



ANGLO**GOLD**ASHANTI

# Investor Presentation

December 2020

# DISCLAIMER

*Certain statements contained in this document, other than statements of historical fact, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices, production, total cash costs, all-in sustaining costs, all-in costs, cost savings and other operating results, return on equity, productivity improvements, growth prospects and outlook of AngloGold Ashanti Limited's (AngloGold Ashanti or the Company) operations, individually or in the aggregate, including the achievement of project milestones, commencement and completion of commercial operations of certain of AngloGold Ashanti's exploration and production projects and the completion of acquisitions, dispositions or joint venture transactions, AngloGold Ashanti's liquidity and capital resources and capital expenditures and the outcome and consequence of any potential or pending litigation or regulatory proceedings or environmental health and safety issues, are forward-looking statements regarding AngloGold Ashanti's operations, economic performance and financial condition. These forward-looking statements or forecasts involve known and unknown risks, uncertainties and other factors that may cause AngloGold Ashanti's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in these forward-looking statements. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements and forecasts 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, social and political and market conditions, the success of business and operating initiatives, changes in the regulatory environment and other government actions, including environmental approvals, fluctuations in gold prices and exchange rates, the outcome of pending or future litigation proceedings, any supply chain disruptions, any public health crises, pandemics or epidemics (including the COVID-19 pandemic) and other business and operational risks and other factors. For a discussion of such risk factors, refer to AngloGold Ashanti's annual report on Form 20-F for the year ended 31 December 2019, and the Risk Factors section in the AngloGold Ashanti's Prospectus Supplement dated 28 September 2020, which has been filed with the United States Securities and Exchange Commission (SEC). 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. Consequently, readers are cautioned not to place undue reliance on forward-looking statements. AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except to the extent required by applicable law.*

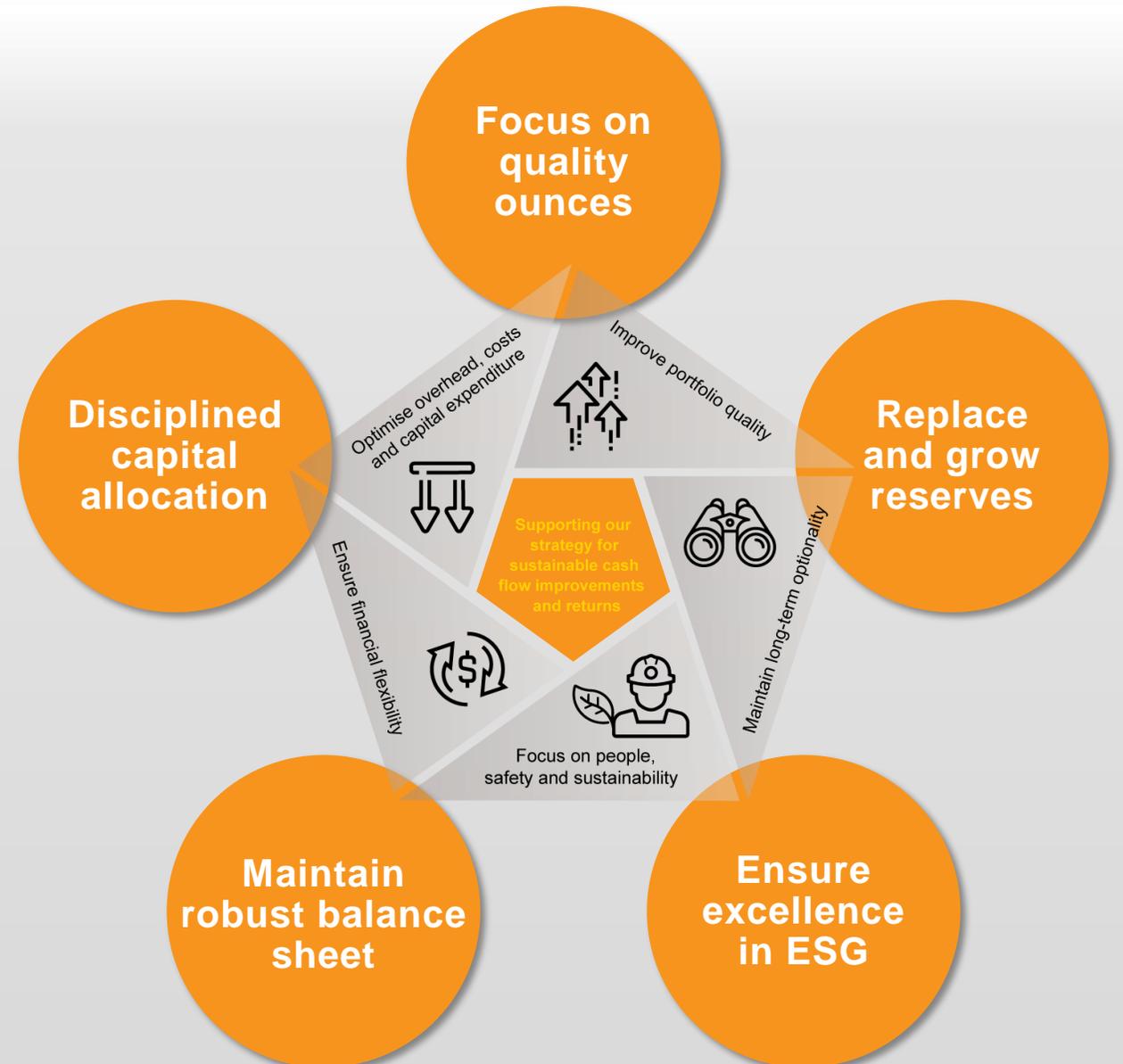
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*The financial information contained in this document has not been reviewed or reported on by the Company's external auditors.*

## *Non-GAAP financial measures*

*This communication may contain 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.*

Generate sustainable cash flows and shareholder returns by focusing on **five key areas** to improve margins, extend mine lives, create an organic pipeline and enhance our license to operate.



## GROUP

**\$588m**

Group Free Cash Flow

**3.208Moz**

Produced from continuing and discontinued operations

**\$2,464m**

Group Adjusted EBITDA

**\$1,013/oz**

Group AISC\* continuing and discontinued operations

### Americas

669,000oz

\$1,032/oz AISC\*

### Continental Africa

1,623,000oz

\$864/oz AISC\*

### South Africa\*\*

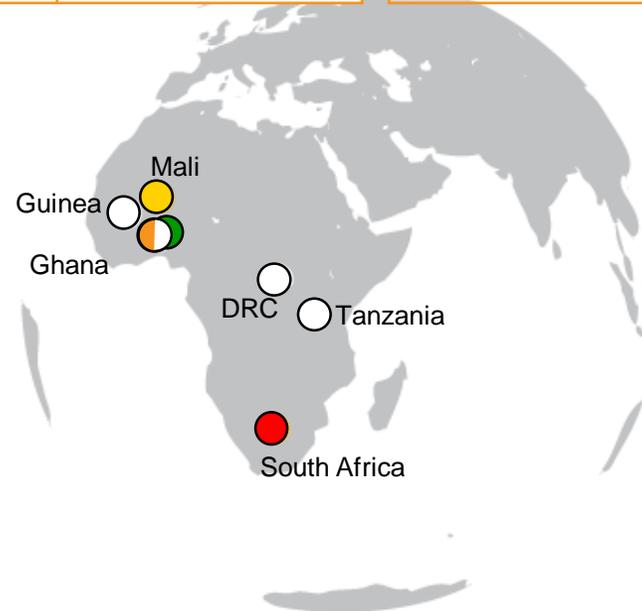
353,000oz

\$1,219/oz AISC\*

### Australia

562,000oz

\$1,130/oz AISC\*



○ Operations    ● Projects    ● Asset sales underway    ● Greenfields exploration    ● Sales process completed

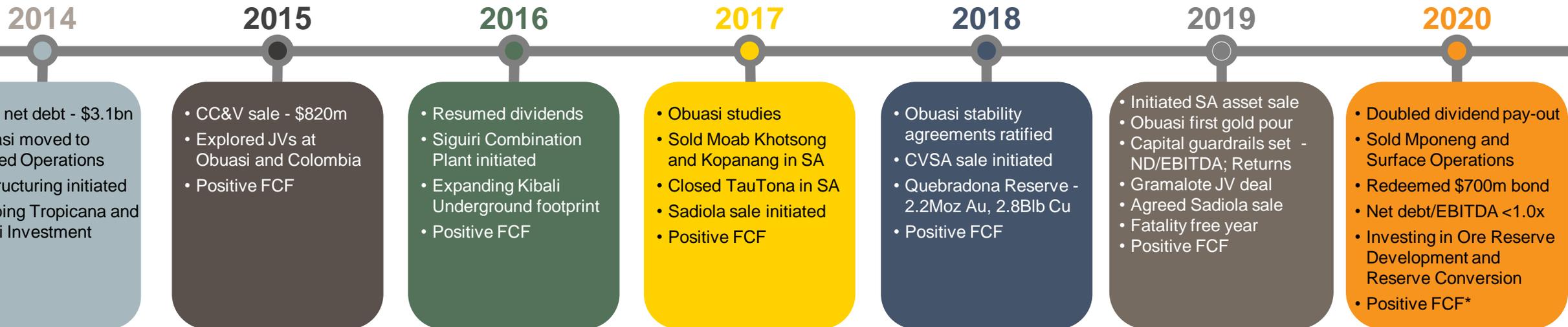
\*AISC World Gold Council standard

\*\*Discontinued operations (undergoing sales processes)

All figures represent the last 12 months to 30 September 2020

All figures refer to continuing and discontinued operations, unless otherwise stated.

# DISCIPLINED EXECUTION OF STRATEGY OVER THE LONG-TERM



**Fundamentally improving the business through disciplined self-help –  
WITHOUT RAISING EQUITY CAPITAL IN THE LAST DECADE**

**EBITDA**  
2014 \$1.665bn  
2020\* \$2.462bn

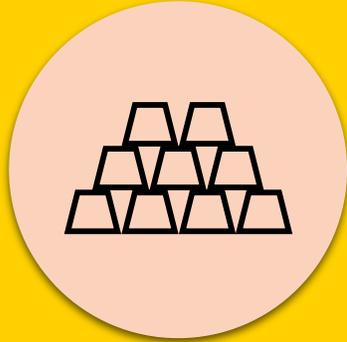
**↑ 48%**

**NET DEBT**  
2014 \$3.133bn  
2020\* \$0.875bn

**↓ 72%**

**FREE CASH FLOW**  
2014 \$(198)m  
2020\* \$558m

**↑ 397%**



## QUALITY OUNCES

- Completed South African asset sale
- Ramp up Obuasi
- Conclude Mali asset sales\*
- Boston Shaker / Havana Stage 2 / Geita Hill East



## ROBUST BALANCE SHEET

- Strong cash flow utilised for reinvestment and debt reduction
- Adj. Net Debt / Adj. EBITDA ratio 0.36x
- Emphasis on maintaining capital discipline



## PIPELINE

- Ongoing Brownfield developments across the existing portfolio
- Advancing feasibility studies at Gramalote and Quebradona
- Greenfields options in USA, Australia and Brazil

**IMPROVING SOCIAL LICENSE TO OPERATE**

# DISCIPLINED CAPITAL ALLOCATION

## Capital Allocation Framework

Prioritising reserve increases, improved flexibility

1X Net Debt/EBITDA  
*through the cycle*

Sustaining capital

Debt reduction

Growth capital

Dividends

15% IRR @ \$1,200/oz

Clear Dividend Policy

## Priorities

### Sustaining capital

- Reinvesting in our ore bodies
- Low capital / high return

### Debt Reduction

- Continue to deleverage the balance sheet

### Dividends

- 20% of FCF pre-growth capital

### Growth capital

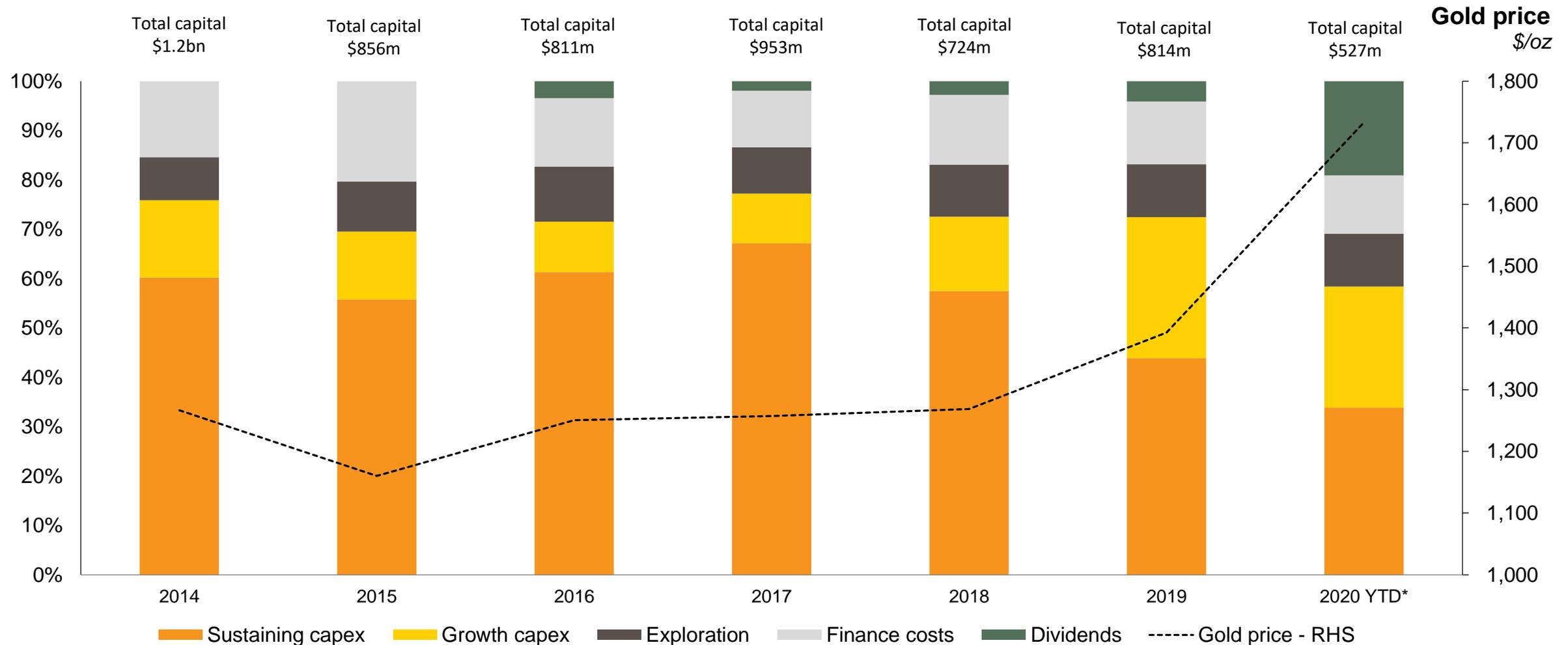
- Complete Obuasi Development
- Longer term options in Colombia

### Surplus cash

- Continue to evaluate all options that seeks to enhance shareholder value

# IMPROVING BALANCE IN CAPITAL ALLOCATION PRIORITIES

*Doubling our payout ratio from 10% to 20% of free cash flow, before growth capital*



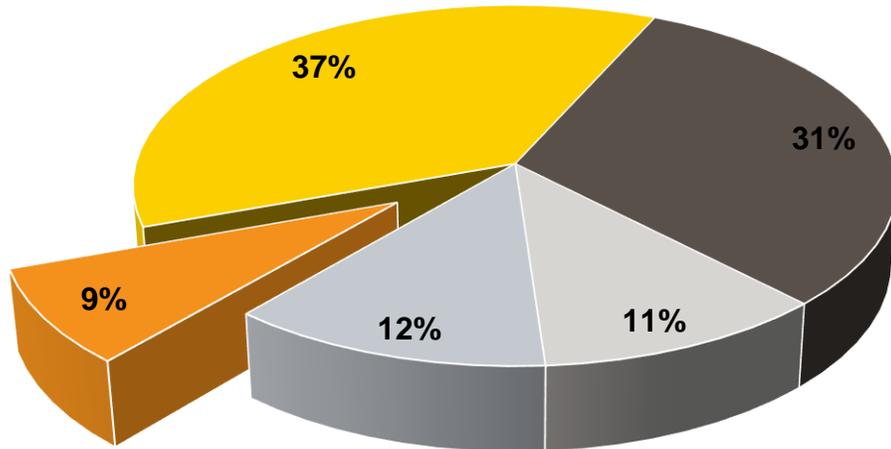
*The semi-annual dividend policy reflects balance sheet strength and robust cash flows*

\*Indicative dividend

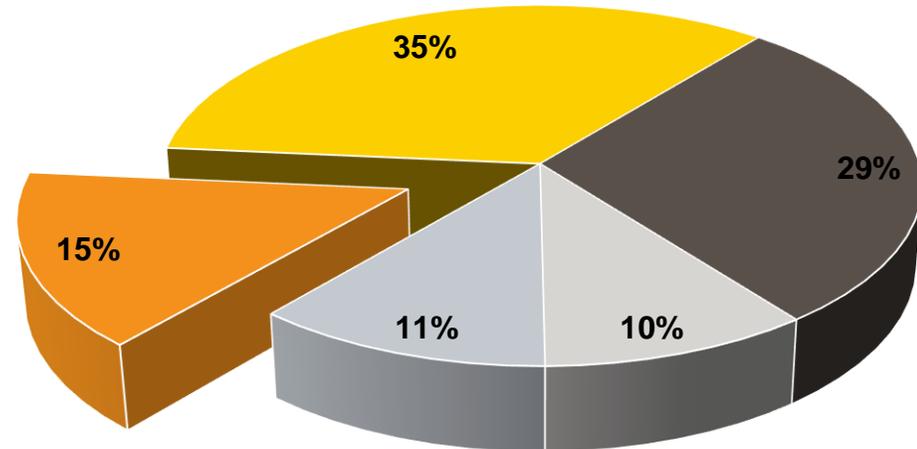
# CAPITAL ALLOCATION – IMPROVING RETURNS TO SHAREHOLDERS

*Doubling our payout ratio from 10% to 20% of free cash flow, before growth capital*

LTM\* Capital Allocation (Dividend @10%)



LTM\* Capital Allocation (Dividend @20%)



■ Indicative Dividend ■ Sustaining capex ■ Growth capex ■ Exploration ■ Finance costs

**Dividend Yield – 1.0%\*\***

**Dividend Yield – 2.0%\*\***

\*LTM - represents the last 12 months to 30 September 2020

\*\*Based on Market Capitalisation as at 26 November 2020

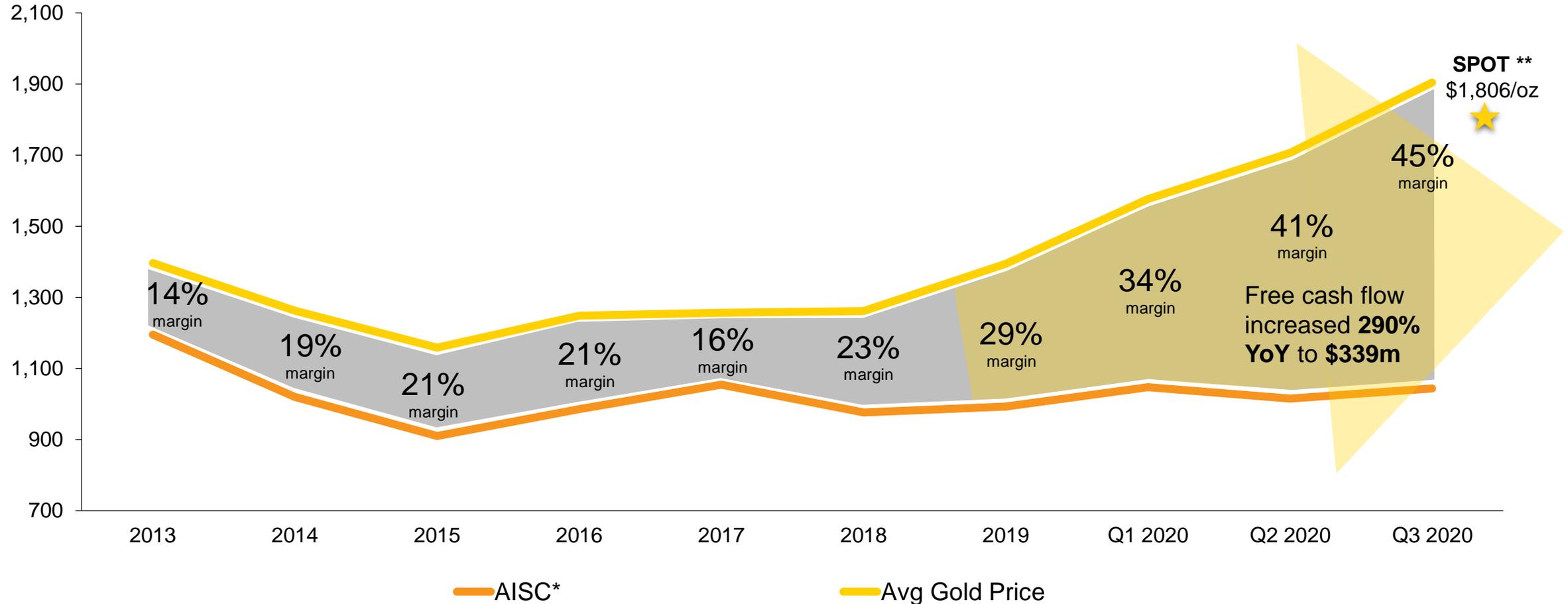
*The semi-annual dividend policy reflects balance sheet strength and robust cash flows*

# IMPROVING MARGIN TREND

Higher gold price provides opportunity to expand margins

## All-in Sustaining Costs\* vs. Gold Price Received

\$/oz



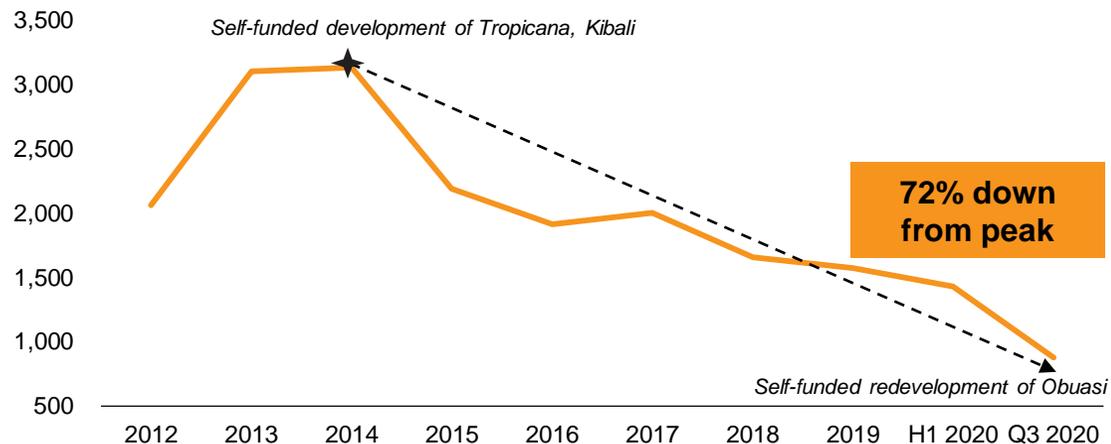
\*AISC World Gold Council standard

\*\*Spot – 26 November 2020

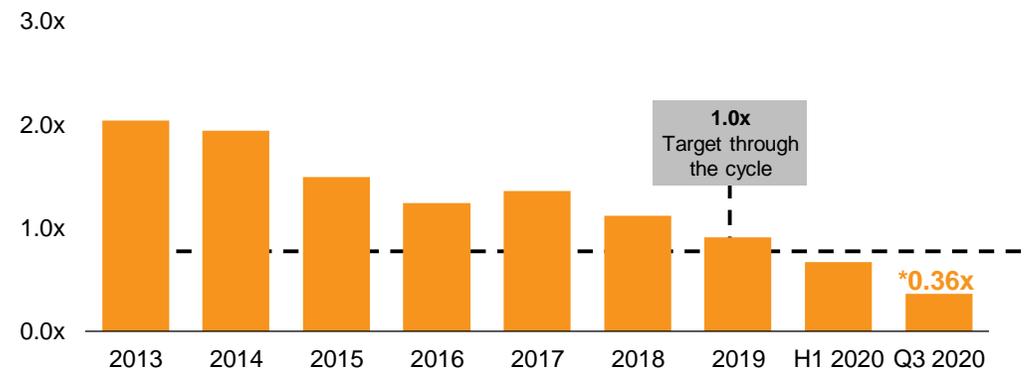
# BALANCE SHEET STRATEGY ENFORCES DISCIPLINE

## Adjusted Net Debt

\$m

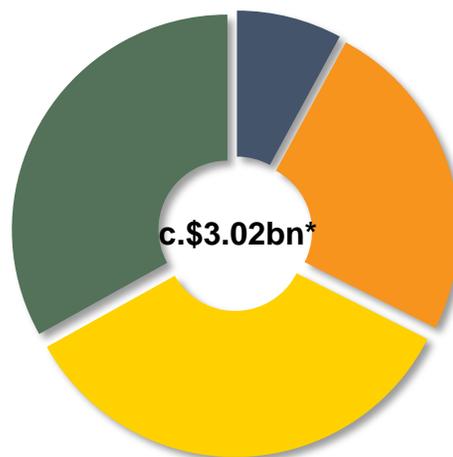


## Adjusted Net Debt to Adjusted EBITDA



Last-12-months Adjusted net debt to Adjusted EBITDA ratio  
\*Calculations include discontinued operations

## Facilities and Cash available



-  R4.0bn ZAR Facilities
-  US\$741m\*\*
-  US\$1,041m cash
-  US\$1,000m Stand-by RCF\*\*\*

**30 September 2020**  
Initial South African sales proceeds – \$200m – utilised to reduce net debt

**1 October 2020**  
A new US\$700m 10-year bond issued at lowest-ever coupon of 3.75% for AGA - proceeds utilised to repay drawings under the \$1.4bn RCF

**Balance sheet improvements over time, achieved through disciplined capital allocation and without equity issuance**

\*Total calculated with ZAR facility at R16.7339/\$, and AUD facility at A\$0.7161/\$

\*\* US\$1.4bn RCF includes a capped facility of AU\$500m

\*\*\* The Standby Facility - cancelled on 1st October 2020

# 2020 REINSTATED GUIDANCE

Guidance <sup>(1)</sup> <sup>(2)</sup> <sup>(3)</sup>	
Production (000oz)	3,030 - 3,100
All-in sustaining costs (\$/oz)	1,060 - 1,120
Total capital expenditure (\$m)	890 - 950
Sustaining capital expenditure (\$m)	610 - 650
Non-sustaining capital expenditure (\$m)	280 - 300

SENSITIVITIES <i>(based on \$1,800/oz gold price and the same assumptions used for guidance)</i>	AISC* (\$/oz)	Cash from operating activities before taxes for remaining 3M Y2020 (\$m)
10% change in the oil price	6	4
10% change in local currency	45	28
5% change in the gold price	4	58
25koz change in production	9	43

<sup>1</sup> Production includes pre-production ounces from Obuasi

<sup>2</sup> All figures related to discontinued operations relates to the South African assets sold for nine months ended 30 September 2020

<sup>3</sup> All-in sustaining costs and capital expenditure assume three months of production from Obuasi relating to Phase 1 of the Redevelopment Project

\*AISC - World Gold Council standard

Measures taken at our operations together with our business continuity plans will 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

Economic assumptions are as follows: ZAR16.66/\$; A\$/0.69; BRL5.12/\$; AP70.00/\$; Brent \$44/bbl.

Both production and cost estimates assume neither operational or labour interruptions, or power disruptions, nor further changes to asset portfolio and/or operating mines 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 2019 and the Risk Factors section in AngloGold Ashanti's Prospectus Supplement dated 28 September 2020, each filed with the United States Securities and Exchange Commission (SEC).

# WE ARE LED BY **OUR VALUES**, WHICH DEMAND A SHARP ESG FOCUS

***Our values guide our behaviour, and drive us to make a positive impact.  
These behaviours and beliefs link our business activities to our social performance.***



The **Health and Safety** of employees is our first value.



We treat each other with **dignity and respect**.



We value **diversity**.



We are **accountable** for our actions and undertake to deliver on our commitments.



We want the **communities and societies** in which we operate to be better off for AngloGold Ashanti having been there.

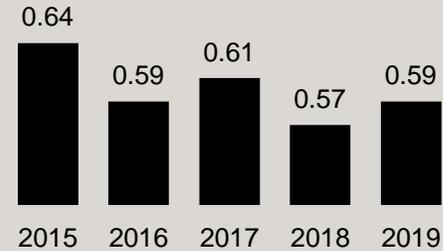


We respect the **environment**.

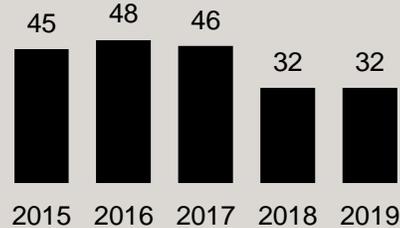
# BREATHING LIFE INTO OUR VALUES AND ESG AMBITIONS

## ENVIRONMENT Zero harm and equitable use of natural resources

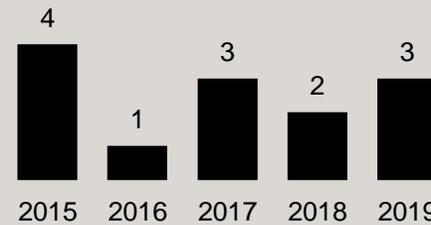
**Water use efficiency**  
Kilolitres per tonne treated



**GHG emissions intensity**  
Kilograms per tonne treated



**Reportable environmental incidents**  
Number of incidents



## SECURITY AND HUMAN RIGHTS

No human rights violations and communities assist in protecting our business

**0**

**VPSHR\* incidents**  
(2018:0)

**3**

**VPSHR allegations**  
(2018:1)

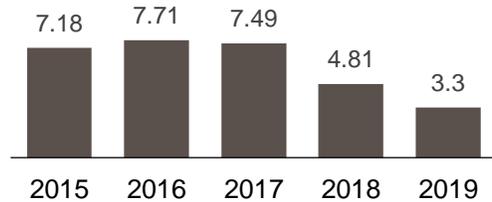
**99.5%**

**VPSHR training of security personnel**  
(2018:98%)

\*Voluntary Principles on Security and Human Rights

## SAFETY Workplaces free of injury and harm

**All injury frequency rate**  
per million hours worked



**0**

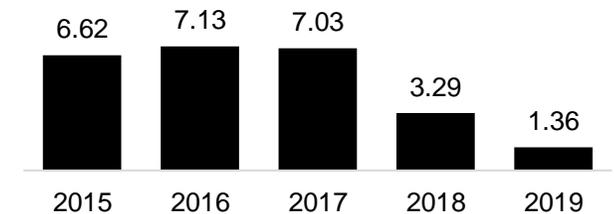
**Fatalities in 2019**  
(2018:3)

## HEALTH Healthy workplaces, healthy employees and healthy communities

**↓ 82%**

**Three-year reduction in All occupational disease frequency rate**

**All occupancy disease frequency rate**  
per million hours worked



*As we deepen the integration of sustainability into our business, we are working to strengthen the connection between our activities and the United Nations Sustainable Development Goals (SDGs)*

## GOVERNMENTS & COMMUNITIES Contributing to resilient, self-sustaining communities



## YTD 2020\* COVID-19 IMPACT

**103,000oz**  
*of impacted production*

**~\$35m**

*in additional costs related to PPE,  
charter flights, working capital, fixed  
costs and donations*

**\$53/oz**

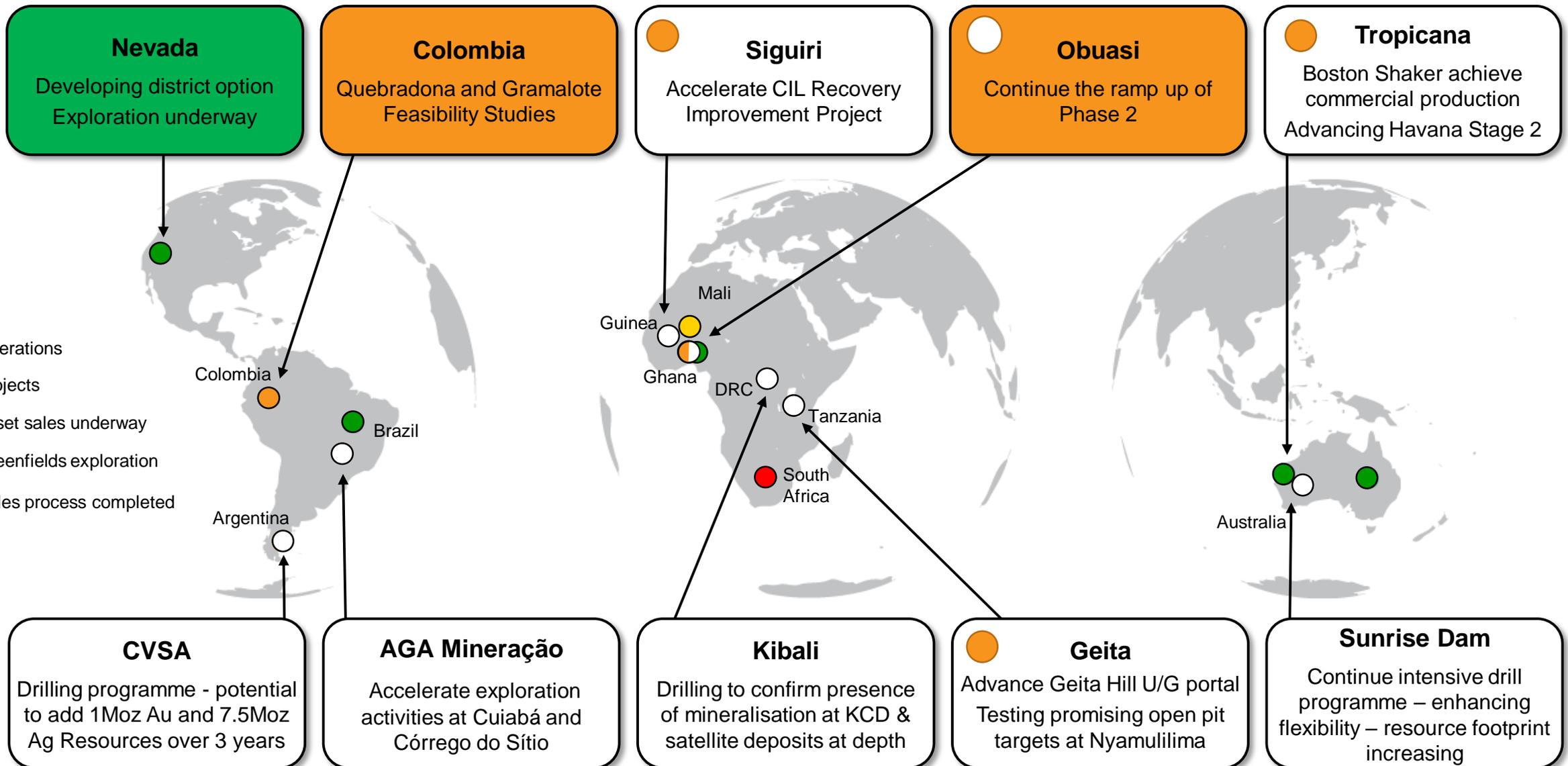
*impact on Group AISC of which \$39/oz  
is related the impact of production and  
\$14/oz related to increase in costs*

### Interventions to improve operating flexibility and reduce risk:

- Steps taken to ensure uninterrupted bullion transport
- Increased stocks of critical consumables
- Additional facilities and infrastructure
- Ore stockpiling strategies in key areas
- Logistical arrangements to move critical skills to and from operations
- Comprehensive protocols to limit spread at sites and surrounding areas
- Humanitarian support provided to host governments and communities



# PRINCIPLE PORTFOLIO FOCUS AREAS



# OBUASI MINE – INVESTING IN AFRICA’S NEXT GENERATION GOLD MINE

*Innovation, discipline has enabled steady progress despite challenges presented by global pandemic*



# UNLOCKING VALUE IN COLOMBIA

## QUEBRADONA

<b>Ore Reserves</b>	6.6bn lb Cu & 2.5Moz Au
<b>Annual Production</b>	128M lb & 62Koz (321Koz AuEq*)
<b>Plant feed grade</b>	Averaging 1.21% Cu & 0.66g/t Au
<b>Low Cost</b>	AISC* \$0.88/lb Cu
<b>Return</b>	IRR 17%
<b>Payback period</b>	8 years
<b>Long Life</b>	23 years

- Feasibility study drilling completed; engineering commenced
- Geotechnical testing and conceptual hydrogeological model completed
- Licensing process will align with the Feasibility Study
- Local consulting programs underway

\* Commodity price assumptions: Cu \$2.89/lb ; Au: \$1,242/oz

## GRAMALOTE

<b>Mineral Resource (Indicated)</b>	2.14Moz Au
<b>Annual Production</b>	284Koz
<b>Average grade</b>	0.85g/t Au
<b>Competitive Cost</b>	AISC \$648/oz
<b>Return</b>	IRR 18.1%
<b>Payback period</b>	3.6 years
<b>Life of Mine</b>	14 years

- Experienced partner in B2Gold
- Low cost, improving fundamentals
- Simple metallurgy / high recoveries
- Strong community support

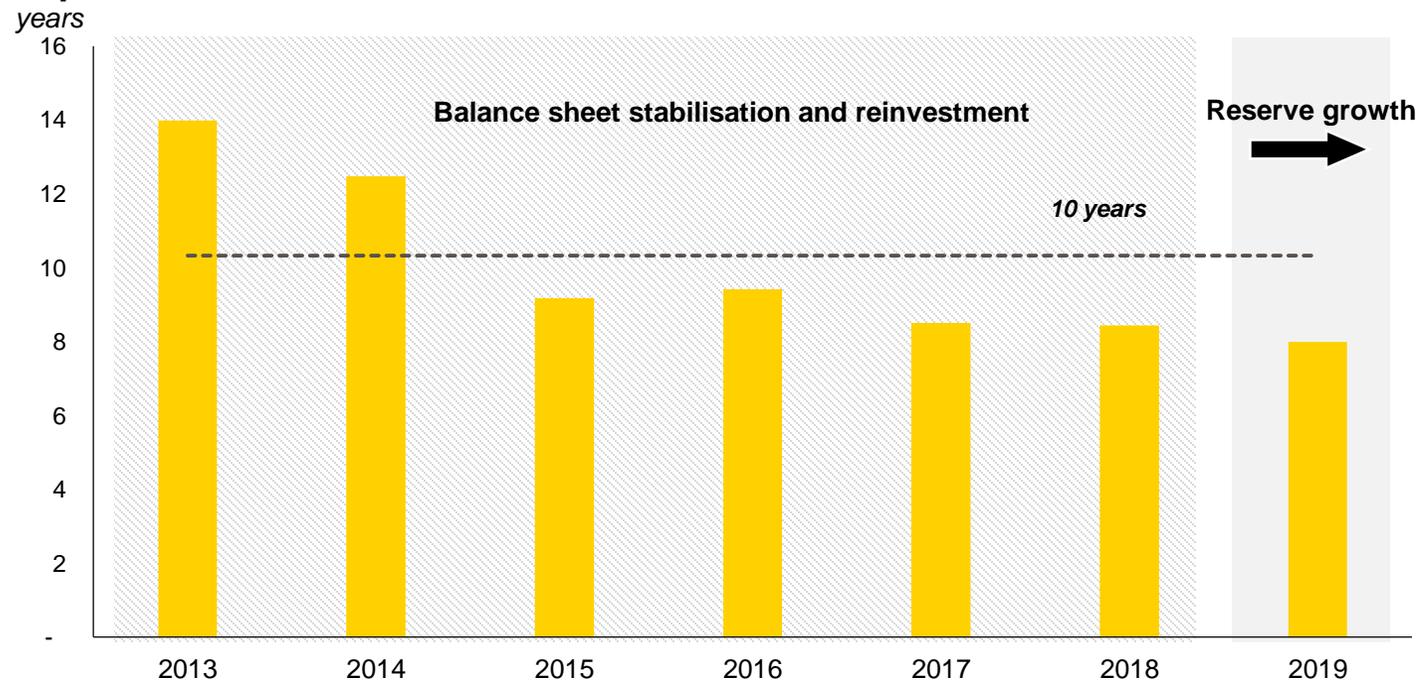
*Project metrics on 100% basis  
Based on B2Gold PFS published on 21 January 2020 – Gold price assumption: \$1,350/oz  
AngloGold Ashanti will publish its own pricing sensitivities upon completion of the Feasibility Study*



# EXPLORATION SUCCESS – BACKED BY A PROVEN TRACK RECORD

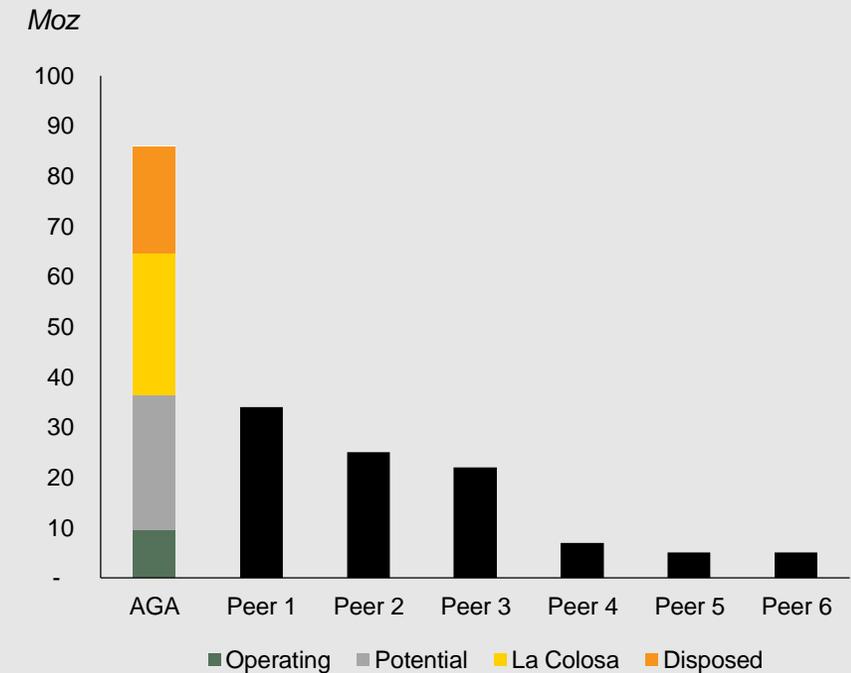
*Ringfencing incremental capital for brownfield drilling and associated ore reserve development, to improve ore-body knowledge and planning, and more reliable longer-term forecasting*

## Implied LoM



Implied LoM excludes South Africa

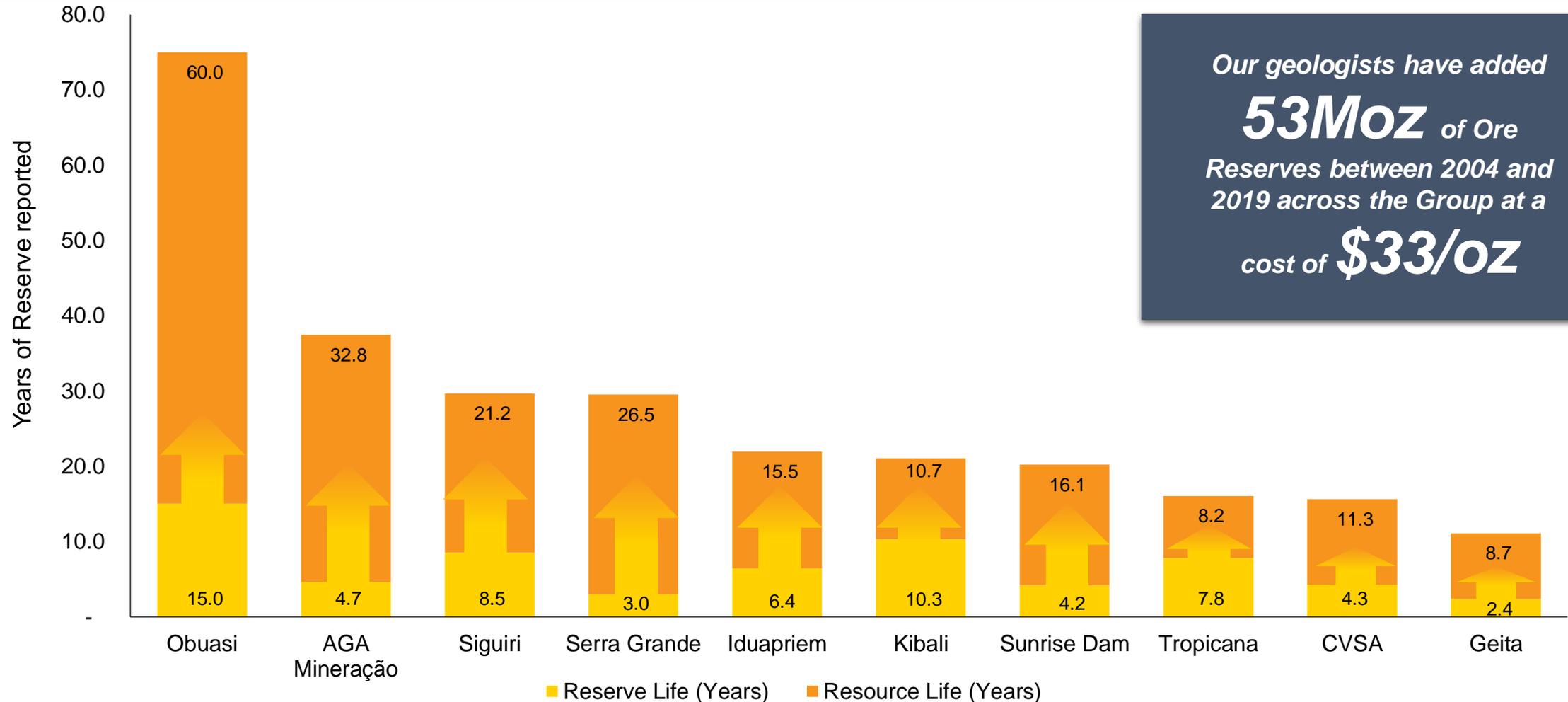
## Gold discoveries 2003 - 2017



S&P Global  
AGA excludes South Africa

# PRIORITISING RESERVE CONVERSION

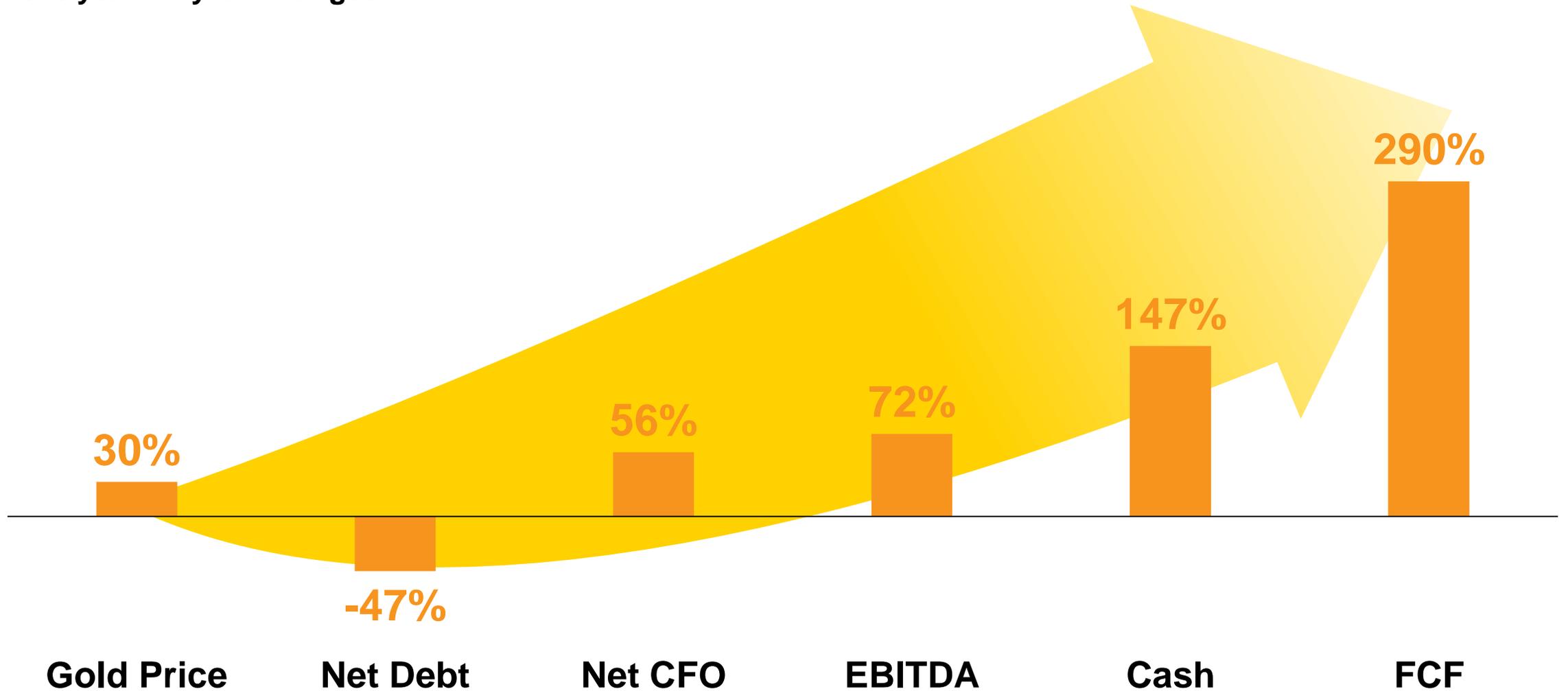
*We're working to unlock the significant potential (AND VALUE) from our portfolio through exploration & project pipelines*



*Our geologists have added*  
**53Moz** of Ore  
*Reserves between 2004 and 2019 across the Group at a*  
*cost of* **\$33/oz**

# HIGH QUALITY LEVERAGE TO THE GOLD PRICE

Q3 2020 year-on-year changes





## Strategy is clear and remains unchanged

- We are guided by our values
- Prioritising the welfare and safety of people
- Committed to excellence in ESG
- Capital allocation focused on returns

## Business is in solid shape

- Balance sheet strong and getting stronger
- Robust cash flow aiding debt reduction
- Portfolio quality improving

## Clear set of priorities

- Navigate safely through COVID-19 pandemic
- Improve cash conversion
- Maintain safe and efficient operations
- Enhance Ore Reserve profile



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