

news release

RESTATEMENT OF RESULTS FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2008 – REDUCTION IN HEADLINE LOSS

The unaudited results for the quarter and six months ended 30 June 2008 were released on SENS on 31 July 2008. Following the publication of these results, AngloGold Ashanti has reassessed the accounting estimate for income taxes, for the effects and impact of the accelerated non-hedge derivative settlements in accordance with IAS34 – *Interim Financial Reporting*. Following this reassessment, the income tax expense has been reduced by R641 million (US\$81m) for the period. This is as a result of IAS34 requiring that the income tax expense for interim reporting purposes to be calculated by applying to an interim period's pre-tax income, the estimated average annual effective income tax rate that would be applicable to the expected total annual earnings. It should be noted that the overprovision would have been reversed by financial year-end and therefore would not have had any effect on the full year's income tax expense and earnings. Nevertheless, in compliance with IAS34, AngloGold Ashanti has decided to revise its results for the quarter and six months ended 30 June 2008.

The effect of the reassessment is as follows:

Group Income Statement Six months ended June 2008

	As Published		Adjustment		Restated	
	R m	\$ m	R m	\$ m	R m	\$ m
Taxation expense	1,183	156	(641)	(81)	542	75
Net loss attributable to ordinary shareholders	4,630	310	(641)	(81)	3,989	229

Group Balance Sheet at end June 2008

	As Published		Adjustment		Restated	
	R m	\$ m	R m	\$ m	R m	\$ m
Taxation payable	1,313	168	(248)	(31)	1,065	137
Deferred taxation	8,366	1,068	(393)	(50)	7,973	1,018

For completeness, those pages of the report as published which are affected by the above revision have been corrected and are attached.

Restated documents attached:

- Summary of operating and financial review
- Group Income Statement
- Group Balance Sheet
- Statement of recognised income and expense
- Notes:
 - 1 Taxation
 - 2 Retained earnings and other reserves
 - 3 Headline (loss) earnings

Queries

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Certain statements made during this communication, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices, production, cash costs and other operating results, growth prospects and the outlook of AngloGold Ashanti's operations including the completion and commencement of commercial operations of certain of AngloGold Ashanti's exploration and production projects, and its liquidity and capital resources and expenditure, contain certain forward-looking statements regarding AngloGold Ashanti's operations, economic performance and financial condition. 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, fluctuations in gold prices and exchange rates, and business and operational risk management. For a discussion of such factors, refer to AngloGold Ashanti's annual report for the year ended 31 December 2007, which was distributed to shareholders on 31 March 2008. 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.

Report

Restated for the quarter and six months ended 30 June 2008

		Quarter ended Jun 2008 Restated	Six months ended Jun 2008 Restated	Quarter ended Jun 2008 Restated	Six months ended Jun 2008 Restated
	SA rand / Metric			US dollar / Imperial	
Operating review					
Gold					
Produced	- kg / oz (000)	38,984	76,194	1,253	2,450
Price received	- R/kg / \$/oz	(44,303)	67,390	(157)	289
Price received normalised for accelerated settlement of non-hedge derivatives	- R/kg / \$/oz	178,796	181,303	717	736
Total cash costs	- R/kg / \$/oz	108,195	106,429	434	433
Total production costs	- R/kg / \$/oz	138,115	137,238	554	558
Financial review					
Gross profit (loss)	- Rm / \$m	787	(2,573)	36	(41)
Gross loss adjusted for the gain (loss) on unrealised non-hedge derivatives and other commodity contracts	- Rm / \$m	(6,909)	(4,814)	(866)	(592)
Adjusted gross profit normalised for accelerated settlement of non-hedge derivatives	- Rm / \$m	1,726	3,821	223	497
Loss attributable to equity shareholders	- Rm / \$m	(176)	(3,989)	(87)	(229)
Headline loss ¹	- Rm / \$m	(713)	(4,593)	(156)	(307)
Headline loss adjusted for the gain (loss) on unrealised non-hedge derivatives, other commodity contracts and fair value adjustments on convertible bond	- Rm / \$m	(6,877)	(6,064)	(865)	(761)
Capital expenditure	- Rm / \$m	2,357	4,287	304	561
Loss per ordinary share	- cents/share				
Basic		(62)	(1,412)	(30)	(81)
Diluted		(62)	(1,412)	(30)	(81)
Headline ¹		(252)	(1,626)	(55)	(108)
Headline loss adjusted for the gain (loss) on unrealised non-hedge derivatives, other commodity contracts and fair value adjustments on convertible bond	- cents/share	(2,434)	(2,147)	(306)	(269)

Notes: 1. Refer to note 3 "Notes" for the definition.

\$ represents US dollar, unless otherwise stated.
Rounding of figures may result in computational discrepancies.

Group income statement

		Quarter ended June 2008 Restated Unaudited	Six months ended June 2008 Restated Unaudited
SA Rand million	Note		
Revenue		7,720	15,191
Gold income		7,508	14,753
Cost of sales		(5,406)	(10,398)
Loss on non-hedge derivatives and other commodity contracts		(1,316)	(6,928)
Gross profit (loss)		787	(2,573)
Corporate administration and other expenses		(252)	(467)
Market development costs		(24)	(48)
Exploration costs		(269)	(542)
Other operating expenses		(48)	(16)
Operating special items		273	355
Operating profit (loss)		467	(3,291)
Interest received		102	184
Exchange loss		(28)	(27)
Fair value adjustment on option component of convertible bond		12	183
Finance costs and unwinding of obligations		(216)	(481)
Share of associates' profit		10	10
Profit (loss) before taxation		348	(3,423)
Taxation	1	(594)	(542)
Loss after taxation from continuing operations		(246)	(3,966)
Discontinued operations			
Profit for the period from discontinued operations		191	188
Loss for the period		(56)	(3,778)
Allocated as follows:			
Equity shareholders		(176)	(3,989)
Minority interest		121	211
		(56)	(3,778)
Basic loss per ordinary share (cents) ¹			
Loss from continuing operations		(130)	(1,479)
Profit from discontinued operations		68	67
Loss		(62)	(1,412)
Diluted loss per ordinary share (cents) ²			
Loss from continuing operations ³		(130)	(1,479)
Profit from discontinued operations ³		68	67
Loss ³		(62)	(1,412)
Dividends ⁴			
- Rm			148
- cents per Ordinary share			53
- cents per E Ordinary share			26

¹ Calculated on the basic weighted average number of ordinary shares.

² The impact of the diluted earnings per share is anti-dilutive and therefore equal to the basic earnings per share.

³ Calculated on the diluted weighted average number of ordinary shares.

⁴ Represents the dividend declared and paid during the period.

Group income statement

US Dollar million	Note	Quarter	Six months
		ended	ended
		June	June
		2008	2008
		Restated	Restated
		Unaudited	Unaudited
Revenue		996	1,983
Gold income		968	1,926
Cost of sales		(698)	(1,359)
Loss on non-hedge derivatives and other commodity contracts		(235)	(608)
Gross profit (loss)		36	(41)
Corporate administration and other expenses		(33)	(61)
Market development costs		(3)	(6)
Exploration costs		(34)	(71)
Other operating expenses		(6)	(2)
Operating special items		36	47
Operating loss		(4)	(134)
Interest received		13	24
Exchange loss		(4)	(4)
Fair value adjustment on option component of convertible bond		2	24
Finance costs and unwinding of obligations		(28)	(63)
Share of associates' profit		1	1
Loss before taxation		(20)	(151)
Taxation	1	(76)	(75)
Loss after taxation from continuing operations		(95)	(226)
Discontinued operations			
Profit for the period from discontinued operations		24	24
Loss for the period		(71)	(202)
Allocated as follows:			
Equity shareholders		(87)	(229)
Minority interest		16	27
		(71)	(202)
Basic loss per ordinary share (cents) ¹			
Loss from continuing operations		(39)	(89)
Profit from discontinued operations		9	8
Loss		(30)	(81)
Diluted loss per ordinary share (cents) ²			
Loss from continuing operations ³		(39)	(89)
Profit from discontinued operations ³		9	8
Loss ³		(30)	(81)
Dividends ⁴			
- \$m			18
- cents per Ordinary share			7
- cents per E Ordinary share			3

¹ Calculated on the basic weighted average number of ordinary shares.

² The impact of the diluted earnings per share is anti-dilutive and therefore equal to the basic earnings per share.

³ Calculated on the diluted weighted average number of ordinary shares.

⁴ Represents the dividend declared and paid during the period.

Group balance sheet

SA Rand million	Note	As at June 2008 Restated Unaudited
ASSETS		
Non-current assets		
Tangible assets		53,752
Intangible assets		3,649
Investments in associates		396
Other investments		633
Inventories		3,030
Trade and other receivables		864
Deferred taxation		655
Other non-current assets		281
		<u>63,259</u>
Current assets		
Inventories		5,778
Trade and other receivables		1,905
Derivatives		4,810
Current portion of other non-current assets		2
Cash restricted for use		547
Cash and cash equivalents		3,914
		<u>16,955</u>
Non-current assets held for sale		10
		<u>16,965</u>
TOTAL ASSETS		<u>80,224</u>
EQUITY AND LIABILITIES		
Share capital and premium		22,495
Retained earnings and other reserves	2	<u>(5,932)</u>
Shareholders' equity		16,562
Minority interests		637
Total equity		<u>17,199</u>
Non-current liabilities		
Borrowings		7,387
Environmental rehabilitation and other provisions		4,049
Provision for pension and post-retirement benefits		1,247
Trade, other payables and deferred income		68
Derivatives		350
Deferred taxation		7,973
		<u>21,074</u>
Current liabilities		
Current portion of borrowings		10,103
Trade, other payables and deferred income		12,658
Derivatives		18,126
Taxation		1,065
		<u>41,952</u>
Total liabilities		<u>63,025</u>
TOTAL EQUITY AND LIABILITIES		<u>80,224</u>
Net asset value - cents per share		6,100

Rounding of figures may result in computational discrepancies.

Group balance sheet

US Dollar million	Note	As at June 2008 Restated Unaudited
ASSETS		
Non-current assets		
Tangible assets		6,862
Intangible assets		466
Investments in associates		51
Other investments		81
Inventories		387
Trade and other receivables		110
Deferred taxation		84
Other non-current assets		36
		<u>8,076</u>
Current assets		
Inventories		738
Trade and other receivables		243
Derivatives		614
Cash restricted for use		70
Cash and cash equivalents		500
		<u>2,164</u>
Non-current assets held for sale		1
		<u>2,165</u>
TOTAL ASSETS		10,241
EQUITY AND LIABILITIES		
Share capital and premium		2,872
Retained earnings and other reserves	2	(758)
Shareholders' equity		<u>2,114</u>
Minority interests		81
Total equity		<u>2,195</u>
Non-current liabilities		
Borrowings		943
Environmental rehabilitation and other provisions		517
Provision for pension and post-retirement benefits		159
Trade, other payables and deferred income		9
Derivatives		45
Deferred taxation		1,018
		<u>2,690</u>
Current liabilities		
Current portion of borrowings		1,290
Trade, other payables and deferred income		1,616
Derivatives		2,314
Taxation		137
		<u>5,356</u>
Total liabilities		<u>8,046</u>
TOTAL EQUITY AND LIABILITIES		10,241
Net asset value - cents per share		779

Rounding of figures may result in computational discrepancies.

Statement of recognised income and expense

	Six months ended June 2008 Restated Unaudited SA Rand million	Six months ended June 2008 Restated Unaudited US Dollar million
Net loss on cash flow hedges removed from equity and reported in gold sales	1,017	134
Net loss on cash flow hedges	(763)	(100)
Hedge effectiveness	(2)	-
Loss on available-for-sale financial assets	(67)	(9)
Deferred taxation on items above	(51)	(6)
Translation	4,108	351
Net income recognised directly in equity	4,242	370
Loss for the period	(3,778)	(202)
Total recognised income for the period	464	168
Attributable to:		
Equity shareholders	203	143
Minority interest	261	25
	464	168

Rounding of figures may result in computational discrepancies.

Notes

for the second quarter and six months ended 30 June 2008

1. Taxation

	Quarter ended	Six months ended	Quarter ended	Six months ended
	Jun	Jun	Jun	Jun
	2008	2008	2008	2008
	Restated	Restated	Restated	Restated
	Unaudited	Unaudited	Unaudited	Unaudited
	SA Rand million		US Dollar million	
Current tax				
Normal taxation	(22)	(599)	(5)	(80)
Disposal of tangible assets (note 3)	(3)	(5)	–	(1)
Under provision prior year	(28)	(14)	(4)	(2)
	(53)	(618)	(9)	(83)
Deferred taxation				
Temporary differences	997	845	126	105
Unrealised non-hedge derivatives and other commodity contracts	(1,545)	(954)	(194)	(122)
Disposal of tangible assets (note 3)	7	(4)	1	–
Change in statutory tax rate	–	189	–	25
	(541)	76	(67)	8
Total taxation	(594)	(542)	(76)	(75)

Rounding of figures may result in computational discrepancies.

2. Retained earnings and other reserves

	Retained earnings	Non-distributable reserves	Foreign currency translation reserve	Actuarial (losses) gains	Other comprehensive income	Total
SA Rand million - Restated						
Balance at December 2007	(5,524)	138	338	(108)	(1,011)	(6,167)
Deferred taxation rate change				(3)		(3)
Loss attributable to equity shareholders	(3,989)					(3,989)
Dividends	(148)					(148)
Transfers to foreign currency translation reserve	(12)		12			-
Disposal of subsidiary					(6)	(6)
Net loss on cash flow hedges removed from equity and reported in gold sales					1,005	1,005
Net loss on cash flow hedges					(758)	(758)
Hedge ineffectiveness					(2)	(2)
Deferred taxation on cash flow hedges and hedge effectiveness					(64)	(64)
Loss on available-for-sale financial assets					(67)	(67)
Deferred taxation on available-for-sale financial assets					16	16
Share-based payment for share awards and BEE transaction					186	186
Translation			4,175	2	(112)	4,065
Balance at June 2008	(9,673)	138	4,525	(109)	(813)	(5,932)

	Retained earnings	Non-distributable reserves	Foreign currency translation reserve	Actuarial (losses) gains	Other comprehensive income	Total
US Dollar million - Restated						
Balance at December 2007	(1,020)	20	258	(16)	(148)	(906)
Deferred taxation rate change						-
Loss attributable to equity shareholders	(229)					(229)
Dividends	(18)					(18)
Transfers to foreign currency translation reserve	(2)		2			-
Disposal of subsidiary					(1)	(1)
Net loss on cash flow hedges removed from equity and reported in gold sales					132	132
Net loss on cash flow hedges					(99)	(99)
Hedge ineffectiveness					-	-
Deferred taxation on cash flow hedges and hedge effectiveness					(8)	(8)
Loss on available-for-sale financial assets					(9)	(9)
Deferred taxation on available-for-sale financial assets					2	2
Share-based payment for share awards and BEE transaction					24	24
Translation		(2)	351	2	3	354
Balance at June 2008	(1,269)	18	611	(14)	(104)	(758)

Rounding of figures may result in computational discrepancies.

3. Headline loss

	Quarter ended	Six months ended	Quarter ended	Six months ended
	Jun 2008 Restated Unaudited	Jun 2008 Restated Unaudited	Jun 2008 Restated Unaudited	Jun 2008 Restated Unaudited
	SA Rand million		US Dollar million	
The loss attributable to equity shareholders has been adjusted by the following to arrive at headline loss:				
Loss attributable to equity shareholders	(176)	(3,989)	(87)	(229)
Impairment of tangible assets	1	4	–	–
Profit on disposal and abandonment of assets	(272)	(357)	(35)	(46)
Profit on disposal of investment in subsidiary	(29)	(29)	(4)	(4)
Profit on disposal of discontinued assets	(217)	(217)	(27)	(27)
Impairment of investment in associate	13	14	2	2
Profit on disposal of assets in associate	(23)	(23)	(3)	(3)
Taxation on items above – current portion (note 1)	3	5	–	1
Taxation on items above – deferred portion (note 1)	(7)	4	(1)	–
Discontinued operation – Taxation on item above	(6)	(6)	(1)	(1)
Headline loss	(713)	(4,593)	(156)	(307)
Cents per share ⁽¹⁾				
Headline loss	(252)	(1,626)	(55)	(108)

⁽¹⁾ Calculated on the basic weighted average number of ordinary shares.

Rounding of figures may result in computational discrepancies.