



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
JSE Bond Company Code - BIANG
("AngloGold Ashanti" or the "Company")

23 May 2018

NEWS RELEASE

AngloGold to Restructure South African Cost Base to Ensure Viability of Retained Assets

(JOHANNESBURG – PRESS RELEASE) -- AngloGold Ashanti has made the difficult decision to begin a consultation process with employees in line with section 189 and 189A of the Labour Relations Act, with respect to restructuring its cost base to match and support a smaller operating footprint in South Africa.

AngloGold Ashanti signalled to stakeholders in June last year and through its first quarter market update that the restructuring of the asset portfolio in South Africa is still underway to ensure that both the on and off-mine cost structures are appropriate for the size of the smaller production base in the country. AngloGold Ashanti has reduced its production in South Africa by about 50%, through the sale of the Kopanang and Moab Khotsong Mines in February, and the closure of the TauTona mine announced late last year. The Company's remaining South African assets now include the Mponeng underground gold mine, and a surface operation, both of which have the potential for long lives.

The all-in costs of the South African business in the first quarter of this year was \$1 361, compared to a gold price of only \$1,330/oz during that period. This performance emphasises the need to address our cost base to ensure it is appropriate for our much-reduced production.

The consultation with organised labour groups, facilitated by the Council for Conciliation, Mediation and Arbitration (CCMA), will be aimed at safely ensuring the overall viability of the Company's remaining assets in South Africa, while minimising job losses to the greatest extent possible.

AngloGold Ashanti is committed to transparency and will share the plans and assumptions arising from its review during the CCMA process. The Company has also notified the Department of Minerals Resources' Mining Sustainability and Employment Committee in terms of section 52 of the Mineral and Petroleum Resources Development Act.

While all efforts will be made to limit the impact on employment, the current restructuring process contemplates some 2,000 roles across AngloGold Ashanti's South African business, which currently employs roughly 8,200 people. The restructuring will affect employees across the different categories and levels, including the region's Executive Committee and senior management.

Systemic Challenges

South African operations continue to face a multiplicity of challenges, including increasing depth and distance from central infrastructure, declining production profiles, and cost escalations that have continued to outpace both inflation and the gold price. In addition, the margins are negatively affected by a much stronger exchange rate.

In order to safeguard the long-term sustainability of its remaining South African business, AngloGold Ashanti has considered various options, including but not limited sales and services reductions, subject to the outcomes of the consultation process.

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