivering a 127,000oz in production despite delays in receiving equipment and in the arrival of skilled personnel, critical to the project as a result of COVID-19 related lockdowns in various jurisdictions during the year.

BALANCE SHEET

The balance sheet continues to improve as stronger cash flows helped with the continued reduction in adjusted net debt. Adjusted net debt for continuing operations declined by 62% to $597m at 31 December 2020, from $1.581bn at 31 December 2019. Adjusted EBITDA for continuing operations increased by 56% year-on-year to $2,470m in 2020, from $1,580m in 2019.

The ratio of adjusted net debt to Adjusted EBITDA for continuing operations at the end of December 2020 was 0.24 times compared with 1.00 times at the end of December 2019, well below the targeted level of 1.0 times through the cycle. This reflects disciplined reduction in debt and robust cash generation from the business.

SAFETY

Regrettably, AngloGold Ashanti recorded six fatalities last year, four at Mponeng in South Africa and two at Obuasi. Last week, on 16 February, we tragically lost another of our colleagues at our Serra Grande Mine in Brazil. We continue to invest considerable resources in understanding the root causes of all accidents - including high potential incidents, or 'near misses' - in order to prevent reoccurrences. This year, we expect to implement an updated safety strategy across our business, with particular focus on the critical controls needed to eliminate what we call 'high consequence, low frequency' events.

The Company's response to COVID-19 remains on safely ensuring business continuity as we navigate through the pandemic. We continue to work hand-in-glove with authorities and local communities in each of our operating jurisdictions – providing not only healthcare support where needed, but also assistance in other areas that are experiencing considerable strain from the pandemic.

GUIDANCE AND INDICATIVE OUTLOOK*

Production guidance for the 2021 year is estimated to be between 2.7Moz and 2.9Moz. Total cash costs are estimated to be between $790/oz and $850/oz and AISC between $1,130/oz and $1,230/oz at average exchange rates against the US Dollar of 5.00 (Brazilian Real), 0.72 (Australian Dollar), 98.00 (Argentinian Peso), and 16.95 (South African Rand), with Brent oil at $50/bbl average for the year. Sustaining capital expenditure is anticipated to be between $720m and $820m, including investments in Ore Reserve Development and Exploration ($330m to $380m) and Brazil tailings compliance capital for 2021 ($70m to $80m).

Following the key strategic objectives set out by the Company a year ago, related to streamlining the portfolio and reinvestment in assets with high geological potential, AngloGold Ashanti is pleased to provide detailed two-year guidance, as well as a five-year indicative outlook.

AngloGold Ashanti expects to see an average 2.0% compound annual growth rate (CAGR) in gold production over the next two years relative to 2020 production from continuing operations. The primary driver of production growth is related to Obuasi operating at steady-state, Tropicana reverting to normalised production levels following the reinvestment in its life extension, and AGA Mineração, Siguiri and Sunrise Dam expected to increase production to higher levels.

On a five-year indicative outlook, the Company expects to see an average of 5.0% CAGR in gold production between 2021 and 2025. This is underpinned by the Company's ten operating assets, as well as the Company potentially moving forward with investments in the Quebradona and Gramalote projects. As a result of these investments, total capital expenditure is expected to increase in 2022 to 2024, before declining. Following the completion of these projects, as well the expected return of sustaining capital to normalised levels following the intensive brownfield investment campaign, the Company is expected to be well positioned to operate at an AISC between $900 - 1,150/oz - in nominal terms - in 2025.

**Production, cost and capital expenditure forecasts include existing assets as well as the Quebradona and Gramalote projects that remain subject to approval, Mineral Resource conversion and high confidence inventory. Cost and capital forecast ranges are expressed in nominal terms. In addition, both production and cost estimates assume neither operational or labour interruptions, or power disruptions, nor further changes to asset portfolio and/or operating mines (excepted as described above) and have not been reviewed by our external auditors. Other unknown or unpredictable factors could also have material adverse effects on our future results and no assurance can be given that any expectations expressed by AngloGold Ashanti will prove to have been correct. Measures taken at our operations together with our business continuity plans aim to enable our operations to deliver in line with our production targets; we, however, remain mindful that the COVID-19 pandemic, its impacts on communities and economies, and the actions authorities may take in response to it, are largely unpredictable. Accordingly, actual results could differ from guidance and/or indicative outlook and any deviation may be significant. Please refer to the Risk Factors section in AngloGold Ashanti's annual report on Form 20-F for the year ended 31 December 2019 and the Risk Factors section in AngloGold Ashanti's Prospectus Supplement dated 28 September 2020, which have each been filed with the United States Securities and Exchange Commission (SEC). Furthermore, our five-year indicative outlook assumes that AngloGold Ashanti proceeds with the Quebradona and Gramalote projects. However, the Board has not yet made a final decision on those projects and there can be no assurance that they will materialise. A negative decision or other discontinuation of those projects may have a material adverse impact on our indicative outlook.*

ENDS

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JSE Sponsor: The Standard Bank of South Africa Limited

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