



AngloGold Ashanti Limited
(Incorporated in the Republic of South Africa)
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("AngloGold Ashanti" or "AGA" or the "Company")

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NEWS RELEASE

AngloGold Ashanti Free Cash Flow up 156%; Obuasi Set for Year-End Start

(JOHANNESBURG - PRESS RELEASE) - AngloGold Ashanti increased free cash flow to \$87m in the third quarter of 2019, more than double the free cash flow in the third quarter of 2018, as the Company prepared to recommence production from its Obuasi mine which is on track to pour first gold by the end of the year.

Obuasi, the 36Moz ore body in Ghana, is set to resume production by year-end, ahead of an anticipated ramp-up through the course of 2020 which is expected to introduce about 400,000oz a year of lower-than-average cost production to the Company's portfolio. The strong improvement in cash flow, aided by a higher gold price, helped reduce debt and bring leverage close to the Company's target levels.

"The team has made extraordinary progress toward meeting the year-end target of bringing this world-class ore body back into production," Chief Executive Officer Kelvin Dushnisky said. "The fact that we've generated strong cash flow and improved our balance sheet while making this investment, is testament to the strength of our portfolio."

The Company also achieved five consecutive quarters and a total of 541 days without a fatality by quarter end, a first in AngloGold Ashanti's history. Sadiola, Siguiri, Iduapriem, Geita, Cerro Vanguardia, the Colombia Projects and Generative Exploration had no recordable injuries in the third quarter.

Free cash flow was \$87m for the third quarter of 2019, a 156% step up from the \$34m generated in the third quarter of 2018, partially offset by higher capital expenditure and operating costs, and lower gold sales.

Production in the three months to 30 September 2019 was 825,000oz at a total cash cost of \$786/oz compared to 851,000oz at \$722/oz for the third quarter of last year. Production was impacted by the planned reduction in output from Cerro Vanguardia, Kibali, where open-pit mining is contributing fewer ounces of the high base achieved in the comparable quarter last year, and Mponeng, which saw lower grades during the quarter. Strong production performances occurred at Iduapriem and AGA Mineração.

AngloGold Ashanti has initiated processes to review divestment options for its entire business in South Africa and separately its respective interests in Sadiola in Mali and Cerro Vanguardia in Argentina. These processes are active and continue to make progress. In South Africa, the process has moved forward at a steady pace with site due diligence by prospective bidders now complete. For Sadiola and Cerro Vanguardia, these processes have similarly moved forward and engagement with prospective bidders, including site inspections and other due diligence, is ongoing.

Lower production, along with inflationary pressures and other factors, raised total cash costs by 9% year-on-year to \$786/oz for the quarter ended 30 September 2019, while All-in Sustaining Costs (AISC) rose 12% year-on-year to \$1,031/oz. With a strong fourth quarter anticipated, cash costs and AISC are expected to improve on the back of increased production, in line with past trends.

Balance Sheet

The balance sheet remains robust with strong liquidity and long-dated maturities providing financial flexibility. Adjusted net debt declined by 6% to \$1.646bn at 30 September 2019, from \$1.749bn in the third quarter of 2018. The adjusted net debt to adjusted EBITDA ratio at 30 September 2019 was 1.06 times compared with 1.2 times at 30 June 2019 and 1.13 times at 30 September 2018. The Company remains committed to maintaining a flexible balance sheet with an adjusted net debt to adjusted EBITDA ratio target of 1x through the cycle.

The 2019 guidance* for key operating metrics, including production, costs and sustaining capital expenditure, remains on track, with production expected at the lower half of the range and costs at the upper end of the range, excluding the non-cash impact of the change in the Brazilian TSF regulations.

** Both production and cost estimates assume neither operational or labour interruptions, or power disruptions, nor any changes to asset portfolio and/or operating mines (and thus do not give effect to any of the contemplated divestitures in South Africa, Argentina and Mali) 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. Accordingly, actual results could differ from guidance 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 2018, filed with the United States Securities and Exchange Commission (SEC).*

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