



AngloGold Ashanti Limited

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News Release

ANGLOGOLD ASHANTI ELIMINATES HEDGE BOOK, GAINS FULL EXPOSURE TO GOLD

(JOHANNESBURG) -- AngloGold Ashanti has 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.

“We’ve moved decisively to eliminate the hedge book,” Chief Executive Officer Mark Cutifani said. “The completion of the hedge book restructure over the last three years has created about US\$4.0 billion of value for our shareholders and represents one of the major building blocks for the new AngloGold Ashanti. We remain bullish on the outlook for gold and will now benefit from full exposure to the price as we go forward.”

The cost of scheduled hedge book maturities during the third quarter of 2010 was approximately US\$98 million. The additional cost of closing out all future hedge contracts amounted to approximately US\$2.63 billion, representing an average buy-back price of US\$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.

This final phase of hedge restructuring has been funded with proceeds from the issue of new equity and the mandatory convertible bonds completed in September, as well as cash from internal sources and debt facilities.

AngloGold Ashanti has consistently executed a strategy to reduce its outstanding gold hedging position in recent years. A number of initiatives have been undertaken to accelerate this reduction of the hedge book from 11.3 million ounces at the beginning of 2008, to 3.22 million ounces in June 2010.

In September 2010 AngloGold Ashanti successfully completed a concurrent offering of equity and mandatory convertible bonds, raising gross proceeds of approximately US\$1.6 billion in order to help fund an elimination of its residual gold hedge book. This has now been achieved.

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Certain statements made in this communication, including, without limitation, those concerning AngloGold Ashanti’s strategy to reduce its gold hedging position including the extent and effects of the reduction, the economic outlook for the gold mining industry, expectations regarding gold prices, production, cash costs and other operating results, growth prospects and outlook of AngloGold Ashanti’s operations, individually or in the aggregate, including the completion and commencement of commercial operations of certain of AngloGold Ashanti’s exploration and production projects, the resumption of production at AngloGold Ashanti’s mines in Ghana, the completion of announced mergers and acquisitions transactions, AngloGold Ashanti’s liquidity and capital resources, and expenditure and the outcome and consequences of any litigation proceedings or environmental issues, contain certain forward-looking statements regarding AngloGold Ashanti’s operations, economic performance, financial condition and our Project One performance targets. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions including environmental approvals and actions, fluctuations in gold prices and exchange rates, and business and operational risk management.

For a discussion of certain of these factors, refer to AngloGold Ashanti’s annual report for the year ended 31 December 2009, which was distributed to shareholders on 30 March 2010. The company’s annual report on Form 20-F, was filed with the Securities and Exchange Commission in the United States on 19 April 2010. AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today’s date or to reflect the occurrence of unanticipated events. All subsequent written or oral forward-looking statements attributable to AngloGold Ashanti or any person acting on its behalf are qualified by the cautionary statements herein. AngloGold Ashanti posts information that is important to investors on the main page of its website at 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.