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AngloGold Ashanti Limited
Q1 2018 – Analysts' Talk Sheet

Overview

Exceptionally strong start to the year. All key operations delivered solid performances. Roughly a quarter of 2018 guided production during the seasonally weaker Q1. On track to meet annual guidance on all metrics.

Production - 824koz at an average total cash cost of $834/oz vs. 830koz at $813/oz for Q1 2017. Increase driven largely by stronger currencies (South Africa 10%, Australia 4%), and inflation. Production from retained operations up 6% to 773koz.

Price received increased 9% to $1,330/oz. AISC improving 3% to $1,029/oz vs. $1,060/oz in Q1 2017, reflecting lower sustaining capital expenditure.

Adjusted EBITDA increased 22% to $383m vs. $314m in Q1 2017. Net Debt/adjusted EBITDA improved to 1.14 vs. 1.35 at end Q1 2017.

Cash inflow from operating activities $117m vs. $93m in same period last year. Free cash outflow $70m vs. $119m for Q1 2017, on higher price, lower capital expenditure and improved operating performance, partly offset by Kopanang retrenchment cost ($36m) and indirect-tax lock-ups ($19m) in Tanzania and DRC.

Comparison of Q1 2018 performance vs. Q1 2017

Particulars	Q1 2018	Q1 2017	Q1 vs prior yr Q1	Q1 2018	Q1 2017	Q1 vs prior yr Q1
				Excluding closed and sold operations		
Gold production (koz)	824	830	(1%)	773	726	6%
Gold price received ($/oz)	1,330	1,216	9%	1,330	1,216	9%
Total cash costs ($/oz)	834	813	3%	803	752	7%
Corporate & marketing costs ($m)*	18	17	6%	18	17	6%
Exploration & evaluation costs ($m)	21	31	(32%)	21	31	(32%)
All-in sustaining costs ($/oz) **	1,029	1,060	(3%)	1,002	1,007	0%
All-in costs ($/oz) **	1,105	1,137	(3%)	1,083	1,098	(1%)
Adjusted EBITDA ($m)	383	314	22%	382	316	21%
Cash inflow from operating activities ($m)	117	93	26%	117	104	13%
Free cash outflow ($m)	(70)	(119)	41%	(63)	(89)	29%
Capital expenditure ($m)	169	216	(22%)	162	197	(18%)
Free cash outflow ($m) excl. SAR redundancies	(34)	(114)	70%	(27)	(84)	68%

* *Includes administration and other expenses*
** *World Gold Council standard, excludes stockpiles written off.*

Safety

- Two fatalities – tramming accident at Moab Khotsong; and electricity-related contractor fatality in Brazil.
- All-injury Frequency Rate 6.35 injuries per million hours, 28% down from Q1 2017 – improvement for 4th straight quarter.

Gold production

- 824koz, down 1% (6koz) from Q1 2017 at 830koz – reflects sale of Moab Khotsong and Kopanang a month before end of Q1 2018, and closure of TauTona, partly offset by strong performance from International Operations.
- Production from retained operations up 6% to 773koz from 726koz a year ago – reflects strong showing from core assets.
- International Operations production 666koz, up 5% (34koz) from Q1 2017 at 632koz – particularly good performance at Sunrise Dam, with 54% higher production year-on-year.
- Remaining SA assets had promising performance – production increasing from both Mponeng and Surface Operations.

Total cash costs, AISC, and AIC

- **Total cash costs** $834/oz, 3% or $21/oz higher total cash costs compared to Q1 2017 at $813/oz – increase driven by 10% stronger rand; 4% stronger Australian dollar; and inflation.
- **AISC** – $1,029/oz, 3% lower than Q1 2017 at $1,060/oz
- **AISC** – South African operations – R496,324/kg, 12% lower than Q1 2017 at R563,187/kg
- **AIC** – $1,105/oz, 3% lower than Q1 2017 at $1,137/oz

2018 AISC and AIC movements - $/oz

	Q1 2018 Actual	Q1 2017 Actual
Total cash costs	834	813
Corporate, exploration, rehabilitation and inventory	68	87
Sustaining capital	164	213
Other - stockpile adjustments and minorities	(37)	(54)
Total all in sustaining costs	1,029	1,060
Non-sustaining project capital	34	35
Non-sustaining exploration, study & technology costs	14	20
Care and maintenance	25	16
Corporate and other social responsibility costs	3	7
All in costs	1,105	1,137
Ounces sold (excluding capitalised gold sold)	856	873

Higher sustaining capital of prior year reflected peak of strategic inward investment in medium- to long-term operating improvements, principally at the International Operations.

AngloGold Ashanti Limited
Reg No: 1944/017354/06

Directors: SM Pityana (Chairman) S Venkatakrishnan (British/Indian) (Chief Executive Officer) KC Ramon (Chief Financial Officer) R Gasant AH Garner (American) DL Hodgson NP January-Bardill MJ Kirkwood (British) MDC Richter (American/Panamanian) RJ Ruston (Australian) SV Zilwa
Group General Counsel and Company Secretary: ME Sanz Perez

Margins

	Q1 2018 Actual	Q1 2017 Actual
On total cash costs	37%	33%
On AISC	23%	13%
On All in costs	17%	7%

AISC margin increased to 23% from 13% in Q1 2017, reflecting higher prices, improved production, and lower sustaining capital, partly offset by stronger rand and Australian dollar.

Cash flow

- **Q1 2018 cash flow metrics**
  - Adjusted EBITDA increased 22% to $383m (Q1 2017: $314m).
  - Cash inflow from operating activities increased 26% to $117m (Q1 2017: $93m), on higher gold price, partly offset by higher operating costs.

- **Free cash flow**
  - Free cash outflow at $70m (Q1 2017: outflow of $119m), on higher gold price received, lower capital expenditure and improved operating performance; partly offset by $36m of retrenchment costs at Kopanang and further lock-up of $19m in indirect taxes in Tanzania ($14m) and DRC ($5m).
  - Excluding the Kopanang retrenchment costs ($36m), VAT lock-ups ($19m), and Harmony receivable ($15m), FCF would have been break even. Free cash outflow, before growth capex $41m, $48m up on Q1 2017.

AISC and AIC reconciled to free cash flow

	$/oz Q1 2018	$/oz Q1 2017	$M Q1 2018	$M Q1 2017
AISC	1,029	1,060	880	926
Non-Sustaining capital & other	76	78	65	67
AIC	1,105	1,137	945	993
Income taxes	46	38	39	33
Interest accrued	42	40	36	35
Working capital movements	139	148	119	129
SA Operations restructure cost paid	42	7	36	6
Other cash and non cash items - provisions, equity and other investment flows	38	(17)	33	(14)
	1,412	1,353	1,208	1,182
Free cash flow	(82)	(136)	(70)	(119)
Gold price received/Attributable gold income	1,330	1,216	1,138	1,063
Ounces sold (excluding capitalised gold sold)	856	873		

Balance sheet & net debt

- Net debt at $1.77bn (Q1 2017: $2.05bn).
- Net debt to adjusted EBITDA ended at 1.14 times in Q1 2017 vs. 1.35 times at end of Q1 2017 – covenant limits of 3.5 times.

Number of issued and weighted average shares

- Shares (weighted average) qualifying for EPS in Q1 = 415.4m.
- Shares in issue at 31 March 2018 = 410.8m.

Market guidance for 2018 - Unchanged

- Production 3.325Moz to 3.45Moz
- Total cash costs $770/oz and $830/oz
- AISC $990/oz – $1,060/oz, at average exchange-rates for 2018: 12.79 SA rand, 3.20 Brazil Real, 0.78 Australian $, and 19.61 Argentina Peso; with oil at $62/bl
- Capital expenditure $800m to $920m.

Both production and cost estimates assume no labour or other interruptions, or changes to asset portfolio and/or operating mines and have not been reviewed by our external auditors. Other unknown or unpredictable factors could also have material adverse effects on our future results and no assurance can be given that any expectations expressed by AngloGold Ashanti will prove to have been correct. Please refer to the Risk Factors section in AngloGold Ashanti's annual report on Form 20-F for the year ended 31 December 2017, filed with the United States Securities and Exchange Commission.

Corporate update

Update on company leadership change and CEO search

On 16 April 2018, AngloGold Ashanti announced Venkat's resignation after 18 years with the company, last five as CEO. He will remain in current role until 30 August 2018. Board's intention to name successor before then.

Legislation changes in Tanzania

No change.

DRC regulatory update

DRC recently announced a new mining code that purports to make a number of changes to the operating environment for extractive industries. These changes may impact protections enjoyed by the Kibali gold project operated by Randgold Resources and owned by Randgold Resources and AngloGold Ashanti (45 percent each), and Société Minière de Kilo-Moto SA (SOKIMO) (10 percent).

Engagement is currently ongoing between mining industry representatives in the DRC and the country's Ministry of Mines ahead of the publication of the Regulations that will govern the implementation of the new mining code, to address concerns about the recently revised mining code, in particular, the protection to title holders benefiting from a 10-year stability under the 2002 Mining Code. These representatives comprise more than 85% of the DRC's copper, cobalt and gold production and most significant development projects. Please refer to the press release 29 March 2018, titled "Mining industry submits code proposal to DRC Government".

Update on Obuasi redevelopment

Obuasi remained in care and maintenance phase during the quarter whilst awaiting the parliamentary ratification, by the Ghana government, of the fiscal and development agreements for its redevelopment.

The recruitment and mobilisation of the project team has commenced. Detailed execution planning and preparation for the early works contracts is in progress.