



**AngloGold Ashanti Limited**

(Incorporated in the Republic of South Africa \ Reg. No. 1944/017354/06)

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## News Release

13 October 2012

### **AngloGold Ashanti Terminates Obuasi Underground Development Contract**

(Obuasi, Ghana) -- AngloGold Ashanti has terminated its underground development contract with Mining and Building Construction Company (MBC) at the Obuasi mine in Ghana. MBC, which also provides construction and maintenance services to the company, has been asked to serve its 28-day notice period before ceasing work. AngloGold Ashanti will then undertake Obuasi's underground development and will recruit required skills and labour locally.

AngloGold Ashanti took the decision in order to secure the viability and long-term sustainability of the Obuasi mine, which has failed to perform to its potential. Underground development has been identified as one of the key factors responsible for poor production levels at the mine, which directly and indirectly employs about 8500 people.

Following protracted negotiations, the parties have been unable to agree a new five-year underground development contract in line with AngloGold Ashanti's stated intention of expanding production and developing Obuasi into a world-class mine to enhance its position as a long-term cornerstone of the regional and national economy. AngloGold Ashanti's discussions with MBC are now focused on a smooth transition including impacts on employees.

AngloGold Ashanti is committed to ensuring that the estimated 900 members of MBC's workforce directly affected by the termination of the underground development contract receive their current due entitlements. The remaining surface contracts at Obuasi between the two parties remain intact. An update on the impact of the MBC contract termination will be provided along with the release of AngloGold Ashanti's third-quarter results on November 8, 2012.

### **About AngloGold Ashanti**

AngloGold Ashanti has 20 operations in 10 countries on four continents, as well as several exploration programmes in both the established and new gold producing regions of the world. AngloGold Ashanti employed 61 242 people, including contractors, in 2011 and produced 4.33Moz of gold. Capital expenditure in 2011 amounted to US\$1.5bn (2010: US\$1.0bn). As at 31 December 2011, AngloGold Ashanti had an attributable Ore Reserve of 75.6Moz and an attributable Mineral Resource of 230.9Moz, of which Obuasi accounts for 9.3Moz and 31.0Moz respectively. Obuasi produced 313 000oz in 2011, 7% of AngloGold Ashanti's global production.

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