



# Report to shareholders

## for the quarter and nine months ended 30 September 2010

### Group results for the quarter....

- ❖ Adjusted headline earnings, excluding accelerated hedge buy-back and related costs, increase 135% to \$303m.
- ❖ Production of 1.162Moz at a total cash cost of \$643/oz; both improved on guidance.
- ❖ Production increases on continued recovery from South Africa and Australia.
- ❖ Geita continues turnaround progress, delivering 15% unit cash cost reduction to \$705/oz.
- ❖ Americas region delivers strong performance of 218,000oz at a total cash cost of \$433/oz.
- ❖ Continued strong uranium production of 389,000lbs on improved recoveries.
- ❖ Dual-tranche capital raising completed, with \$1.53bn proceeds earmarked for hedge elimination.
- ❖ Tropicana feasibility completed; AngloGold Ashanti board approves development decision.
- ❖ La Colosa exploration drilling resumes; assay results awaited.
- ❖ Exploration yields continued positive results in Tropicana belt, Baffin Island and Egypt.

### Events post quarter-end...

- ❖ Residual hedge book eliminated on 7 October at an average price of \$1,300/oz, ending discounted gold sales.
- ❖ Moody's Investor Service and Standard & Poor's affirm international investment grade credit rating.

|  |                 | Quarter ended    |          | Nine months ended |          | Quarter ended        |          | Nine months ended |          |
|--|-----------------|------------------|----------|-------------------|----------|----------------------|----------|-------------------|----------|
|  |                 | Sep 2010         | Jun 2010 | Sep 2010          | Sep 2009 | Sep 2010             | Jun 2010 | Sep 2010          | Sep 2009 |
|  |                 | SA rand / Metric |          |                   |          | US dollar / Imperial |          |                   |          |
| <b>Operating review</b>  |                 |                  |          |                   |          |                      |          |                   |          |
| Gold   |                 |                  |          |                   |          |                      |          |                   |          |
| Produced   | - kg / oz (000) | 36,129           | 35,011   | 104,714           | 106,282  | 1,162                | 1,126    | 3,367             | 3,417    |
| Price received   | - R/kg / \$/oz  | (47,750)         | 265,806  | 148,314           | 185,498  | (239)                | 1,095    | 598               | 653      |
| Price received excluding hedge buy-back costs                      | - R/kg / \$/oz  | 267,707          | 265,806  | 259,858           | 245,364  | 1,141                | 1,095    | 1,086             | 888      |
| Total cash costs   | - R/kg / \$/oz  | 151,007          | 149,365  | 149,953           | 134,192  | 643                  | 617      | 627               | 485      |
| Total production costs   | - R/kg / \$/oz  | 187,695          | 183,891  | 187,282           | 169,536  | 800                  | 759      | 783               | 612      |
| <b>Financial review</b>  |                 |                  |          |                   |          |                      |          |                   |          |
| Adjusted gross (loss) profit                                       | - Rm / \$m      | (8,670)          | 2,723    | (4,310)           | 1,165    | (1,229)              | 359      | (652)             | 74       |
| Adjusted gross profit excluding hedge buy-back costs               | - Rm / \$m      | 2,969            | 2,723    | 7,329             | 7,480    | 408                  | 359      | 986               | 871      |
| Profit (loss) attributable to equity shareholders                  | - Rm / \$m      | 443              | (1,360)  | 233               | (5,940)  | 51                   | (187)    | 20                | (743)    |
|  | - cents/share   | 120              | (371)    | 63                | (1,653)  | 14                   | (51)     | 5                 | (207)    |
| Adjusted headline (loss) earnings                                  | - Rm / \$m      | (8,389)          | 980      | (6,947)           | (1,917)  | (1,184)              | 129      | (993)             | (279)    |
|  | - cents/share   | (2,277)          | 267      | (1,890)           | (533)    | (321)                | 35       | (270)             | (78)     |
| Adjusted headline earnings excluding hedge buy-back costs          | - Rm / \$m      | 2,184            | 980      | 3,626             | 4,089    | 303                  | 129      | 494               | 479      |
|  | - cents/share   | 593              | 267      | 987               | 1,138    | 82                   | 35       | 134               | 133      |
| Cash flow from operating activities excluding hedge buy-back costs | - Rm / \$m      | 3,238            | 2,963    | 7,527             | 6,486    | 424                  | 386      | 990               | 834      |
| Capital expenditure  | - Rm / \$m      | 1,855            | 1,703    | 4,841             | 6,451    | 253                  | 226      | 650               | 734      |

\$ represents US dollar, unless otherwise stated

Rounding of figures may result in computational discrepancies

# Operations at a glance

for the quarter ended 30 September 2010

|  | Production   |                         | Total cash costs |                         | Adjusted gross profit excluding hedge buy-back costs |                           |
|--|--------------|-------------------------|------------------|-------------------------|--|---------------------------|
|  | oz (000)     | % Variance <sup>1</sup> | \$/oz            | % Variance <sup>1</sup> | \$m  | \$m Variance <sup>1</sup> |
| <b>SOUTH AFRICA</b>                              | <b>478</b>   | <b>7</b>                | <b>594</b>       | <b>6</b>                | <b>189</b>   | <b>35</b>                 |
| Great Noligwa                                    | 36           | 6                       | 854              | 3                       | 3  | 1                         |
| Kopanang   | 79           | 1                       | 663              | 22                      | 22   | (2)                       |
| Moab Khotsong                                    | 83           | 19                      | 550              | (1)                     | 23   | 10                        |
| Tau Lekoa  | 10           | (63)                    | 952              | 3                       | 1  | (3)                       |
| Mponeng  | 138          | 1                       | 475              | 16                      | 84   | 7                         |
| Savuka   | 8            | 300                     | 762              | (757)                   | 2  | -                         |
| TauTona  | 71           | 15                      | 729              | 7                       | 14   | 5                         |
| Surface Operations                               | 53           | 33                      | 418              | (13)                    | 38   | 16                        |
| <b>CONTINENTAL AFRICA</b>                        | <b>373</b>   | <b>1</b>                | <b>725</b>       | <b>3</b>                | <b>109</b>   | <b>8</b>                  |
| <b>Ghana</b>                                     |              |                         |                  |                         |  |                           |
| Iduapriem  | 57           | 14                      | 576              | (7)                     | 22   | 8                         |
| Obuasi   | 75           | (3)                     | 831              | 16                      | 4  | (12)                      |
| <b>Guinea</b>                                    |              |                         |                  |                         |  |                           |
| Siguiri - Attributable 85%                       | 62           | (9)                     | 703              | 13                      | 25   | -                         |
| <b>Mali</b>                                      |              |                         |                  |                         |  |                           |
| Morila - Attributable 40% <sup>2</sup>           | 23           | -                       | 790              | 14                      | 9  | (2)                       |
| Sadiola - Attributable 41% <sup>2</sup>          | 30           | 3                       | 623              | (1)                     | 16   | 1                         |
| Yatela - Attributable 40% <sup>2</sup>           | 10           | (29)                    | 1,333            | 85                      | (2)  | (9)                       |
| <b>Namibia</b>                                   |              |                         |                  |                         |  |                           |
| Navachab   | 23           | 28                      | 751              | 2                       | 7  | 2                         |
| <b>Tanzania</b>                                  |              |                         |                  |                         |  |                           |
| Geita  | 93           | 3                       | 705              | (15)                    | 25   | 23                        |
| Non-controlling interests, exploration and other |              |                         |                  |                         | 4  | (3)                       |
| <b>AUSTRALASIA</b>                               | <b>93</b>    | <b>7</b>                | <b>1,064</b>     | <b>-</b>                | <b>(5)</b>   | <b>(5)</b>                |
| <b>Australia</b>                                 |              |                         |                  |                         |  |                           |
| Sunrise Dam                                      | 93           | 7                       | 1,068            | 4                       | (5)  | (9)                       |
| Exploration and other                            |              |                         |                  |                         | -  | 3                         |
| <b>AMERICAS</b>                                  | <b>218</b>   | <b>(1)</b>              | <b>433</b>       | <b>4</b>                | <b>134</b>   | <b>8</b>                  |
| <b>Argentina</b>                                 |              |                         |                  |                         |  |                           |
| Cerro Vanguardia - Attributable 92.50%           | 48           | -                       | 374              | 8                       | 26   | (4)                       |
| <b>Brazil</b>                                    |              |                         |                  |                         |  |                           |
| AngloGold Ashanti Brasil Mineração               | 93           | 19                      | 415              | 9                       | 55   | 14                        |
| Serra Grande - Attributable 50%                  | 20           | 11                      | 466              | (7)                     | (8)  | (14)                      |
| <b>United States of America</b>                  |              |                         |                  |                         |  |                           |
| Cripple Creek & Victor                           | 56           | (27)                    | 495              | 6                       | 29   | (9)                       |
| Non-controlling interests, exploration and other |              |                         |                  |                         | 32   | 22                        |
| <b>OTHER</b>                                     |              |                         |                  |                         | <b>4</b>   | <b>(7)</b>                |
| <b>Sub-total</b>                                 | <b>1,162</b> | <b>3</b>                | <b>643</b>       | <b>4</b>                | <b>431</b>   | <b>38</b>                 |
| Equity accounted investments included above      |              |                         |                  |                         | (23)   | 11                        |
| <b>AngloGold Ashanti</b>                         |              |                         |                  |                         | <b>408</b>   | <b>49</b>                 |

<sup>1</sup> Variance September 2010 quarter on June 2010 quarter - increase (decrease).

<sup>2</sup> Equity accounted joint ventures.

Rounding of figures may result in computational discrepancies.

# Financial and Operating Report

## OVERVIEW FOR THE QUARTER

### OPERATING RESULTS

Production and total cash costs for the three months to 30 September were both better than guidance set by the company. Production rose 3% to 1.162Moz from the previous quarter, while total cash costs rose 4% to \$643/oz, due to seasonal factors and stronger operating currencies. The improved performance was attributable to a strong recovery in volumes mined in South Africa and Australia, as well as a steady performance from Continental Africa and the Americas.

Guidance for the third quarter was 1.150Moz at a total cash cost of \$645/oz, assuming an average exchange rate of R7.55/\$. This compares to an average realised exchange rate of R7.31/\$ during the three month period.

### SAFETY

Tragically, four fatalities were recorded during the quarter after three colleagues lost their lives at the South African operations and another in Mali. The year-to-date lost time injury frequency rate for the group remained largely unchanged at 6.65, compared to 6.6 a year earlier. The South African operations recorded 1.6m fatality free shifts during the quarter and 15 incident free days. Great Nologwa achieved a full fatality-free year and Navachab, Sadiola, Yatela and Serra Grande went without a single lost-time injury during the quarter. While the achievements are extremely noteworthy, management remains committed to achieving the next quantum improvement in safety, with particular focus on consolidating gains made earlier in the year relating to fall-of-ground and horizontal transport-related incidents. Modifying the behaviour of AngloGold Ashanti's people at every level, with particular regard to risk identification and tolerance, remains a key focus as AngloGold Ashanti continues to make Safety our first value.

### OPERATING REVIEW

*The **South African** operations produced 478,000oz at a total cash cost of \$594/oz in the third quarter of 2010, compared with 447,000oz at a total cash cost of \$560/oz the previous quarter.* The strong result was driven by impressive performances at the core operations and is noteworthy given the currency strength during the quarter, as well as winter power tariffs, annual labour increases, higher royalty payments and the inclusion of the Tau Lekoa mine, the sale of which was concluded on 1 August 2010. At the **Vaal River** operations, Moab Khotsong delivered a 19% increase in production to 83,000oz and a 1% decline in total cash costs to \$550/oz, mainly as a result of fewer safety related interruptions and a focus on clean mining to reduce underground lock-up and improved grade. Great Nologwa's management continued with its plan to return the mine to profitability, with vamping contributing to the 6% increase in production to 36,000oz. Kopanang's output rose 1% to 79,000oz, due mainly to higher volumes mined. The Surface operations, which replaced Tau Lekoa feed with marginal ore, achieved a once-off gain from the resin replacement strategy, which helped achieve a 33% improvement in production to 53,000oz while total cash costs dropped 13% to \$418/oz. At the **West Wits** operations, higher yield helped the cornerstone Mponeng increase output by 1% to 138,000oz, while total cash costs rose 16% to \$475/oz. A rise in grade, due to higher face values, helped drive a 15% increase in production at TauTona. Savuka made only a marginal contribution as management continued to evaluate the optimal means of accessing the ore body, following the extensive damage caused to underground infrastructure by last year's seismic event.

***Continental Africa's** production rose 1% to 373,000oz at a total cash cost of \$725/oz, from 371,000oz at a total cash cost of \$702/oz the previous quarter.* The principal contributor to the improved performance was Iduapriem, which continued to ramp up after the shutdown earlier in the year to improve its tailings storage facility. The mine posted a 14% rise in production to 57,000oz, while total cash costs fell 7% to \$576/oz. Obuasi's production slipped by 3% to 75,000oz due to blocked ore passes and lower-than-anticipated ore reserve development which restricted access to higher grade ore mining blocks, thereby impacting mining flexibility. This, along with lower achieved grades, provision for revision to power tariffs and the once-off settlement of backdated wage increases, resulted in a 16% increase in total cash costs to \$831/oz. Following the success over the past year in achieving the operational turnaround at Geita, a multi-disciplinary team

reporting directly to the EVP Continental Africa has been appointed to improve the performance of this key asset. Intermittent power stoppages and a prolonged maintenance shutdown led to a 9% decline in production from Siguiri to 62,000oz and a 13% increase in total cash costs to \$703/oz. Navachab's production increased by 28% to 23,000oz as higher grade ore was mined from the base of the pit and the operation reaped the benefits of the recently commissioned dense media separator. Total cash costs rose 2% to \$751/oz as alternative sources of ore were accessed after the existing operations reached the bottom of the main pit. In Tanzania, higher grades at Geita compensated for the impact of a major maintenance shutdown, with production up 3% to 93,000oz. Total cash costs were 15% lower at \$705/oz, due to the improved grades and the efficiencies gained in the operational turnaround plan.

***Australasia's gold production increased by 7% to 93,000oz, as planned.*** Total cash costs were constant at \$1,064/oz, mainly due to the effect of deferred stripping charges and ore stockpiles. The total cash costs included \$289/oz in non-cash items relating to deferred stripping and ore stockpiles.

***The Americas production declined marginally to 218,000oz at a total cash cost of \$433/oz, from 221,000oz at a total cash cost of \$416/oz the previous quarter.*** At AngloGold Ashanti Brasil Mineração, production increased 19% as planned to 93,000oz due to higher tonnages and grade, while the 9% increase in total cash costs to \$415/oz followed annual wage increases, higher power tariffs and maintenance costs. At Serra Grande, grade improvements helped boost production by 11% to 20,000oz. In Argentina, Cerro Vanguardia's production was unchanged at 48,000oz. Total cash costs rose 8% to \$374/oz, still the lowest in the group, as silver recoveries declined and the mine absorbed inflationary pressure and the cost of the start-up of the underground development project. In the U.S., Cripple Creek & Victor's production slipped 27% to 56,000oz as planned, given the modified stacking plan which accelerated output in the first half of the year. Total cash costs rose 6% to \$495/oz.

## **FINANCIAL AND CORPORATE REVIEW**

During the quarter, net proceeds of \$1.53bn were raised in equal parts of a dual tranche capital raising comprising equity and a three-year mandatory convertible bond. These proceeds along with cash and debt facilities were deployed to eliminate all outstanding hedge commitments, a process of more than a month in duration, which was concluded on 7 October at an average price of \$1,300/oz. The elimination of AngloGold Ashanti's residual hedge commitments (which totalled almost 12Moz at the beginning of 2008 and declined to 3.22Moz at 30 June) fulfils a crucial strategic objective by ending the practice of selling gold at discounts to market prices, thus improving future cash flows and earnings. This enhanced earning capacity should improve the company's ability to fund an exciting pipeline of growth projects.

Of the \$2.64bn in cash required to conclude this final restructuring of the hedge book, \$1.58bn was spent in the third quarter to reduce commitments from 3.22Moz at 30 June to 1.37Moz at 30 September. The balance of \$1.06bn will be reflected in the fourth quarter, during which the hedge was eliminated.

Adjusted headline earnings, excluding the accelerated hedge buy-back and related costs, increased 135% to \$303m, or 82 U.S. cents a share in the three months to 30 September, from \$129m, or 35 U.S. cents the previous quarter. The stronger performance was due to the improved production performance and sales, higher gold price and prior-period tax credits and was achieved despite the stronger local operating currencies, winter power tariffs and annual wage increases in South Africa. The average gold price received during the quarter, excluding accelerated hedge buy-back costs, increased 4% to \$1,141/oz.

During the quarter, the company generated free cash flow after all outflows (capital expenditure, interest, taxes and the 2010 interim dividend) of \$119m. In addition, the proceeds from the Tau Leko sale received during the quarter amounted to \$64m.

Turning to the balance sheet, major financing transactions were concluded during the last two quarters. These include the two international rated bonds, new revolving credit facility (both of which were effected during the second quarter) and the dual-tranche equity and mandatory convertible bond, effected during the third quarter, to part-fund the elimination of the hedge book.

Following approval by the shareholders to settle the \$789m mandatory convertible bond by the issue of up to a maximum of 18.14m shares, both S&P and Moody's confirmed full equity treatment for this instrument and reaffirmed AngloGold Ashanti's investment grade credit ratings. This instrument is therefore excluded from Non-GAAP debt metrics.

The company recorded an adjusted headline loss of \$1.18bn and a profit attributable to equity shareholders of \$51m post the accelerated hedge close-out.

## PROJECTS

AngloGold Ashanti incurred capital expenditure of \$253m during the quarter, of which \$75m was spent on growth projects. Of the growth-related capital, \$43m was spent in the Americas, \$17m in Continental Africa, \$13m in South Africa and \$2m in Australasia.

The bankable feasibility study for the Tropicana gold project (AngloGold Ashanti 70%, Independence Group 30%) was completed and subsequently approved for development by AngloGold Ashanti's board. Detailed design will commence immediately, with construction of the access road and plant to follow early next year. First gold is expected to be poured in the fourth quarter of 2013. Annual attributable production in the first three years is estimated at between 329,000oz and 343,000oz, with an average of 231,000oz to 245,000oz over the 10-year life. Total cash costs for the first three years are estimated at A\$580/oz – A\$600/oz (\$568/oz – \$588/oz at an exchange rate of \$0.98/A\$) and A\$710 – A\$730/oz (\$696/oz – \$715/oz) over the life of the project (\$696 - \$715/oz). Attributable capital expenditure has been estimated at A\$508m – A\$543m (\$498m – \$532m), including escalation and pre-production operating costs.

The mine will use open-cut contract mining of the Tropicana and Havana pits using conventional drill-and-blast and truck and excavator operations. The plant will have a throughput rate of 5.8Mt/a on hard rock ore. The plant comminution circuit comprises two-stage crushing, high pressure grinding rolls, ball milling and a conventional CIL circuit.

Development of the remote project will require substantial supporting infrastructure, including construction of 220 km of new road, a sealed all-weather airstrip, a 550-person village and a water supply from underground sources about 50 km from the mine. In October, the scoping level economic study on open-cut mining of the Boston Shaker prospect, located immediately to the north-east of the Tropicana resource, was completed and a feasibility study is now being carried out. This is scheduled for completion in mid 2011. Boston Shaker could potentially add 175,000oz to 350,000oz to life-of-mine production.

During the quarter drilling continued as part of the scoping study to assess the viability of underground mining of the Havana Deeps mineralisation. A hole completed after quarter end intersected the mineralised zone 1,028m below surface and approximately 2,100m down plunge of the open pit design. It is anticipated that a pre-feasibility study will be carried out at Havana Deeps in 2011.

Exploration drilling resumed in August at the La Colosa deposit in Colombia. The project team's focus is on generating metallurgical samples and resource additions to this world-class project, located in Tolima Department. Core from the first drill holes has been submitted for assay and the results are awaited. The pre-feasibility study on the project is expected to be completed in 2013. At the Gramalote project, in Colombia's Antioquia Department, AngloGold Ashanti, increased its stake in the joint venture with B2Gold to 51%, assumed operatorship and appointed a project manager. Exploration targeting was initiated for a fourth quarter start and a pre-feasibility study is expected to be completed on this emerging project in mid-2012.

In Brazil, detailed engineering for refurbishment of the São Bento plant at the Córrego do Sítio project remained on track for completion in January. Manufacturing of the autoclaves proceeded on schedule and construction and commissioning of the power lines to the plant was completed in August. Contractors completed ventilation raises in the underground mine.

At Cerro Vanguardia, mining the base of the existing pits from underground is designed to lower costs. A trial mine has been developed to provide data for the feasibility study that is expected to be approved by the end of the year before implementation of the project in 2011. This portion of the mine is expected to treat about 2.8Mt of ore at around 11g/t over its life which is expected to run to 2019. Basic engineering on the heap leach project at Cerro Vanguardia is substantially complete. Crushing and agglomeration plant has begun to arrive at site and is expected to be fully delivered by the end of December, while the contractors to erect the plant have been identified. The pad construction contract has been awarded and mobilisation set for November. Production from the pad is expected in the second half of 2011.

At Cripple Creek & Victor, in the U.S., the first gold from the Mine Life Extension I project is roughly a year ahead of schedule and within its budget. The stacking of ore on the new liner started in October and first

gold is expected in January. A pre-feasibility study on the Mine Life Extension II project has started and a full feasibility study is planned next year.

At Kibali, in the Democratic Republic of the Congo, the partners are currently working on updating the feasibility study, with the optimisation between the underground and open pit operations, finalisation of mining plans and sizing of the processing plant the key aspects planned for completion by the end of the year. Further, optimisation and refinement of the underground mine design and scheduling are expected to continue into 2011. Work on the resettlement plan is progressing well and considerable progress has been made on access roads to site. At Mongbwalu, the interim feasibility study on the project has been submitted to the government while the full study remains on track for delivery by March 2011.

## EXPLORATION

Total exploration expenditure during the third quarter, inclusive of expenditure at equity accounted joint ventures, was \$72m (\$28m on brownfields, \$19m on greenfields and \$25m on pre-feasibility studies), compared with \$72m the previous quarter (\$26m on brownfields, \$26m on greenfields and \$20m 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).

About 98,000m of greenfields exploration drilling was completed at existing priority sites and used to delineate new targets in Australia, Canada, Guinea, Gabon, Colombia and the Solomon Islands. This compares with 82,500m in the previous quarter. Expenditure was \$19m, compared to \$26m in the second quarter. In **Australia**, AngloGold Ashanti applied for 13,780km<sup>2</sup> of mineral exploration tenements in central Western Australia to test for gold and copper mineralisation in a frontier exploration region known as the Cornelia Range project. Exploration continued throughout the Tropicana joint venture tenement, with a focus on the adjacent Havana resource. The Havana Deeps prospect represents the extensions of the Havana mineralised system beyond the Havana Feasibility Study open pit. An underground scoping study, based on drill results returned to the end of July, commenced in August. Significant gold results returned during the quarter included 13m @ 6.11g/t Au from 417m, 12m @ 4.51g/t Au from 508m, 17m @ 4.42g/t Au from 491m, 12m @ 5.32g/t Au from 607m, and 10m @ 4.58g/t Au from 303m.

An open pit scoping study on the Boston Shaker deposit, immediately north of Tropicana, commenced during August following test work completed over an 850m strike. Significant gold results returned during the reporting period included 18m @ 4.35g/t Au from 34m, 29m @ 3.67g/t Au from 307m, 22m @ 4.38g/t Au from 247m, 10m @ 5.01g/t Au from 135m, 14m @ 3.23g/t Au from 151m, and 14m @ 3.19g/t Au from 163m.

In the **Americas**, 5,500m was drilled at the Malrok and Kanosak prospects in Baffin Island, a joint venture with Commander Resources. At Malrok, a 19 hole programme included 3m @ 7.65g/t Au from 34m and 3m @ 5.9g/t Au from 44m. Assays at Kanosak indicate strata-bound gold mineralisation within two layers of gently dipping siliceous meta-sedimentary rocks distributed over a regional area. Best results from the first drill programme include 9m @ 2.26g/t Au in the upper strata and a vein in the deeper layer assaying 1m @ 22.5g/t Au. Additionally, prospecting work in the Kanosak area discovered two new areas of gold mineralisation: one between the Kanosak Main and Kanosak North prospects; and significantly, one located 500m to the northeast of the Kanosak North prospect, which extends the Kanosak structural corridor to at least 4km. Assay values from grab samples range from 1.3g/t Au to 226.3g/t Au. The highest grade sample, taken from an outcrop, contained abundant visible gold. In Colombia, work was carried out in three regions by AngloGold Ashanti, as well as in joint venture with Mineros S.A., where 4,000m was drilled in the Amalfi district.

In the **Solomon Islands**, exploration continued at the Kele and Mase joint ventures with XDM Resources. At Kele, where work focused on the Vulu and Bopo prospects, trenching, sampling and 2,537m of diamond drilling was completed during the quarter. At Mase, geochemical sampling and 990m of diamond drilling was completed during the quarter. Drilling will continue at both projects until the end of the field year.

In **Continental Africa**, the feasibility study over Mongbwalu resource in the Democratic Republic of the Congo remains on schedule for completion by the end of March 2011. A 5,000m diamond drilling campaign is planned for drill-testing regional targets in the Kilo area, while sediment and soil sampling and reconnaissance mapping is ongoing. In Mali, an AngloGold Ashanti review identified an opportunity to significantly improve the economics of the Deep Sulphide Project by converting mineralisation to the North of the main deposit. A conversion drilling programme commenced in September, with 8,372m RC drilling

already completed and the programme still ongoing. In Guinea, regional exploration work around the existing Siguiri mine on Blocks 2, 3 and 4 is ongoing with ground geophysics and drilling taking place throughout the year to test the various anomalies. The Saraya mineralised trend in Block 2 has been delineated further southwards for approximately 3km and further resource definition drilling is planned.

In the **Middle East & North Africa**, where AngloGold Ashanti works in joint venture with Thani Investments, sampling and mapping continued at the Wadi Kareem and Hodine concessions in Egypt. At Hodine, the Hutite prospect returned encouraging results, with one rock chip sample returning 33m @ 4.37g/t Au (including 8m @ 8.85g/t Au) in gabbro and ultramafic rocks. The prospect has a strike length of at least 2km and diamond drilling will commence in the fourth quarter. In Eritrea, Phase 1 exploration began at the Kerkasha and Akordat North exploration licences and a 10,000 line km airborne EM survey will be flown in the fourth quarter. The Alliance maintains very active project generation activities in other parts of the MENA region.

In **South Africa**, surface drilling continued in the Project Zaaiplaats area. MMB5 deflection 7 advanced to a depth of 3,236m. The Vaal Reef was intersected at 3,116m and returned a value of 11.87g/t over a true width of 1m. Intersection drilling continues. MZA9 was stopped and the site cleared and rehabilitated. MGR8 progressed to a final depth of 3,337m after intersecting the Vaal reef at 3,116m. The reef intersection which was faulted and brecciated returned an assay value of 15.44g/t over a true width of 1m. Deflection drilling continues. The MGR6 borehole was recovered by use of a new generation downhole motor and drilling continues.

## OUTLOOK

AngloGold Ashanti's production for the full year is expected to be 4.5Moz. As flagged in previous quarters, production issues in Ghana and longer than expected shut down at Savuka have impacted 2010 production. Total cash costs are expected to be \$635/oz, assuming an average exchange rate of R7.34/\$ and oil at \$80/barrel for the 12 month period. (When restated using the original foreign exchange assumption of R7.70/\$, this translates to \$613/oz, within guidance).

Fourth quarter production is expected to be 1.140Moz at a total cash cost of \$640/oz assuming an exchange rate of R7.25/\$ to \$675/oz assuming an exchange rate of R6.75/\$, and oil at \$80/barrel. In addition to the residual impact from the accelerated hedge close outs, as in prior years, fourth quarter results will be distorted by accounting adjustments relating to the reassessment of useful asset lives, rehabilitation, tax and inventory provisions.

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### Notes:

- All references to price received include realised non-hedge derivatives.
- All references to adjusted gross profit (loss) refers to gross profit (loss) adjusted for unrealised non-hedge derivatives and other commodity contracts and excludes hedge buy-back costs.
- In the case of joint venture and operations with non-controlling interests, all production and financial results are attributable to AngloGold Ashanti.
- Rounding of figures may result in computational discrepancies.

# Review of the Gold Market

## GOLD PRICE MOVEMENT AND INVESTMENT MARKETS

### Gold price data

The gold price averaged 2% higher than the previous quarter at \$1,226/oz. Whilst the European debt crisis supported the gold price in the second quarter, and powered prices to new highs in Euro terms, renewed fears over the US economy spurred the gold price to a record \$1,315/oz on the last day of the third quarter. The threat of a 'double-dip' recession and the prospect of further quantitative easing, renewed pressure on the US dollar. The spectre of deflation for some and inflation for others, has increased gold's appeal as a safe haven. Consequently several analysts revised price forecasts higher.

### Investment

Despite the gold price rally, the investment market has shown an increase of about 30% year-on-year. The 10 major ETFs continued to grow during the quarter and stood at more than 66Moz at quarter end. The surge in the value of global ETF holdings is notable, with a 40% increase in value year to date, representing some \$87bn, of which about \$60bn is in the US alone. The COMEX reflected a net long position of 32Moz and strong coin demand in the US continues to cause supply shortages. China has shown further positive growth in investment demand and leading bullion houses reported a steady uptick in gold bar sales. In India, bar and coin demand remained firm and gold imports reflected the recovery of the Indian gold market, with imports for July and August almost doubling to 157 tonnes from the 88 tonnes recorded for the same period last year. The Middle East experienced another flat quarter but there is increasing interest in bullion from high net worth individuals seeking to exploit price volatility or maintain the value of their savings.

### Official sector

The first year of the third Central Bank Accord expired at the end of September, with 94 tonnes sold representing the lowest sales yet. Although International Monetary Fund sales are included under this arrangement, sales remain significantly below the 400 tonne quota. Much of the IMF sales have been absorbed by central banks themselves, with Bangladesh's acquisition of 10 tonnes the latest sovereign to purchase directly from the IMF.

### Jewellery

The Indian jewellery industry also continued to show strong signs of recovery, with jewellery sales at the end of August at 526 tonnes, compared to jewellery sales for the whole of 2009 amounting to 559 tonnes. The strong Rupee is softening the impact of the higher dollar gold price, with robust sales expected over the Diwali festival. A good monsoon season will have put more money in the hands of the rural market over high demand season. In China, gold jewellery retail demand grew between 6% and 8% year on year. August and September remain peak buying times, with festivals such as Teacher's day, Moon Festival and National day spurring gold sales. Manufacturers using 18 carat (K-Gold) gold reported orders increasing by 12-20%, while 24 carat manufacturers saw gains of 8-10% year-on-year. In the Middle East, third-quarter jewellery demand got off to a good start with the wedding season in July stimulating sales, which were further bolstered by purchases from expatriates returning home with gold as gifts. However, the advent of Ramadan in August slowed consumption. In the US market, the high gold price and weak dollar took a further toll on the already frail jewellery market and demand was flat compared with the previous quarter.



# Hedge position

As at 30 September 2010, AngloGold Ashanti had the following total outstanding commitments against future production. The total ounces committed on this date was 1.37Moz or 43t (as at 30 June 2010: 3.22Moz or 100t) and the total net delta tonnage of the hedge on this date was 1.33Moz or 41t (at 30 June 2010: 3.06Moz or 95t).

The marked-to-market value of all hedge transactions making up the hedge positions in the table below was a negative \$0.98bn (negative R6.80bn) as at 30 September 2010 (at 30 June 2010: negative \$2.41bn – negative R18.40bn). The value was based on a gold price of \$1,309.85/oz, exchange rates of R6.96/\$ and A\$/0.9666 and the prevailing market interest rates and volatilities at the time.

All hedge positions were eliminated by 7 October, 2010.

The following table indicates the group's **commodity hedge position** at 30 September 2010:

| Year                  | 2010           | 2011      | 2012      | 2013      | 2014      | 2015      | Total       |
|-----------------------|----------------|-----------|-----------|-----------|-----------|-----------|-------------|
| <b>US DOLLAR/GOLD</b> |                |           |           |           |           |           |             |
| Forward contracts     | Amount (oz)    | 589,307   | *(37,500) | *(25,000) |           |           | 526,807     |
|                       | US\$/oz        | \$554     | *\$534    | *\$641    |           |           | \$551       |
| Put options sold      | Amount (oz)    | 213,965   | 148,000   | 85,500    | 60,500    | 60,500    | 568,465     |
|                       | US\$/oz        | \$1,129   | \$623     | \$538     | \$440     | \$450     | \$763       |
| Call options sold     | Amount (oz)    |           |           | 323,725   | 237,180   | 255,680   | 845,585     |
|                       | US\$/oz        |           |           | \$645     | \$591     | \$620     | \$623       |
| <b>RAND/GOLD</b>      |                |           |           |           |           |           |             |
| Put options sold      | Amount (oz)    | 10,000    |           |           |           |           | 10,000      |
|                       | ZAR/oz         | R7,550    |           |           |           |           | R7,550      |
| ** Total net gold:    | Delta (oz)     | (584,387) | 37,727    | (284,449) | (229,676) | (241,695) | (1,329,434) |
|                       | Committed (oz) | (589,307) | 37,500    | (298,725) | (237,180) | (255,680) | (1,372,392) |

\* Represents a net long gold position and net short US Dollars and Rands resulting from both forward sales and purchases for the period.

\*\* The Delta of the hedge position indicated above is the equivalent gold position that would have the same marked-to-market sensitivity for a small change in the gold price. This is calculated using the Black-Scholes options formula with the ruling market prices, interest rates and volatilities as at 30 September 2010.

**Fair value of derivative analysis by accounting designation at 30 September 2010:**

| Figures in millions                                      | Non-hedge<br>accounted<br>Total<br>US Dollar |
|--|--|
| Commodity option contracts                               | (586)  |
| Forward sale commodity contracts                         | (400)  |
| <b>Total hedging contracts</b>                           | <b>(986)</b>                                 |
| Embedded derivatives                                     | (1)  |
| Warrants on shares                                       | 1  |
| Option component of convertible bond                     | (135)  |
| <b>Total derivatives</b>                                 | <b>(1,121)</b>                               |
| <b>Credit risk adjustment</b>                            | <b>(30)</b>                                  |
| <b>Total derivatives - before credit risk adjustment</b> | <b>(1,151)</b>                               |

Rounding of figures may result in computational discrepancies.

# Group income statement

| SA Rand million   | Notes | Quarter ended  | Quarter ended | Quarter ended  | Nine months ended | Nine months ended |
|---|-------|----------------|---------------|----------------|-------------------|-------------------|
|   |       | September 2010 | June 2010     | September 2009 | September 2010    | September 2009    |
|   |       | Unaudited      | Unaudited     | Unaudited      | Unaudited         | Unaudited         |
| <b>Revenue</b>  | 2     | <b>10,668</b>  | 9,918         | 8,806          | 29,040            | 22,447            |
| Gold income   |       | <b>10,372</b>  | 9,625         | 8,512          | 28,220            | 21,511            |
| Cost of sales   | 3     | <b>(6,659)</b> | (6,099)       | (6,168)        | (18,819)          | (17,001)          |
| Loss on non-hedge derivatives and other commodity contracts   | 4     | <b>(1,041)</b> | (3,625)       | (11,216)       | (4,607)           | (9,228)           |
| <b>Gross profit (loss)</b>                                    |       | <b>2,672</b>   | (99)          | (8,872)        | 4,794             | (4,718)           |
| Corporate administration and other expenses                   |       | <b>(350)</b>   | (371)         | (264)          | (1,003)           | (916)             |
| Market development costs                                      |       | <b>(26)</b>    | (21)          | (24)           | (67)              | (77)              |
| Exploration costs   |       | <b>(440)</b>   | (391)         | (311)          | (1,108)           | (776)             |
| Other operating expenses                                      | 5     | <b>(50)</b>    | (15)          | (36)           | (122)             | (137)             |
| Special items   | 6     | <b>(424)</b>   | (89)          | (231)          | (686)             | 448               |
| <b>Operating profit (loss)</b>                                |       | <b>1,382</b>   | (986)         | (9,738)        | 1,808             | (6,176)           |
| Interest received   |       | <b>58</b>      | 70            | 121            | 192               | 311               |
| Exchange (loss) gain  |       | <b>(113)</b>   | (1)           | 25             | (75)              | 326               |
| Fair value adjustment on option component of convertible bond |       | <b>(166)</b>   | 129           | (60)           | 319               | (183)             |
| Finance costs and unwinding of obligations                    | 7     | <b>(285)</b>   | (323)         | (305)          | (846)             | (879)             |
| Fair value loss on mandatory convertible bond                 |       | <b>(160)</b>   | -             | -              | (160)             | -                 |
| Share of equity accounted investments' profit                 |       | <b>151</b>     | 89            | 175            | 403               | 558               |
| <b>Profit (loss) before taxation</b>                          |       | <b>867</b>     | (1,022)       | (9,782)        | 1,641             | (6,043)           |
| Taxation  | 8     | <b>(318)</b>   | (264)         | 1,650          | (1,140)           | 351               |
| <b>Profit (loss) for the period</b>                           |       | <b>549</b>     | (1,286)       | (8,132)        | 501               | (5,692)           |
| Allocated as follows:   |       |                |               |                |                   |                   |
| Equity shareholders   |       | <b>443</b>     | (1,360)       | (8,245)        | 233               | (5,940)           |
| Non-controlling interests                                     |       | <b>106</b>     | 74            | 113            | 268               | 248               |
|   |       | <b>549</b>     | (1,286)       | (8,132)        | 501               | (5,692)           |
| Basic profit (loss) per ordinary share (cents) <sup>1</sup>   |       | <b>120</b>     | (371)         | (2,286)        | 63                | (1,653)           |
| Diluted profit (loss) per ordinary share (cents) <sup>2</sup> |       | <b>120</b>     | (371)         | (2,286)        | 63                | (1,653)           |

<sup>1</sup> Calculated on the basic weighted average number of ordinary shares.

<sup>2</sup> Calculated on the diluted weighted average number of ordinary shares.

*Rounding of figures may result in computational discrepancies.*

# Group income statement

| US Dollar million   | Notes | Quarter ended  | Quarter ended | Quarter ended  | Nine months ended | Nine months ended |
|---|-------|----------------|---------------|----------------|-------------------|-------------------|
|   |       | September 2010 | June 2010     | September 2009 | September 2010    | September 2009    |
|   |       | Unaudited      | Unaudited     | Unaudited      | Unaudited         | Unaudited         |
| <b>Revenue</b>  | 2     | <b>1,461</b>   | 1,314         | 1,140          | 3,901             | 2,642             |
| Gold income   |       | <b>1,420</b>   | 1,275         | 1,101          | 3,791             | 2,533             |
| Cost of sales   | 3     | <b>(911)</b>   | (810)         | (796)          | (2,529)           | (1,981)           |
| Loss on non-hedge derivatives and other commodity contracts   | 4     | <b>(152)</b>   | (486)         | (1,421)        | (625)             | (1,170)           |
| <b>Gross profit (loss)</b>                                    |       | <b>357</b>     | (21)          | (1,116)        | 637               | (618)             |
| Corporate administration and other expenses                   |       | <b>(48)</b>    | (49)          | (34)           | (135)             | (105)             |
| Market development costs                                      |       | <b>(4)</b>     | (2)           | (3)            | (9)               | (9)               |
| Exploration costs   |       | <b>(60)</b>    | (52)          | (40)           | (149)             | (91)              |
| Other operating expenses                                      | 5     | <b>(7)</b>     | (2)           | (5)            | (16)              | (16)              |
| Special items   | 6     | <b>(60)</b>    | (12)          | (31)           | (95)              | 55                |
| <b>Operating profit (loss)</b>                                |       | <b>178</b>     | (138)         | (1,229)        | 233               | (784)             |
| Interest received   |       | <b>8</b>       | 9             | 16             | 26                | 36                |
| Exchange (loss) gain  |       | <b>(16)</b>    | -             | 3              | (11)              | 40                |
| Fair value adjustment on option component of convertible bond |       | <b>(24)</b>    | 17            | (9)            | 40                | (24)              |
| Finance costs and unwinding of obligations                    | 7     | <b>(39)</b>    | (43)          | (39)           | (114)             | (103)             |
| Fair value loss on mandatory convertible bond                 |       | <b>(22)</b>    | -             | -              | (22)              | -                 |
| Share of equity accounted investments' profit                 |       | <b>21</b>      | 11            | 22             | 54                | 64                |
| <b>Profit (loss) before taxation</b>                          |       | <b>106</b>     | (144)         | (1,236)        | 206               | (771)             |
| Taxation  | 8     | <b>(41)</b>    | (33)          | 209            | (149)             | 57                |
| <b>Profit (loss) for the period</b>                           |       | <b>65</b>      | (177)         | (1,027)        | 57                | (714)             |
| Allocated as follows:   |       |                |               |                |                   |                   |
| Equity shareholders   |       | <b>51</b>      | (187)         | (1,042)        | 20                | (743)             |
| Non-controlling interests                                     |       | <b>14</b>      | 10            | 15             | 37                | 29                |
|   |       | <b>65</b>      | (177)         | (1,027)        | 57                | (714)             |
| Basic profit (loss) per ordinary share (cents) <sup>1</sup>   |       | <b>14</b>      | (51)          | (289)          | 5                 | (207)             |
| Diluted profit (loss) per ordinary share (cents) <sup>2</sup> |       | <b>14</b>      | (51)          | (289)          | 5                 | (207)             |

<sup>1</sup> Calculated on the basic weighted average number of ordinary shares.

<sup>2</sup> Calculated on the diluted weighted average number of ordinary shares.

*Rounding of figures may result in computational discrepancies.*

# Group statement of comprehensive income

|  | Quarter<br>ended<br>September<br>2010 | Quarter<br>ended<br>June<br>2010 | Quarter<br>ended<br>September<br>2009 | Nine months<br>ended<br>September<br>2010 | Nine months<br>ended<br>September<br>2009 |
|--|---------------------------------------|----------------------------------|---------------------------------------|---|---|
| SA Rand million  | Unaudited                             | Unaudited                        | Unaudited                             | Unaudited                                 | Unaudited                                 |
| <b>Profit (loss) for the period</b>  | <b>549</b>                            | <b>(1,286)</b>                   | <b>(8,132)</b>                        | <b>501</b>                                | <b>(5,692)</b>                            |
| Exchange differences on translation of foreign operations                    | (1,100)                               | 373                              | 325                                   | (1,007)                                   | (2,027)                                   |
| Share of equity accounted investments' other comprehensive expense (income)  | 2                                     | (4)                              | -                                     | (2)                                       | -   |
| Net gain (loss) on cash flow hedges  | -                                     | 1                                | (142)                                 | -   | 8   |
| Net loss on cash flow hedges removed from equity and reported in gold income | -                                     | -                                | 122                                   | 279                                       | 974                                       |
| Hedge (effectiveness) ineffectiveness on cash flow hedges                    | -                                     | -                                | (18)                                  | -   | 25  |
| Realised gain (loss) on hedges of capital items                              | -                                     | 1                                | (35)                                  | 2   | (14)                                      |
| Deferred taxation thereon  | (1)                                   | -                                | 17                                    | (99)                                      | (250)                                     |
|  | (1)                                   | 2                                | (56)                                  | 182                                       | 743                                       |
| Net gain on available for sale financial assets                              | 43                                    | 144                              | 100                                   | 142                                       | 136                                       |
| Release on disposal of available for sale financial assets                   | -                                     | (41)                             | -                                     | (41)                                      | -   |
| Deferred taxation thereon  | -                                     | 12                               | (4)                                   | 13  | (8)                                       |
|  | 43                                    | 115                              | 96                                    | 114                                       | 128                                       |
| <b>Other comprehensive (expense) income for the period net of tax</b>        | <b>(1,056)</b>                        | <b>486</b>                       | <b>365</b>                            | <b>(713)</b>                              | <b>(1,156)</b>                            |
| <b>Total comprehensive expense for the period net of tax</b>                 | <b>(507)</b>                          | <b>(800)</b>                     | <b>(7,767)</b>                        | <b>(212)</b>                              | <b>(6,848)</b>                            |
| Allocated as follows:  |                                       |                                  |                                       |   |   |
| Equity shareholders  | (613)                                 | (874)                            | (7,880)                               | (480)                                     | (7,106)                                   |
| Non-controlling interests  | 106                                   | 74                               | 113                                   | 268                                       | 258                                       |
|  | (507)                                 | (800)                            | (7,767)                               | (212)                                     | (6,848)                                   |

*Rounding of figures may result in computational discrepancies.*

# Group statement of comprehensive income

|  | Quarter<br>ended<br>September<br>2010 | Quarter<br>ended<br>June<br>2010 | Quarter<br>ended<br>September<br>2009 | Nine months<br>ended<br>September<br>2010 | Nine months<br>ended<br>September<br>2009 |
|--|---------------------------------------|----------------------------------|---------------------------------------|---|---|
| US Dollar million  | Unaudited                             | Unaudited                        | Unaudited                             | Unaudited                                 | Unaudited                                 |
| <b>Profit (loss) for the period</b>  | <b>65</b>                             | <b>(177)</b>                     | <b>(1,027)</b>                        | <b>57</b>                                 | <b>(714)</b>                              |
| Exchange differences on translation of foreign operations                    | 151                                   | (83)                             | 74                                    | 90  | 362                                       |
| Share of equity accounted investments' other comprehensive expense (income)  | 1                                     | (1)                              | -                                     | -   | -   |
| Net (loss) gain on cash flow hedges  | -                                     | -                                | (15)                                  | -   | 1   |
| Net loss on cash flow hedges removed from equity and reported in gold income | -                                     | -                                | 19                                    | 38  | 112                                       |
| Hedge (effectiveness) ineffectiveness on cash flow hedges                    | -                                     | -                                | (2)                                   | -   | 3   |
| Realised loss on hedges of capital items                                     | -                                     | -                                | (4)                                   | -   | (2)                                       |
| Deferred taxation thereon  | -                                     | -                                | 1                                     | (13)                                      | (32)                                      |
|  | -                                     | -                                | (1)                                   | 25  | 82  |
| Net gain on available for sale financial assets                              | 5                                     | 20                               | 12                                    | 19  | 16  |
| Release on disposal of available for sale financial assets                   | -                                     | (6)                              | -                                     | (6)                                       | -   |
| Deferred taxation thereon  | -                                     | 2                                | (1)                                   | 2   | (1)                                       |
|  | 5                                     | 16                               | 11                                    | 15  | 15  |
| <b>Other comprehensive income (expense) for the period net of tax</b>        | <b>157</b>                            | <b>(68)</b>                      | <b>84</b>                             | <b>130</b>                                | <b>459</b>                                |
| <b>Total comprehensive income (expense) for the period net of tax</b>        | <b>222</b>                            | <b>(245)</b>                     | <b>(943)</b>                          | <b>187</b>                                | <b>(255)</b>                              |
| Allocated as follows:  |                                       |                                  |                                       |   |   |
| Equity shareholders  | 206                                   | (255)                            | (958)                                 | 150                                       | (285)                                     |
| Non-controlling interests  | 16                                    | 10                               | 15                                    | 37  | 30  |
|  | 222                                   | (245)                            | (943)                                 | 187                                       | (255)                                     |

*Rounding of figures may result in computational discrepancies.*

# Group statement of financial position

| SA Rand million   | Note | As at<br>September<br>2010<br>Unaudited | As at<br>June<br>2010<br>Unaudited | As at<br>December<br>2009<br>Audited | As at<br>September<br>2009<br>Unaudited |
|---|------|---|------------------------------------|--------------------------------------|---|
| <b>ASSETS</b>   |      |   |                                    |                                      |   |
| <b>Non-current assets</b>                                     |      |   |                                    |                                      |   |
| Tangible assets   |      | 41,489                                  | 43,625                             | 43,263                               | 37,416                                  |
| Intangible assets   |      | 1,296                                   | 1,272                              | 1,316                                | 1,315                                   |
| Investments in associates and equity accounted joint ventures |      | 4,329                                   | 4,559                              | 4,758                                | 1,890                                   |
| Other investments   |      | 1,627                                   | 1,512                              | 1,302                                | 961                                     |
| Inventories   |      | 2,268                                   | 2,422                              | 2,508                                | 2,550                                   |
| Trade and other receivables                                   |      | 994                                     | 1,022                              | 788                                  | 766                                     |
| Derivatives   |      | 8                                       | 19                                 | 40                                   | -                                       |
| Deferred taxation   |      | 88                                      | 28                                 | 451                                  | 487                                     |
| Cash restricted for use                                       |      | 214                                     | 345                                | 394                                  | 380                                     |
| Other non-current assets                                      |      | 92                                      | 102                                | 63                                   | 30                                      |
|   |      | <b>52,405</b>                           | <b>54,906</b>                      | <b>54,883</b>                        | <b>45,795</b>                           |
| <b>Current assets</b>   |      |   |                                    |                                      |   |
| Inventories   |      | 5,860                                   | 6,061                              | 5,102                                | 4,997                                   |
| Trade and other receivables                                   |      | 1,588                                   | 1,595                              | 1,419                                | 3,586                                   |
| Derivatives   |      | 453                                     | 1,148                              | 2,450                                | 2,900                                   |
| Current portion of other non-current assets                   |      | 2                                       | 2                                  | 3                                    | 2                                       |
| Cash restricted for use                                       |      | 84                                      | 106                                | 87                                   | 121                                     |
| Cash and cash equivalents                                     |      | 9,313                                   | 6,607                              | 8,176                                | 8,328                                   |
|   |      | <b>17,300</b>                           | <b>15,519</b>                      | <b>17,237</b>                        | <b>19,934</b>                           |
| Non-current assets held for sale                              |      | 114                                     | 653                                | 650                                  | 642                                     |
|   |      | <b>17,414</b>                           | <b>16,172</b>                      | <b>17,887</b>                        | <b>20,576</b>                           |
| <b>TOTAL ASSETS</b>   |      | <b>69,819</b>                           | <b>71,078</b>                      | <b>72,770</b>                        | <b>66,371</b>                           |
| <b>EQUITY AND LIABILITIES</b>                                 |      |   |                                    |                                      |   |
| Share capital and premium                                     | 11   | 45,598                                  | 40,057                             | 39,834                               | 39,759                                  |
| Retained earnings and other reserves                          |      | (19,159)                                | (18,414)                           | (18,276)                             | (21,601)                                |
| Non-controlling interests                                     |      | 916                                     | 939                                | 966                                  | 848                                     |
| <b>Total equity</b>   |      | <b>27,355</b>                           | <b>22,582</b>                      | <b>22,524</b>                        | <b>19,006</b>                           |
| <b>Non-current liabilities</b>                                |      |   |                                    |                                      |   |
| Borrowings  |      | 17,363                                  | 12,556                             | 4,862                                | 12,512                                  |
| Environmental rehabilitation and other provisions             |      | 3,332                                   | 3,459                              | 3,351                                | 3,530                                   |
| Provision for pension and post-retirement benefits            |      | 1,187                                   | 1,189                              | 1,179                                | 1,280                                   |
| Trade, other payables and deferred income                     |      | 119                                     | 150                                | 108                                  | 107                                     |
| Derivatives   |      | 947                                     | 852                                | 1,310                                | 1,249                                   |
| Deferred taxation   |      | 5,776                                   | 5,200                              | 5,599                                | 4,272                                   |
|   |      | <b>28,724</b>                           | <b>23,406</b>                      | <b>16,409</b>                        | <b>22,950</b>                           |
| <b>Current liabilities</b>                                    |      |   |                                    |                                      |   |
| Current portion of borrowings                                 |      | 1,864                                   | 185                                | 9,493                                | 1,867                                   |
| Trade, other payables and deferred income                     |      | 4,061                                   | 4,065                              | 4,332                                | 4,449                                   |
| Derivatives   |      | 7,316                                   | 19,646                             | 18,770                               | 16,954                                  |
| Taxation  |      | 499                                     | 1,134                              | 1,186                                | 1,079                                   |
|   |      | <b>13,740</b>                           | <b>25,030</b>                      | <b>33,781</b>                        | <b>24,349</b>                           |
| Non-current liabilities held for sale                         |      | -                                       | 60                                 | 56                                   | 66                                      |
|   |      | <b>13,740</b>                           | <b>25,090</b>                      | <b>33,837</b>                        | <b>24,415</b>                           |
| <b>Total liabilities</b>                                      |      | <b>42,464</b>                           | <b>48,496</b>                      | <b>50,246</b>                        | <b>47,365</b>                           |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           |      | <b>69,819</b>                           | <b>71,078</b>                      | <b>72,770</b>                        | <b>66,371</b>                           |
| Net asset value - cents per share                             |      | 7,127                                   | 6,174                              | 6,153                                | 5,195                                   |

*Rounding of figures may result in computational discrepancies.*

# Group statement of financial position

| US Dollar million   | Note | As at             | As at        | As at            | As at             |
|---|------|-------------------|--------------|------------------|-------------------|
|   |      | September<br>2010 | June<br>2010 | December<br>2009 | September<br>2009 |
|   |      | Unaudited         | Unaudited    | Audited          | Unaudited         |
| <b>ASSETS</b>   |      |                   |              |                  |                   |
| <b>Non-current assets</b>                                     |      |                   |              |                  |                   |
| Tangible assets   |      | 5,961             | 5,718        | 5,819            | 4,980             |
| Intangible assets   |      | 186               | 167          | 177              | 175               |
| Investments in associates and equity accounted joint ventures |      | 622               | 598          | 640              | 252               |
| Other investments   |      | 234               | 198          | 175              | 128               |
| Inventories   |      | 326               | 317          | 337              | 339               |
| Trade and other receivables                                   |      | 143               | 134          | 106              | 102               |
| Derivatives   |      | 1                 | 2            | 5                | -                 |
| Deferred taxation   |      | 13                | 4            | 61               | 65                |
| Cash restricted for use                                       |      | 31                | 45           | 53               | 51                |
| Other non-current assets                                      |      | 13                | 13           | 8                | 4                 |
|   |      | <b>7,530</b>      | <b>7,196</b> | <b>7,381</b>     | <b>6,096</b>      |
| <b>Current assets</b>   |      |                   |              |                  |                   |
| Inventories   |      | 842               | 794          | 686              | 665               |
| Trade and other receivables                                   |      | 228               | 209          | 191              | 477               |
| Derivatives   |      | 65                | 150          | 330              | 386               |
| Current portion of other non-current assets                   |      | -                 | -            | -                | -                 |
| Cash restricted for use                                       |      | 12                | 14           | 12               | 16                |
| Cash and cash equivalents                                     |      | 1,338             | 866          | 1,100            | 1,108             |
|   |      | <b>2,485</b>      | <b>2,033</b> | <b>2,319</b>     | <b>2,652</b>      |
| Non-current assets held for sale                              |      | 17                | 86           | 87               | 85                |
|   |      | <b>2,502</b>      | <b>2,119</b> | <b>2,406</b>     | <b>2,737</b>      |
| <b>TOTAL ASSETS</b>   |      | <b>10,032</b>     | <b>9,315</b> | <b>9,787</b>     | <b>8,833</b>      |
| <b>EQUITY AND LIABILITIES</b>                                 |      |                   |              |                  |                   |
| Share capital and premium                                     | 11   | 6,615             | 5,834        | 5,805            | 5,794             |
| Retained earnings and other reserves                          |      | (2,817)           | (2,998)      | (2,905)          | (3,378)           |
| Non-controlling interests                                     |      | 132               | 123          | 130              | 113               |
| <b>Total equity</b>   |      | <b>3,930</b>      | <b>2,959</b> | <b>3,030</b>     | <b>2,529</b>      |
| <b>Non-current liabilities</b>                                |      |                   |              |                  |                   |
| Borrowings  |      | 2,495             | 1,646        | 654              | 1,665             |
| Environmental rehabilitation and other provisions             |      | 479               | 453          | 451              | 470               |
| Provision for pension and post-retirement benefits            |      | 170               | 156          | 159              | 170               |
| Trade, other payables and deferred income                     |      | 17                | 20           | 14               | 14                |
| Derivatives   |      | 136               | 112          | 176              | 166               |
| Deferred taxation   |      | 830               | 681          | 753              | 569               |
|   |      | <b>4,127</b>      | <b>3,068</b> | <b>2,207</b>     | <b>3,054</b>      |
| <b>Current liabilities</b>                                    |      |                   |              |                  |                   |
| Current portion of borrowings                                 |      | 268               | 24           | 1,277            | 249               |
| Trade, other payables and deferred income                     |      | 584               | 533          | 582              | 592               |
| Derivatives   |      | 1,051             | 2,575        | 2,525            | 2,256             |
| Taxation  |      | 72                | 148          | 159              | 144               |
|   |      | <b>1,975</b>      | <b>3,280</b> | <b>4,543</b>     | <b>3,241</b>      |
| Non-current liabilities held for sale                         |      | -                 | 8            | 7                | 9                 |
|   |      | <b>1,975</b>      | <b>3,288</b> | <b>4,550</b>     | <b>3,250</b>      |
| <b>Total liabilities</b>                                      |      | <b>6,102</b>      | <b>6,356</b> | <b>6,757</b>     | <b>6,304</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           |      | <b>10,032</b>     | <b>9,315</b> | <b>9,787</b>     | <b>8,833</b>      |
| Net asset value - cents per share                             |      | 1,024             | 809          | 828              | 691               |

Rounding of figures may result in computational discrepancies.

# Group statement of cash flows

|  | Quarter<br>ended<br>September<br>2010 | Quarter<br>ended<br>June<br>2010 | Quarter<br>ended<br>September<br>2009 | Nine months<br>ended<br>September<br>2010 | Nine months<br>ended<br>September<br>2009 |
|--|---------------------------------------|----------------------------------|---------------------------------------|---|---|
| SA Rand million  | Unaudited                             | Unaudited                        | Unaudited                             | Unaudited                                 | Unaudited                                 |
| <b>Cash flows from operating activities</b>                      |                                       |                                  |                                       |   |   |
| Receipts from customers  | 10,566                                | 10,030                           | 8,545                                 | 28,762                                    | 21,877                                    |
| Payments to suppliers and employees                              | (7,105)                               | (6,992)                          | (6,147)                               | (20,737)                                  | (15,008)                                  |
| Cash generated from operations                                   | 3,461                                 | 3,038                            | 2,398                                 | 8,025                                     | 6,869                                     |
| Dividends received from equity accounted investments             | 116                                   | 488                              | 21                                    | 721                                       | 615                                       |
| Taxation paid  | (339)                                 | (563)                            | (234)                                 | (1,219)                                   | (998)                                     |
| Cash utilised for hedge buy-back costs                           | (11,021)                              | -                                | (6,315)                               | (11,021)                                  | (6,315)                                   |
| Net cash (outflow) inflow from operating activities              | (7,783)                               | 2,963                            | (4,130)                               | (3,494)                                   | 171                                       |
| <b>Cash flows from investing activities</b>                      |                                       |                                  |                                       |   |   |
| Capital expenditure  | (1,771)                               | (1,600)                          | (1,836)                               | (4,638)                                   | (6,413)                                   |
| Proceeds from disposal of tangible assets                        | 468                                   | 4                                | 43                                    | 488                                       | 7,216                                     |
| Other investments acquired                                       | (432)                                 | (127)                            | (328)                                 | (680)                                     | (521)                                     |
| Acquisition of associates and equity accounted joint ventures    | (48)                                  | (99)                             | -                                     | (219)                                     | (9)                                       |
| Proceeds on disposal of associate                                | -                                     | -                                | -                                     | 4   | -   |
| Loans advanced to associates and equity accounted joint ventures | -                                     | (6)                              | -                                     | (22)                                      | -   |
| Loans repaid from associates and equity accounted joint ventures | -                                     | -                                | -                                     | -   | 3   |
| Proceeds from disposal of investments                            | 280                                   | 127                              | 258                                   | 461                                       | 484                                       |
| Decrease (increase) in cash restricted for use                   | 142                                   | 36                               | (16)                                  | 174                                       | (110)                                     |
| Interest received  | 57                                    | 56                               | 129                                   | 173                                       | 316                                       |
| Loans advanced   | 4                                     | (1)                              | -                                     | (33)                                      | (1)                                       |
| Repayment of loans advanced                                      | -                                     | -                                | 1                                     | 1   | 2   |
| Net cash (outflow) inflow from investing activities              | (1,300)                               | (1,610)                          | (1,749)                               | (4,291)                                   | 967                                       |
| <b>Cash flows from financing activities</b>                      |                                       |                                  |                                       |   |   |
| Proceeds from issue of share capital                             | 5,596                                 | 26                               | 2,215                                 | 5,625                                     | 2,345                                     |
| Share issue expenses   | (113)                                 | -                                | (34)                                  | (113)                                     | (45)                                      |
| Proceeds from borrowings   | 7,139                                 | 7,383                            | 6,709                                 | 14,786                                    | 24,739                                    |
| Repayment of borrowings  | (21)                                  | (7,263)                          | (12,957)                              | (9,926)                                   | (24,095)                                  |
| Finance costs paid   | (46)                                  | (301)                            | (110)                                 | (422)                                     | (766)                                     |
| Mandatory convertible bond transaction costs                     | (155)                                 | -                                | -                                     | (155)                                     | -   |
| Dividends paid   | (264)                                 | (182)                            | (253)                                 | (707)                                     | (431)                                     |
| Net cash inflow (outflow) from financing activities              | 12,136                                | (337)                            | (4,430)                               | 9,088                                     | 1,747                                     |
| <b>Net increase (decrease) in cash and cash equivalents</b>      | <b>3,053</b>                          | <b>1,016</b>                     | <b>(10,309)</b>                       | <b>1,303</b>                              | <b>2,885</b>                              |
| Translation  | (347)                                 | 245                              | 869                                   | (166)                                     | 5   |
| Cash and cash equivalents at beginning of period                 | 6,607                                 | 5,346                            | 17,768                                | 8,176                                     | 5,438                                     |
| <b>Cash and cash equivalents at end of period</b>                | <b>9,313</b>                          | <b>6,607</b>                     | <b>8,328</b>                          | <b>9,313</b>                              | <b>8,328</b>                              |
| <b>Cash generated from operations</b>                            |                                       |                                  |                                       |   |   |
| Profit (loss) before taxation                                    | 867                                   | (1,022)                          | (9,782)                               | 1,641                                     | (6,043)                                   |
| Adjusted for:  |                                       |                                  |                                       |   |   |
| Movement on non-hedge derivatives and other commodity contracts  | 241                                   | 2,878                            | 11,041                                | 2,448                                     | 12,136                                    |
| Amortisation of tangible assets                                  | 1,240                                 | 1,173                            | 1,107                                 | 3,680                                     | 3,463                                     |
| Finance costs and unwinding of obligations                       | 285                                   | 323                              | 305                                   | 846                                       | 879                                       |
| Environmental, rehabilitation and other expenditure              | 53                                    | (18)                             | 33                                    | 66  | 22  |
| Special items  | 542                                   | 86                               | 231                                   | 796                                       | (441)                                     |
| Amortisation of intangible assets                                | 4                                     | 4                                | 4                                     | 11  | 14  |
| Deferred stripping   | 237                                   | 324                              | (96)                                  | 765                                       | (671)                                     |
| Fair value adjustment on option component of convertible bond    | 166                                   | (129)                            | 60                                    | (319)                                     | 183                                       |
| Fair value loss on mandatory convertible bond                    | 160                                   | -                                | -                                     | 160                                       | -   |
| Interest received  | (58)                                  | (70)                             | (121)                                 | (192)                                     | (311)                                     |
| Share of equity accounted investments' profit                    | (151)                                 | (89)                             | (175)                                 | (403)                                     | (558)                                     |
| Other non-cash movements   | 88                                    | 9                                | 23                                    | 118                                       | (179)                                     |
| Movements in working capital                                     | (213)                                 | (431)                            | (232)                                 | (1,592)                                   | (1,625)                                   |
|  | 3,461                                 | 3,038                            | 2,398                                 | 8,025                                     | 6,869                                     |
| <b>Movements in working capital</b>                              |                                       |                                  |                                       |   |   |
| Decrease (increase) in inventories                               | 306                                   | (775)                            | 104                                   | (565)                                     | 817                                       |
| Increase in trade and other receivables                          | (80)                                  | (199)                            | (125)                                 | (582)                                     | (332)                                     |
| (Decrease) increase in trade and other payables                  | (439)                                 | 543                              | (211)                                 | (445)                                     | (2,110)                                   |
|  | (213)                                 | (431)                            | (232)                                 | (1,592)                                   | (1,625)                                   |

Rounding of figures may result in computational discrepancies.



## Group statement of cash flows

|  | Quarter<br>ended<br>September<br>2010 | Quarter<br>ended<br>June<br>2010 | Quarter<br>ended<br>September<br>2009 | Nine months<br>ended<br>September<br>2010 | Nine months<br>ended<br>September<br>2009 |
|--|---------------------------------------|----------------------------------|---------------------------------------|---|---|
| US Dollar million  | Unaudited                             | Unaudited                        | Unaudited                             | Unaudited                                 | Unaudited                                 |
| <b>Cash flows from operating activities</b>                      |                                       |                                  |                                       |   |   |
| Receipts from customers  | 1,441                                 | 1,332                            | 1,104                                 | 3,859                                     | 2,561                                     |
| Payments to suppliers and employees                              | (995)                                 | (934)                            | (741)                                 | (2,809)                                   | (1,694)                                   |
| Cash generated from operations                                   | 446                                   | 398                              | 363                                   | 1,050                                     | 867                                       |
| Dividends received from equity accounted investments             | 25                                    | 63                               | 5                                     | 104                                       | 82  |
| Taxation paid  | (47)                                  | (75)                             | (32)                                  | (164)                                     | (115)                                     |
| Cash utilised for hedge buy-back costs                           | (1,550)                               | -                                | (797)                                 | (1,550)                                   | (797)                                     |
| Net cash (outflow) inflow from operating activities              | (1,126)                               | 386                              | (461)                                 | (560)                                     | 37  |
| <b>Cash flows from investing activities</b>                      |                                       |                                  |                                       |   |   |
| Capital expenditure  | (242)                                 | (212)                            | (239)                                 | (623)                                     | (737)                                     |
| Proceeds from disposal of tangible assets                        | 64                                    | 1                                | 5                                     | 67  | 900                                       |
| Other investments acquired                                       | (58)                                  | (17)                             | (39)                                  | (91)                                      | (60)                                      |
| Acquisition of associates and equity accounted joint ventures    | (6)                                   | (13)                             | -                                     | (29)                                      | (1)                                       |
| Proceeds on disposal of associate                                | -                                     | -                                | -                                     | -   | -   |
| Loans advanced to associates and equity accounted joint ventures | -                                     | (1)                              | -                                     | (3)                                       | -   |
| Loans repaid from associates and equity accounted joint ventures | -                                     | -                                | -                                     | -   | -   |
| Proceeds from disposal of investments                            | 38                                    | 17                               | 31                                    | 62  | 56  |
| Decrease (increase) in cash restricted for use                   | 19                                    | 5                                | (2)                                   | 23  | (11)                                      |
| Interest received  | 8                                     | 7                                | 17                                    | 23  | 37  |
| Loans advanced   | -                                     | -                                | -                                     | (4)                                       | -   |
| Repayment of loans advanced                                      | -                                     | -                                | -                                     | -   | -   |
| Net cash (outflow) inflow from investing activities              | (177)                                 | (213)                            | (227)                                 | (575)                                     | 184                                       |
| <b>Cash flows from financing activities</b>                      |                                       |                                  |                                       |   |   |
| Proceeds from issue of share capital                             | 790                                   | 3                                | 287                                   | 793                                       | 301                                       |
| Share issue expenses   | (16)                                  | -                                | (5)                                   | (16)                                      | (6)                                       |
| Proceeds from borrowings   | 1,011                                 | 995                              | 784                                   | 2,040                                     | 2,745                                     |
| Repayment of borrowings  | (3)                                   | (963)                            | (1,573)                               | (1,318)                                   | (2,708)                                   |
| Finance costs paid   | (8)                                   | (40)                             | (16)                                  | (57)                                      | (88)                                      |
| Mandatory convertible bond transaction costs                     | (22)                                  | -                                | -                                     | (22)                                      | -   |
| Dividends paid   | (37)                                  | (24)                             | (32)                                  | (96)                                      | (50)                                      |
| Net cash inflow (outflow) from financing activities              | 1,715                                 | (29)                             | (555)                                 | 1,324                                     | 194                                       |
| <b>Net increase (decrease) in cash and cash equivalents</b>      |                                       |                                  |                                       |   |   |
| Translation  | 60                                    | (11)                             | 46                                    | 49  | 118                                       |
| Cash and cash equivalents at beginning of period                 | 866                                   | 733                              | 2,305                                 | 1,100                                     | 575                                       |
| <b>Cash and cash equivalents at end of period</b>                | <b>1,338</b>                          | <b>866</b>                       | <b>1,108</b>                          | <b>1,338</b>                              | <b>1,108</b>                              |
| <b>Cash generated from operations</b>                            |                                       |                                  |                                       |   |   |
| Profit (loss) before taxation                                    | 106                                   | (144)                            | (1,236)                               | 206                                       | (771)                                     |
| Adjusted for:  |                                       |                                  |                                       |   |   |
| Movement on non-hedge derivatives and other commodity contracts  | 43                                    | 387                              | 1,398                                 | 336                                       | 1,481                                     |
| Amortisation of tangible assets                                  | 170                                   | 156                              | 143                                   | 494                                       | 400                                       |
| Finance costs and unwinding of obligations                       | 39                                    | 43                               | 39                                    | 114                                       | 103                                       |
| Environmental, rehabilitation and other expenditure              | 8                                     | (2)                              | 5                                     | 9   | 3   |
| Special items  | 76                                    | 11                               | 31                                    | 110                                       | (54)                                      |
| Amortisation of intangible assets                                | -                                     | -                                | 1                                     | 1   | 2   |
| Deferred stripping   | 32                                    | 43                               | (13)                                  | 103                                       | (75)                                      |
| Fair value adjustment on option component of convertible bond    | 24                                    | (17)                             | 9                                     | (40)                                      | 24  |
| Fair value loss on mandatory convertible bond                    | 22                                    | -                                | -                                     | 22  | -   |
| Interest received  | (8)                                   | (9)                              | (16)                                  | (26)                                      | (36)                                      |
| Share of equity accounted investments' profit                    | (21)                                  | (11)                             | (22)                                  | (54)                                      | (64)                                      |
| Other non-cash movements   | 13                                    | 1                                | 3                                     | 17  | (24)                                      |
| Movements in working capital                                     | (58)                                  | (60)                             | 21                                    | (242)                                     | (122)                                     |
|  | 446                                   | 398                              | 363                                   | 1,050                                     | 867                                       |
| <b>Movements in working capital</b>                              |                                       |                                  |                                       |   |   |
| Increase in inventories  | (63)                                  | (55)                             | (12)                                  | (151)                                     | (120)                                     |
| Increase in trade and other receivables                          | (34)                                  | (17)                             | (25)                                  | (95)                                      | (100)                                     |
| Increase in trade and other payables                             | 39                                    | 12                               | 58                                    | 4   | 98  |
|  | (58)                                  | (60)                             | 21                                    | (242)                                     | (122)                                     |

Rounding of figures may result in computational discrepancies.

## Group statement of changes in equity

| SA Rand million                      | Share capital & premium | Other capital reserves | Retained earnings | Cash flow hedge reserve | Available for sale reserve | Actuarial (losses) gains | Foreign currency translation reserve | Total         | Non-controlling interests | Total equity  |
|--------------------------------------|-------------------------|------------------------|-------------------|-------------------------|----------------------------|--------------------------|--------------------------------------|---------------|---------------------------|---------------|
| Balance at December 2008             | 37,336                  | 799                    | (22,765)          | (1,008)                 | (18)                       | (347)                    | 8,959                                | 22,956        | 790                       | 23,746        |
| (Loss) profit for the period         |                         |                        | (5,940)           |                         |                            |                          |                                      | (5,940)       | 248                       | (5,692)       |
| Comprehensive income (expense)       |                         |                        |                   | 733                     | 128                        |                          | (2,027)                              | (1,166)       | 10                        | (1,156)       |
| Total comprehensive (expense) income | -                       | -                      | (5,940)           | 733                     | 128                        | -                        | (2,027)                              | (7,106)       | 258                       | (6,848)       |
| Shares issued                        | 2,423                   |                        |                   |                         |                            |                          |                                      | 2,423         |                           | 2,423         |
| Share-based payment for share awards |                         | 120                    |                   |                         |                            |                          |                                      | 120           |                           | 120           |
| Dividends paid                       |                         |                        | (392)             |                         |                            |                          |                                      | (392)         |                           | (392)         |
| Dividends of subsidiaries            |                         |                        |                   |                         |                            |                          |                                      | -             | (43)                      | (43)          |
| Translation                          |                         | (23)                   | 138               | 43                      | (3)                        | 2                        |                                      | 157           | (157)                     | -             |
| <b>Balance at September 2009</b>     | <b>39,759</b>           | <b>896</b>             | <b>(28,959)</b>   | <b>(232)</b>            | <b>107</b>                 | <b>(345)</b>             | <b>6,932</b>                         | <b>18,158</b> | <b>848</b>                | <b>19,006</b> |
| Balance at December 2009             | 39,834                  | 1,194                  | (25,739)          | (174)                   | 414                        | (285)                    | 6,314                                | 21,558        | 966                       | 22,524        |
| Profit for the period                |                         |                        | 233               |                         |                            |                          |                                      | 233           | 268                       | 501           |
| Comprehensive (expense) income       |                         | (2)                    |                   | 182                     | 114                        |                          | (1,007)                              | (713)         |                           | (713)         |
| Total comprehensive (expense) income | -                       | (2)                    | 233               | 182                     | 114                        | -                        | (1,007)                              | (480)         | 268                       | (212)         |
| Shares issued                        | 5,764                   |                        |                   |                         |                            |                          |                                      | 5,764         |                           | 5,764         |
| Share-based payment for share awards |                         | 45                     |                   |                         |                            |                          |                                      | 45            |                           | 45            |
| Dividends paid                       |                         |                        | (492)             |                         |                            |                          |                                      | (492)         |                           | (492)         |
| Dividends of subsidiaries            |                         |                        |                   |                         |                            |                          |                                      | -             | (274)                     | (274)         |
| Transfers to other reserves          |                         | 25                     |                   | (25)                    |                            |                          |                                      | -             |                           | -             |
| Translation                          |                         | (15)                   | 89                | 1                       | (31)                       |                          |                                      | 44            | (44)                      | -             |
| <b>Balance at September 2010</b>     | <b>45,598</b>           | <b>1,247</b>           | <b>(25,909)</b>   | <b>(16)</b>             | <b>497</b>                 | <b>(285)</b>             | <b>5,307</b>                         | <b>26,439</b> | <b>916</b>                | <b>27,355</b> |
| <b>US Dollar million</b>             |                         |                        |                   |                         |                            |                          |                                      |               |                           |               |
| Balance at December 2008             | 5,485                   | 85                     | (2,361)           | (107)                   | (2)                        | (37)                     | (635)                                | 2,428         | 83                        | 2,511         |
| (Loss) profit for the period         |                         |                        | (743)             |                         |                            |                          |                                      | (743)         | 29                        | (714)         |
| Comprehensive income                 |                         |                        |                   | 81                      | 15                         |                          | 362                                  | 458           | 1                         | 459           |
| Total comprehensive (expense) income | -                       | -                      | (743)             | 81                      | 15                         | -                        | 362                                  | (285)         | 30                        | (255)         |
| Shares issued                        | 309                     |                        |                   |                         |                            |                          |                                      | 309           |                           | 309           |
| Share-based payment for share awards |                         | 14                     |                   |                         |                            |                          |                                      | 14            |                           | 14            |
| Dividends paid                       |                         |                        | (45)              |                         |                            |                          |                                      | (45)          |                           | (45)          |
| Dividends of subsidiaries            |                         |                        |                   |                         |                            |                          |                                      | -             | (5)                       | (5)           |
| Translation                          |                         | 20                     | (12)              | (5)                     | 1                          | (9)                      |                                      | (5)           | 5                         | -             |
| <b>Balance at September 2009</b>     | <b>5,794</b>            | <b>119</b>             | <b>(3,161)</b>    | <b>(31)</b>             | <b>14</b>                  | <b>(46)</b>              | <b>(273)</b>                         | <b>2,416</b>  | <b>113</b>                | <b>2,529</b>  |
| Balance at December 2009             | 5,805                   | 161                    | (2,744)           | (23)                    | 56                         | (38)                     | (317)                                | 2,900         | 130                       | 3,030         |
| Profit for the period                |                         |                        | 20                |                         |                            |                          |                                      | 20            | 37                        | 57            |
| Comprehensive income                 |                         |                        |                   | 25                      | 15                         |                          | 90                                   | 130           |                           | 130           |
| Total comprehensive income           | -                       | -                      | 20                | 25                      | 15                         | -                        | 90                                   | 150           | 37                        | 187           |
| Shares issued                        | 811                     |                        |                   |                         |                            |                          |                                      | 811           |                           | 811           |
| Share-based payment for share awards |                         | 6                      |                   |                         |                            |                          |                                      | 6             |                           | 6             |
| Dividends paid                       |                         |                        | (67)              |                         |                            |                          |                                      | (67)          |                           | (67)          |
| Dividends of subsidiaries            |                         |                        |                   |                         |                            |                          |                                      | -             | (37)                      | (37)          |
| Transfers to other reserves          |                         | 3                      |                   | (3)                     |                            |                          |                                      | -             |                           | -             |
| Translation                          |                         | 9                      | (7)               | (1)                     |                            | (3)                      |                                      | (2)           | 2                         | -             |
| <b>Balance at September 2010</b>     | <b>6,615</b>            | <b>179</b>             | <b>(2,798)</b>    | <b>(2)</b>              | <b>71</b>                  | <b>(41)</b>              | <b>(227)</b>                         | <b>3,798</b>  | <b>132</b>                | <b>3,930</b>  |

Rounding of figures may result in computational discrepancies.

# Segmental reporting

for the quarter and nine months ended 30 September 2010

AngloGold Ashanti implemented IFRS 8 "Operating Segments" with effect from 1 January 2009. 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"). As a result of changes in the management structure and reporting from 1 January 2010, the CODM has changed its reportable segments. Individual members of the Executive Management team are responsible for geographic regions of the business. Comparative information has been presented on a consistent basis. Navachab which was previously included in Southern Africa now forms part of Continental Africa and North and South America has been combined into Americas. Southern Africa has been renamed to South Africa.

|   | Quarter ended   |               |              |               |               | Nine months ended |              |              |              |              |
|---|-----------------|---------------|--------------|---------------|---------------|-------------------|--------------|--------------|--------------|--------------|
|   | Sep             | Jun           | Sep          | Sep           | Sep           | Sep               | Jun          | Sep          | Sep          | Sep          |
|   | 2010            | 2010          | 2009         | 2010          | 2009          | 2010              | 2010         | 2009         | 2010         | 2009         |
|   | Unaudited       | Unaudited     | Unaudited    | Unaudited     | Unaudited     | Unaudited         | Unaudited    | Unaudited    | Unaudited    | Unaudited    |
|   | SA Rand million |               |              |               |               | US Dollar million |              |              |              |              |
| <b>Gold income</b>                          |                 |               |              |               |               |                   |              |              |              |              |
| South Africa                                | 4,633           | 3,842         | 3,970        | 11,558        | 10,156        | 634               | 509          | 516          | 1,553        | 1,201        |
| Continental Africa                          | 3,490           | 3,378         | 2,822        | 9,950         | 7,802         | 478               | 448          | 362          | 1,336        | 911          |
| Australasia                                 | 711             | 847           | 449          | 2,403         | 971           | 98                | 113          | 58           | 323          | 108          |
| Americas                                    | 2,082           | 2,168         | 1,872        | 6,129         | 4,729         | 285               | 287          | 243          | 822          | 560          |
|   | <b>10,916</b>   | <b>10,235</b> | <b>9,112</b> | <b>30,039</b> | <b>23,659</b> | <b>1,495</b>      | <b>1,356</b> | <b>1,178</b> | <b>4,035</b> | <b>2,780</b> |
| Equity accounted investments included above | (544)           | (610)         | (600)        | (1,819)       | (2,148)       | (75)              | (81)         | (77)         | (244)        | (247)        |
|   | <b>10,372</b>   | <b>9,625</b>  | <b>8,512</b> | <b>28,220</b> | <b>21,511</b> | <b>1,420</b>      | <b>1,275</b> | <b>1,101</b> | <b>3,791</b> | <b>2,533</b> |

|   | Quarter ended   |             |                |              |                | Nine months ended |             |                |            |              |
|---|-----------------|-------------|----------------|--------------|----------------|-------------------|-------------|----------------|------------|--------------|
|   | Sep             | Jun         | Sep            | Sep          | Sep            | Sep               | Jun         | Sep            | Sep        | Sep          |
|   | 2010            | 2010        | 2009           | 2010         | 2009           | 2010              | 2010        | 2009           | 2010       | 2009         |
|   | Unaudited       | Unaudited   | Unaudited      | Unaudited    | Unaudited      | Unaudited         | Unaudited   | Unaudited      | Unaudited  | Unaudited    |
|   | SA Rand million |             |                |              |                | US Dollar million |             |                |            |              |
| <b>Gross profit (loss)</b>                  |                 |             |                |              |                |                   |             |                |            |              |
| South Africa                                | 2,742           | (14)        | (4,990)        | 3,525        | (2,020)        | 375               | (4)         | (628)          | 479        | (287)        |
| Continental Africa                          | (573)           | (433)       | (1,707)        | (192)        | (902)          | (86)              | (61)        | (215)          | (36)       | (106)        |
| Australasia                                 | (992)           | 76          | (1,164)        | (940)        | (1,356)        | (139)             | 10          | (147)          | (132)      | (172)        |
| Americas                                    | 1,636           | 436         | (756)          | 2,981        | 391            | 226               | 56          | (93)           | 403        | 43           |
| Corporate and other                         | 28              | 89          | 15             | 158          | 156            | 4                 | 11          | 2              | 21         | 18           |
|   | <b>2,841</b>    | <b>154</b>  | <b>(8,601)</b> | <b>5,532</b> | <b>(3,730)</b> | <b>380</b>        | <b>13</b>   | <b>(1,081)</b> | <b>736</b> | <b>(504)</b> |
| Equity accounted investments included above | (168)           | (253)       | (271)          | (738)        | (989)          | (23)              | (34)        | (35)           | (99)       | (113)        |
|   | <b>2,672</b>    | <b>(99)</b> | <b>(8,872)</b> | <b>4,794</b> | <b>(4,718)</b> | <b>357</b>        | <b>(21)</b> | <b>(1,116)</b> | <b>637</b> | <b>(618)</b> |

|   | Quarter ended   |              |              |              |              | Nine months ended |            |            |              |            |
|---|-----------------|--------------|--------------|--------------|--------------|-------------------|------------|------------|--------------|------------|
|   | Sep             | Jun          | Sep          | Sep          | Sep          | Sep               | Jun        | Sep        | Sep          | Sep        |
|   | 2010            | 2010         | 2009         | 2010         | 2009         | 2010              | 2010       | 2009       | 2010         | 2009       |
|   | Unaudited       | Unaudited    | Unaudited    | Unaudited    | Unaudited    | Unaudited         | Unaudited  | Unaudited  | Unaudited    | Unaudited  |
|   | SA Rand million |              |              |              |              | US Dollar million |            |            |              |            |
| <b>Adjusted gross profit excluding hedge buy-back costs</b> |                 |              |              |              |              |                   |            |            |              |            |
| South Africa  | 1,374           | 1,168        | 881          | 2,929        | 3,676        | 189               | 154        | 115        | 394          | 420        |
| Continental Africa  | 795             | 768          | 660          | 2,343        | 1,936        | 109               | 102        | 85         | 315          | 227        |
| Australasia   | (38)            | 1            | 85           | (62)         | 415          | (5)               | -          | 11         | (8)          | 49         |
| Americas  | 979             | 950          | 834          | 2,700        | 2,285        | 134               | 126        | 108        | 362          | 270        |
| Corporate and other   | 28              | 88           | 15           | 158          | 156          | 4                 | 11         | 2          | 21           | 19         |
|   | <b>3,137</b>    | <b>2,975</b> | <b>2,476</b> | <b>8,067</b> | <b>8,468</b> | <b>431</b>        | <b>393</b> | <b>321</b> | <b>1,084</b> | <b>985</b> |
| Equity accounted investments included above                 | (168)           | (253)        | (271)        | (738)        | (989)        | (23)              | (34)       | (35)       | (99)         | (113)      |
|   | <b>2,969</b>    | <b>2,723</b> | <b>2,205</b> | <b>7,329</b> | <b>7,480</b> | <b>408</b>        | <b>359</b> | <b>287</b> | <b>986</b>   | <b>871</b> |

Rounding of figures may result in computational discrepancies.

## Segmental reporting (continued)

|                                       | Quarter ended |               |               |                |                | Quarter ended |              |              |              |              |
|---------------------------------------|---------------|---------------|---------------|----------------|----------------|---------------|--------------|--------------|--------------|--------------|
|                                       | Sep           |               | Jun           |                | Sep            |               | Sep          |              | Sep          |              |
|                                       | 2010          | 2010          | 2009          | 2010           | 2009           | 2010          | 2010         | 2009         | 2010         | 2009         |
|                                       | Unaudited     | Unaudited     | Unaudited     | Unaudited      | Unaudited      | Unaudited     | Unaudited    | Unaudited    | Unaudited    | Unaudited    |
|                                       | kg            |               |               |                |                | oz (000)      |              |              |              |              |
| <b>Gold production <sup>(1)</sup></b> |               |               |               |                |                |               |              |              |              |              |
| South Africa                          | 14,859        | 13,919        | 14,504        | 40,726         | 42,491         | 478           | 447          | 466          | 1,309        | 1,366        |
| Continental Africa                    | 11,600        | 11,525        | 12,664        | 34,768         | 36,297         | 373           | 371          | 407          | 1,118        | 1,167        |
| Australasia                           | 2,894         | 2,692         | 3,176         | 9,138          | 9,145          | 93            | 87           | 102          | 294          | 294          |
| Americas                              | 6,776         | 6,876         | 6,580         | 20,082         | 18,349         | 218           | 221          | 211          | 646          | 590          |
|                                       | <b>36,129</b> | <b>35,011</b> | <b>36,925</b> | <b>104,714</b> | <b>106,282</b> | <b>1,162</b>  | <b>1,126</b> | <b>1,187</b> | <b>3,367</b> | <b>3,417</b> |

|   | Quarter ended   |              |              |              |              | Quarter ended     |            |            |            |            |
|---|-----------------|--------------|--------------|--------------|--------------|-------------------|------------|------------|------------|------------|
|   | Sep             |              | Jun          |              | Sep          |                   | Sep        |            | Sep        |            |
|   | 2010            | 2010         | 2009         | 2010         | 2009         | 2010              | 2010       | 2009       | 2010       | 2009       |
|   | Unaudited       | Unaudited    | Unaudited    | Unaudited    | Unaudited    | Unaudited         | Unaudited  | Unaudited  | Unaudited  | Unaudited  |
|   | SA Rand million |              |              |              |              | US Dollar million |            |            |            |            |
| <b>Capital expenditure</b>                  |                 |              |              |              |              |                   |            |            |            |            |
| South Africa                                | 731             | 746          | 865          | 2,087        | 2,297        | 100               | 99         | 108        | 280        | 264        |
| Continental Africa                          | 439             | 377          | 370          | 1,022        | 1,144        | 60                | 50         | 48         | 137        | 131        |
| Australasia                                 | 72              | 81           | 61           | 219          | 1,539        | 10                | 11         | 8          | 29         | 169        |
| Americas                                    | 604             | 491          | 520          | 1,488        | 1,420        | 82                | 65         | 65         | 200        | 164        |
| Corporate and other                         | 9               | 8            | 26           | 25           | 51           | 1                 | 1          | 3          | 3          | 6          |
|   | <b>1,855</b>    | <b>1,703</b> | <b>1,842</b> | <b>4,841</b> | <b>6,451</b> | <b>253</b>        | <b>226</b> | <b>232</b> | <b>650</b> | <b>734</b> |
| Equity accounted investments included above | (84)            | (102)        | (5)          | (203)        | (37)         | (11)              | (14)       | (1)        | (27)       | (4)        |
|   | <b>1,771</b>    | <b>1,600</b> | <b>1,836</b> | <b>4,638</b> | <b>6,413</b> | <b>242</b>        | <b>212</b> | <b>231</b> | <b>623</b> | <b>729</b> |

|   | As at           |               | As at         |               | As at             |              | As at        |              |
|---|-----------------|---------------|---------------|---------------|-------------------|--------------|--------------|--------------|
|   | Sep             |               | Jun           |               | Dec               |              | Sep          |              |
|   | 2010            | 2010          | 2009          | 2009          | 2009              | 2009         | 2010         | 2009         |
|   | Unaudited       | Unaudited     | Unaudited     | Unaudited     | Unaudited         | Unaudited    | Unaudited    | Unaudited    |
|   | SA Rand million |               |               |               | US Dollar million |              |              |              |
| <b>Total assets</b>                         |                 |               |               |               |                   |              |              |              |
| South Africa                                | 16,394          | 17,080        | 17,061        | 17,206        | 2,356             | 2,238        | 2,295        | 2,290        |
| Continental Africa                          | 26,896          | 29,671        | 29,401        | 21,188        | 3,864             | 3,889        | 3,954        | 2,820        |
| Australasia                                 | 3,466           | 3,374         | 4,494         | 6,728         | 498               | 442          | 604          | 895          |
| Americas                                    | 13,918          | 14,939        | 14,642        | 14,063        | 2,000             | 1,958        | 1,969        | 1,872        |
| Corporate and other                         | 9,667           | 6,565         | 7,740         | 7,688         | 1,389             | 860          | 1,042        | 1,024        |
|   | <b>70,341</b>   | <b>71,629</b> | <b>73,337</b> | <b>66,873</b> | <b>10,107</b>     | <b>9,388</b> | <b>9,864</b> | <b>8,900</b> |
| Equity accounted investments included above | (522)           | (551)         | (567)         | (502)         | (75)              | (72)         | (77)         | (67)         |
|   | <b>69,819</b>   | <b>71,078</b> | <b>72,770</b> | <b>66,371</b> | <b>10,032</b>     | <b>9,315</b> | <b>9,787</b> | <b>8,833</b> |

<sup>(1)</sup> Gold production includes equity accounted investments.

Rounding of figures may result in computational discrepancies.

# Notes

## for the quarter and nine months ended 30 September 2010

### 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 2009 and revised International Financial Reporting Standards (IFRS) which are effective 1 January 2010, where applicable. Effective 1 January 2010 the Chief Operating Decision Maker changed the reportable segments. Details are included in Segmental reporting.

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 for the preparation of financial information of the group for the quarter and nine months ended 30 September 2010.

### 2. Revenue

|                      | Quarter ended   |           |           | Nine months ended |           | Quarter ended     |           |           | Nine months ended |           |
|----------------------|-----------------|-----------|-----------|-------------------|-----------|-------------------|-----------|-----------|-------------------|-----------|
|                      | Sep 2010        | Jun 2010  | Sep 2009  | Sep 2010          | Sep 2009  | Sep 2010          | Jun 2010  | Sep 2009  | Sep 2010          | Sep 2009  |
|                      | Unaudited       | Unaudited | Unaudited | Unaudited         | Unaudited | Unaudited         | Unaudited | Unaudited | Unaudited         | Unaudited |
|                      | SA Rand million |           |           |                   |           | US Dollar million |           |           |                   |           |
| Gold income          | 10,372          | 9,625     | 8,512     | 28,220            | 21,511    | 1,420             | 1,275     | 1,101     | 3,791             | 2,533     |
| By-products (note 3) | 224             | 223       | 173       | 614               | 625       | 31                | 29        | 23        | 83                | 73        |
| Royalties received   | 15              | -         | -         | 15                | -         | 2                 | -         | -         | 2                 | -         |
| Interest received    | 58              | 70        | 121       | 192               | 311       | 8                 | 9         | 16        | 26                | 36        |
|                      | 10,668          | 9,918     | 8,806     | 29,040            | 22,447    | 1,461             | 1,314     | 1,140     | 3,901             | 2,642     |

### 3. Cost of sales

|   | Quarter ended   |           |           | Nine months ended |           | Quarter ended     |           |           | Nine months ended |           |
|---|-----------------|-----------|-----------|-------------------|-----------|-------------------|-----------|-----------|-------------------|-----------|
|   | Sep 2010        | Jun 2010  | Sep 2009  | Sep 2010          | Sep 2009  | Sep 2010          | Jun 2010  | Sep 2009  | Sep 2010          | Sep 2009  |
|   | Unaudited       | Unaudited | Unaudited | Unaudited         | Unaudited | Unaudited         | Unaudited | Unaudited | Unaudited         | Unaudited |
|   | SA Rand million |           |           |                   |           | US Dollar million |           |           |                   |           |
| Cash operating costs                    | (5,220)         | (4,969)   | (4,793)   | (14,964)          | (13,903)  | (715)             | (659)     | (618)     | (2,011)           | (1,615)   |
| Insurance reimbursement                 | 37              | 85        | -         | 123               | -         | 5                 | 11        | -         | 16                | -         |
| By-products revenue (note 2)            | 224             | 223       | 173       | 614               | 625       | 31                | 29        | 23        | 83                | 73        |
|   | (4,959)         | (4,661)   | (4,620)   | (14,227)          | (13,278)  | (679)             | (619)     | (595)     | (1,912)           | (1,542)   |
| Royalties                               | (282)           | (246)     | (190)     | (717)             | (519)     | (39)              | (32)      | (24)      | (96)              | (60)      |
| Other cash costs                        | (43)            | (48)      | (32)      | (128)             | (92)      | (6)               | (7)       | (5)       | (18)              | (11)      |
| Total cash costs                        | (5,284)         | (4,955)   | (4,842)   | (15,072)          | (13,888)  | (724)             | (658)     | (624)     | (2,026)           | (1,613)   |
| Retrenchment costs                      | (23)            | (26)      | (17)      | (102)             | (71)      | (3)               | (4)       | (2)       | (14)              | (8)       |
| Rehabilitation and other non-cash costs | (106)           | (36)      | (96)      | (228)             | (187)     | (15)              | (5)       | (12)      | (31)              | (22)      |
| Production costs                        | (5,414)         | (5,017)   | (4,955)   | (15,401)          | (14,147)  | (741)             | (666)     | (638)     | (2,070)           | (1,643)   |
| Amortisation of tangible assets         | (1,240)         | (1,173)   | (1,107)   | (3,680)           | (3,463)   | (170)             | (156)     | (143)     | (494)             | (400)     |
| Amortisation of intangible assets       | (4)             | (4)       | (4)       | (11)              | (14)      | -                 | -         | (1)       | (1)               | (2)       |
| Total production costs                  | (6,658)         | (6,193)   | (6,066)   | (19,093)          | (17,624)  | (912)             | (822)     | (781)     | (2,566)           | (2,045)   |
| Inventory change                        | (1)             | 94        | (102)     | 274               | 622       | 1                 | 13        | (14)      | 38                | 65        |
|   | (6,659)         | (6,099)   | (6,168)   | (18,819)          | (17,001)  | (911)             | (810)     | (796)     | (2,529)           | (1,981)   |

### 4. Loss on non-hedge derivatives and other commodity contracts

|   | Quarter ended   |           |           | Nine months ended |           | Quarter ended     |           |           | Nine months ended |           |
|---|-----------------|-----------|-----------|-------------------|-----------|-------------------|-----------|-----------|-------------------|-----------|
|   | Sep 2010        | Jun 2010  | Sep 2009  | Sep 2010          | Sep 2009  | Sep 2010          | Jun 2010  | Sep 2009  | Sep 2010          | Sep 2009  |
|   | Unaudited       | Unaudited | Unaudited | Unaudited         | Unaudited | Unaudited         | Unaudited | Unaudited | Unaudited         | Unaudited |
|   | SA Rand million |           |           |                   |           | US Dollar million |           |           |                   |           |
| (Loss) gain on realised non-hedge derivatives   | (745)           | (803)     | (139)     | (2,072)           | 2,970     | (101)             | (107)     | (19)      | (277)             | 319       |
| Loss on hedge buy-back costs                    | (11,639)        | -         | (6,315)   | (11,639)          | (6,315)   | (1,637)           | -         | (797)     | (1,637)           | (797)     |
| Gain (loss) on unrealised non-hedge derivatives | 11,343          | (2,822)   | (4,762)   | 9,104             | (5,883)   | 1,586             | (380)     | (606)     | 1,289             | (692)     |
|   | (1,041)         | (3,625)   | (11,216)  | (4,607)           | (9,228)   | (152)             | (486)     | (1,421)   | (625)             | (1,170)   |

Rounding of figures may result in computational discrepancies.

## 5. Other operating expenses

|   | Quarter ended   |           |           |           |           | Quarter ended     |           |           |           |           |
|---|-----------------|-----------|-----------|-----------|-----------|-------------------|-----------|-----------|-----------|-----------|
|   | Sep 2010        |           | Jun 2010  |           | Sep 2009  | Sep 2010          |           | Jun 2010  |           | Sep 2009  |
|   | Unaudited       | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited         | Unaudited | Unaudited | Unaudited | Unaudited |
|   | SA Rand million |           |           |           |           | US Dollar million |           |           |           |           |
| Pension and medical defined benefit provisions  | (24)            | (24)      | (24)      | (72)      | (73)      | (3)               | (3)       | (3)       | (10)      | (9)       |
| Claims filed by former employees in respect of loss of employment, work-related accident injuries and diseases, governmental fiscal claims and costs of old tailings operations | (26)            | 9         | (11)      | (50)      | (62)      | (4)               | 1         | (2)       | (6)       | (7)       |
| Miscellaneous   | -               | -         | (1)       | -         | (2)       | -                 | -         | -         | -         | -         |
|   | (50)            | (15)      | (36)      | (122)     | (137)     | (7)               | (2)       | (5)       | (16)      | (16)      |

## 6. Special items

|  | Quarter ended   |           |           |           |           | Quarter ended     |           |           |           |           |
|--|-----------------|-----------|-----------|-----------|-----------|-------------------|-----------|-----------|-----------|-----------|
|  | Sep 2010        |           | Jun 2010  |           | Sep 2009  | Sep 2010          |           | Jun 2010  |           | Sep 2009  |
|  | Unaudited       | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited         | Unaudited | Unaudited | Unaudited | Unaudited |
|  | SA Rand million |           |           |           |           | US Dollar million |           |           |           |           |
| Indirect tax (expenses) reimbursement  | -               | (35)      | 11        | (79)      | 21        | -                 | (5)       | 1         | (10)      | 3         |
| Mandatory convertible bond issue discount, underwriting and professional fees  | (401)           | -         | -         | (401)     | -         | (56)              | -         | -         | (56)      | -         |
| Net impairments of tangible assets (note 9)  | (92)            | (62)      | (94)      | (235)     | (94)      | (13)              | (8)       | (13)      | (32)      | (13)      |
| Recovery (loss) on consignment stock   | 39              | -         | 7         | 39        | (109)     | 5                 | -         | 1         | 5         | (14)      |
| Impairment of debtors  | (4)             | (19)      | -         | (56)      | (65)      | (1)               | (2)       | -         | (8)       | (6)       |
| Contract termination fee at Geita Gold Mine  | -               | (4)       | -         | (8)       | -         | -                 | -         | -         | (1)       | -         |
| Insurance claim recovery   | 93              | 10        | -         | 103       | 7         | 14                | 1         | -         | 15        | 1         |
| Royalties received   | 15              | -         | -         | 15        | -         | 2                 | -         | -         | 2         | -         |
| Net (loss) profit on disposal and abandonment of land, mineral rights, tangible assets and exploration properties (note 9) | (74)            | (24)      | (156)     | (64)      | 689       | (10)              | (3)       | (21)      | (9)       | 84        |
| Profit on disposal of investment (note 9)  | -               | 45        | -         | -         | -         | -                 | 6         | -         | -         | -         |
|  | (424)           | (89)      | (231)     | (686)     | 448       | (60)              | (12)      | (31)      | (95)      | 55        |

## 7. Finance costs and unwinding of obligations

|   | Quarter ended   |           |           |           |           | Quarter ended     |           |           |           |           |
|---|-----------------|-----------|-----------|-----------|-----------|-------------------|-----------|-----------|-----------|-----------|
|   | Sep 2010        |           | Jun 2010  |           | Sep 2009  | Sep 2010          |           | Jun 2010  |           | Sep 2009  |
|   | Unaudited       | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited         | Unaudited | Unaudited | Unaudited | Unaudited |
|   | SA Rand million |           |           |           |           | US Dollar million |           |           |           |           |
| Finance costs   | (189)           | (245)     | (214)     | (575)     | (656)     | (26)              | (33)      | (27)      | (78)      | (77)      |
| Unwinding obligation, accretion on convertible bond and other discounts | (96)            | (78)      | (92)      | (271)     | (223)     | (13)              | (10)      | (12)      | (36)      | (26)      |
|   | (285)           | (323)     | (305)     | (846)     | (879)     | (39)              | (43)      | (39)      | (114)     | (103)     |

## 8. Taxation

|  | Quarter ended   |           |           |           |           | Quarter ended     |           |           |           |           |
|--|-----------------|-----------|-----------|-----------|-----------|-------------------|-----------|-----------|-----------|-----------|
|  | Sep 2010        |           | Jun 2010  |           | Sep 2009  | Sep 2010          |           | Jun 2010  |           | Sep 2009  |
|  | Unaudited       | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited         | Unaudited | Unaudited | Unaudited | Unaudited |
|  | SA Rand million |           |           |           |           | US Dollar million |           |           |           |           |
| <b>South African taxation</b>                                  |                 |           |           |           |           |                   |           |           |           |           |
| Mining tax   | 84              | (84)      | 14        | -         | (93)      | 13                | (11)      | 2         | 2         | (11)      |
| Non-mining tax   | 71              | (35)      | 77        | (59)      | (79)      | 10                | (5)       | 10        | (7)       | (9)       |
| Over (under) provision prior year                              | 618             | (12)      | (12)      | 594       | (40)      | 87                | (2)       | (2)       | 84        | (5)       |
| <b>Deferred taxation:</b>                                      |                 |           |           |           |           |                   |           |           |           |           |
| Temporary differences  | 1,311           | (122)     | (44)      | 1,297     | (355)     | 184               | (15)      | (6)       | 183       | (36)      |
| Unrealised non-hedge derivatives and other commodity contracts | (2,152)         | 420       | 1,317     | (1,892)   | 1,247     | (301)             | 56        | 167       | (267)     | 154       |
| Change in estimated deferred tax rate                          | (7)             | (22)      | -         | -         | -         | (1)               | (3)       | -         | -         | -         |
|  | (76)            | 146       | 1,353     | (60)      | 680       | (7)               | 21        | 171       | (5)       | 93        |
| <b>Foreign taxation</b>  |                 |           |           |           |           |                   |           |           |           |           |
| Normal taxation  | (358)           | (315)     | (262)     | (1,011)   | (777)     | (49)              | (42)      | (34)      | (136)     | (93)      |
| Over (under) provision prior year                              | 29              | (60)      | (27)      | (29)      | (41)      | 4                 | (8)       | (4)       | (4)       | (5)       |
| <b>Deferred taxation:</b>                                      |                 |           |           |           |           |                   |           |           |           |           |
| Temporary differences  | 87              | (13)      | 393       | (18)      | 190       | 12                | (1)       | 51        | (1)       | 25        |
| Unrealised non-hedge derivatives and other commodity contracts | -               | (23)      | 193       | (23)      | 299       | -                 | (3)       | 24        | (3)       | 38        |
|  | (242)           | (410)     | 297       | (1,080)   | (329)     | (33)              | (54)      | 38        | (145)     | (36)      |
|  | (318)           | (264)     | 1,650     | (1,140)   | 351       | (41)              | (33)      | 209       | (149)     | 57        |

Rounding of figures may result in computational discrepancies.

## 9. Headline earnings (loss)

|   | Quarter ended   |           |           |           |           | Quarter ended     |           |           |           |           |
|---|-----------------|-----------|-----------|-----------|-----------|-------------------|-----------|-----------|-----------|-----------|
|   | Sep             |           | Jun       |           | Sep       |                   | Jun       |           | Sep       |           |
|   | 2010            | 2010      | 2009      | 2010      | 2009      | 2010              | 2010      | 2009      | 2010      | 2009      |
|   | Unaudited       | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited         | Unaudited | Unaudited | Unaudited | Unaudited |
|   | SA Rand million |           |           |           |           | US Dollar million |           |           |           |           |
| The profit (loss) attributable to equity shareholders has been adjusted by the following to arrive at headline earnings (loss): |                 |           |           |           |           |                   |           |           |           |           |
| Profit (loss) attributable to equity shareholders   | 443             | (1,360)   | (8,245)   | 233       | (5,940)   | 51                | (187)     | (1,042)   | 20        | (743)     |
| Net impairments of tangible assets (note 6)   | 92              | 62        | 94        | 235       | 94        | 13                | 8         | 13        | 32        | 13        |
| Net loss (profit) on disposal and abandonment of land, mineral rights, tangible assets and exploration properties (note 6)      | 74              | 24        | 156       | 64        | (689)     | 10                | 3         | 21        | 9         | (84)      |
| Insurance claim recovery for infrastructure   | -               | -         | -         | -         | (7)       | -                 | -         | -         | -         | (1)       |
| Profit on disposal of investment (note 6)   | -               | (45)      | -         | -         | -         | -                 | (6)       | -         | -         | -         |
| Net (reversal) impairment of investment in associates and joint ventures  | (74)            | 15        | (2)       | (40)      | 3         | (10)              | 2         | -         | (6)       | -         |
| Special items of associates   | (7)             | -         | -         | (7)       | -         | (1)               | -         | -         | (1)       | -         |
| Taxation on items above - current portion   | -               | 3         | (48)      | 4         | 156       | -                 | -         | (6)       | -         | 19        |
| Taxation on items above - deferred portion  | (51)            | (14)      | (22)      | (87)      | (54)      | (7)               | (2)       | (3)       | (12)      | (7)       |
|   | 476             | (1,315)   | (8,068)   | 402       | (6,437)   | 55                | (181)     | (1,018)   | 43        | (803)     |
| <b>Cents per share <sup>(1)</sup></b>   |                 |           |           |           |           |                   |           |           |           |           |
| Headline earnings (loss)  | 129             | (359)     | (2,237)   | 109       | (1,791)   | 15                | (49)      | (282)     | 12        | (223)     |

<sup>(1)</sup> Calculated on the basic weighted average number of ordinary shares.

## 10. Number of shares

|   | Quarter ended |             |             | Nine months ended |             |             |
|---|---------------|-------------|-------------|-------------------|-------------|-------------|
|   | Sep           | Jun         | Sep         | Sep               | Sep         | Sep         |
|   | 2010          | 2010        | 2009        | 2010              | 2010        | 2009        |
|   | Unaudited     | Unaudited   | Unaudited   | Unaudited         | Unaudited   | Unaudited   |
| Authorised number of shares:  |               |             |             |                   |             |             |
| Ordinary shares of 25 SA cents each   | 600,000,000   | 600,000,000 | 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         | 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         | 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         | 5,000,000   | 5,000,000   |
| Issued and fully paid number of shares:   |               |             |             |                   |             |             |
| Ordinary shares in issue  | 380,966,077   | 362,752,860 | 362,003,085 | 380,966,077       | 362,003,085 | 362,003,085 |
| E ordinary shares in issue  | 2,837,150     | 3,005,932   | 3,832,568   | 2,837,150         | 3,832,568   | 3,832,568   |
| Total ordinary shares:  | 383,803,227   | 365,758,792 | 365,835,653 | 383,803,227       | 365,835,653 | 365,835,653 |
| A redeemable preference shares  | 2,000,000     | 2,000,000   | 2,000,000   | 2,000,000         | 2,000,000   | 2,000,000   |
| B redeemable preference shares  | 778,896       | 778,896     | 778,896     | 778,896           | 778,896     | 778,896     |
| In calculating the diluted number of ordinary shares outstanding for the period, the following were taken into consideration: |               |             |             |                   |             |             |
| Ordinary shares   | 364,556,377   | 362,530,946 | 356,194,586 | 363,135,881       | 354,685,548 | 354,685,548 |
| E ordinary shares   | 2,954,409     | 3,235,727   | 3,848,172   | 3,305,316         | 3,894,634   | 3,894,634   |
| Fully vested options  | 905,619       | 1,017,064   | 622,613     | 1,100,186         | 774,457     | 774,457     |
| Weighted average number of shares   | 368,416,405   | 366,783,737 | 360,665,371 | 367,541,383       | 359,354,639 | 359,354,639 |
| Dilutive potential of share options   | 1,113,099     | -           | -           | 1,158,835         | -           | -           |
| Diluted number of ordinary shares <sup>(1)</sup>  | 369,529,504   | 366,783,737 | 360,665,371 | 368,700,218       | 359,354,639 | 359,354,639 |

<sup>(1)</sup> The basic and diluted number of ordinary shares is the same for the June 2010 quarter, September 2009 quarter and nine months ended September 2009 as effects of shares for performance related options are anti-dilutive.

## 11. Share capital and premium

|  | As at           |           |         |           | As at             |           |         |           |
|--|-----------------|-----------|---------|-----------|-------------------|-----------|---------|-----------|
|  | Sep             | Jun       | Dec     | Sep       | Sep               | Jun       | Dec     | Sep       |
|  | 2010            | 2010      | 2009    | 2009      | 2010              | 2010      | 2009    | 2009      |
|  | Unaudited       | Unaudited | Audited | Unaudited | Unaudited         | Unaudited | Audited | Unaudited |
|  | SA Rand million |           |         |           | US Dollar million |           |         |           |
| Balance at beginning of period                     | 40,662          | 40,662    | 38,246  | 38,246    | 5,935             | 5,935     | 5,625   | 5,625     |
| Ordinary shares issued                             | 5,733           | 210       | 2,438   | 2,409     | 806               | 28        | 312     | 308       |
| E ordinary shares cancelled                        | (85)            | (64)      | (22)    | (17)      | (12)              | (9)       | (2)     | (2)       |
| Sub-total  | 46,310          | 40,808    | 40,662  | 40,638    | 6,729             | 5,954     | 5,935   | 5,931     |
| Redeemable preference shares held within the group | (313)           | (313)     | (313)   | (313)     | (53)              | (53)      | (53)    | (53)      |
| Ordinary shares held within the group              | (181)           | (199)     | (212)   | (258)     | (28)              | (31)      | (32)    | (38)      |
| E ordinary shares held within the group            | (218)           | (239)     | (303)   | (308)     | (33)              | (36)      | (45)    | (45)      |
| Balance at end of period                           | 45,598          | 40,057    | 39,834  | 39,759    | 6,615             | 5,834     | 5,805   | 5,794     |

Rounding of figures may result in computational discrepancies.

## 12. Exchange rates

|                                      | Sep<br>2010<br>Unaudited | Jun<br>2010<br>Unaudited | Dec<br>2009<br>Unaudited | Sep<br>2009<br>Unaudited |
|--------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| ZAR/USD average for the year to date | 7.45                     | 7.52                     | 8.39                     | 8.70                     |
| ZAR/USD average for the quarter      | 7.31                     | 7.54                     | 7.47                     | 7.77                     |
| ZAR/USD closing                      | 6.96                     | 7.63                     | 7.44                     | 7.51                     |
| ZAR/AUD average for the year to date | 6.68                     | 6.71                     | 6.56                     | 6.48                     |
| ZAR/AUD average for the quarter      | 6.61                     | 6.65                     | 6.80                     | 6.47                     |
| ZAR/AUD closing                      | 6.73                     | 6.38                     | 6.67                     | 6.62                     |
| BRL/USD average for the year to date | 1.78                     | 1.80                     | 2.00                     | 2.08                     |
| BRL/USD average for the quarter      | 1.75                     | 1.79                     | 1.74                     | 1.87                     |
| BRL/USD closing                      | 1.69                     | 1.80                     | 1.75                     | 1.77                     |
| ARS/USD average for the year to date | 3.89                     | 3.87                     | 3.73                     | 3.70                     |
| ARS/USD average for the quarter      | 3.94                     | 3.90                     | 3.81                     | 3.83                     |
| ARS/USD closing                      | 3.96                     | 3.93                     | 3.80                     | 3.84                     |

## 13. Capital commitments

|  | Sep<br>2010<br>Unaudited | Jun<br>2010<br>Unaudited | Dec<br>2009<br>Audited | Sep<br>2009<br>Unaudited | Sep<br>2010<br>Unaudited | Jun<br>2010<br>Unaudited | Dec<br>2009<br>Audited | Sep<br>2009<br>Unaudited |
|--|--------------------------|--------------------------|------------------------|--------------------------|--------------------------|--------------------------|------------------------|--------------------------|
|  | SA Rand million          |                          |                        |                          | US Dollar million        |                          |                        |                          |
| Orders placed and outstanding on capital contracts at the prevailing rate of exchange <sup>(1)</sup> | 1,624                    | 1,809                    | 976                    | 1,096                    | 233                      | 237                      | 131                    | 146                      |

<sup>(1)</sup> 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 and 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 financing arrangements contain financial covenants and other similar undertakings. To the extent that external borrowings are required, the groups covenant performance indicates that existing financing facilities will be available to meet the above commitments.

## 14. Contingencies

AngloGold Ashanti's material contingent liabilities and assets at 30 September 2010 are detailed below:

| Contingencies and guarantees                             | SA Rand million | US Dollar million |
|--|-----------------|-------------------|
| <b>Contingent liabilities</b>                            |                 |                   |
| Groundwater pollution <sup>(1)</sup>                     | -               | -                 |
| Deep groundwater pollution – South Africa <sup>(2)</sup> | -               | -                 |
| Sales tax on gold deliveries – Brazil <sup>(3)</sup>     | 590             | 85                |
| Other tax disputes – Brazil <sup>(4)</sup>               | 226             | 32                |
| Indirect taxes – Ghana <sup>(5)</sup>                    | 69              | 10                |
| <b>Contingent assets</b>                                 |                 |                   |
| Royalty – Boddington Gold Mine <sup>(6)</sup>            | -               | -                 |
| Royalty – Tau Leko Gold Mine <sup>(7)</sup>              | -               | -                 |
| <b>Financial Guarantees</b>                              |                 |                   |
| Oro Group (Pty) Limited <sup>(8)</sup>                   | 100             | 14                |
|  | <b>985</b>      | <b>141</b>        |

Rounding of figures may result in computational discrepancies.



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 Brasil Mineração Ltda. manages the operation and its attributable share of the first assessment is approximately \$53m. 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 attributable share of the assessment is approximately \$32m. 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 \$9m.

AngloGold 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 \$23m.

- (5) Indirect taxes – AngloGold Ashanti (Ghana) Limited received a tax assessment for \$10m during September 2009 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) 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, R763m. Royalties of \$2m, R13m were received during the quarter.
- (7) 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 further 1.4m ounces 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 1.4m ounces 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.

- (8) 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 \$14m, 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 reimbursable value added tax and fuel duties from the Tanzanian government:

- Reimbursable value added tax due from the Tanzanian government amounts to \$48m at 30 September 2010 (30 June 2010: \$47m). The last audited value added tax return was for the period ended 31 July 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%.
- Reimbursable fuel duties from the Tanzanian government amounts to \$55m at 30 September 2010 (30 June 2010: \$49m). 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 refund of fuel duties amounting to \$42m have been lodged with the Customs and Excise authorities, whilst claims for refund of \$13m have not yet been lodged. The outstanding amounts have been discounted to their present value at a rate of 7.82%.

## 16. Subsequent events

On 7 October 2010, AngloGold Ashanti completed the elimination of its gold hedge book, providing the company and its shareholders with full exposure to the prevailing gold price. The company will now sell the gold it produces at market prices and therefore expects to enhance cash flow and profit margins as a result of removing hedge contracts with low committed gold prices.

The additional cost of closing out all future hedge contracts and related costs amounted to approximately \$2.78bn. The average buy-back price was \$1,300 per ounce for this final tranche of the hedge restructure. The cost will be reflected in adjusted headline earnings for the last two quarters of 2010.

AngloGold Ashanti Limited, through its wholly-owned offshore subsidiary, has realised net proceeds of C\$70m from the sale of its entire holding of 31,556,650 shares in Vancouver-based gold producer B2Gold Corporation. This stake, equivalent to about 10.17% of B2Gold's outstanding shares, was sold on 9 November 2010 in an orderly fashion, after the markets closed.

## 17. Borrowings

AngloGold Ashanti's borrowings are interest bearing.

## 18. Announcements

On 21 July 2010, AngloGold Ashanti announced the finalisation of the sale of its Tau Leko mine. The terms of the sale of the Tau Leko mine together with the adjacent properties of Weltevreden, Jonkerskraal and Goedgenoeg ("Tau Leko") to Simmer & Jack Mines Limited ("Simmers") was announced on 17 February 2009 by AngloGold Ashanti. The sale was concluded effective 1 August 2010, following the transfer of the mineral rights of Tau Leko to Buffelsfontein Gold Mines Limited, a wholly-owned subsidiary of Simmers, on 20 July 2010. The selling price of R600m was payable in two tranches, R450m was paid in cash on 4 August 2010 with the remaining R150m, which was subject to certain offset adjustments, was settled on 1 November through the cash payment of R1,843,473 and the issue of 30,612,245 Simmers shares.

On 12 August 2010, AngloGold Ashanti announced that it has entered into an agreement with B2Gold Corp. to amend the Gramalote Joint Venture Agreement. Under the amended terms, AngloGold retains its 51% interest in the Gramalote Joint Venture and will become manager of the Gramalote Project in Colombia. The Gramalote Project to date was managed by B2Gold, which will retain its 49% interest in the Gramalote Joint Venture.

On 15 September 2010, AngloGold Ashanti announced the launch and pricing of a concurrent equity and a mandatory convertible offering which was followed by an announcement on 16 September 2010 advising of the exercise of an over-allotment option. The concurrent offering resulted in the issue of 18,140,000 ordinary shares or 5% of the ordinary issued share capital of the company at an issue price of R308.37 per share and an issue of \$789,086,750 Mandatory Convertible Subordinated Bonds due 15 September 2013. On 26 October 2010, shareholders, by the requisite majority, approved a special resolution placing up to a maximum of 18,140,000 ordinary shares under the control of the directors, deliverable upon the conversion of the Mandatory Convertible Subordinated Bonds.

On 7 October 2010, AngloGold Ashanti announced the elimination of its gold hedge book.

## **19. Dividend**

Interim Dividend No. 108 of 65 South African cents or 5.72297 UK pence or 12.66 cedis per ordinary share was paid to registered shareholders on 10 September 2010, while a dividend of 2.002 Australian cents per CHES Depositary Interest (CDI) was paid on the same day. On 13 September 2010, holders of Ghanaian Depositary Shares (GhDSs) were paid 0.1266 cedis per GhDS. Each CDI represents one-fifth of an ordinary share, and 100 GhDSs represents one ordinary share. A dividend of 9.0034 US cents per American Depositary Share (ADS) was paid to holders of American Depositary Receipts (ADRs) on 20 September 2010. Each ADS represents one ordinary share.

Interim Dividend No. E8 of 32.5 South African cents was paid to holders of E ordinary shares on 10 September 2010, being those employees participating in the Bokamoso ESOP and Izingwe Holdings (Proprietary) Limited.

## **20. Detailed report**

This report contains a summary of the results of AngloGold Ashanti's operations. A detailed report appears on the internet and is obtainable in printed format from the investor relations contacts, whose details, along with the website address, appear at the end of this report.

By order of the Board

**T T MBOWENI**  
Chairman

**M CUTIFANI**  
Chief Executive Officer

9 November 2010



# 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

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T T Mboweni † (Chairman)  
Dr T J Motlatsi † (Deputy Chairman)  
F B Arisman #  
W A Nairn †  
Prof L W Nkuhlu †  
F Ohene-Kena †  
S M Pityana †

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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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### Global BuyDIRECT<sup>SM</sup>

BoNY maintains a direct share purchase and dividend reinvestment plan for ANGLOGOLD ASHANTI.  
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