



ANGLOGOLD ASHANTI

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GREENFIELD EXPLORATION

Greenfield exploration activities were undertaken in six regions (Australia, Americas, China, Southeast Asia, Sub-Saharan Africa and the Middle East & North Africa) during Q4 2010. A total of 58,823 metres of diamond, RC and AC drilling was completed at existing priority targets and used to delineate new targets in Australia, Guinea, Gabon, the DRC, Egypt and the Solomon Islands. Expenditure this quarter was US\$18.94m compared to US\$22.66M in Q3.

In **Australia**, development of the Tropicana Gold Project (AngloGold Ashanti 70%, Independence Group 30%) in Western Australia was approved by the Boards of AngloGold Ashanti Ltd and Independence Group NL on the 11th November 2010. Exploration in the Tropicana JV during the quarter primarily focused on reverse circulation (RC) and diamond drill testing of targets adjacent to the Tropicana Gold Project resource development.

The Boston Shaker resource lies 360m north of the Tropicana open pit resource and has been tested to a maximum vertical depth of 230m. Boston Shaker progressed into full Feasibility Study in September 2010, with exploration drilling suggesting that there is potential for expansion of the Scoping Study open pit resource. Significant gold results returned included 8.0m @ 8.08 g/t Au from 242m, 6m @ 6.54 g/t Au from 82m, 13m @ 3.66 g/t Au from 33m, 11m @ 3.34 g/t Au from 48m and 16m @ 4.88 g/t Au from 397m.

(Figure 1)

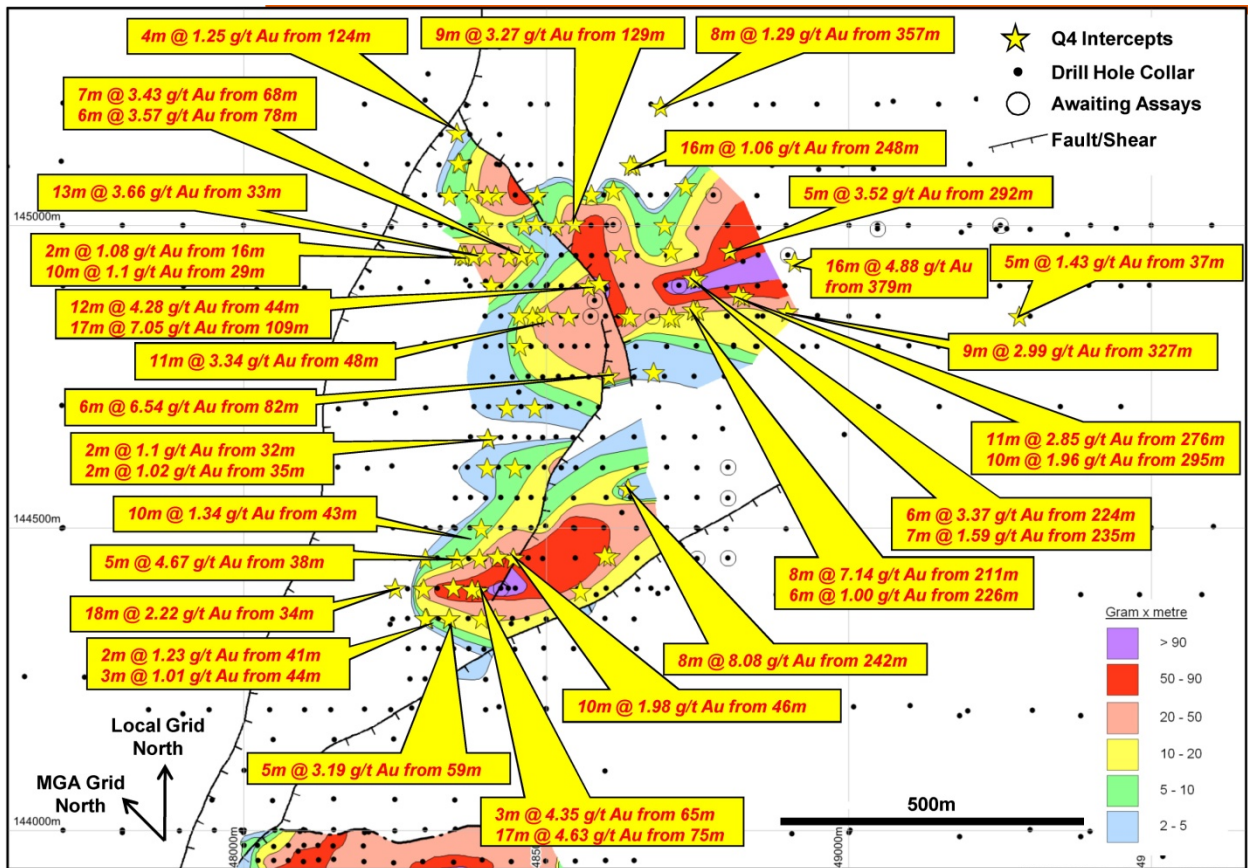


Figure 1 - Gram x metre plot with selected Q4 drilling results for Boston Shaker Prospect.

An underground Scoping Study based on data available to July 2010 was completed on Havana Deeps in October 2010 and indicates the potential viability of underground mining outside the Havana open pit resource. Drill holes targeting Havana Deeps returned further significant results including 9m @ 11.7 g/t Au from 462m, 11m @ 11.2 g/t Au from 416m and 10m @ 14.5 g/t Au from 374m (**Figure 2**).

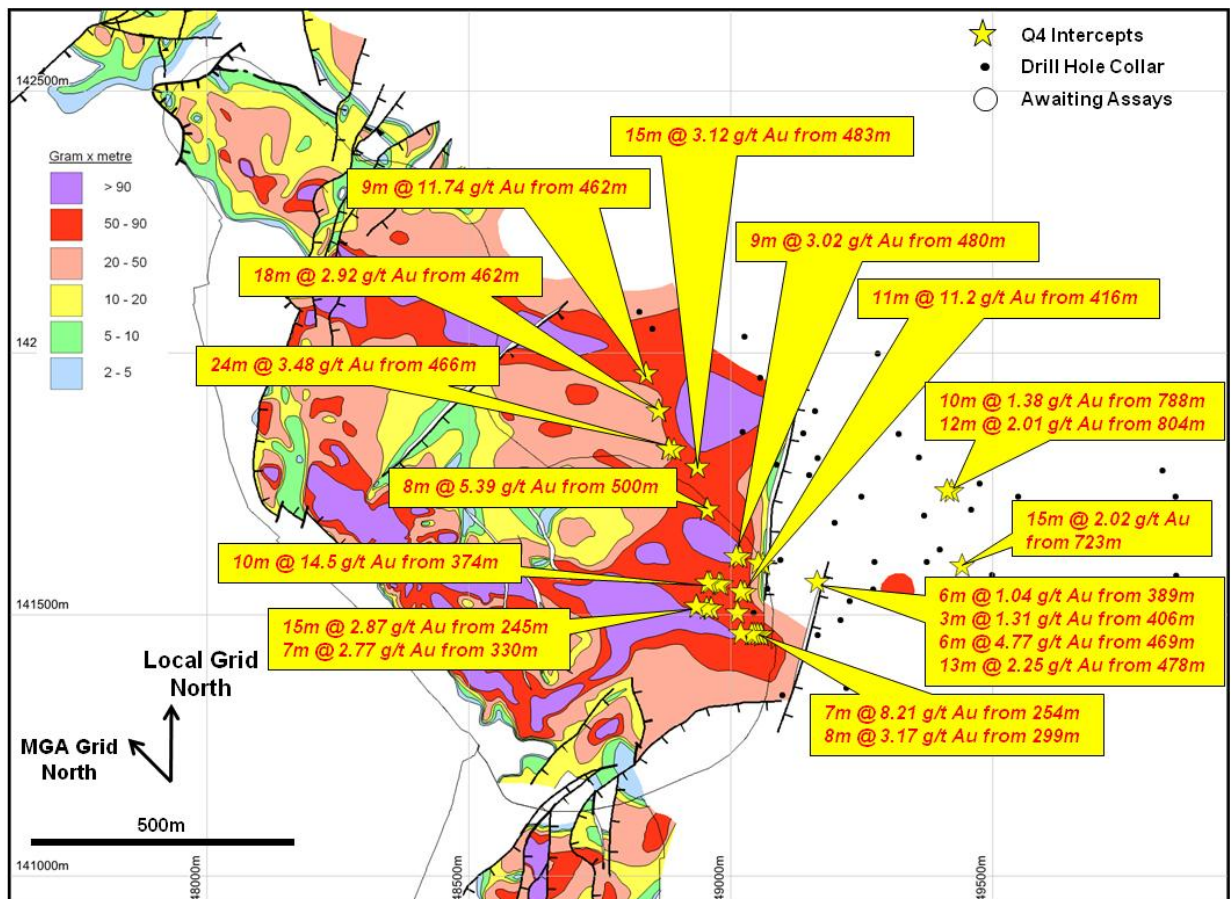


Figure 2: Gram x metre plot with selected Q4 drilling results for Havana Deeps.

The Viking project (100% AGA) is SW of the Tropicana JV within the Albany-Fraser foreland tectonic setting that hosts the Tropicana deposit. Here exploration during the quarter comprised aircore drilling, surface geochemical sampling and geophysics programmes.

AGA entered a farm-in and joint venture agreement with Stellar Resources Limited over the Coronation Bore and Gairdner projects in the Gawler Craton of South Australia. Exploration targeting world-class Iron Oxide Copper Gold (IOCG) mineralisation will commence in early 2011.

AGA entered the Saxby JV (AGA 51%) with Falcon Minerals Limited in NW Queensland in 2009. Geochemical results were returned for all samples from the 4,000 metre program of five pre-collared diamond drill holes completed in mid-2010. A high-grade gold intersection of 15m @ 9.09 g/t Au from 701m was returned from hole SXDD014. Further check assays are pending.

AGA can claw back a 75% interest in mineral deposits where Westgold Resources Limited has defined a JORC-compliant resource of at least 500,000oz gold equivalent at the Rover project near Tennant Creek NT. During the quarter, AGA declined to exercise the Option on the Rover 1 gold-copper deposit.

In **Brazil** Phase 1 reconnaissance stream sediment sampling programme was completed over the Juruena East Project Area in Mato Grosso The Santana Joint Venture with Horizonte Minerals progressed according to the schedule with field verification and follow-up mapping and rock-chip sampling of priority anomalies and reconnaissance stream sediment sampling in the South Carajas Area, South Para. At the Falcão Joint Venture,

also with Horizonte Minerals in southern Para state, encouraging results were received from infill soil sampling (100m x 25m spaced samples) completed during November .

In **Colombia**, exploration was conducted in four regions. No activities were reported by JV partners B2Gold, Mineros S.A or Glencore International. Analytical results for the samples collected in the October through to December field programs were received and reviewed. Additional sampling and mapping were conducted at Quebradona. Ground IP survey was completed at Loma Esperanza anomaly with a total of 50 line-km at 100m spacing and 17.5 line-km at 200m spacing along with 35 line-km of 100m-spaced radiometric survey. Significant greenfields programmes that will include airborne geophysics will commence in Q1 2011.

In **Argentina** a scout RC drill programme at the La Volcan prospect for a total of 1,794m in 12 holes. Assay results included some narrow (sub-metre) mineralised quartz zones with up to 3 g/t Au and 40 g/t Ag. Deeper diamond drilling is warranted to test anticipated higher Au grade horizons of the mineralised system.

In the **Solomon Islands**, exploration activities continued at the Kele and Mase Joint Ventures with XDM Resources; tenement applications associated with two additional Joint Venture agreements covering the New Georgia and Vangunu project areas progressed.

At Kele diamond drilling continued until the end of the quarter with 1,515.5m of drilling completed in Q4.. Other work included mechanical trenching and geochemical sampling with work focussed in the Babatia and Vulu prospect areas. Best results from the drilling at Kele included 15.5m @ 7.89 g/t Au and 30.2m @ 2.74 g/t Au from argillic alteration zones. Best results from trenching include 25m @ 3.1g/t Au and 9m @ 2.99 g/t Au. At the Mase Project diamond drilling continued until late in the quarter following the completion of various geochemical sampling programmes, with 984.8m of drilling completed. Drilling is expected to resume at both projects in Q1, 2011. Specialist activities included further geophysical, structural and spectral studies of the established mineralised prospect areas.

In **China** at the Gansu Jinchanggou project, two exploration licences are in the process of transfer into the joint venture company.. Technical work has been put on hold until the transfer is complete.

In **Sub-Saharan Africa**, project generation work is ongoing and new conceptual targets to guide longer term strategies in Africa are being developed. Various exploration opportunities are currently under review and negotiations are ongoing.

In the **Democratic Republic of the Congo**, regional exploration continued on Ashanti Goldfields Kilo (AGK)'s 5,487km² Kilo project. The AGK joint venture (86.22% held by AGA, 13.78% held by OKIMO) is due to release a Feasibility Study over the former Adidi mine (Mongbwalu resource) by the end of Q1 2011. Regional exploration initiatives include a 5,000m diamond drilling programme over key targets in and during Q4 drilling commenced at the Mont Tsi prospect, to test the mineralisation in and around intrusive bodies. The first phase of a regional reconnaissance sampling and mapping program has been completed and several regional scale anomalies have been identified. Follow-up of these anomalies by trenching, detailed mapping and sampling is ongoing in the northern and central areas with encouraging results.

In **Gabon**, drilling continued on the 4,000m program on the Ndjolé licence held by Dome Ventures which, along with the Mevang licence, is the subject of an AGA-managed earn-in joint venture. To date, a total of 1,191m has been drilled at the LaMboumi prospect with encouraging results showing structurally controlled mineralisation in highly sheared quartzite zones. Extensive sampling to date totals ~16,000 samples on the JV licences and

5,200 samples on AGA's own exploration licences with robust anomalies that will be tested in the coming months.

In **Tanzania**, interpretation of airborne geophysical data over Lusahunga, some 150km west of the Geita Gold Mine, from a recent survey was completed and follow-up field work and sampling is scheduled for Q1 2011. The Lusahunga licences are the subject of a Heads of Agreement that was entered into with Oryx Mining and Exploration Limited during 2010. Geophysical interpretation of the Mafulira Village Mining Company JV Mkurumu licence in the southeast of the country was also carried out to generate drill targets to be tested in 2011.

In **Guinea**, regional exploration work around the existing Siguiiri mine on Blocks 2, 3 and 4 is ongoing with soil sampling and drilling programmes underway. At the Saraya South Extension and Foulata East targets in Block 2 a further 1,658m (with a best intercept of 32m @ 5.27 g/t Au from 4m in the oxides) has been drilled to refine the geological model and further define the orebody geometry and controls on mineralisation. In Block 3, soil geochemistry confirms consistent anomalism along the sediment-amphibolite contact extending a further 1.6km southward, resulting in an anomaly with a strike length of ~6.8km that is still open towards the south. An aircore drilling programme to test these anomalies and the southern extension of 2007 drill hole intersections is underway with 22 holes totalling 1,814m being drilled during the quarter.

Greenfields exploration in the **Middle East & North Africa** region is being undertaken by Thani Ashanti; a 50:50 Strategic Alliance between AngloGold Ashanti and Thani Investments. Exploration during Q4 involved continued Phase 2 sampling and mapping in Egypt at the Wadi Kareem and Hodine concessions. At Hodine, diamond drilling commenced at the Hutite prospect, to follow-up on the encouraging results from traverse rock chip sampling (33m @ 4.37 g/t Au, including 7.5m @ 8.85 g/t Au).

In Eritrea, the 10,000 line km airborne EM, magnetic and radiometric survey commenced at the Kerkasha and Akordat North exploration licences and will be completed in Q1 2011.

Thani Ashanti entered into a binding Heads of Terms with Stratex International to explore for epithermal gold deposits in the Afar region of Ethiopia and in Djibouti. As part of this agreement, Thani Ashanti has a minimum exploration commitment of US\$1M, including 3,000m of drilling, which will commence in Q1 2011. In addition, Thani Ashanti has completed a US\$0.5M private placement into Stratex International.

BROWNFIELDS EXPLORATION

In **South Africa**, eight deep surface drilling sites were in operation during the quarter, four on the Moab Khotsoeng Mine and four at Western ultra Deep levels (Mponeng).

Deflection drilling on the Vaal Reef continued in MMB5. Four reef intersections were obtained during the quarter. Borehole MGR8 did not advance due to rods being dropped down the hole. Fishing operations are underway. In MGR6 drilling of the long deflection continued and the hole reached a depth of 2340.3m in Ventersdorp lavas. Drilling operations started at MHH2 with the completion of a water hole. The percussed pilot hole will be started in January.

At WUDL's the fishing operations in UD51 failed to recover the hole successful and a new wedge was inserted. Drilling then advanced the hole to 1029.78m. Drilling operations started at the UD58 site during the quarter. A water hole was completed and the pilot hole was percussed to 172m. Rigging continued at UD59, some 900 metres east of UD51. The drilling operations at UD60 started with the drilling of a water hole.

At Obuasi in **Ghana**, 1 074m of drilling was completed and four new reef intersections were obtained.

In **Argentina**, a total of 9 667m was drilled. The seismic refraction survey was completed with a further 11 075 line km completed for a total of 39 900 line km. The deep drilling program drilled 5 075m during the quarter. Drilling started on the adjacent El Volcan property.

In **Australia**, at Sunrise Dam, drilling was targeted at infilling and extend both surface and underground lodes. Underground targets included Astro, GQ, Cosmo, Dolly and extensions to all these bodies. Surface targets included Golden Delicious and Neville.

In **Brazil**, for the Iron Quad step change project, drilling at Pari confirmed thin high grade mineralisation. Soil sampling on the Pari-Gambá-Bau trend defined a 3km by 200m wide greater than 100ppb anomaly. At AGACSM, 11 884m were drilled primarily at Córrego do Sítio II. Drilling also took place at Cuiabá and Nova Lima Sul.

At MSG, a total of 32 4474m of drilling was competed for the year. The drilling concentrated on the Pequizão and Palmeiras ore bodies. Regional exploration work continued on the Votorantim Metais areas and geochemical sampling was done on the Boa Vista, Hidrolina and Crixás Sul targets.

In **Colombia**, at the La Colosa Project, drilling continued with a total of three rigs now in operation. Drilling started at the Gramalote project during the quarter with 3 477m being drilled.

At Kibali in the **Democratic Republic of the Congo**, Mineral Resource conversion drilling (5705.5m) targeted planned underground infrastructure. One hole aimed to convert KCD down-plunge Inferred Mineral Resource into Indicated Mineral Resource proved successful. Three decline holes were completed and the shaft re-drill is in progress. Rock conditions along the decline are fairly competent. RC Grade control drilling lines were drilled at KCD and immediately NE of the Sessenge workings. In general results support the current interpretation.

Opportunities for extensions of current mineralisation and future discoveries were investigated by integrating the EM survey with the geological model. Numerous targets were identified.

For Mongbwalu, significant progress was made both at the Adidi Mineral Resource area (4375m) and the proposed portal site where the geotechnical drilling required for the feasibility study advanced 206m. Dewatering holes aimed at the old underground working started late in the quarter.

At Siguiri in **Guinea**, 8 960m of RC was completed with the aim of upgrading oxide Mineral Resources in Sokunu, Sintroko West/Sokunu and within the Combined Pits areas, Sintroko North and Seguélen areas. Results are encouraging and will be incorporated in the next model updates.

Reconnaissance and delineation drilling (21 637m) in the Sintroko West and Sintroko-Sokunu prospects were completed with the aim of delineating new deposits. The Sintroko-Sokunu results are very encouraging. Diamond drilling (761m) was completed in the Sintroko South pushback 2 area. Results have been received and further drilling is planned.

A total of 1 658 m were drilled in Block 2 (Saraya) to refine the geological model and further define the orebody geometry and mineralization controls. At Kounkoun (Block3) 22 holes were drilled in an aircore reconnaissance programme (1 814m). Logging and sampling are underway.

Four surface geochemical sampling programs were conducted during the quarter in Blocks 1 (2 727 samples), Block 2 (6 110 samples), Block 3 (4 180 samples) and Block 4 (1 170 samples). 2 839 geochemical assay results were reported for Block1. The geochemical anomaly at Sintroko west has broadened and intensified over the anomalies located in Sintroko Main pit. 5 030 assay results were reported for Block 2. No well defined anomalies were delineated. 5 500 assay results were received from Block 3 and confirmed the consistent anomalies (100-300ppb) along the contact between sediment and amphibolite. This anomaly was extended towards south by 1.6 km taking the total strike length to 6.8 km. This remains open to the south. Soil sampling of Block 4 commenced late in December.

Ground geophysics (IP) was completed over the Sokunu and Sintroko West and Sintroko West Geochem target areas.

At Geita in **Tanzania**, work focused on the Nyankanga Block 1 and Cut 6 infill drilling programs (5 206m). A total of 2599.2m of drilling was completed at Nyankanga Block 1, the results of these holes has confirmed the continuation of gold mineralization down dip. RC and DD was completed at Cut 6 (2 607m).

Reconnaissance and delimitation drilling was completed at Nyankumbu (1 794m), Nyakabale West (2 206m), Mgusu (1 546m) and Kukuluma A (2 133m). Some significant intersections were received for Nyankumbu and Nyakabale West. Surface and road cut geological mapping were conducted at Nyankabale west and Mgusu targets with the aim of improving understanding of geology, structure, alteration and mineralisation.

Target consolidation work has continued with reviews of Samena 01, Prospect 30, Fikiri and Jumanne prospects completed. Mineralization is controlled by the contact between BIFC and clastic sedimentary rocks with high grade hosted by quartz veins and sheared BIFC having low grade.

IP surveys were conducted at Star & Comet, Nyakabale North & Eastern Extension and Kamrare targets for a total of 38.7 km.

At Yatela and Sadiola in **Mali**, a total of 39 300m of RC and 3 810m of DD were drilled. Infill drilling of 3 504m RC was completed in and around the Yatela Main Pit and NE extension to identify gold mineralisation associated with NW structures identified in recent mapping. All assays have been received and a new geology interpretation created. Conversion drilling was completed at Yatela North to convert the Inferred Mineral Resource to Indicated Mineral resource within the Yatela North \$900 pit shell (6 494m RC and 192m DD). The Sadiola Deep Sulphide Mineral Resource conversion program was completed (6 492m RC and 826m DD). Geological interpretation is underway.

The FE4 upgrade program and a small portion of the blue sky oxide potential program were completed (7 782m RC). Detailed mapping was completed at FE4, Timba and FE3 pits 1, 2, and 3 to better understand the controls on the gold mineralisation and several exploration targets have been identified. A total of 2 616m DD was drilled around Tambali for Mineral Resource definition and structural information as well as to test the Tambali 'sweet-spot' parallel to the main Tambali trend.

Three termite targets were drill tested in the Sub-Laterite project (4 402m RC) with variable results. Fifteen holes were completed at Satifara with insignificant results.

At Navachab in **Namibia**, 6 288m were drilled, predominantly over the FW vein extension area and the hanging wall vein extension area. One diamond hole was completed targeting foot wall mineralisation in the North Pit 2.

Off mine exploration completed 891m of drilling at Anomaly 16 and 603m of RC was completed to the NW of the beacon target to follow up on the geophysical anomaly and the vein swarm on the Okawayo marble/ Oberwasser contact.

At Cripple Creek & Victor in the **United States**, 6 076m were drilled, 5 151m being Mineral Resource conversion or addition and 925m of drilling aimed at improving the definition of the high grade portions of the deposit.

ANGLOGOLD ASHANTI/DE BEERS JOINT VENTURE

Desktop work and reviews continued in New Zealand. The way forward is to be resolved early in 2011.

In South Africa, work commenced with old vibrocore's taken by DBCM being processed. Some economically significant results were obtained.