



Abridged Report 2009

Building a strong foundation

09

Board of directors

*Independent Non-executive
Chairman*



Mr RP Edey
(67) (British)

*Independent Non-executive
Deputy Chairman*



Dr TJ Motlatsi
(58) (South African)

*Chief Executive Officer
Executive Director*



Mr M Cutifani
(51) (Australian)

*Chief Financial Officer
Executive Director*



Mr S Venkatakrisnan
(Venkat) (44) (British)

Independent Non-executive Directors



Mr FB Arisman
(65) (American)



Mr WA Nairn
(65) (South African)



Prof LW Nkuhlu
(65) (South African)



Mr SM Pityana
(50) (South African)

More detailed biographical information is presented in the section *Board of directors and executive management* from page 44 of this report.

Forward-looking statements

Certain statements contained in this document, including, without limitation, those concerning AngloGold Ashanti Limited's (AngloGold Ashanti's) strategy to reduce its gold hedging position, including the extent and effect of the hedge 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 and completion of acquisitions and dispositions, AngloGold Ashanti's liquidity and capital resources and capital expenditure, and the outcome and consequence of any pending litigation proceedings, 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, amongst 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 managements. For a discussion of such risk factors, refer to the section titled "Risk management and internal controls" in the annual financial statements included on the attached CD. AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of these annual financial statements 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.

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Our vision

To be **the leading mining company.**

Our mission

We create value for our shareholders, our employees and our business and social partners through safely and responsibly exploring, mining and marketing our products. Our primary focus is gold and we will pursue value creating opportunities in other minerals where we can leverage our existing assets, skills and experience to enhance the delivery of value.

Our values



Safety is our first value.

We place people first and correspondingly put the highest priority on safe and healthy practices and systems of work. We are responsible for seeking out new and innovative ways to ensure that our workplaces are free of occupational injury and illness. We live each day for each other and use our collective commitment, talents, resources and systems to deliver on our most important commitment ... **to care.**



We treat each other with dignity and respect.

We believe that individuals who are treated with respect and who are entrusted to take responsibility respond by giving their best. We seek to preserve people's dignity, their sense of self-worth in all our interactions, respecting them for who they are and valuing the unique contribution that they can make to our business success. We are honest with ourselves and others and we deal ethically with all of our business and social partners.



We value diversity.

We aim to be a global leader with the right people for the right jobs. We promote inclusion and team work, deriving benefit from the rich diversity of the cultures, ideas, experiences and skills that each employee brings to the business.



We are accountable for our actions and undertake to deliver on our commitments.

We are focused on delivering results and we do what we say we will do. We accept responsibility and hold ourselves accountable for our work, our behaviour, our ethics and our actions. We aim to deliver high performance outcomes and undertake to deliver on our commitments to our colleagues, business and social partners, and our investors.



The communities and societies in which we operate will be better off for AngloGold Ashanti having been there.

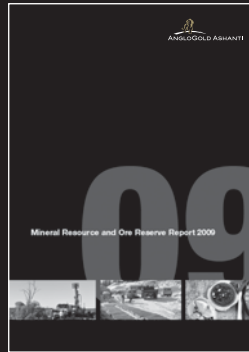
We uphold and promote fundamental human rights where we do business. We contribute to building productive, respectful and mutually beneficial partnerships in the communities in which we operate. We aim to leave host communities with a sustainable future.



We respect the environment.

We are committed to continually improving our processes in order to prevent pollution, minimise waste, increase our carbon efficiency and make efficient use of natural resources. We will develop innovative solutions to mitigate environmental and climate risks.

Scope of report



The suite of 2009 annual reports produced by AngloGold Ashanti Limited (AngloGold Ashanti) is intended to communicate to our stakeholders and business partners on all aspects of AngloGold Ashanti's operating and financial performance for the 2009 financial year, from 1 January 2009 to 31 December 2009. Those to whom the company seeks to communicate include: shareholders; investors; employees and their representatives; the communities among whom AngloGold Ashanti operates; and regional and national governments.

This **Abridged Report 2009**, which contains extracts of key information from the Annual Financial Statements 2009, is distributed to all shareholders together with the notice of meeting, the form of proxy and a compact disc. The latter contains the web-based versions and/or pdfs of:

- Annual Financial Statements 2009;
- Mineral Resource and Ore Reserve Report 2009;
- Sustainability Review 2009; and
- Notice of Meeting.

In addition, the entire set of reports is available electronically at www.aga-reports.com while hard copies may be requested from the contacts detailed at the end of this report or on the corporate website, www.anglogoldashanti.com.

The **Annual Financial Statements 2009**, an extensive review of the year from operational, financial and market perspectives, was prepared in accordance with: International Financial Reporting Standards (IFRS); the South African Companies Act, 61 of 1973; and the Listings Requirements of the JSE Limited (JSE). This report, which includes a separate Notice of Meeting, is submitted to the JSE in South Africa and to the London, New York, Ghanaian and Australian stock exchanges, as well as to the Paris and Brussels bourses. It is also furnished with the United States Securities and Exchange Commission (SEC) on a Form 6-K. In compliance with the rules governing its listing on the New York Stock Exchange and in accordance with the accounting principles generally accepted in the United States, AngloGold Ashanti prepares an annual report on Form 20-F in accordance with US Generally Accepted Accounting Principles (US GAAP). The Form 20-F for the 2009 financial year must be filed with the SEC by no later than 30 June 2010.

The **Sustainability Review 2009**, *Tomorrow's gold: issues that matter*, provides a group-level overview of key sustainability issues while additional, more detailed information on group sustainability performance is provided in a supplementary report.

In compiling both the Annual Financial Statements 2009 and the Sustainability Review 2009, the guidelines on integrated reporting of the King Report on Governance for South Africa 2002 (King II) were taken into account.

Note:

- Unless otherwise stated, \$ or dollar refers to US dollars throughout this suite of reports.
- References to "group" and "company" are used interchangeably in the narrative of this report.

A truly global gold producer



The group currently has 21 operations around the world as well as an extensive exploration programme under way on five continents. As at 31 December 2009, AngloGold Ashanti's gold Ore Reserve totalled 71.4Moz and it employed 63,364 people, including contractors. Gold production for the year totalled 4.60Moz (2008: 4.98Moz), generating \$3.8bn in sales revenue. Capital expenditure in 2009 was \$1bn.



Focused on returns



AngloGold Ashanti's primary business is to maximise the returns delivered to shareholders throughout the economic cycle, by responsibly and efficiently producing gold.

AngloGold Ashanti strives to ensure its sustainability by:

- investing in the recruitment and development of employees;
- exploring for new orebodies and developing new mines;
- building and maintaining the infrastructure needed to sustain production;
- ensuring the orderly closure of operations at the end of their economic lives; and
- assisting in the development of the gold market.

Our business

Exploration: The group's exploration programme, which covers greenfield, brownfield, and more recently, marine exploration, is conducted either directly or in collaboration with partners and in joint ventures. The group's foremost recent greenfield discovery is the La Colosa deposit in Colombia (see map for regions of active greenfield exploration). Brownfield exploration is conducted mainly around existing operations. In October 2009, the group announced the establishment of a joint venture to explore for marine mineral deposits on the continental shelf on a worldwide basis. This complements AngloGold Ashanti's existing terrestrial exploration and mining activities.



Operations: In addition to the seven deep-level mines and one surface operation in South Africa, AngloGold Ashanti has surface and underground mining operations in the Americas, Australia and elsewhere on the African continent. In addition to the gold produced, valuable by-products – silver, sulphuric acid and uranium – are generated in the process of recovering the gold mined at certain operations.



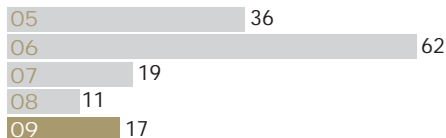
Marketing: Once processed to the doré (unrefined gold bar) stage at AngloGold Ashanti's operations, this product is dispatched to various precious metal refineries where the gold is refined to a purity of at least 99.5%, in accordance with the standards of 'good delivery' as determined by London Bullion Market Association. It is then sold to bullion banks or refiners. Gold has been a much sought after source of wealth over the centuries, be it as an investment, a store of value or as jewellery. AngloGold Ashanti campaigns actively to promote demand for gold.



Delivering shareholder returns

Dividends per share

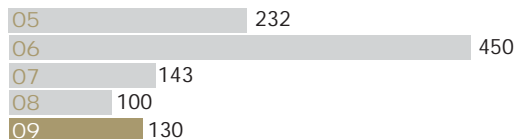
(US cents)



17 US cents

Dividends per share

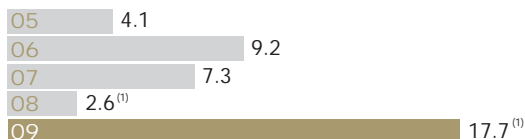
(South African cents)



130 SA cents

Return on net capital employed

(%)

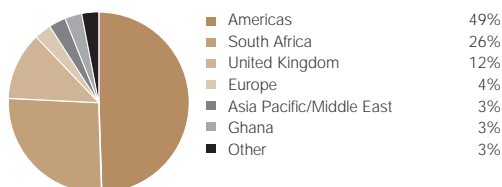


17.7 %

⁽¹⁾ Excludes hedge buy-back costs

Geographical distribution of shareholders

as at 31 December 2009



Stock exchange information

AngloGold Ashanti's primary stock exchange listing is on the JSE in South Africa. The company's ordinary shares are also listed on exchanges in London, Paris and Ghana, as well as being quoted in Brussels, in the form of International Depositary Receipts (IDRs), in New York in the form of American Depositary Shares (ADSs), in Australia in the form of CHES (Clearing House Electronic Sub-register System) Depositary Interests (CDIs) and in Ghana, in the form of Ghanaian Depositary Shares (GhDSs). Each IDR and ADS represent one ordinary share, each CDI represents one-fifth of an ordinary share and 100 GhDSs represent one ordinary share.

As at 31 December 2009, AngloGold Ashanti had 362,240,669 ordinary shares in issue and a market capitalisation of \$14.6bn (31 December 2008: \$9.8bn).

Poised for growth

Since implementing its new business strategy at the end of March 2008, AngloGold Ashanti has conducted significant restructuring of its portfolio and balance sheet. The financial foundation of the company has been strengthened by the marked reduction in debt and significant cuts to the hedge book. Key personnel have been retained to address specific operational requirements, the portfolio has been optimised through the sale and acquisition of assets, decisive remedial action has been taken to bring underperforming mines to account and the exploration programme has been refocused.

These changes put in place the foundation for the company to deliver to the full potential of its employees and its assets and to achieve positive returns on the capital it employs, throughout the economic cycle.

AngloGold Ashanti continues to be guided by its core organisational values, of which safety is the most important.



2009, a year of delivery on commitments



- LTIFR improved by 10% to 6.57 per million hours worked
- Received gold price at record levels – average for the year of \$925/oz, excluding hedge buy-back costs
- Strong local operating currencies negatively affect costs and margins
- Significant reduction in hedge book commitments – down by 35%
- Statement of financial position improved and net debt reduced by 32%
- Return on net capital employed increased to 17.7% excluding hedge buy-back costs
- Optimisation of portfolio and business restructuring, resulting in improved capital efficiencies

Group LTIFR
(per million hours worked)



6.57

Group overview 2009 – key data

		2009	2008	% change
Gold produced	(000oz)	4,599	4,982	(8)
Average gold spot price	(\$/oz)	974	872	12
Average received gold price ⁽¹⁾	(\$/oz)	751	485	55
Total cash costs	(\$/oz)	514	444	16
Total production costs	(\$/oz)	646	567	14
Ore Reserve ⁽²⁾	(Moz)	71	75	(5)
Revenue	(\$m)	3,916	3,743	5
Gold income	(\$m)	3,768	3,619	4
Gross (loss) profit	(\$m)	(578)	594	(197)
Adjusted gross profit (loss) ⁽³⁾	(\$m)	412	(384)	207
Adjusted headline loss ⁽⁴⁾	(\$m)	(50)	(897)	94
Adjusted headline loss per share	(US cents)	(14)	(283)	95
Dividends per share	(US cents)	17	11	55
Average exchange rate	(R/\$)	8.39	8.25	2
Exchange rate at year-end	(R/\$)	7.44	9.46	(21)
Share price at year-end:				
JSE	(R/share)	306.29	252.00	21
NYSE	(\$/share)	40.18	27.71	45
Market capitalisation at year-end	(\$m)	14,555	9,795	49

Note:

⁽¹⁾ Average received gold price excluding the effects of the hedge buy-back costs is \$925/oz in 2009 and \$702/oz in 2008.

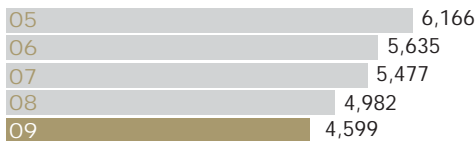
⁽²⁾ After adjusting for the Boddington sale, Ore Reserve increased by 5% from 68.2Moz to 71.4Moz.

⁽³⁾ Gross (loss) profit excluding unrealised non-hedge derivatives and other commodity contracts.

⁽⁴⁾ Headline loss excluding unrealised non-hedge derivatives, fair value adjustments on the option component of the convertible bond, adjustments to other commodity contracts and deferred tax thereon.

Gold production

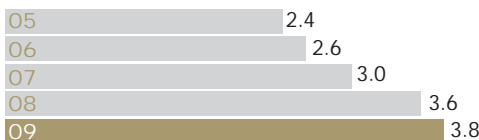
(000oz)



4.6Moz

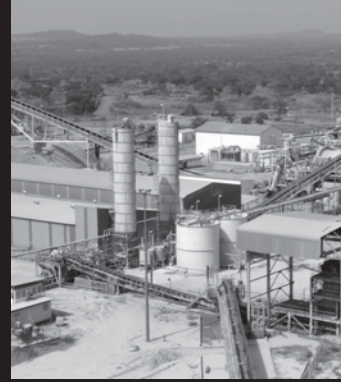
Gold income

(\$ billion)



\$3.8bn

Chairman's letter



Russell Edey looks back on his time at AngloGold Ashanti

Podcast available at
www.aga-reports.com/09/podcasts.htm



Russell Edey, Chairman

Dear shareholder,

This is my eighth and final letter to you since I became Chairman of the then AngloGold in 2002. Reflecting on the company's progress since then paints, on balance, a healthy picture, though it cannot be said that it has been without its challenges.

Perhaps the most fundamental strategic shift occurred early last year when former majority shareholder, Anglo American, completed the process of selling off its stake in AngloGold Ashanti. While acknowledging the positive role played over the years by Anglo American, this has given our company greater freedom to pursue its best interests. I believe the consequences of this will become increasingly apparent in the years ahead.

A major milestone during my tenure as Chairman was the business combination with Ashanti Goldfields in 2004. We must concede that it took longer than expected to turn around Ashanti's main asset, Obuasi. Indeed, hindsight tells us that we could have managed better the process of integrating the two companies, and taking advantage of the synergies and other opportunities the transaction offered. Hopefully lessons have been learned from this experience. Nonetheless, the transaction offered geographical diversity and with Obuasi, Geita, Siguiri and the exploration rights in the Democratic Republic of the Congo, has given us significant long-term assets.

On the financial side, a central focus since 2002 has been on reducing the hedge book to take greater advantage of the recovery in the gold price in the last decade. The company has accelerated that process in the past two years, during which time our total hedge commitment has been reduced from 10.39Moz at end 2007 – more than double our annual production – to 3.9Moz, significantly less than a full year's production. The company will continue to focus on reducing the hedge on an opportunistic basis so as to ensure maximum exposure to the spot gold price.

The gold price climbed steadily through the year, ending 24% stronger than it began. Starting at around \$875/oz, it reached a high of \$1,226/oz early in December but by year-end was closer to \$1,100/oz. Continuing economic and jewellery demand growth in China and India, expansionary US monetary and fiscal policies and limited major new orebody discoveries, all point to sustained gold strength, though this trend is likely to be marked by significant market volatility.

My greatest regret is that we have not yet achieved our safety performance goals. I do, however, recognise the efforts of both Chief Executive Officers, Bobby Godsell and now Mark Cutifani, under whose stewardship the fatality rate on our mines has been reduced from 0.31 deaths per million hours worked in 2002, to 0.10 in 2009. Mark and his team will strive to reach the target of zero fatalities.

The energetic corporate activity aimed at restructuring our asset portfolio in order to add value is evidence of the dynamism of AngloGold Ashanti's management. Following the 2008 transactions in Colombia, the US and Brazil, 2009 saw a sale agreement for our Tau Lekoa mine in South Africa, completion of which is pending final regulatory approval. We also sold our 33.3% interest in Boddington, Australia, while enhancing our operating and exploration base through the transactions involving the Kibali gold project in the DRC, the alliance with Thani Dubai Mining, the increased interest in Sadiola in Mali, and the marine exploration joint venture with De Beers.

In May, the company finalised a fund raising of \$732.5m of 3.5% convertible bonds due 2014 on competitive terms. The funds were used to refinance AngloGold Ashanti's debt facilities and for general corporate purposes.

It is gratifying that AngloGold Ashanti has – justifiably – sustained its reputation over the years as a responsible corporate citizen in the countries and communities where it operates. Though the scrutiny of our activities is intense, and challenges are manifold and often complex, we have always sought to act with integrity, and have been willing to acknowledge any errors of judgement and remedy them.

AngloGold Ashanti, like most major mining companies, continues to face significant challenges as a corporate citizen.

Energy issues are becoming a particular challenge in terms of security of supply, price and our obligation to minimise our carbon footprint. South Africa faces a major challenge to meet the demand for electricity. Our company played a prominent role in commissioning a submission to the energy regulator as it considered an initial application from the state-owned power company for a 45% a year tariff increase over three years. While we recognise that power prices in South Africa have been unrealistically low for many years, an increase of such magnitude would seriously damage not only our industry but the economy as a whole. We hope our work played a part in the outcome of lower increases of about 25% a year over the three-year period – a substantial improvement on the original request. In addition, together with other business groups, we continue to engage relevant government structures in an effort, jointly, to ensure a secure, fairly priced and cleaner supply of power to the country.

More broadly, public policy debate over the nature of a nations' stewardship over their natural resources, and the question of a fair division of the benefits of mining between companies and the people of those



nations, continues to intensify. This is the case not least in our company's country of domicile, South Africa, where a review of the Mining Charter promises to be a major issue in 2010, and where vocal calls for nationalisation of the industry, emanating mostly from the ruling party's youth wing, have become common. President Zuma and other senior government figures have stated that nationalisation is not on the government's agenda.

Nevertheless, companies such as ours, and the business organisations to which we are affiliated, need to become more effective in these public policy debates. There is, in some jurisdictions, a tendency to be coy about such interventions. However, provided it is done in a manner of mutual respect, and provided appropriate regard is given to the national interest (as opposed to adopting unsustainable positions reflecting overly narrow corporate interests) there is no reason for coyness.

It is particularly important that the Chamber of Mines – weakened in recent years by various factors, including the departure of some mining majors to foreign domiciles and primary listings – re-establishes itself as a credible representative of our industry. In pursuit of this goal, we made our Chief Executive Officer available for election as Vice President of the Chamber in November. He, along with the rest of the new Chamber leadership, are already doing good work in this regard.

In conclusion, I would like to pay tribute to Mark. Even the best managed companies need regular phases of renewal. In the period since September 2007 when he joined us, Mark has truly positioned AngloGold Ashanti for a new and successful era. He has achieved this through lucid strategic thinking, and putting those new strategies into effect. This is reflected in the rationalisation of our asset portfolio, the financial restructuring and, most importantly, the work he has done as a manager of people, building a highly capable team and giving them the confidence to take the business forward.

I am very pleased to be succeeded by Tito Mboweni, who recently retired, after ten years in that position, as Governor of the South African Reserve Bank. His standing in international business and financial circles, and his clear identification with the values upon which AngloGold Ashanti is built, places the leadership of the board in very capable hands.

It has been a privilege to serve you over the past 12 years. I leave you with a dynamic board and management team that will take AngloGold Ashanti to new heights.

Yours sincerely,

Russell Edey
Chairman

CEO's review



Mark Cutifani discusses the prospects for AngloGold Ashanti

Podcast available at
www.aga-reports.com/09/podcasts.htm



Mark Cutifani, Chief Executive Officer

My fellow AngloGold Ashanti shareholders,

As you would no doubt be aware this was an epic year for AngloGold Ashanti, both in terms of the changes we have introduced as part of restructuring of our company and in relation to the gold price. As we restructured and reduced our gold hedge book it was gratifying to see spot prices setting a record \$1,226/oz in November, a sure sign that gold behaved exactly as it should have against the backdrop of continued uncertainty in the global economy and with the current outlook for inflation. It was in this environment that we took several important steps toward our goal of building a company that will thrive under all market conditions and deliver strong returns on capital employed, through the economic cycle.

The year was an historic one for us given that AngloGold Ashanti finally said farewell to Anglo American - its long time dominant shareholder. This was somewhat of a protracted exit for our founder and largest investor, which had signalled its intention to sell its stake in our company well in advance of the final disposition. We were also pleased to learn in March that this longstanding overhang had not only been removed, but that the buyer of the block was Paulson & Co., a New York-based investment firm founded and headed by John Paulson, one of the most successful investors of modern times. In several meetings and conversations with John since then, he has voiced strong support for our overall business strategy, not least of all our efforts to improve safety. Encouragingly, he is also extremely bullish on the future of the gold market.

Our stock responded well to the further implementation of our strategy during the course of the year and delivery on our major corporate and operating objectives. AngloGold Ashanti's American Depositary Receipts, the most liquid of our publicly traded securities, rose 45% during 2009 compared with a 35% rise in the benchmark Philadelphia Stock Exchange Gold & Silver Index. At year-end, AngloGold Ashanti had a market capitalisation of almost \$15bn, cementing its position as one of the world's largest and most valuable gold producers. Still, given the diversity of our portfolio, our competitive cost position and significant growth potential, our stock continues to trade at a fundamental discount to the North American peer group. You can be assured that your management team remains committed to exploring every means possible to eliminate that discount, most notably by delivering on the commitments we have made.

Review of the year

AngloGold Ashanti produced 4.6Moz of gold in 2009 at a total cash cost of \$514/oz, compared with the previous year's 4.98Moz at a total cash cost of \$444/oz. That production was also below initial market guidance for the year of 4.9Moz to 5Moz at a cash cost of \$435/oz to \$450/oz. Costs, however, remained within our exchange-rate adjusted guidance in each quarter.

Safety

Safety is the obvious starting point for me when reflecting on the performance in 2009. We continued to make good overall progress on this front, particularly when looking back at the past several years. Our lost time injury frequency rate in 2009 was 6.57 per million hours worked, a 10% improvement on 2008 and a great deal better than the 8.24 we saw in 2007. Tragically, we lost 16 of our colleagues during the year. While this performance remains a great improvement on fatalities of 34 in 2007, it did not represent the improvement we were looking for from the levels of 14 in 2008.

While we worked to effect rapid improvements with those teams that had the poorest safety record, Thero Setiloane was set the crucial task of developing a plan to realise the next transformational gains to our safety performance. The people who leave their families to come to work at AngloGold Ashanti each day are the heart and soul of our operating team, for them, incremental advances on safety are simply not good enough. We will commence the rollout of our new Safety Transformation Blueprint from April 2010. This is a plan to further entrench our safety culture by increasing the involvement of employees at every level, to help us realise the next quantum leap toward delivering on our goal of zero fatalities, and ultimately delivering on our commitment of "no harm".

Our South African mines were affected by far more rigorous policing of safety regulations by provincial mine inspectors in 2009. There was also a greater awareness of operating risks among our own managers and employees. In all, we lost 95 full production days at various South African mines and 73 partial days, which impacted our ability to achieve our initial production guidance for the year. I fully support even-handed and consistent enforcement of South Africa's mine safety laws and our people are working hard to optimise internal controls while spending time with the authorities to better understand their requirements. Limiting these stoppages is crucial to maintaining and improving our competitive position in the South African mining industry and indeed against our global peer group.

There were significant interruptions to mining operations resulting from a stoppage at TauTona, which was closed for two months at the end of the year, based on our commitment to maintain a safe working environment for our employees. This stoppage was taken in addition to the seismic event that resulted in the closure of the Savuka operations through the second half of 2009. We expect both operations to return to production during the first half of 2010.

Strategic focus

Our quest – as stewards of the capital – is to consistently generate returns above 15%, a goal often overlooked by gold mining companies pursuing additional production. By ensuring that we have the right people taking accountability for doing the right job at the right time, we can achieve our ambitious five-year cost and productivity objectives and make good on our commitment to deliver these returns. This is easily the most attractive opportunity available to us internally and has the potential to yield \$600m of benefits a year for a nominal capital outlay.

Project ONE is an all-encompassing business philosophy that touches every corner of the organisation – from embracing a more inclusive approach to the management of our working relationships and the allocation of work and accountability through our **System for People**, to more scientific rigour in short and long-term planning and execution of work through our **Business Process Framework**.

We have focused on building our capacity in key areas over the past two years to add to the impressive capability that already exists within AngloGold Ashanti. Now, by combining these hard, technical planning and execution skills with the soft, human-resources management practices needed to realise the full potential of our people, we have made significant strides toward achieving our long-term objectives.

Looking back at the progress made since March 2008, when we first began to implement our new business strategy, we estimate that we are a third of the way to completing its rollout across the business. Our initial focus was on making rapid improvements to safety and the operating performance of our assets in Argentina and Brazil, while lowering overall debt and paring the hedge book from around 12Moz to 3.9Moz by the end of 2009. The decision to improve the balance sheet and reduce our overall financial risk proved prescient in light of the ructions in credit markets and the rising gold price. We again took advantage of improving conditions in the global debt markets in 2009 to strengthen our balance sheet by issuing a \$732.5m convertible bond in May and completing a modest equity offering in September to finance our acquisition of an initial effective 35% stake in the 22Moz Kibali gold project in the Democratic Republic of the Congo (DRC). We've since increased our stake in the project to an effective 45%.

With the balance sheet headroom we created for ourselves, our treasury team was able to conduct a major restructuring of the hedge book ahead of the strong rally in the gold price in the second half of the year. Our decision to remove a significant portion of our hedge contracts over the past 18 months has generated more than \$2.5bn of value, given the difference in the mark-to-market value of our hedge book at the end of 2009 and what it would have been had we not undertaken this reorganisation.

Importantly, though, the balance sheet has provided the necessary platform to finance our growth ambitions, which brings me to the next phase of our business strategy – optimising our operating performance.

Operations

As the rollout of Project ONE continued to gain momentum during 2009, we had several encouraging developments across the business. I think you'll agree when you look at the arc of improvement from our operations in Argentina, Brazil and Ghana, that our targeted interventions yielded excellent results. Geita, which for some time has struggled to meet its operating targets, continued its turnaround in the latter part of 2009. This progress is the key to unlocking the potential of our portfolio. Importantly, these initiatives are supported by Project ONE and will gain momentum as we continue its rollout across 12 additional sites in 2010.

While the majority of our assets met or exceeded their targets, there were operational challenges that had to be met during the year. Grade problems in the pad at Cripple Creek & Victor (CC&V) hampered our performance in the US, while flooding at Obuasi and a first-quarter mill breakdown at Geita – along with the stoppages at Savuka and TauTona – led to the decline in production and our failure to meet initial guidance. The good news is that TauTona resumed normal operations in January 2010, Savuka will be up and running by June 2010 and a solid, workable plan is in place to remediate CC&V and restore it to annual production of around 280,000oz in 2011.

During the course of the year, Jorge Palmes and his team in Argentina showed what Cerro Vanguardia was capable of, given the right management and the appropriate level of support from the global organisation. In little over 12 months, Jorge and his team took a mine that was previously earmarked for sale and transformed it into an operation that is now competing for position as our lowest-cost operation. An equally impressive achievement is the progress made on plans for an underground development and heap leach operation at Cerro Vanguardia, which were little more than ideas at the beginning of 2009. Both projects are in progressive development.

This mirrors the change in Brazil under Helcio Guerra's leadership. More than a decade of static to shrinking production has now made way for a solid, practicable growth plan and one of the lowest cost mines in the group. Brazil is now the cornerstone of a regional growth plan that will take our Americas region from current levels around 800,000oz a year, to more than 1.1Moz over the next four years. At the core of this growth strategy is the São Bento property which we acquired from Eldorado Gold in 2008 for \$70m. The purchase was based not only on our view that the existing plant at São Bento could speed the development of our neighbouring Córrego de Sítio project, but also that there was more gold to be found on that property. I'm happy to report that our original hypotheses has proved correct and each of the drill holes we put into the ground over 2009 has yielded mineralisation. By the end of 2010 we'll have made significant progress toward reporting a meaningful reserve from the project and will be able to shed more light on our plans for the second-phase expansion of this exciting district.

Australia again delivered another solid performance meeting its plan. Our team there has wasted no time in refocusing their growth strategy after the sale of our 33.33% stake in Boddington to Newmont Mining Corp. The underground potential at Sunrise Dam looks more encouraging with every hole we drill in the orebody and we're more confident than ever of sustaining the current level of production for many more years. All indications are that this will be supplemented by our Tropicana project, which will be tabled to

the board for approval in the fourth quarter of 2010. These mines, seen together with an exciting and aggressive regional exploration strategy, make our Australian division a promising business in its own right.

We also had good, consistent performance during 2009 from Siguiri in Guinea, which delivered to its plan despite some forced stoppages during a year of considerable political change in the West African country. In Mali we saw how the right leadership can get the most from a mature set of assets. Our decision not to sell our stake in the Sadiola mine has also been vindicated by growing optimism in the sulphide deposit at depth and our ability to develop it into a significant new source of production in coming years.

Geita and Obuasi have been set by the market as the true test of our operating credentials so it's especially gratifying to see their improved performance resulting from specific interventions made in the implementation of our business strategy.

Obuasi has continued to build on the improvements that began to take hold in 2008 and Geita has well and truly turned the corner. Production at Obuasi was up 7% in 2009, grades improved by 19% and costs were maintained. Consider this: Obuasi, one of the world's great orebodies, had not once generated cash since the merger with Ashanti Goldfields. In April 2009, however, this operation made a cash contribution to the business for the first time in five years and has done so every month since as it has gone from strength to strength under its new management team and the new operating philosophy. We're expecting additional, significant improvements to help us realise the full potential of this orebody as we implement Project ONE in 2010. Changes to Obuasi's mine plan, which have eliminated the need for 400km of costly development over its life, have radically changed the capital profile of this important deposit and secured its future for many years to come.

Progress at Geita has also given us cause for some optimism. The secondment in May of Graham Ehm, our Executive Vice President of our Australasia region, to run this operation in cooperation with Richard Duffy and his team, was a key development in changing the fortunes of this operation in the second half of 2009. After careful analysis of this operation, the implementation of our new operating framework has helped increase production by 52% in the second half of 2009 over the first half. Mining flexibility has improved, fleet and plant availability are greatly increased and the results are evident in the bottom line. This is a world class deposit and the foundation is now in place for it to regain its position as a cornerstone asset for us.

South Africa continued to grapple with steeply rising electricity tariffs, evidenced by the 31% price increase effective from July 2009. This inevitably raised our cost base from mines that are almost exclusively powered by electricity. We have committed to assisting, where possible, in helping Eskom's management weigh the alternative funding structures available in order to preserve this industry's competitive position.

With higher power costs ahead and a growing realisation that South African homes and businesses reduce electricity consumption to ensure stable supply, we've worked hard to become a more efficient consumer in recent years. The results have been remarkable – by the end of 2009, our overall consumption had dropped by 16% from the base set at the end of 2007. This effort was enough to win

us two national energy efficiency awards in 2009, an achievement of which we're all immensely proud. Still, there's more to do for our teams in South Africa – and, indeed across the globe – they are all up to the job of making our mines more efficient.

Like Australia and Brazil, our South African operations also faced cost pressure from a markedly stronger local currency. With a weaker dollar responsible for much of gold's upward movement in 2009, a stronger rand is likely to be a fact of life for us for some time. This is also true for our operations in Brazil and Australia, all of which have faced increased portfolio inflows that have driven these currencies higher against the dollar, crimping local revenues and raising dollar costs. It was a dominant theme for us this year and a major factor behind the rise in our cash costs.

We are not standing idly by in the face of these rising costs. The implementation of our Business Process Framework at the Mponeng plant during 2009 yielded a 15% increase in throughput with only a nominal investment. This success, at one of the more efficient operations in our portfolio, is emblematic of the greater gains to be made across the group in the year ahead.

Robbie Lazare, who has designed and implemented our change programme, has been appointed Executive Vice President of our South African operations. In this capacity he will lead our efforts to effect operational improvements while also reviewing the West Wits and Vaal River operations to determine their optimal structure. Robbie and his team have been tasked with ensuring that we retain our competitive edge in South Africa. This will leave Richard Duffy to focus on continuing the good work on operational improvements in Continental Africa and growth projects through the pipeline.

Securing our growth

With the plan in place to optimise each of our existing operations, we've taken decisive steps during the year to secure our long-term growth, much of which is evidenced by the 5% rise in our Ore Reserve to 71.4Moz after adjusting for the Boddington sale. This provides a strong foundation to ensure the sustainability of our business going forward.

Our exploration team remains one of the most successful in the gold industry and has refocused its efforts in the countries in which we already operate and have a distinct advantage. Under Tony O'Neill's guidance, the team entered exciting new regions including the Middle East and North Africa, and Canada, where we have high confidence of growing our business still further. Our marine-prospecting joint venture with De Beers also holds significant promise as a new frontier.

In Colombia, where we already have a 12Moz resource at our La Colosa project, our in-country team continues to navigate a complex permitting process. We have only to wait for water permits from the regional government to resume drilling at La Colosa but have in the meantime also begun exploring at a

range of other sites in the country where we hold significant land positions with exciting geological potential. Colombia is an important aspect of our long-term growth plan and we remain committed to a collaborative approach with communities and the government at all levels to secure the necessary permissions to move forward with this development.

Our acquisition of an effective 45% stake in the 22Moz Kibali gold project in the DRC also gives AngloGold Ashanti a foothold in the world's largest untapped gold deposit. We look forward to the sustainable development of this district with our partners in the endeavour, Randgold Resources and the Government of the DRC.

The year ahead

I see 2010 as a watershed year for our company. This is a year where we must prove our operating credentials by making the transformational leap in safety that will help secure our future in South Africa, by achieving the recovery at Cripple Creek & Victor, by making meaningful progress toward developing our potential in Colombia and by extending and entrenching the improvements made in Argentina, Brazil, Ghana and Tanzania. This will lay the groundwork for AngloGold Ashanti to achieve its exciting growth ambitions and – most important of all – to deliver the returns on capital that are the driving force behind our overall decision making.

I'd like to bid farewell to outgoing Chairman Russell Edey, who has been an invaluable touchstone for me since my arrival in 2007. He has led the board with incisiveness and absolute integrity for the past eight years and his presence will be missed. I look forward to forging the same partnership with Tito Mboweni, the former Governor of the South African Reserve Bank, whom we're fortunate enough to have as Russell's replacement. A director of his calibre, with knowledge of local and international markets that is as broad as it is deep, is a tremendous asset to our company and its shareholders.

Lastly, I'd like to thank the more than 63,000 people at AngloGold Ashanti who are part of this extraordinary effort to create the world's leading mining company. I continue to be inspired by the level of commitment and initiative evident throughout this company. While 2009 was indeed an epic year, I've no doubt that 2010 will be greater still.

Regards,

Mark Cutifani

Chief Executive Officer

CFO's report

Highlights for the year

Average dollar gold spot price	\$974/oz	12% higher than previous year.
Average dollar gold price received (including the effects of the hedge buy-back costs)	\$751/oz	55% higher than 2008 mainly due to the higher levels of hedge book restructuring in the previous year.
Total cash costs (\$/oz)	\$514/oz	16% higher than the previous year due to lower production resulting from safety related stoppages, inflation related increases in salaries, mining contractor costs, power, consumables and ore stockpile movements.
Adjusted headline loss (including the effects of the hedge buy-back costs)	(\$50m)	The adjusted headline loss decreased from \$897m to \$50m mainly due to the higher gold price received and the lower cost of the hedge buy-backs. The adjusted headline earnings excluding the cost of the hedge buy-backs, increased from \$19m to \$708m mainly due to a higher received gold price.
Dividend for the year	130 SA cents per share	A final dividend of 70 South African cents (approximately 9.10 US cents) was declared for the six months ended 31 December 2009, an increase of 17% from the previous declaration. This takes the total dividend for the year to 130 South African cents (approximately 16.75 US cents) per share, representing a 30% increase over the 2008 dividend.
Capital raised through an equity offering	\$284m	AngloGold Ashanti successfully completed an equity offering in September 2009. The gross proceeds of \$284m were applied towards the acquisition of an effective 45% interest in the Kibali gold project.
Hedge book reduction	2.1Moz	Hedge book commitments reduced through further buy-backs and continued delivery into maturing contracts. This represents a 2.1Moz or 35% reduction to the 6.0Moz committed at the start of the year. Outstanding commitments of 3.9Moz now amount to less than one year's production.
Net debt levels	\$868m	Net debt levels closed at \$868m, some \$415m lower than the start of the year due to improved operational cash flows and the sale of assets.
Cash flows from operating activities excluding hedge buy-back costs	\$1,299m	Cash flows from operating activities, excluding the hedge buy-back costs, increased from \$584m to \$1,299m in 2009 mainly due to the higher received gold price and improved performance from turn-around assets.

Venkat discusses the financial prospects for AngloGold Ashanti

Podcast available at
www.aga-reports.com/09/podcasts.htm



Srinivasan Venkatakrishnan (Venkat), Chief Financial Officer

Introduction

In a year of volatile gold prices and exchange rates, AngloGold Ashanti successfully accomplished a number of financial milestones:

- Adjusted headline earnings (excluding the impact of accelerated hedge buy-backs) were a record at \$708m, a result of better received prices, improved performance from some assets and foreign exchange gains;
- The full year dividend was increased by 30% compared to the previous year, to 130 South African cents per share (approximately 16.75 US cents per share);
- Net debt levels were reduced by 32% or \$415m during the year to close at \$868m;
- The issue of a five-year \$732.5m convertible bond at competitive terms lengthened the tenor of borrowings;
- The hedge book was reduced by 35% or 2.1Moz to close the year with 3.9Moz of hedge commitments, which represents less than one year's forecast production;
- The rationalisation of the asset portfolio was completed with the sale of AngloGold Ashanti's 33.33% interest in the Boddington mine for a cash consideration of \$990m plus royalties; and
- An equity raising of \$284m was completed to part fund the \$344m acquisition of an effective 45% interest in the Kibali gold project in the Democratic Republic of the Congo.

Looking ahead, the financial objectives for 2010 include:

- Maximising margins and cash generation in the business;
- Continuing with opportunistic reductions to the hedge book to further improve participation in a gold price rally; and
- Introducing more tenor into the statement of financial position whilst refinancing the group's \$1.15bn revolving credit facility before December 2010.

Production

Production for the year at 4.6Moz was 8% or 383,000oz less than that of 2008.

Southern Africa's production declined by 14% to 1.86Moz, reflecting the increased number of safety-related stoppages resulting from more stringent policing of safety regulations as well as the proactive approach by the company's managers to averting accidents. In addition, on 22 May 2009 the seismic event at Savuka caused damage to the shaft infrastructure thus reducing production. On 23 October 2009, underground operations at the TauTona mine were suspended to conduct inspection and shaft steel work rehabilitation along the shaft barrel. TauTona was brought back into production in January 2010, after the inspection and rehabilitation work were successfully completed.

Production during the year from **Continental Africa** fell by 3% to 1.52Moz as improvements at Geita and Obuasi offset declines from Sadiola and Morila. In **South America**, production increased by 6% to 598,000oz, with a strong turnaround from Argentina. Cripple Creek & Victor in **North America** suffered from below-par recoveries from the leach pad, resulting in a 16% drop in production to 218,000oz.

Australasia's production decreased by 7% to 401,000oz due to the lower grade of ore processed given that the high-grade Mega open pit was exhausted in 2008.

Income statement

An analysis of the abridged income statement for the year, with comments on significant variances is presented as follows:

Dollar million	Notes	2009	2008
Gold income	1	3,768	3,619
Cost of sales	2	(2,813)	(2,728)
Loss on non-hedge derivatives and other commodity contracts	3	(1,533)	(297)
Gross (loss) profit		(578)	594
Corporate, marketing and exploration costs	4	(322)	(276)
Operating special items	5	691	(1,538)
Operating loss		(209)	(1,220)
Net interest paid	6	(85)	(48)
Exchange gains and fair value adjustments on convertible bonds	7	79	29
Share of equity accounted investments' profit (loss)		94	(138)
Loss before taxation		(121)	(1,377)
Taxation	8	(147)	197
Loss after taxation from continuing operations		(268)	(1,180)
Profit from discontinued operations		-	25
Loss for the year		(268)	(1,155)
Other financial data			
EBITDA (excluding hedge buy-back costs)		1,663	1,131
Adjusted headline earnings (excluding hedge buy-back costs)		708	19
Adjusted headline loss		(50)	(897)

Income statement commentary

The reduction in the loss for the year from \$1,155m in 2008 to \$268m in 2009 is mainly the impact of the higher received gold price and asset impairment reversals in 2009 compared to the impairment of assets in 2008. This was partially negated by the higher loss on the non-hedge derivatives as outlined in note 3.

1. Gold income

Despite the lower gold production, gold income at \$3,768m was 4% higher than in 2008. This is due to the average received gold price (including hedge buy-back costs) increasing from \$485/oz to \$751/oz mainly due to the higher gold spot price and the lower cost of the hedge buy-back in 2009. The price received excluding the cost of the hedge buy-back increased from \$702/oz to \$925/oz, which is a 5% discount to the average spot gold price.

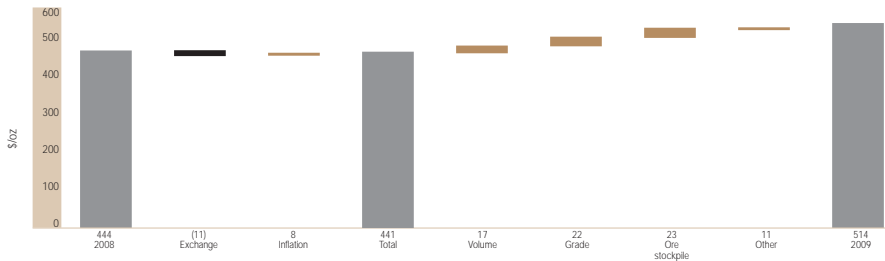
2. Cost of sales

Cost of sales increased by 3% from \$2,728m to \$2,813m in 2009.

Components in cost of sales consist of:

- **Total cash costs** increased by 8% from \$2,113m in 2008 to \$2,283m in 2009. In unit cash cost terms, total cash costs have increased from \$444/oz to \$514/oz (refer to graph below). This is mainly due to the lower production, lower grade, ore stockpile inventory draw downs and inflation.
- **Rehabilitation costs** decreased by 21% from \$28m to \$22m, mainly due to changes in estimates, discount and inflation rate assumptions. **Retrenchment costs** of \$14m occurred mainly at the South African and Ghanaian operations.
- **Amortisation of tangible and intangible assets** decreased from \$562m to \$557m in 2009. The decrease is attributed to the reassessment of the useful lives of the assets and components of property, plant and equipment in accordance with the revisions to the business plan as well as lower ounces produced.

Analysis of total cash costs 2009 vs 2008
(\$/oz)



3. Loss on non-hedge derivatives and other commodity contracts

There are mainly two reasons for the increase in the loss on the non-hedge derivative contracts from \$297m in 2008 to \$1,533m in 2009:

- During July 2009, hedge contracts to the value of \$797m were accelerated and cash settled. Of these accelerated settlements, \$580m were designated as normal purchase and sale exempted contracts (NPSE) and previously held off the statement of financial position. A further \$217m was also incurred in accelerating the cash settlement of existing non-hedge derivative contracts. The cash settlement of the NPSE contracts resulted in the remaining NPSE designated contracts to be re-designated as non-hedge derivatives and recorded on the statement of financial position with changes in the fair value accounted for in the income statement. The consequential impact on the financial statements in July 2009 of the accelerated settlement and related re-designation of NPSE contracts was a loss on non-hedge derivatives of \$1,028m, an increase in the non-hedge derivative liability of \$558m and cash outflows of \$797m.
- During 2009, the spot price of gold increased from \$872/oz at the beginning of the year, to \$1,102/oz at the end of the year. Upon fair valuing the hedge book at year-end, the substantially higher spot gold price contributed to a further loss on non-hedge derivatives.

4. Corporate, marketing and exploration costs

Corporate and other administration expenses increased from \$131m to \$154m in 2009 due to inflation, additional costs associated with the business improvement, Project ONE and the Safety Transformation projects.

Marketing costs of \$10m are \$3m less than in 2008 and include lower contributions to the World Gold Council following reduced annual production.

Exploration expenses increased from \$126m in 2008 to \$150m in 2009 mainly due to increased expenditure in Colombia, in Canada and the Solomon Islands. Exploration expenditure consisted of greenfields expenditure of \$88m, brownfields of \$36m and pre-feasibility and feasibility study expenditure of \$26m at La Colosa in Colombia and Tropicana in Australia. AngloGold Ashanti has taken advantage of some outstanding early stage exploration opportunities and to consolidate significant land areas in underexplored areas ranging from low risk, mining friendly jurisdictions like Canada, to new frontier areas like the South West Pacific.

5. Operating special items

Operating special items in 2009 amounted to a credit of \$691m compared to a charge in 2008 of \$1,538m.

The charge to the income statement in 2008 was attributable to the large asset impairments of \$1,608m relating to Obuasi, Geita and Iduapriem. In 2009 these asset impairments were partially reversed due to the increase in the long-term real gold price and improved mine plans. Asset impairment reversals of \$717m were recorded in 2009 consisting of \$373m at Obuasi, \$261m at Geita and \$83m at Iduapriem.

Other operating special items include a reassessment of indirect taxes in Tanzania and Guinea, profits and losses on the disposal of tangible assets and investments, write-off of loans not recoverable, and an insurance claim recovery for business interruption at the Savuka mine.

6. Net interest paid

The increase in net interest paid from \$48m to \$85m in 2009 is due to the higher interest and fees on the term facility, a reduction in capitalised interest and lower interest earned on cash and cash equivalents.

7. Exchange gains and fair value adjustments on convertible bonds

During 2009, part of the proceeds from the Boddington joint venture sale was applied towards repaying borrowings, resulting in the realisation of an exchange gain of \$121m.

In 2009, the fair value loss of \$33m on the convertible bond was mainly due to an increase in the volatilities and the share price underlying the new \$732.5m convertible bond. In 2008, the fair value gain of \$25m was attributable to the write-off of the option component of the previous convertible bond to nil as it approached maturity in February 2009.

8. Taxation

Taxation was a charge of \$147m in 2009 compared with a benefit of \$197m in 2008, mainly due to higher earnings and the lower deferred taxation benefit received on the hedge buy-back costs incurred in 2009. The taxation benefit in 2008 related to the cost of the hedge buy-back.

Other financial data

EBITDA (excluding hedge buy-back costs) increased from \$1,131m in 2008 to \$1,663m in 2009. The year-on-year increase of \$532m was mainly attributable to higher gold income and realised gains on non-hedge derivatives and other commodity contracts of \$652m, favourable inventory movements of \$79m, share of equity accounted investments' EBITDA of \$68m, partially negated by an increase in total cash costs of \$170m, indirect taxes of \$48m and higher corporate and exploration costs of \$47m.

Adjusted headline earnings (excluding hedge buy-back costs), increased from \$19m in 2008 to \$708m in 2009. This increase is due to the higher received gold price, the foreign exchange gain from the early repayment of the Australian dollar denominated loan, higher income from associates and equity accounted joint ventures which was partly offset by the lower production, higher operating, corporate and exploration costs. The adjusted headline loss for the year, after factoring in the hedge buy-back costs, was \$50m.

Statement of financial position

An analysis of the abridged statement of financial position as at 31 December is presented and variations in balances are commented upon below.

US Dollar millions	Notes	2009	2008
Tangible and intangible assets ⁽¹⁾	1	6,083	5,286
Cash and cash equivalents		1,100	575
Other assets	2	2,604	2,199
Total assets		9,787	8,060
Total equity	3	3,030	2,511
Borrowings	4	1,931	1,933
Deferred taxation		753	617
Other liabilities	5	4,073	2,999
Total equity and liabilities		9,787	8,060

⁽¹⁾ Includes assets held for sale

Statement of financial position commentary

The statement of financial position has improved significantly during the 2008 and 2009 years. Equity of \$2.0bn has been injected, hedge contracts of \$1.9bn before taxation were accelerated and cash settled, and assets were disposed for cash of \$1.1bn.

Significant events that impact on the statement of financial position are:

1. Tangible and intangible assets

The increase in the tangible and intangible assets from \$5,286m to \$6,083m is mainly due to the capital expenditure incurred during the year amounting to \$1,019m, the effects of stronger local currencies' closing positions against the US dollar of \$473m, asset impairment reversals of \$717m, partly offset by the amortisation and depreciation charge of \$557m.

In 2009, capital expenditure reduced by some \$175m mainly due to lower expenditure on the Boddington project. In 2008, \$419m was spent at Boddington, compared with \$145m in 2009, the latter having been reimbursed to AngloGold Ashanti upon completion of the sale.

2. Other assets

Other assets consist mainly of investments, inventories, financial derivatives, trade and other receivables, non-current assets, deferred tax assets, and cash restricted for use. Other assets increased from \$2,199m in 2008 to \$2,604m in 2009.

Significant movements include:

- investments in associates and equity accounted joint ventures increased due to the purchase of the effective 45% interest in the Kibali gold project for \$344m, and additions to the investment value from equity accounted earnings;
- other investments increased due to a higher fair value of the investment in International Tower Hill and other sundry investment purchases;
- inventories increased due to the timing of gold dispatches, higher production costs and uranium inventory levels, and in North America the heap leach inventory increased with higher cost ounces placed on the leach pad and the slower percolation of the gold bearing solution through the leach pad; and
- financial derivative assets reduced mainly due to normal maturities of the hedge book during the year, partially offset by the effect of an increase in the spot gold price.

3. Total equity

Total equity reflects an increase from \$2,511m to \$3,030m in 2009. Significant movements during 2009 consist of the hedge buy-back cost of \$758m net of deferred taxation, the accounting for the NPSE contracts of \$558m at 31 July 2009, asset impairment reversals of \$717m, and the equity raising of \$284m to part fund the acquisition of the effective 45% interest in the Kibali gold project.

4. Borrowings

Total long and short-term borrowings were at similar levels in 2008 and 2009 at \$1,933m and \$1,931m respectively. The 2009 year includes the following significant movements:

- during February 2009, a draw down of \$1.0bn on the term facility was made to repay the 2.375% convertible bonds of \$1.0bn;
- during May 2009, a five year 3.5% convertible bond of \$732.5m was raised with an option component of \$142m;
- during July 2009, a subsequent repayment of \$750m was made on the term facility; and
- the net movement on the \$1.15bn syndicated loan facility increased by \$185m.

The term facility was renegotiated in August 2009 for a one-year period maturing in August 2010, consisting of a \$250m term portion and a \$250m revolver portion, and is extendable for another year at the option of the company until August 2011.

5. Other liabilities

Other liabilities consist mainly of provisions such as the environmental rehabilitation liability, retirement defined benefit plans, liabilities held for sale, trade and other payables and financial derivatives. The increase from \$2,999m to \$4,073m in 2009 is mainly due to:

- increases in the environmental rehabilitation and other provisions of \$43m due to changes in estimates, discount and inflation rate assumptions as well as stronger local currencies;
- increases in the provision for pension and post-retirement benefits of \$22m largely due to exchange movements, partly offset by the effect of changes to discount and inflation rate assumptions;
- financial derivative liabilities increased by \$939m mainly due to the contracts amounting to \$558m at 31 July 2009 previously designated as NPSE and now accounted for in the statement of financial position. In addition, a 3.5% convertible bond was issued during the year and the resultant option component also increased the financial derivative by \$176m at year-end. The substantial increase in the spot gold price further increased the financial derivative liability;
- liabilities held for sale include that of Tau Lekoa in 2009 of \$7m. In 2008, liabilities held for sale related to the Boddington joint venture of \$48m; and
- trade and other payables and deferred income increased by \$61m and related mainly to increased payroll and other benefits.

Statement of cash flows

An analysis of the abridged statement of cash flows is presented and significant variations in balances are commented upon below.

US dollar millions	Notes	2009	2008
Cash generated from operations including discontinued operations	1	1,345	631
Dividends received from equity accounted investments	2	101	78
Taxation paid		(147)	(125)
Cash utilised for hedge buy-back costs		(797)	(1,113)
Net cash inflow (outflow) from operating activities		502	(529)
Capital expenditure	3	(1,019)	(1,194)
Net proceeds from the acquisition and disposal of tangible assets, investments, and associate and joint venture loans	4	778	92
Interest received		55	67
Other investing activities		(9)	(6)
Net cash outflow from investing activities		(195)	(1,041)
Net proceeds from share issues	5	295	1,668
Net borrowings proceeds	6	43	239
Dividends and finance costs paid		(167)	(151)
Net cash inflow from financing activities		171	1,756
Net increase in cash and cash equivalents		478	186
Translation		47	(88)
Cash and cash equivalents at beginning of year		575	477
Cash and cash equivalents at end of year		1,100	575

Statement of cash flows commentary

The higher closing cash position is mainly the result of improved cash generated from the operations and the sale of the Boddington joint venture. Other items that contributed to significant movements in the cash flow year-on-year were the hedge buy-back costs, capital expenditure, net proceeds from the sale and acquisition of assets and investments, as well as proceeds from the issue of shares.

Operating activities

- Cash generated from operations including discontinued operations more than doubled from \$631m to \$1,345m mainly due to the higher received gold price, partly negated by the lower ounces produced and sold and the higher total cash costs. Movements in working capital resulted in a net outflow of \$206m in 2008 compared with \$50m in 2009. The reduced level of cash locked up in working capital is mainly due to an increase in trade and other payables. Trade and other payables increased due to the timing of payments and higher year-end accruals following annual escalations and inflationary increases on payroll and other benefits.
- The marginally higher dividends received in 2009 from equity accounted investments is due to an additional distribution of \$30m from Yatela largely attributed to the 35% increase in production to 89,000oz and the improved received gold price.

Investing activities

- Capital expenditure reduced by \$175m from \$1,194m to \$1,019m in 2009. This was primarily driven by a reduction of capital expenditure at the Boddington gold mine of \$274m. Capital expenditure during 2009 consisted of \$413m relating to project capital, \$348m for Ore Reserve development and \$258m for stay-in-business capital.

Excluding the Boddington joint venture, project capital expenditure year-on-year was up by \$34m and is primarily attributed to the MLE1 project at Cripple Creek & Victor which had increased by \$54m. Ore Reserve development expenditure increased by \$87m and mainly arose at South Africa, in line with increased Ore Reserve development metres. Stay-in-business expenditure decreased by \$21m and was mainly driven by reduced capital requirements at Geita of \$34m.

4. The net proceeds from the sale of assets increased from \$92m to \$778m in 2009. During 2009, \$990m was received from the sale of the Boddington joint venture and \$145m was reimbursed for the capital expenditure incurred. The balance of the proceeds relates mainly to real estate activities in Brazil. The proceeds were partly offset by the acquisition of an effective 45% interest in the Kibali gold project of \$344m, an additional interest in Sadiola for \$6m, and investments in environmental rehabilitation trust funds established by AngloGold Ashanti in compliance with regulatory requirements, and other sundry investment purchases.

Proceeds from the sale of assets in 2008 consisted of \$14m for the North American royalty and production related interests of the El Chante and Marigold projects, \$14m from the disposal of a 50% interest in Amikan and AS APK, \$7m from real estate activities in Brazil, \$10m from the sale of the Ergo assets and \$48m arising from the sale of the 50% interest in Nufcor International Limited partly offset by investments in environmental rehabilitation trust funds.

Financing activities

5. The net proceeds from the issue of shares reduced from \$1,668m in 2008 to \$295m in 2009. In 2008, the rights offer resulted in the issuing of 69,470,442 shares of 25 South African cents each at a subscription price of R194.00 raising some \$1.7bn. On 1 September 2009, AngloGold Ashanti announced the placing of 7,624,162 AngloGold Ashanti ordinary shares at an issue price of \$37.25 per American Depository Share. The offering closed on 8 September 2009 and total proceeds of \$284m were received.
6. Net borrowing proceeds decreased from \$239m in 2008 to \$43m in 2009. The 2009 year included proceeds of \$732.5m on the 3.5% convertible bonds, \$1bn on the term facility and \$985m on the syndicated loan facility (\$1,150m). This was partly offset by repayments of \$1bn on the 2.375% convertible bonds, \$750m on the term facility and \$899m on the syndicated loan facility (\$1,150m). The balance of the movements relate to proceeds and repayments in terms of other loan agreements.

In 2008, net borrowing proceeds include a draw down of \$743m on the \$1,150m syndicated loan facility. Repayments include \$242m on the corporate bond, and \$316m on the \$1,150m syndicated loan facility. The balance of the movements relate to proceeds and repayments in terms of other loan agreements.

One-year forecast – 2010

AngloGold Ashanti's annual production guidance for 2010 is 4.5Moz to 4.7Moz. This reflects the sale of Tau Lekoa, cautious assumptions regarding the frequency of safety related stoppages in South Africa, and increased production from CC&V, where the grade is expected to stabilise in 2010 after having been negatively affected by recoveries from the leach pad in 2009.

Capital expenditure for 2010 is estimated at \$1bn to \$1.1bn.

For the year ending 31 December 2010

	Forecast production 000oz	Expected total cash cost \$/oz ⁽¹⁾	Forecast capital expenditure \$m ⁽⁴⁾
South Africa ^{(2) (3)}	1,722 – 1,800	553 – 571	391
Namibia	96 – 100	600 – 628	18
Ghana	593 – 619	562 – 588	156
Mali	265 – 277	663 – 695	12
Guinea	295 – 308	527 – 552	11
Tanzania	339 – 354	833 – 872	36
Australia	381 – 398	901 – 943	36
Argentina	176 – 184	411 – 430	48
Brazil	419 – 437	424 – 444	251
United States of America	214 – 223	480 – 503	78
Democratic Republic of the Congo	–	–	17
Other	–	–	27
AngloGold Ashanti	4,500 – 4,700	590 - 615	1,081

⁽¹⁾ Based on the following assumptions: R7.70/\$, A\$/S0.93, BRL1.70/\$ and Argentinian peso 3.90/\$; oil at \$75 per barrel. The year-on-year increase in total cash costs is due to the unwinding of previously incurred deferred stripping charges, implementation of royalties in South Africa, higher power tariffs, escalation and stronger local operating currencies.

⁽²⁾ In South Africa, production assumes stable power supply from Eskom and a 35% increase in power tariffs.

⁽³⁾ Excludes Tau Lekoa.

⁽⁴⁾ Capital expenditure is managed in line with earnings and cash flows and may fluctuate accordingly. Forecast capital expenditure for operations with non-controlling interests is reported at 100%. For entities which are equity accounted, the forecast capital spend is the attributable share.

AngloGold Ashanti anticipates a discount to the spot gold price of 8% to 10% based on a gold price of \$950/oz to \$1,250/oz.

Other illustrative estimates

For the year ending 31 December 2010

	\$m
Depreciation and amortisation	700
Corporate costs, marketing and business process framework	210
Expensed exploration and pre-feasibilities	216
Interest and finance charges	120

Srinivasan Venkatakrisnan
Chief Financial Officer

Scorecard 2009 – delivering on our commitments



2008 – Commitment	2009 – Delivery
<p>Share overhang</p> <ul style="list-style-type: none"> Eliminate the overhang created by Anglo American plc's plan to exit their investment in AngloGold Ashanti. 	<ul style="list-style-type: none"> The 11.3% stake was sold to Paulson & Co. during March.
<p>Rebuilding financial capacity</p> <ul style="list-style-type: none"> Improve balance sheet and reduce debt to create a platform for growth. Reduce hedge book. Sharpen focus on capital management. Increase operating cash flow leverage. 	<ul style="list-style-type: none"> Net debt reduced by 32% to \$868m. Hedge book reduced by a further 35% to 3.9Moz by end 2009, reducing discount on realised gold price and overall financial risk. Operating cash flow for the year of \$502m. Return on net capital employed of 17.7% achieved (2008: 2.6%).
<p>Operating delivery initiative</p> <ul style="list-style-type: none"> Begin implementation of Project ONE, the overarching business improvement initiative that will drive AngloGold Ashanti toward achieving five-year targets on safety, productivity and returns. 	<ul style="list-style-type: none"> Phased implementation at the Mponeng plant, Geita mine and plant, Siguri plant, AngloGold Ashanti Brasil Mineração mines and plant, Sunrise Dam plant and Savuka plant. Detailed plans drawn for rollout to 11 sites in 2010, including: Mponeng, Kopanang mine and plant, TauTona and Moab Khotsong mines; Iduapriem plant and Obuasi mine and plant; Cerro Vanguardia and Serra Grande mine and plants; CC&V mine; Navachab mine and plant; Great Nolligwa uranium plant.

2008 – Commitment	2009 – Delivery
<p>Operating delivery initiative (continued)</p> <ul style="list-style-type: none"> Address critical operating challenges, in Argentina, Ghana and Tanzania projects. 	<ul style="list-style-type: none"> Cerro Vanguardia production increased 25% and costs declined 42%; credible growth plan in place from underground and heap leach. Obuasi production increased 7% and costs declined 0.5%; Obuasi made positive contribution for the first time in five years; practicable plan in place to secure long-term future of deposit. Geita plan in place to remediate operating performance. Costs on declining trajectory.
<p>Optimising leadership and skills base</p>	<ul style="list-style-type: none"> Human resources policy development centralised to ensure alignment and focus on delivering the group strategy. The System for People, the human resources component of Project ONE, was finalised and its rollout across the company began in 2009. Management changes made at underperforming operations. Ensured those with appropriate skills were appointed at each level of the organisation.
<p>Turning around safety performance</p> <ul style="list-style-type: none"> Strive to eliminate fatalities entirely and to reduce all injury rates by 20% in 2009 – the long-term goal is a 70% reduction in these rates by 2014. 	<ul style="list-style-type: none"> Lost-time injury frequency rate (LTIFR) improved 10% to 6.57 per million hours worked. Safety Transformation Blueprint developed to effect quantum improvement in safety after 16 fatalities reported in 2009. Launch of this safety initiative is planned for April 2010.
<p>Pursuing growth</p> <ul style="list-style-type: none"> Drive organic growth at existing assets, through greenfields exploration, brownfield expansion and by acquisitions where these add value. 	<ul style="list-style-type: none"> Ore Reserve increased by 5% to 71.4Moz after adjusting for Boddington. Successfully completed pre-feasibility study on Tropicana Project and commenced with bankable study due for completion in 2010. Conducted successful exploration campaign to confirm mineralisation at São Bento deposit in Brazil. Acquired an effective 45% of the Kibali gold project, in the Democratic Republic of the Congo. Exploration programme expanded and revitalised with new greenfields exploration taking place in Canada, Argentina, Brazil, Guinea, Gabon, Egypt, Saudi Arabia, Eritrea and Solomon Islands. Marine exploration joint venture with De Beers. Delays continued in obtaining final permission to continue drilling at La Colosa site in Colombia.

Five-year summaries

For the year ended 31 December

Summarised group financial results – income statement

US Dollar million	2009	2008	2007	2006	2005	
Gold income	3,768	3,619	3,002	2,646	2,393	
Cost of sales	(2,813)	(2,728)	(2,458)	(2,138)	(2,149)	
Loss on non-hedge derivatives and other commodity contracts	(1,533)	(297)	(792)	(231)	(135)	
Gross (loss) profit	(578)	594	(248)	277	109	
Corporate administration and other expenses	(154)	(131)	(128)	(84)	(64)	
Market development costs	(10)	(13)	(16)	(16)	(13)	
Exploration costs	(150)	(126)	(117)	(58)	(44)	
Other net operating expenses	(8)	(6)	(20)	(20)	(24)	
Operating special items	691	(1,538)	(13)	(7)	(67)	
Operating (loss) profit	(209)	(1,220)	(542)	92	(103)	
Dividend received from other investments	–	–	2	–	–	
Interest received	54	66	43	31	24	
Exchange gain (loss)	112	4	(1)	(5)	2	
Fair value adjustment on option component of convertible bond	(33)	25	47	16	(32)	
Finance costs and unwinding of obligations	(139)	(114)	(120)	(116)	(102)	
Fair value loss on interest rate swaps	–	–	–	–	(1)	
Share of equity accounted investments' profit (loss)	94	(138)	35	115	43	
(Loss) profit before taxation	(121)	(1,377)	(536)	133	(169)	
Taxation	(147)	197	(101)	(146)	46	
Loss after taxation from continuing operations	(268)	(1,180)	(637)	(13)	(123)	
Discontinued operations						
Profit (loss) from discontinued operations	–	25	1	(2)	(36)	
Loss for the year	(268)	(1,155)	(636)	(15)	(159)	
Allocated as follows:						
Equity shareholders	(320)	(1,195)	(668)	(45)	(182)	
Non-controlling interests	52	40	32	30	23	
	(268)	(1,155)	(636)	(15)	(159)	
Other financial data						
Adjusted gross profit (loss)	\$m	412	(384)	835	884	395
Headline loss	\$m	(852)	(30)	(648)	(82)	(145)
Adjusted headline (loss) earnings	\$m	(50)	(897)	278	411	153
Adjusted headline earnings excluding hedge buy-back costs	\$m	708	19	278	411	153
Adjusted gross margin excluding hedge buy-back costs	%	13	(16)	25	29	16
EBITDA	\$m	1,663	1,131	1,224	1,409	772
EBITDA margin	%	52	48	37	47	30
Interest cover	times	11	8	9	11	7
Loss per ordinary share (cents)						
Basic	US cents	(89)	(377)	(237)	(16)	(69)
Diluted	US cents	(89)	(377)	(237)	(16)	(69)
Headline	US cents	(236)	(9)	(230)	(30)	(55)
Adjusted headline (loss) earnings	US cents	(14)	(283)	99	151	58
Dividends paid per ordinary share	US cents	17	11	19	62	36
Weighted average number of shares	million	361	317	281	273	265
Issued shares at year-end	million	366	357	282	280	265

As at 31 December

Summarised group financial results – statement of financial position

US Dollar million	2009	2008	2007	2006	2005	
Assets						
Tangible and intangible assets	5,996	4,493	7,041	6,329	6,139	
Cash and cash equivalents	1,100	575	477	471	197	
Other assets	2,691	2,992	2,190	2,022	1,859	
Total assets	9,787	8,060	9,708	8,822	8,195	
Equity and liabilities						
Total equity	3,030	2,511	2,442	3,047	2,661	
Borrowings	1,931	1,933	1,848	1,448	1,856	
Deferred taxation	753	617	1,042	1,093	1,136	
Other liabilities	4,073	2,999	4,376	3,234	2,542	
Total equity and liabilities	9,787	8,060	9,708	8,822	8,195	
Other financial data						
Equity	3,915	3,242	3,926	4,529	4,217	
Net capital employed	4,876	4,683	5,360	5,568	5,935	
Net debt	868	1,283	1,318	1,015	1,726	
Net asset value per share	US cents	828	702	867	1,087	1,004
Net tangible asset value per share	US cents	779	661	718	946	862
Market capitalisation		14,555	9,795	11,878	13,008	13,069
Financial ratios						
Return on net capital employed excluding hedge buy-back costs	%	18	3	7	9	4
Net debt to net capital employed	%	18	27	25	18	29
Net debt to equity	%	22	40	34	22	41
Exchange rates						
Rand/dollar average exchange rate		8.39	8.25	7.03	6.77	6.37
Rand/dollar closing exchange rate		7.44	9.46	6.81	7.00	6.35
Australian dollar/dollar average exchange rate		1.26	1.17	1.19	1.33	1.31
Australian dollar/dollar closing exchange rate		1.12	1.44	1.14	1.27	1.36
Brazilian real/dollar average exchange rate		2.00	1.84	1.95	2.18	2.44
Brazilian real/dollar closing exchange rate		1.75	2.34	1.78	2.14	2.35

Five-year summaries

For the year ended 31 December

Summarised group financial results – statement of cash flows

US Dollar million	2009	2008	2007	2006	2005
Cash flows from operating activities					
Cash generated from operations	1,345	632	983	1,132	619
Cash utilised by discontinued operations	–	(1)	(2)	(1)	(31)
Dividends received from equity accounted investments	101	78	65	85	51
Taxation paid	(147)	(125)	(180)	(110)	(22)
Cash utilised for hedge buy-back costs	(797)	(1,113)	–	–	–
Net cash inflow (outflow) from operating activities	502	(529)	866	1,106	617
Cash flows from investing activities					
Capital expenditure	(1,019)	(1,194)	(1,015)	(811)	(711)
Net (payments) proceeds from acquisition and disposal of mines, subsidiaries, associates and joint ventures	(354)	10	1	9	4
Net proceeds from disposal and acquisition of investments, associate loans, and acquisition and disposal of tangible assets	1,132	82	(13)	46	(16)
Dividend received from other investments	–	–	2	–	–
Interest received	55	67	35	24	18
Net loans repaid (advanced)	1	–	–	5	(1)
(Increase) decrease in cash restricted for use	(10)	(6)	(25)	(3)	17
Utilised in hedge restructure	–	–	–	–	(69)
Other investing activities	–	–	–	1	(2)
Net cash outflow from investing activities	(195)	(1,041)	(1,015)	(729)	(760)
Cash flows from financing activities					
Net proceeds from share issues	295	1,668	34	507	9
Net borrowings proceeds (repaid)	43	239	323	(394)	305
Finance costs paid	(111)	(93)	(72)	(82)	(73)
Dividends paid	(56)	(58)	(144)	(132)	(169)
Net cash inflow (outflow) from financing activities	171	1,756	141	(101)	72
Net increase (decrease) in cash and cash equivalents	478	186	(8)	276	(71)
Translation	47	(88)	14	(2)	(8)
Cash and cash equivalents at beginning of year	575	477	471	197	276
Cash and cash equivalents at end of year	1,100	575	477	471	197
Other financial data					
Free cash flow	(104)	(1,069)	336	633	160
Cash generated to cash invested	2.3	0.6	0.7	1.6	0.8

times

For the year ended 31 December

Summarised group operating results – operating results

		2009	2008	2007	2006	2005
Underground operations						
Metric tonnes milled	000	11,944	12,335	13,112	13,489	13,806
Yield	g/t	6.41	6.89	6.99	7.20	7.31
Gold produced	000 oz	2,461	2,734	2,948	3,123	3,243
Surface and dump reclamation						
Metric tonnes treated	000	12,779	11,870	12,429	12,414	8,061
Yield	g/t	0.51	0.42	0.49	0.50	0.52
Gold produced	000 oz	208	161	197	201	136
Open-pit operations						
Metric tonnes mined	000	167,000	175,999	172,487	173,178	168,904
Stripping ratio ⁽¹⁾		5.58	5.24	4.48	4.82	5.02
Metric tonnes treated	000	25,582	25,388	25,312	26,739	25,541
Yield	g/t	1.96	2.12	2.34	2.14	2.74
Gold produced	000 oz	1,609	1,734	1,904	1,843	2,246
Heap-leach operations						
Metric tonnes mined	000	57,456	54,754	59,720	63,519	61,091
Metric tonnes placed ⁽²⁾	000	19,887	23,462	22,341	23,329	22,227
Stripping ratio ⁽¹⁾		1.94	1.43	1.77	1.83	1.97
Recoverable gold placed ⁽³⁾	kg	12,958	14,496	16,242	18,162	18,500
Yield ⁽⁴⁾	g/t	0.65	0.62	0.73	0.78	0.83
Gold produced	000 oz	321	353	428	468	541
Total gold produced						
	000 oz	4,599	4,982	5,477	5,635	6,166
– Southern Africa						
		1,862	2,167	2,408	2,640	2,757
– Continental Africa						
		1,520	1,562	1,575	1,693	2,067
– Australasia						
		401	433	600	465	455
– North America						
		218	258	282	283	330
– South America						
		598	562	612	554	557
Average price received ⁽⁵⁾	\$/oz sold	751	485	629	577	439
Total cash costs ⁽⁶⁾	\$/oz produced	514	444	357	308	281
Total production costs ⁽⁶⁾	\$/oz produced	646	567	476	414	374
Capital expenditure	\$m	1,027	1,201	1,059	817	722
Monthly average number of employees		63,364	62,895	61,522	61,453	63,993
LTIFR		6.57	7.32	8.24	7.70	6.77
FIFR		0.10	0.09	0.21	0.22	0.14

Definitions⁽¹⁾ Stripping ratio = (total tonnes mined – ore tonnes mined)/ore tonnes mined.⁽²⁾ Tonnes placed onto leach pad.⁽³⁾ Recoverable gold placed onto leach pad inventory.⁽⁴⁾ Recoverable gold placed/tonnes placed.**Comments**⁽⁵⁾ Average gold price received negatively impacted by the reduction of the hedge book in 2008 and 2009.⁽⁶⁾ Unit cost increases have been driven primarily by lower production and input cost inflation.

Operations at a glance

For the year ended 31 December

Operation	Attributable tonnes treated/milled (Mt)			Average grade recovered (g/t)			Attributable gold production (000oz)		
	2009	2008	2007	2009	2008	2007	2009	2008	2007
Southern Africa							1,862	2,167	2,408
Vaal River									
Great Noligwa	0.9	1.4	2.0	5.73	7.33	7.54	158	330	483
Kopanang	1.6	1.6	1.8	6.74	6.82	7.24	336	362	418
Moab Khotsoang	0.8	0.6	0.3	9.36	9.31	7.94	247	192	67
Tau Lekoa	1.2	1.2	1.4	3.32	3.58	3.62	124	143	165
Surface operations	9.7	7.9	8.0	0.53	0.36	0.49	164	92	125
West Wits									
Mponeng	1.9	1.9	1.9	8.66	10.02	9.50	520	600	587
Savuka	0.2	0.3	0.3	5.45	6.28	6.69	30	66	73
TauTona ⁽¹⁾	1.5	1.6	1.8	7.29	8.66	9.67	218	314	409
South Africa							1,797	2,099	2,328
Namibia									
Navachab	1.3	1.5	1.6	1.58	1.43	1.56	65	68	80
Continental Africa							1,520	1,562	1,575
Ghana									
Iduapriem ⁽²⁾	3.4	3.5	2.8	1.72	1.76	1.85	190	200	167
Obuasi ⁽¹⁾	4.6	5.6	6.0	5.18	4.37	4.43	381	357	360
Guinea									
Siguiiri (85%)	8.8	8.6	8.3	1.11	1.20	1.05	316	333	280
Mali									
Morila (40%)	1.7	1.7	1.7	2.47	3.08	3.36	137	170	180
Sadiola (41%) ⁽³⁾	1.7	1.6	1.6	2.52	3.42	2.76	135	172	140
Yatela (40%) ⁽⁴⁾	1.1	1.1	1.2	3.62	2.66	3.46	89	66	120
Tanzania									
Geita	4.5	4.3	5.1	1.89	1.92	2.01	272	264	327
Australasia							401	433	600
Australia									
Sunrise Dam ⁽⁵⁾	3.9	3.8	3.8	2.87	3.46	4.86	401	433	600
North America							218	258	282
United States									
Cripple Creek & Victor ⁽⁴⁾	18.7	22.1	20.9	0.46	0.49	0.53	218	258	282
South America							598	562	612
Argentina									
Cerro Vanguardia (92.5%)	0.9	0.9	0.9	6.51	5.44	6.88	192	154	204
Brazil									
Brasil Mineração ⁽¹⁾	1.5	1.4	1.4	7.02	7.62	7.48	329	320	317
Serra Grande (50%) ⁽¹⁾	0.5	0.4	0.4	4.72	7.58	7.21	77	87	91
AngloGold Ashanti							4,599	4,982	5,477

⁽¹⁾ The yield of TauTona, Obuasi, Brasil Mineração and Serra Grande represents underground operations.⁽²⁾ Prior to 1 September 2007, AngloGold Ashanti's shareholding in Iduapriem was 85%.⁽³⁾ Prior to 29 December 2009, AngloGold Ashanti's shareholding in Sadiola was 38%.⁽⁴⁾ The yield of Yatela and Cripple Creek & Victor reflects recoverable gold placed/tonnes placed from heap leach operations.⁽⁵⁾ The yield of Sunrise Dam represents open-pit operations.

Operation	Total cash costs (\$/oz)			Attributable capital expenditure (\$m)		
	2009	2008	2007	2009	2008	2007
Southern Africa	472	367	346	405	349	367
Vaal River						
Great Noligwa	794	458	403	24	26	37
Kopanang	406	348	307	58	47	52
Moab Khotsong	424	379	668	104	89	89
Tau Lekoa	718	533	474	17	18	16
Surface operations	341	440	305	3	–	1
West Wits						
Mponeng	329	249	264	109	86	86
Savuka	1,115	411	403	13	11	9
TauTona	559	374	317	57	60	71
South Africa	466	362	343	385	337	361
Namibia						
Navachab	622	534	419	20	12	6
Continental Africa	608	544	423	178	250	175
Ghana						
Iduapriem ⁽¹⁾	516	525	373	28	54	23
Obuasi	630	633	459	94	112	94
Non-controlling interests and exploration	–	–	–	2	2	1
Guinea						
Siguiiri (85%)	519	466	464	22	18	18
Non-controlling interests and exploration	–	–	–	4	4	3
Mali						
Morila (40%)	527	419	350	4	1	1
Sadiola (41%) ⁽²⁾	488	399	414	4	3	6
Yatela (40%)	368	572	322	1	3	2
Tanzania						
Geita	954	728	452	19	53	27
Australasia	662	552	313	177	439	281
Boddington (33.33%)	–	–	–	146	419	249
Sunrise Dam	646	531	306	31	19	30
Exploration and other	–	–	–	–	1	2
North America	385	334	282	87	27	23
United States						
Cripple Creek & Victor	376	309	269	87	27	23
South America	353	402	262	171	127	162
Argentina						
Cerro Vanguardia (92.5%)	355	608	261	17	15	18
Non-controlling interests and exploration	–	–	–	1	1	2
Brazil						
Brasil Mineração	339	300	233	84	69	117
Serra Grande (50%)	406	294	263	33	20	12
Non-controlling interests and exploration	–	–	–	36	22	13
Other	–	–	–	9	9	51
AngloGold Ashanti	514	444	357	1,027	1,201	1,059

⁽¹⁾ Prior to 1 September 2007, AngloGold Ashanti's shareholding in Iduapriem was 85%.

⁽²⁾ Prior to 29 December 2009, AngloGold Ashanti's shareholding in Sadiola was 38%.

Board of directors and executive management

Executive directors

Mr M Cutifani (51) (Australian), BE (Min. Eng)

Chief Executive Officer

Mark Cutifani was appointed to the board of AngloGold Ashanti on 17 September 2007 and as Chief Executive Officer on 1 October 2007. He is chairman of the Executive Committee and a member of the Transformation and Human Resources Development, Safety, Health and Sustainable Development, and Investment committees.

Mark has considerable experience in gold mining, having been associated with the industry since 1976. Prior to joining AngloGold Ashanti, he held the position of chief operating officer at CVRD Inco, a Toronto-based company, where he was responsible for Inco's global nickel business.

Mr S Venkatakrishnan (Venkat) (44) (British), BCom, ACA (ICAI)

Chief Financial Officer

Venkat joined AngloGold Ashanti on 1 July 2004 from Ashanti Goldfields Company Limited (Ashanti) where he was Chief Financial Officer until that company's merger with AngloGold Limited in May 2004. He was appointed to the board on 1 August 2005, is a member of the Executive and Investment committees and is invited to attend meetings of the Audit and Corporate Governance Committee. He is a member of the Treasury Committee, a sub-committee of the Audit and Corporate Governance Committee.

Venkat has extensive financial experience, having been a director in the reorganisation services division of Deloitte & Touche in London prior to joining Ashanti in 2000.

Non-executive directors

Mr RP Edey (67) (British), FCA

Chairman and independent non-executive

Russell Edey was appointed to the board of AngloGold Ashanti on 1 April 1998, Deputy Chairman on 11 December 2000 and Chairman on 1 May 2002. Based in the United Kingdom, he is a non-executive director of Old Mutual plc, a member of the Conseil de Surveillance of Paris Orleans SA and a non-executive director of a number of companies within the NM Rothschild Group. Russell is chairman of the Investment and Nominations committees and a member of the Audit and Corporate Governance and Remuneration committees. Russell will be retiring from the board at the conclusion of the annual general meeting to be held in May 2010.

Dr TJ Motlatsi (58) (South African), Hon DSoc Sc (Lesotho)

Deputy Chairman and independent non-executive

James Motlatsi was appointed to the board of AngloGold Ashanti on 1 April 1998 and Deputy Chairman on 1 May 2002. He is Chairman of the Transformation and Human Resources Development, and the Party Political Donations committees and a member of the Safety, Health and Sustainable Development, Nominations and Remuneration committees.

James has substantial experience in and knowledge of the mining industry in general and of South Africa in particular. His association with the industry in South Africa spans more than 30 years in various positions including that of past president of the National Union of Mineworkers. He is the Executive Chairman of TEBA Limited, a service organisation primarily responsible for the recruitment of mineworkers for the South African mining industry.

Mr FB Arisman (65) (American), MSc (Finance)

Independent non-executive

Frank Arisman joined the board of AngloGold Ashanti on 1 April 1998. He serves on four board committees: Transformation and Human Resources Development, Audit and Corporate Governance, Nominations and Remuneration. He is a member of the Treasury Committee, a sub-committee of the Audit and Corporate Governance Committee. Since 2008, he has chaired the Financial Analysis Committee, a special purpose committee of the board set up to consider the funding needs of AngloGold Ashanti.

Frank, who resides in the USA, has a rich background in management and finance through his experiences at JP Morgan where he held various positions prior to his retirement.

Mr WA Nairn (65) (South African), BSc (Mining Engineering)

Independent non-executive

Bill Nairn has been a member of the board of AngloGold Ashanti since 1 January 2000 and chairs the Safety, Health and Sustainable Development Committee and is a member of four other committees: Transformation and Human Resources Development, Investment, Party Political Donations and Nominations. Bill, a mining engineer, has considerable technical experience, having been the group technical director of Anglo American plc until 2004 when he retired from the company. Having completed the three-year cooling period, Bill is now considered an independent non-executive director of AngloGold Ashanti.

Prof LW Nkuhlu (65) (South African), BCom, CA (SA), MBA (New York University)

Independent non-executive

Wiseman Nkuhlu was appointed to the board on 4 August 2006. He has been the chairman of the Audit and Corporate Governance Committee since 5 May 2007, having served as deputy chairman from 4 August 2006. He also serves as a member of the Nominations, Party Political Donations and Remuneration committees. In addition, he is the Chairman of the Treasury Committee, a sub-committee of the Audit and Corporate Governance Committee. Wiseman, a respected South African academic, educationist, professional and business leader, served as Economic Adviser to the former President of South Africa, Mr Thabo Mbeki, and as Chief Executive of the Secretariat of the New Partnership for Africa's Development (NEPAD) from 2000 to 2005. From 1989 to 2000, he served as a director on a

number of major South African companies, including Standard Bank, South African Breweries, Old Mutual, Tongaat Hulett, BMW and JCI. Wiseman was President of the South African Institute of Chartered Accountants from 1998 to 2000 and Principal and Vice Chancellor of the University of Transkei from 1987 to 1991. He is also a member of the board of Datatec Limited. He was elected President of the Geneva-based International Organization of Employers (IOE) in May 2008 for a period of two years. He is a member of the Financial Crisis Advisory Group of the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB).

Mr SM Pityana (50) (South African), BA (Hons) (Essex), MSc (London); Dtech (Honoris) (Vaal University of Technology)

Independent non-executive

Sipho Pityana joined the board of AngloGold Ashanti on 13 February 2007 and assumed the chairmanship of the Remuneration Committee on 1 August 2008. He is a member of the Safety, Health and Sustainable Development, Party Political Donations, Investment, Nominations and the Transformation and Human Resources Development committees. Sipho has extensive experience in management and finance, and has occupied strategic roles in both the public and private sectors, including that of Director General of the national departments of both labour and foreign affairs. He was formerly a Senior Executive of Nedbank Limited and is currently the Executive Chairman of Izingwe Holdings (Proprietary) Limited, a local empowerment group and a significant investor in mining, engineering, infrastructure and logistics, and AngloGold Ashanti's BEE partner. He serves as a non-executive director on the boards of several other South African companies.

Executive management

Dr CE Carter (47), BA (Hons), DPhil, EDP

Executive Vice President – Business Strategy and Human Resources

Charles Carter has worked in the mining industry in South Africa and the United States since 1991, in a range of corporate roles with Anglo American Corporation, RFC Corporate Finance and AngloGold Ashanti. He was appointed Executive Vice President – Business Strategy in December 2007 and is responsible for corporate strategy and business planning, risk management and investor relations. On 17 November 2009, he assumed additional responsibility for the group's Human Resources function.

Mr RN Duffy (46), BCom, MBA

Executive Vice President – Continental Africa

Richard Duffy joined Anglo American in 1987 and in 1998 was appointed executive officer and managing secretary of AngloGold. In November 2000, he was appointed head of business planning and in 2004 assumed responsibility for all new business opportunities globally. In April 2005, this role was expanded to include greenfields exploration. He was appointed to the Executive Committee in August 2005. Richard was appointed as Executive Vice President – Africa in July 2008.

Mr GJ Ehm (53), BSc Hons, MAusIMM, MAICD

Executive Vice President – Tanzania

Graham Ehm has, since 1979, gained diverse experience in mine operations and project management, covering the nickel, phosphate, copper, uranium and gold sectors. He was appointed General Manager Sunrise Dam Gold Mine in 2000, Regional Head – Australia in 2006 and Executive Vice President – Australasia in December 2007. He assumed his current role as Executive Vice President – Tanzania on 1 June 2009.

Mr RW Largent (49), BSc (Min. Eng), MBA

Executive Vice President – Americas

Ron Largent has been with AngloGold Ashanti since 1994. He has served on the Board of Directors for the Colorado Mining Association, California Mining Association and Nevada Mining Association. In 2001, he was appointed General Manager of the Cripple Creek & Victor Gold Mine and took up his current role as Executive Vice President – Americas in December 2007.

Mr RL Lazare (53), BA, HED, DPLR, SMP***Executive Vice President – South Africa***

Robbie Lazare joined Anglo American Gold and Uranium Division in 1982, working in a variety of management posts until 1999 when he was appointed general manager of TauTona. In December 2004, he was appointed an executive officer with responsibility for South African operations and in July 2008, Executive Vice President – Human Resources. From 17 November 2009, Robbie was assigned to lead a strategy review of the South African operations and is now responsible for the South Africa region.

Mr MP Lynam (48), BEng (Mech)***Senior Vice President – Finance and Treasury***

Mark Lynam joined the Anglo American group in 1983 and has been involved in the hedging and treasury areas since 1990. In 1998, he joined AngloGold as treasurer and was appointed an executive officer in May 2004. He was appointed Senior Vice President – Finance and Treasury in July 2008.

Mr AM O'Neill (58), BSc (Mining Engineering), MBA***Executive Vice President – Business and Technical Development***

Tony O'Neill joined AngloGold Ashanti in July 2008 as Executive Vice President – Business and Technical Development, having consulted to the company prior to this on its asset portfolio strategy. His extensive career in mining since 1978 included the roles of executive – operations at Newcrest Mining Limited and Executive General Manager for gold at Western Mining Corporation.

Mr TML Setiloane (50), FAE, BSc (Mech Eng)***Executive Vice President – Business Sustainability***

Thero Setiloane joined AngloGold in May 2003 from Real Africa Holdings, where he had been an executive director. He is the Chairman of Rand Refinery Limited. He was appointed an executive officer and a member of AngloGold Ashanti's Executive Committee in February 2006 and as Executive Vice President – Sustainability in December 2007.

Ms YZ Simelane (44), BA LLB, FILPA, MAP***Senior Vice President – Corporate Affairs***

Yedwa Simelane joined AngloGold in November 2000 from the Mineworkers' Provident Fund where she was the senior manager of the Fund. She was appointed an executive officer in May 2004 and Vice President – Government Relations in July 2008. In November 2009, she was appointed Senior Vice President – Corporate Affairs.

Mr NW Unwin (57), BA***Executive Vice President – Corporate Services***

Nigel Unwin joined Anglo American as a human resources trainee in 1974 and spent 18 years in operations and corporate roles. He then worked in the retail sector (clothing, footwear, textiles and accessories) for seven years before joining AngloGold in 1999 as an executive officer. Following the acquisition of Acacia Resources by AngloGold at the end of 1999, he managed the integration of the two companies in Australia before taking over the human resources and information technology portfolios in 2001. He was appointed Executive Vice President – Corporate Services in July 2008.

Company secretary**Ms L Eatwell (55), FCIS, FCIBM**

Lynda Eatwell joined AngloGold in 2000 as assistant company secretary and was appointed company secretary in December 2006. She is responsible for ensuring compliance with statutory and corporate governance requirements and the regulations of the stock exchanges on which AngloGold Ashanti is listed.

Directors' report

Nature of business

AngloGold Ashanti conducts mining operations in Africa, North and South America and Australia, and undertakes exploration activities worldwide. In addition, the company is involved in the manufacturing, marketing and selling of gold products, as well as the development of markets for gold.

Shareholders holding 10% or more of AngloGold Ashanti's issued share capital

Paulson & Co. Inc, an investment management company, from the United States holds 42,849,864 AngloGold Ashanti ADRs or some 11.83% of the issued share capital. Paulson acquired its shares from Anglo South Africa Capital (Proprietary) Limited, a wholly-owned subsidiary of Anglo American plc when that company divested from AngloGold Ashanti in March 2009. In addition, Allan Gray Unit Trust Management Limited, holds a total of 36,689,809 AngloGold Ashanti shares, representing 10.13% of the issued share capital.

Share capital

Authorised

At the annual general meeting of shareholders held on 15 May 2009, shareholders approved an increase in the company's authorised ordinary share capital. The authorised share capital of AngloGold Ashanti at 31 December 2009 was made up as follows:

- 600,000,000 ordinary shares of 25 South African cents each R150,000,000
- 4,280,000 E ordinary shares of 25 South African cents each R1,070,000
- 2,000,000 A redeemable preference shares of 50 South African cents each R1,000,000
- 5,000,000 B redeemable preference shares of 1 South African cent each R50,000

The following are the movements in the issued and unissued capital from the beginning of the accounting period to the date of this report:

Issued

Ordinary shares

	Number of shares		Rand	
	2009		2008	
At 1 January	353,483,410	88,370,853	277,457,471	69,364,368
Issued during year				
– Rights offer			69,470,442	17,367,611
– Golden Cycle acquisition			3,181,198	795,299
– São Bento acquisition			2,701,660	675,415
– Equity offering to fund the initial effective 35% interest in the Kibali gold project	7,624,162	1,906,041		
– Bokamoso ESOP on conversion of E ordinary shares	1,181	295	94	24
– Exercise of options by participants in the AngloGold Share Incentive Scheme	1,131,916	282,979	672,545	168,136
At 31 December	362,240,669	90,560,167	353,483,410	88,370,853
Issued subsequent to year-end				
– Exercise of options by participants in the AngloGold Share Incentive Scheme	33,282	8,321		
At 31 January 2010	362,273,951	90,568,488		

E ordinary shares

On 11 December 2006, shareholders in general meeting authorised the creation of a maximum 4,280,000 E ordinary shares to be issued pursuant to an Employee Share Ownership Plan and a black economic empowerment transaction (BEE transaction). All E ordinary shares have been issued.

	Number		Number	
	of shares	Rand	of shares	Rand
	2009		2008	
At 1 January	3,966,941	991,735	4,140,230	1,035,057
Cancelled in exchange for ordinary shares in terms of the cancellation formula	(171,943)	(42,986)	(173,289)	(43,322)
At 31 December	3,794,998	948,749	3,966,941	991,735
Cancelled subsequent to year-end				
– Cancelled and exchanged for ordinary shares issued in terms of the cancellation formula	(25,706)	(6,426)		
At 31 January 2010	3,769,292	942,323		

In terms of the authority granted by shareholders, on vesting, E ordinary shares are cancelled in exchange for ordinary shares, in accordance with the cancellation formula. All E ordinary shares which are cancelled may not be re-issued and therefore, do not form part of the authorised but unissued share capital of the company.

E ordinary share capital, amounting to R17,505,881 in respect of 138,059 unconverted but cancelled E ordinary shares, was transferred to ordinary share premium. E ordinary shares do not convert to ordinary shares in the instance when the market price of an AngloGold Ashanti ordinary share is less than the value of the E ordinary share as calculated in accordance with the cancellation formula.

On 1 November 2009, the first tranche of the E ordinary shares issued to the Bokamoso ESOP and to Izingwe Holdings (Pty) Limited (“Izingwe”) vested. In terms of the rules, if at the date of the vesting the cost price of the E Ordinary shares as calculated in accordance with the cancellation formula is greater than the market price of the last business day prior to the date of vesting, then the conversion of the E ordinary shares will be deferred. In respect of the Bokamoso ESOP, vesting will be deferred until 1 May 2010 at which time, the E ordinary shares will either be exchanged for AngloGold Ashanti ordinary shares or will be cancelled without benefit, as calculated in accordance with the cancellation formula. In respect of the E ordinary shares issued to Izingwe, and in accordance with the rules, notice was received from Izingwe deferring vesting. Izingwe have during the period 1 November 2009 to and including 1 May 2010 (“extended vesting period”), the option to exercise its rights to exchange the E ordinary shares for AngloGold Ashanti ordinary shares on the giving of such notice to do so, in accordance with the calculation formula. Any E ordinary shares that are unexercised during the extended vesting period will be cancelled.

Redeemable preference shares

The A and B redeemable preference shares, all of which are held by a wholly-owned subsidiary, Eastvaal Gold Holdings Limited, may not be transferred and are redeemable from the realisation of the assets relating to the Moab Lease area after the cessation of mining operations in the area. The shares carry the right to receive dividends equivalent to the profits (net of royalty, ongoing capital expenditure and taxation) from operations in the area. No further A and B redeemable preference shares will be issued.

Further details of the authorised and issued shares, as well as the share premium, are given in note 26 to the group's financial statements.

Unissued

	Ordinary number of shares	
	2009	2008
At 1 January	46,516,590	122,542,529
Authorised during the year	200,000,000	-
Issued during year	(8,757,261)	(76,025,939)
At 31 December	237,759,329	46,516,590
Issues subsequent to year-end	(33,282)	
At 31 January 2010	237,726,047	

Ordinary shares under the control of directors

Pursuant to the authority granted by shareholders at the annual general meeting held on 15 May 2009, 5% of the number of shares in issue from time to time are placed under the control of the directors to allot and issue, for such purposes and on such terms as they may, in their discretion, determine. This authority expires, unless renewed, at the annual general meeting to be held on 7 May 2010.

At 31 December 2009, the total number of shares placed under the control of the directors was 18,112,033. During 2009, the directors issued 7,624,162 ordinary shares in an equity offering to fund the initial effective 35% interest in the Kibali gold project.

In terms of the Listings Requirements of the JSE, shareholders may, subject to certain conditions, authorise the directors to issue the ordinary shares held under their control for cash other than by means of a rights offer to shareholders. To enable the directors of the company to take advantage of favourable business opportunities which may arise for the issue of such ordinary shares for cash, without restriction, for the benefit of the company, shareholders will be asked to consider an ordinary resolution to this effect at the annual general meeting to be held on 7 May 2010.

At the annual general meeting to be held on 7 May 2010, shareholders will be asked to approve as a general authority, the acquisition by the company, or a subsidiary of the company, of its own shares from its issued ordinary share capital.

At the general meeting of shareholders held on 11 December 2006, shareholders placed under the control of the shareholders, as a specific authority, 1,176,000 ordinary shares to be issued pursuant to an Employee Share Ownership Plan to be implemented outside of South Africa (ESOP-OSA). No ESOP-OSAs were implemented and this authority expired on 31 December 2009.

Depository interests

American Depository Shares

At 31 December 2009, the company had in issue, through The Bank of New York Mellon as Depository and listed on the New York Stock Exchange (NYSE), 176,762,305 (2008: 111,178,529) American Depository Shares (ADSs). Each ADS is equal to one ordinary share. At 31 January 2010, there were 179,734,535 ADSs in issue and listed on the NYSE.

CHESS Depository Interests

At 31 December 2009 and 31 January 2010, the company had in issue, through the Cleaning House Electronic Sub-register System (CHESS), and listed on the Australian Securities Exchange (ASX), 91,443,205 (2008: 91,453,140) CHESS Depository Interests (CDI). Every 5 CDIs has one underlying AngloGold Ashanti ordinary share and carries the right to one vote.

Ghanaian Depository Shares

At 31 December 2009 and 31 January 2010, the company had in issue, through NTHC Limited as Depository and listed on the Ghana Stock Exchange (GhSE), 11,512,534 (2008: 17,457,300) Ghanaian Depository Shares (GhDSs). Every 100 GhDSs has one underlying AngloGold Ashanti ordinary share and carries the right to one vote.

AngloGold Share Incentive Scheme

AngloGold Ashanti operates a share incentive scheme through which executive directors, executive officers and managers of the company and its subsidiaries are given the opportunity to acquire shares in the company. The objective is to incentivise such employees to identify themselves more closely with the fortunes of the group and its continued growth and to promote the retention of such employees.

Non-executive directors are not eligible for participation in the share incentive scheme.

The maximum number of ordinary shares that may be allocated for the purposes of the scheme is equivalent to 2.75% of the total number of ordinary shares in issue at any time. At 31 December 2009, 9,961,618 ordinary shares (2008: 9,720,794) were available for purposes of the scheme, while the maximum aggregate number of shares which may be acquired by any one participant in the scheme is 5% of the ordinary shares allocated for the purposes of the share incentive scheme (or 0.1375% of the total number of ordinary shares in issue) – at 31 December 2009, a maximum of 498,080 ordinary shares per employee could be issued in aggregate (2008: 486,040).

Employees participate in the share incentive scheme to the extent that they are granted options or rights to acquire shares and accept them. All options or rights which have not been exercised within ten years from the date on which they were granted, automatically expire.

The incentives offered by AngloGold Ashanti are reviewed periodically to ensure that they remain globally competitive, so as to attract, reward and retain managers of the highest calibre. As a result, several types of incentives, each with their own issue and vesting criteria have been granted to employees – collectively known as the “AngloGold Share Incentive Scheme” or “share incentive scheme”.

Although the Remuneration Committee has the discretion to incentivise employees through the issue of shares, only options or rights have so far been granted. The type and vesting criteria of the options or rights granted are:

Time-related

The granting of time-related options was approved by shareholders at the general meeting held on 4 June 1998 and amended by shareholders at the annual general meeting held on 30 April 2002, when it was agreed that no further time-related options would be granted and all options granted hereunder will terminate on 1 February 2012, being the date on which the last options granted under this criteria may be exercised or they will expire.

Time-related options vest over a five-year period from the date of grant and may be exercised in tranches of 20% each in years two, three and four and 40% in year five. As of the date of this report, all options granted and outstanding have vested in full.

Performance-related

The granting of performance-related options was approved by shareholders at the annual general meeting held on 30 April 2002 and amended at the annual general meeting held on 29 April 2005 when it was agreed that no further performance-related options would be granted and all options granted hereunder will terminate on 1 November 2014, being the date on which the last options granted under this criteria may be exercised or they will expire.

Performance-related options granted vest in full, three years from the date of grant, provided that the conditions under which the options were granted are met. All options granted and outstanding vested in full on 1 November 2007.

Bonus Share Plan (BSP)

The granting of rights in terms of the BSP was approved by shareholders at the annual general meeting held on 29 April 2005 and amended at the general meeting held on 6 May 2008 when shareholders approved an increase in the maximum level of the bonus payable to eligible participants, as well as shortening the vesting period. Executive directors, executive officers and other management groups are eligible for participation. Each award made in respect of the BSP entitles the holder to acquire one ordinary share at "nil" cost. In respect of all awards granted to and including 2007, these awards vest in full, three years from the date of grant, provided that the participant is still in the employ of the company at the date of vesting unless an event, such as death, occurs which may result in an earlier vesting date. In respect of awards granted in 2008 and onwards, the vesting period has been shortened to 40% in year one and 60% in year two from the date of grant or, in the event that the exercising of awards only takes place in year three, then 120% of awards granted will be available for exercising.

Long-Term Incentive Plan (LTIP)

The granting of rights in terms of the LTIP was approved by shareholders at the annual general meeting held on 29 April 2005. Executive directors, executive officers and selected senior management are eligible for participation. Each award made in respect of the LTIP entitles the holder to acquire one ordinary share at "nil" cost. Awards granted vest three years from date of grant, to the extent that the stretched company performance targets, under which the rights were granted, are met and provided that the participant is still in the employ of the company, or unless an event, such as death, occurs which may result in an earlier vesting date.

Options and rights

As is required to be disclosed in terms of the AngloGold Share Incentive Scheme and stock exchange regulations, the movement in respect of options and rights granted and the ordinary shares issued as a result of the exercise of options and rights during the year 1 January 2009 to 31 January 2010 is as follows:

	Time-related	Performance related	Bonus Share Plan ⁽¹⁾	Long-Term Incentive Plan ⁽¹⁾	Total	Ordinary shares issued
At 1 January 2009	116,491	1,389,833	945,027	990,445	3,441,796	4,968,504
Movement during year						
– Granted	–	–	666,541	534,574	1,201,115	
– Exercised	(88,239)	(725,620)	(246,872)	(71,185)	(1,131,916)	1,131,916
– Lapsed – terminations	–	(24,238)	(68,988)	(190,085)	(283,311)	
At 31 December 2009	28,252	639,975	1,295,708	1,263,749	3,227,684	6,100,420
Average exercise/issue price per share	146.28	241.28	249.07	253.60		
Subsequent to year-end						
– Granted	–	–	–	–	–	
– Exercised	–	(7,947)	(24,905)	(430)	(33,282)	33,282
– Lapsed – terminations	–	–	(505)	(6,157)	(6,662)	
At 31 January 2010	28,252	632,028	1,270,298	1,257,162	3,187,740	6,133,702

⁽¹⁾ BSP and LTIP awards granted at nil cost to participants.

Effective 15 October 2008, the JSE amended Schedule 14 (Requirements for share incentive schemes) of the Listings Requirements. AngloGold Ashanti is required to amend the terms of its Share Incentive Scheme by obtaining shareholder approval to amend the total number of shares attributable to the share incentive scheme, from 2.75% of issued share capital from time to time, to a fixed number of shares that may be issued to the scheme. Although the amendment only has to be in place by 1 January 2011, AngloGold Ashanti will be seeking shareholder approval at the annual general meeting to be held on 7 May 2010 to grant to the directors, authority to issue up to 17,000,000 shares (approximately 5% of issued capital at 31 December 2009) which is management's estimate of options/awards to be granted over the next three years, including options/awards granted and outstanding as at 31 December 2009. The total number of options/awards that may be issued in aggregate to any one participant to the scheme will remain at 5% of the total number of shares attributable to the scheme.

Also effective 15 October 2008, the recycling of options/awards that have vested and which have been delivered and for which AngloGold Ashanti shares have been issued, is no longer allowed. The table below reflects the total number of options/awards that are unissued, as affected by this Listings Requirements rule change:

Details	Options/Awards
Total number of options attributable to the scheme at 31 December 2009*	9,961,618
Less:	
– Total number of options/awards granted and outstanding at 31 December 2009	3,227,684
– Total number of options/awards exercised:	
– During the period 15 October to 31 December 2008	101,013
– During the period 1 January to 31 December 2009	1,131,916
Total options/awards available but unissued at 31 December 2009	5,501,005

* Based on the shares attributable to the share incentive scheme without taking cognisance of the proposed change.

Analysis of options and rights outstanding at 31 December 2009

Holding	Number of	
	Holders	options
1 to 100	125	8,236
101 to 500	741	230,488
501 to 1,000	288	196,359
1,001 to 5,000	237	473,471
5,001 to 10,000	56	410,562
10,000 to 100,000	78	1,808,441
Over 100,000	1	100,127
Total	1,526	3,277,684

Dividend policy

Dividends are proposed by, and approved by the board of directors of AngloGold Ashanti, based on the interim and year-end financial statements. Dividends are recognised when declared by the board of directors of AngloGold Ashanti. AngloGold Ashanti expects to continue to pay dividends, although there can be no assurance that dividends will be paid in the future or as to the particular amounts that will be paid from year to year. The payments of future dividends will depend upon the board's ongoing assessment of AngloGold Ashanti's earnings, after providing for long-term growth, cash/debt resources, the amount of reserves available for a dividend based on the going-concern assessment, and restrictions placed by the conditions of the convertible bond and other factors.

Dividends declared since 1 January 2009:

	Final dividend number 105	Interim dividend number 106	Final dividend number 107
Declaration date	6 February 2009	29 July 2009	16 February 2010
Last date to trade ordinary shares cum dividend	27 February 2009	14 August 2009	5 March 2010
Record date	6 March 2009	21 August 2009	12 March 2010
Amount paid per ordinary share			
– South African currency (cents)	50	60	70
– United Kingdom currency (pence)	3.518	4.54	6.20
– Ghanaian currency (cedis)	6.565	10.956	13.22
Amount per CDI ⁽¹⁾			
– Australian currency (cents)	1.546	1.7916	2.079
Payment date	13 March 2009	28 August 2009	19 March 2010
Amount per GhDS ⁽²⁾			
– Ghanaian currency (cedis)	0.06565	0.10956	0.1322
Payment date	16 March 2008	31 August 2009	22 March 2010
Amount per ADS ⁽³⁾			
– United States currency (cents)	4.999	7.6553	⁽⁴⁾ 9.10
Payment date	23 March 2009	8 September 2009	29 March 2010
Amount per E ordinary share			
South African currency (cents)	25	30	35
Payment date	13 March 2009	28 August 2009	19 March 2010

⁽¹⁾ Each CDI (CHESS Depository Interest) is equal to one-fifth of one ordinary share

⁽²⁾ Each GhDS (Ghanaian Depository Share) is equal to one-hundredth of one ordinary share

⁽³⁾ Each ADS (American Depository Share) is equal to one ordinary share

⁽⁴⁾ Illustrative value assuming the following rates of exchange: R7.69: \$. The actual rate of payment will depend on the exchange rate on the currency conversion date and/or date of payment.

Withholding tax

On 21 February 2007, the South African Government announced a proposal to replace the Secondary Tax on Companies with a 10% withholding tax on dividends and other distributions payable to shareholders. This proposal is expected to be implemented in 2010. Although this may reduce the tax payable by the South African operations of the group, thereby increasing distributable earnings, the withholding tax will generally reduce the amount of dividends or other distributions received by AngloGold Ashanti shareholders.

Shareholders on the South African register who have dematerialised their ordinary shares receive payment of their dividends electronically, as provided for by STRATE. For those shareholders who have not yet dematerialised their shares or who may intend retaining their shareholding in the company in certificated form, the company operates an electronic funds transmission service, whereby dividends may be electronically transferred to shareholders' bank accounts. These shareholders are encouraged to mandate this method of payment for all future dividends.

Borrowings

The company's borrowing powers are unlimited. As at 31 December 2009, the group's borrowings totalled \$1,931m, R14,355m (2008: \$1,933m, R18,270m).

Significant events during the year under review and subsequent to year-end

Sale of interest in the Boddington Gold Mine: On 28 January 2009, AngloGold Ashanti announced that it had agreed to sell to Newmont Mining Corporation, its 33.33% joint venture interest in the Boddington Gold Mine. The transaction was completed on 26 June 2009. All refunds and reimbursements between the company and Newmont were settled.

Sale of the Tau Lekoa Mine: On 17 February 2009, AngloGold Ashanti announced that it had agreed to sell with effect from 1 January 2010, the Tau Lekoa mine, together with the adjacent Weltevreden, Jonkerskraal and Goedgenoeg project areas, to Simmer & Jack Mines Limited (Simmers). On 25 November 2009, AngloGold Ashanti announced that the closing of the sale may be delayed pending approval of the South African Department of Mineral Resources (DMR), of the transfer of the applicable mining rights, the only remaining condition to the sale. AngloGold Ashanti and Simmers have subsequently agreed to extend the deadline for the completion of the transaction from 31 March 2010 to 30 September 2010, to allow for a further possible delay in closing pending the approval of the DMR. Closing of the transaction is anticipated to occur before 30 September 2010.

Issue of \$732.5m, 3.50% guaranteed convertible bonds due 2014: On 18 May 2009, AngloGold Ashanti launched an offering of convertible bonds issued by its wholly-owned subsidiary, AngloGold Ashanti Holdings Finance plc, unconditionally and irrevocably guaranteed by AngloGold Ashanti Limited. Bonds totalling \$732.5m were issued at an interest coupon rate of 3.50% per annum, payable on 22 May and 22 November each year, are convertible into AngloGold Ashanti ADRs at a conversion price of \$47.6126 per ADR and are due on 22 May 2014. On 30 July 2009, shareholders approved a special resolution placing 15,384,615 ordinary shares under the control of the directors to be issued upon the conversion of the \$732.5m convertible bonds.

Formation of a strategic alliance with Thani Dubai Mining Limited: On 10 June 2009, AngloGold Ashanti and Thani Dubai Mining Limited announced the formation of a strategic alliance to explore, develop and operate mines across the Middle East and parts of North Africa. Each company will have a 50% interest in the alliance which will explore for gold, precious and base metals.

Acquisition of an effective 45% interest in the Kibali gold project: With effect from 22 December 2009, AngloGold Ashanti and Randgold Resources Limited (Randgold) each hold an effective 45% interest in the Kibali gold project (formerly the Moto gold project), while L'Office des Mines d'Or de Kilo-Moto (OKIMO), a Congolese parastatal holds the remaining 10% stake, thereby maintaining the continued vested interest of the Government of the Democratic Republic of the Congo (the DRC) in the Kibali gold project.

Issue of 7,624,162 AngloGold Ashanti ordinary shares: On 31 August 2009, AngloGold Ashanti announced the launch of an equity offering to fund a portion of its acquisition of the Kibali gold project. This was followed by an announcement on 1 September 2009 detailing the placing of 7,624,162 AngloGold Ashanti ordinary shares at an issue price of \$37.25 per American Depositary Share (ADR)

(or R288.32 per ordinary share) which price represented an approximate 3% discount to the closing price of an AngloGold Ashanti ADR on the NYSE on 31 August 2009. The offering closed on 8 September 2009 and total proceeds of some \$284m was received.

Formation of a joint venture with De Beers Group of Companies: On 5 October 2009, AngloGold Ashanti and the De Beers Group of Companies announced the formation of a joint venture (AuruMar) to explore for, and ultimately mine, gold and other minerals and metals, excluding diamonds, on marine deposits located in, or adjacent to, the area between the high water mark and the edge of the continental shelf on a worldwide basis.

Acquisition of an additional interest in Sadiola: On 29 December 2009, AngloGold Ashanti, together with IAMGOLD Corporation purchased from the International Finance Corporation (IFC), the IFC's 6% stake in Société d'Exploitation des Mines d'or de Sadiola, which owns the Sadiola Gold Mine. This transaction has resulted in AngloGold Ashanti and IAMGOLD each increasing their respective interest in Sadiola from 38% to 41%. In addition, AngloGold Ashanti and IAMGOLD have extended an offer to the Republic of Mali to take up its proportionate entitlement of 19.15% of the 6% sale interest, by acquiring an equal 0.574% interest in SEMOS from each of them, on or before 31 March 2010.

Temporary suspension of operations at Iduapriem mine: On 19 February 2010, AngloGold Ashanti announced that following discussions with the Environmental Protection Agency of Ghana (EPA), the Iduapriem mine in Ghana had been temporarily suspended to address potentially adverse environmental impacts arising from the current tailings storage facility.

Appointment of Chairman: Tito Mboweni has been appointed with effect from 1 June 2010, as Chairman of AngloGold Ashanti, to succeed Russell Edey following his retirement as Chairman and from the board.

Litigation

The company is not party to any material litigation nor is it aware of any pending material litigation to which it may become party.

Material change

There has been no material change in the financial or trading position of the AngloGold Ashanti group since the publication of its results for the quarter and year ended 31 December 2009.

Material resolutions

Details of special resolutions and other resolutions of a significant nature passed by the company and its subsidiaries during the year under review, requiring disclosure in terms of the Listings Requirements of the JSE, are as follows:

Nature of resolution	Effective date
AngloGold Ashanti Limited	Passed at the annual general meeting held on 15 May 2009:
Approval to increase the authorised share capital of the company by the creation of 200,000,000 new ordinary shares of R0.25 each.	2 June 2009
Amendments of the company's articles of association to remove an inconsistency in article 86 relating to the calculation of the number of directors to retire by rotation and, in accordance with the proviso to section 302 of the Companies Act, 1973, as amended, to provide authority to make the financial statements available to shareholders in electronic format.	2 June 2009
AngloGold Ashanti Limited	Passed at the general meeting held on 30 July 2009:
Approval to place 15,384,615 ordinary shares in the authorised but unissued share capital of the company under the control of the directors, for purposes of the conversion of the \$732.5m, 3.50% convertible bonds due 2014, issued by AngloGold Ashanti Holdings Finance plc and irrevocably guaranteed by AngloGold Ashanti Limited.	30 July 2009

Annual general meetings

At the 65th annual general meeting held on 15 May 2009, shareholders passed ordinary resolutions relating to:

- the adoption of the financial statements for the year ended 31 December 2008;
- reappointment of Ernst & Young Inc. as auditors of the company;
- the re-election of Mr RP Edey, as a director of the company;
- the renewal of a general authority placing 5% of the unissued ordinary shares of the company under the control of the directors;
- the granting of a general authority to issue ordinary shares in the capital of the company for cash, subject to certain limitations in terms of the Listings Requirements of the JSE;
- increase in non-executive directors' fees;
- the granting of a general authority to the directors to allot and issue convertible bonds which may be converted into a maximum of 15,384,615 ordinary shares;
- increase in the authorised share capital of company by the creation of 200,000,000 new ordinary shares of R0.25 each; and
- amendment to the company's articles of association in order to remove an inconsistency in article 86, relating to the calculation of the number of directors to retire by rotation, and to make the financial statements of the company available to shareholders in electronic format in accordance with the proviso to section 302 of the Companies Act, 1973.

Details concerning the special resolution passed by shareholders at this meeting are disclosed above.

Notice of the 66th annual general meeting, which is to be held in the Auditorium, 76 Jeppe Street, Newtown, Johannesburg at 11:00 (South African time) on Friday, 7 May 2010, is enclosed as a separate document with the Abridged Report 2009. Additional copies of the notice of meeting may be obtained from the company's corporate contacts and the share registrars or they may be accessed from the company's website.

Directorate and secretary

The following movements to the board of directors took place during the period from 1 January 2009 to 31 December 2009.

Executive directors

There were no changes to the executive directorate during the year under review.

Non-executive directors

Mr RE Bannerman and Mr JH Mensah retired from the board effective 15 May 2009.

Professor LW Nkuhlu resigned from the board effective 5 May 2009 and was reappointed with effect from 1 June 2009.

The directors retiring by rotation at the forthcoming annual general meeting in terms of the articles of association are Mr FB Arisman, who offers himself for re-election, and Mr RP Edey, who will retire as Chairman of the board and as a member of the board from the conclusion of the annual general meeting of shareholders to be held on 7 May 2010.

Prof LW Nkuhlu, who was appointed as a director during the year, will retire at the annual general meeting and offers himself for re-election.

In terms of the company's memorandum and articles of association, there is no mandatory retirement age for non-executive directors. Non-executive directors do not hold service contracts with the company.

The names and biographies of the directors of the company are listed from page 44.

There was no change in the office of the Company Secretary.

Directors' interests in shares

The interests of the directors in the ordinary shares of the company at 31 December 2009, which did not individually exceed 1% of the company's issued ordinary share capital, were:

	Beneficial		Beneficial	
	Direct	Indirect	Direct	Indirect
	31 December 2009		31 December 2008	
Executive directors				
M Cutifani	10,000	–	10,000	–
S Venkatakrishnan	10,351	–	5,221	–
Total	20,351	–	15,221	–
Non-executive directors				
FB Arisman	–	4,984	–	4,984
RP Edey	–	3,063	–	3,063
LW Nkuhlu	–	800	–	800
Total	–	8,847	–	8,847
Grand total	20,351	8,847	15,221	8,847

There have been no changes in the above interests since 31 December 2009. A register detailing directors' and officers' interests in contracts is available for inspection at the company's registered and corporate office.

Annual financial statements

The directors are required by the South African Companies Act to maintain adequate accounting records and are responsible for the preparation of the annual financial statements, which fairly present the state of affairs of the company and the AngloGold Ashanti group at the end of the financial year, and the results of operations and cash flows for the year, in conformity with the Companies Act, 61 of 1973 and in terms of the JSE Listings Requirements.

In preparing the annual financial statements reflected in United States dollars and South African rands, the group has complied with International Financial Reporting Standards (IFRS) and used appropriate accounting policies supported by reasonable and prudent judgements and estimates. The directors are of the opinion that these financial statements fairly present the financial position of the company and the group at 31 December 2009, and the results of their operations and cash flow information for the year then ended.

AngloGold Ashanti, through its Executive Committee and Treasury Committee, reviews its short-, medium- and long-term funding, treasury and liquidity requirements and positions monthly. The board of directors also reviews these on a quarterly basis at its meetings.

Cash and cash equivalents at 31 December 2009 amounted to \$1,100m (2008: \$575m), and together with cash budgeted to be generated from operations in 2009 and the net incremental borrowing facilities available are, in management's view, adequate to fund operating, mine development and capital expenditure and financing obligations as they fall due for at least the next twelve months. Taking these factors into account, the directors of AngloGold Ashanti have formed the judgement that, at the time of approving the financial statements for the year ended 31 December 2009, it is appropriate to use the going concern basis in preparing these financial statements.

The external auditor, Ernst & Young Inc., is responsible for independently auditing and reporting on the financial statements in conformity with International Standards on Auditing and the Companies Act in South Africa. A copy of their unqualified report is available on request from the Company Secretary at the contact details shown at the end of this report.

To comply with requirements for reporting by non-US companies registered with the SEC, the company will prepare a set of financial statements in accordance with US Generally Accepted Accounting Principles (US GAAP) which must be filed with the SEC by no later than 30 June 2010. Copies of the annual report on Form 20-F will be made available once the filing has been finalised, on request, from the Bank of New York Mellon, or from the company's corporate office or its contacts as listed at the end of this report.

Under the Sarbanes-Oxley Act, the Chief Executive Officer and Chief Financial Officer are required to complete a group certificate stating that the financial statements and reports are not misleading and that they fairly present the financial condition, results of operations and cash flows in all material respects. The design and effectiveness of the internal controls, including disclosure controls, are also included in the declaration. As part of the process, a declaration is also made that all significant deficiencies and material weaknesses, fraud involving management or employees who play a significant role in internal control and significant changes that could impact on the internal control environment, are disclosed to the Audit and Corporate Governance Committee and the board.

Remuneration report

Remuneration policy

The Remuneration Committee sets and monitors executive remuneration for the company, in line with the executive remuneration policy. This policy has as its objectives to:

- attract, reward and retain executives of the highest calibre;
- align the behaviour and performance of executives with the company's strategic goals, in the overall interests of shareholders;
- ensure the appropriate balance between short-, medium- and long-term rewards and incentives, with the latter being closely linked to structured company performance targets and strategic objectives that are in place from time to time; and
- ensure that regional management is competitively rewarded within a global remuneration policy, which recognises both local and global market practice.

The company aims to be the leading gold mining company in the medium term and the leading mining company in the long term. In order to achieve this, the company must be in a position to attract the best talent available in the industry and its remuneration package must therefore be comparable to those of the leading mining companies globally. The remuneration policy is devised to support this business strategy.

In particular the Remuneration Committee is responsible for:

- the remuneration packages for executive directors and other members of the Executive Committee of the company including, but not limited to, basic salary, performance-based short- and long-term incentives, pensions, and other benefits; and
- the design and operation of the company's share option and other share incentive schemes.

The following principles are applied to give effect to the remuneration policy and to determine executive remuneration:

- To attract, reward and retain executives of the highest calibre, executive remuneration is benchmarked against a comparator group of global and selected South African mining and multi-national companies. The most recent benchmarking exercise conducted by independent consultants indicates that the total remuneration of the executive directors is close to the median of the comparator group, but the remuneration of the Executive Vice Presidents (EVPs) lags that of the peer group. Specific cash-based retention plans (settled after a three-year period) have been put in place to address this issue. However, a systemic adjustment of the remuneration levels for executives and senior management is required to ensure that the company's remuneration levels are consistent with global pay levels, and that the company can compete effectively in the global market.
- To ensure the appropriate balance between short-, medium- and long-term incentives, annual remuneration is a combination of base pay and short- and long-term incentives, with salary comprising about 35% – 45% of annual remuneration if the bonus and LTIP targets are achieved.
- To align the behaviour and performance of executives with the company's strategic goals, all incentive plans align performance targets with shareholder interests. The quantum of the short-term incentive and related bonus shares is determined with respect to current performance, while the vesting of the LTIP awards is determined with respect to company performance over the three years following the date of grant.

During 2009, the key remuneration decisions taken were as follows:

- In 2009, the Chief Executive Officer's initial two-year contract was replaced by a contract with a twelve-month notice period and his remuneration package restructured in accordance with the conditions of employment for permanent employees.
- The Chief Financial Officer's offshore payment was increased to cater for tax payable on this amount from 1 April 2009.

As a result of the benchmarking exercise mentioned above, adjustments in excess of South African inflationary increases were made to close the gap between the basic salaries of EVPs and the

comparator group median. The outcome of this review, as it affects EVP basic salaries, is explained further in this report.

In addition, PricewaterhouseCoopers was engaged to assess specifically, the company's compliance with King III from a remuneration perspective. Some steps will be taken in 2010 to align with the King III requirements in part, but work on this will be ongoing through 2010 to ensure compliance by 2011.

At the annual general meeting of shareholders to be held on 7 May 2010, shareholders will be asked to approve the policy as outlined in this report and that the board of directors be authorised to do all such acts as may be necessary to implement the remuneration policy for 2010 as summarised herein.

For full details on the Remuneration Committee, refer to the Directors' Report from page 48.

Executive remuneration

Executive remuneration takes into account remuneration paid to members of the Executive Committee. For full details on the Executive Committee, refer from page 44.

Executive directors' remuneration and the remuneration paid to the other members of the Executive Committee currently comprise the following elements:

- Basic salary;
- Pensions and risk benefits;
- Other benefits;
- Retention award;
- Short-term incentive; and
- Long-term incentive.

Each component is described in more detail below:

- **Basic salary** is subject to annual review by the Remuneration Committee and is reviewed with reference to the market data of a group of comparator companies in the South African and relevant international markets. The median of the comparator group is the primary point of reference for the remuneration policy. However, the transition from a primarily South African company to a global company has resulted in the actual remuneration of management below the executive director level, lagging significantly. The individual salaries of executive management are reviewed annually in accordance with their own performance, experience, responsibility and company performance.
- **Pensions and risk benefits:** There is a range of retirement funds to which executive management belong, which is dependent on the country in which they work and the individual's nationality. For example, South African executive management belong to the AngloGold Ashanti Pension Fund while executive management who are non-South African citizens but working in South Africa have the option of electing a retirement benefit in their country and currency of choice, in which case, the company contributes an amount equal to the contribution made for other AngloGold Ashanti executives. Death and disability cover reflects best practice amongst comparable employers in South Africa.
- **Other benefits:** Executive management are members of an external medical aid scheme, which covers the individual and his or her immediate family.
- **Bonus Share Plan (BSP)** is a short-term incentive plan under which award levels are determined with reference to the achievement of a set of stretched company and individual performance targets. For 2009, the company targets were based on performance measures including:
 - earnings per share (EPS);
 - cost control;
 - resource to reserve conversion; and
 - gold production.

A safety multiplier was also applied so that the safety record could be taken into account when determining the extent to which performance targets are achieved.

The weighting of the respective contribution of company and individual targets at the executive management level is 60% company and 40% individual.

The bonus paid comprises two separate parts:

- a cash bonus which is payable at the end of the relevant financial year (50%); and
- an equity bonus which is settled by way of a BSP award of equal value to the cash bonus.

The BSP awards vest over a two-year period and vesting is subject to the individual being in the employ of the group at the date of vesting. In respect of the BSP awards granted after 1 January 2008, 40% of the awards vest on the first anniversary from the date of grant and the remaining 60% of awards vest on the second anniversary from the date of grant. Provided that the individual has not exercised any BSP awards during the vesting period, he or she will be eligible to receive an additional 20% in BSP awards on the third anniversary from the date of grant.

The maximum bonus achievable under the BSP (expressed as a percentage of basic salary) is shown in the table below. For these purposes, basic salary includes offshore payments:

Position	Maximum bonus	On target bonus	On target cash bonus	On target BSP award face value at date of grant
Chief Executive Officer	160%	80%	40%	40%
Executive directors	140%	70%	35%	35%
Executive management	120%	60%	30%	30%
Other management	100%	50%	25%	25%

In respect of 2009, the performance targets imposed on BSP awards (cash bonus and share awards) were achieved at a level of 79.66%. The payments made under the BSP in respect of the 2009 financial year to executive management are disclosed in this Remuneration Report.

In respect of the 2010 BSP awards, the performance targets to be satisfied will be based on the targets summarised above and no changes to the maximum bonuses or on-target bonuses are proposed.

Cash payments, equal in value to the dividends which would have been paid had actual shares been issued during the vesting period, were made when the BSP awards granted in 2006 vested during 2009.

- **Long-Term Incentive Plan (LTIP):** The objective of the LTIP is to align the interests of the executive management with those of the company and the shareholders over the medium to long term.

Under the LTIP, executive management are granted a right to receive shares in the company, subject to performance conditions being achieved, over the specified performance period and continued employment with the group.

The performance targets used for the vesting of the LTIP awards are determined annually by the Remuneration Committee and link directly to the company's strategy. The LTIP awards are granted with a three-year vesting period. For awards granted in 2009, the company targets were based on measures including:

- EPS;
- total shareholder return (TSR) against a comparator group of gold mining companies;
- safety; and
- resource generation.

LTIP awards will vest on the following basis for the 2009 and 2010 awards:

1. **Earnings per share** (30% weighting)

EPS growth of at least 2%, net of US inflation per year over the three-year vesting period. Partial vesting occurs at 2% growth per year and full vesting at 5% growth per year.

2. **Total shareholder return** (30% weighting)

TSR relative to four global gold companies, Barrick, Gold Fields, Harmony and Newmont. For vesting of the 2009 and 2010 LTIP awards to occur, the company's TSR has to be at least equal to the third place performer from the comparator group for partial vesting, and second or better for full vesting.

3. **Strategic target** (40% weighting)

The strategic target is divided into two parts:

i) *Safety performance* (20% weighting)

The company's safety performance has become the primary strategic target from an operating perspective and it is essential that the company's performance shows significant improvement. The target is a 20% year-on-year improvement in the fatal injury frequency rate (FIFR) and in the lost-time injury frequency rate (LTIFR) during the period. For partial vesting, a minimum improvement of 10% per year must be achieved.

ii) *Reserve and resource ounce generation* (20% weighting)

The target per annum is at least 9Moz at the measured and indicated resource level, and 5Moz at the published reserve level for full vesting, and 7Moz and 3Moz respectively for partial vesting.

In this context, partial vesting means that 50% of the weighted target is achieved (except in the case of TSR where partial vesting means a 40% achievement of target) while full vesting results in a 100% achievement.

The value of awards which may be granted under the LTIP by reference to the face value of the awards as at the date of grant and expressed as a percentage of basic salary, is shown in the table below. In this context, "face value" means the value of the award at the current share price (i.e. share price x number of shares under award) and "expected value" means the future value of the award taking into account the probability of the performance targets being achieved – an estimated probability of 60% has been applied for this purpose. In this context, basic salary includes offshore payments:

Position	Maximum face value	Maximum expected value
Chief Executive Officer	120%	72%
Executive directors	100%	60%
Executive management	80%	48%
Other management	80%	48%

The LTIP awards granted in respect of the 2010 financial year to executive management are disclosed in this Remuneration Report under the Share Incentive Scheme section.

In respect of the LTIP awards granted in 2007 which vested during 2010, 56% of the award vested following the testing of the performance conditions. Further details are disclosed herein.

In respect of the LTIP awards granted in 2010, the performance targets to be satisfied will be based on the targets summarised above and no changes to the maximum face value or maximum expected value of awards are proposed.

At the discretion of the Remuneration Committee, a cash payment, equal in value to the dividends which would have been paid had actual shares been issued during the vesting period, will be made to employees to whom LTIP awards were granted, to the extent that these LTIP awards vest after the performance conditions have been tested.

Directors' service contracts

Service contracts of executive directors are reviewed annually. Mark Cutifani, as Chief Executive Officer, has a 12-month notice period while the notice period for the Chief Financial Officer, Srinivasan Venkatakrishnan, is nine months. Executive Vice Presidents have a six-month notice period while Senior Vice Presidents and Vice Presidents have three-month notice periods. The contracts also provide for a payment of 24 months' salary in the case of the Chief Executive Officer; 18 months in the case of the Chief Financial Officer and 12 months in the case of other executive management in the event of a material change in role, responsibilities or remuneration, including loss of employment, following a new shareholder assuming control of the company.

Non-executive directors' remuneration

At the annual general meeting of shareholders to be held on 7 May 2010, shareholders will be asked to consider an increase to the fees payable to non-executive directors. The resolutions for consideration will be included in the notice of meeting which will be sent to shareholders together with the Abridged Report.

The reason for proposing an increase in non-executive directors' remuneration is to ensure that the fees paid remain competitive in order to enable the company to attract and retain persons of the calibre required to make meaningful contributions to the company, given its global spread and growth aspirations and having regard to the appropriate capability, skills and experience required. A recent benchmarking exercise undertaken by PricewaterhouseCoopers has indicated that the current levels of non-executive fees remain well below the lower quartile of the comparator group, particularly when considering market practice outside South Africa and taking into account the fact that several non-executive directors are based internationally. The requirement of competing in the global market, and compliance with increasing onerous and complex international governance and regulatory requirements, requires flexibility to attract non-executives of international standing. The above proposal falls short of recognising the global responsibility that the directors share for the governance of the group with business in diverse jurisdictions, but it seeks to better reflect market practice in the director's region of residence.

In arriving at the proposal to increase non-executive directors' remuneration, the Chief Executive Officer, in consultation with the Chairman and Executive Vice President – Human Resources of the company, directed PricewaterhouseCoopers to review non-executive directors' fees for comparable international South African companies and international companies. The results of the review indicated that the remuneration paid to the non-executive directors of the company was, with respect to the South African comparator group, at the upper quartile and with respect to the international comparator group, below the lower quartile. The proposals are based on adjusting the fee levels for non-executive directors to the median of the applicable market – using South African market data for the resident non-executive directors, and market data from North America, the UK and Australia for non-resident directors outside Africa. The fees for non-resident non-executive directors residing in Africa have been set to a similar level to those directors resident in South Africa.

The Remuneration Committee, having taken due consideration of the review, recommend for approval by the shareholders, the remuneration for the Chairman, while the Chairman, together with the Chief Executive Officer and the Chief Financial Officer, recommend for approval by the shareholders, the remuneration for the non-executive directors. Prior to these proposed changes, the remuneration of the non-executive directors has been unchanged since the annual general meeting held in May 2009.

In light of all of these factors, the proposed revised remuneration structure is considered to be fair and reasonable and in the best interests of the company.

The proposals to be made regarding non-executive directors' remuneration are detailed below:

1 Non-executive directors' fees

Board	Current fee per annum	Increased fee per annum
1.1 Chairman	\$180,000	R1,520,300
1.2 Deputy Chairman	R600,000	R650,000
1.3 South African resident directors	R250,000	R270,000
1.4 Non-South African resident directors who are resident in Africa	\$25,000	\$33,750
1.5 Non-South African resident directors who are resident in jurisdictions other than Africa	\$40,000	\$60,000

The remuneration payable will be in proportion to the period during which office is held.

2 Allowance for attendance by non-executive directors at additional board meetings

Each non-executive director will be entitled to an allowance for each board meeting attended by such director in addition to the six scheduled board meetings per annum, as follows:

Board	Current fee per meeting	Increased fee per meeting
2.1 Chairman	\$9,000	R78,000
2.2 Deputy Chairman	R30,000	R32,400
2.3 South African resident directors	R12,500	R16,000
2.4 Non-South African resident directors who are resident in Africa	\$1,250	\$2,000
2.5 Non-South African resident directors who are resident in jurisdictions other than Africa	\$2,000	\$3,000

3 Board committee fees payable to non-executive directors

The fee paid to each non-executive director in respect of membership of a committee of the board is to be increased with effect from 1 June 2010 on the basis set out below. The fees payable in respect of "other committees" pertain to the following committees which meet on a quarterly basis:

- Investment;
- Remuneration;
- Safety, Health and Sustainable Development; and
- Transformation and Human Resource Development.

Board committee	Current fee per annum	Increased fee per annum
Audit and Corporate Governance Committee		
3.1 Chairman – South African resident	R150,000	R160,000
3.2 Member – South African resident	R125,000	R135,000
3.3 Member – Non-South African resident who is resident in Africa ⁽¹⁾	R125,000	\$16,875
3.4 Member – Non-South African resident who is resident in jurisdictions other than Africa	R125,000	\$25,315
Other committees		
3.5 Chairman – South African resident	R120,000	R130,000
3.6 Chairman – Non-South African resident who is resident in Africa ⁽¹⁾	R120,000	\$16,250
3.7 Chairman – Non-South African resident who is resident in jurisdictions other than Africa	R120,000	\$25,000
3.8 Member – South African resident	R100,000	R110,000
3.9 Member – Non-South African resident who is resident in Africa ⁽¹⁾	R100,000	\$13,750
3.10 Member – Non-South African resident who is resident in jurisdictions other than Africa	R100,000	\$20,000

(1) Non-South Africans who are resident in Africa will receive the \$ equivalent of the South African resident fees, converted at a rate of R8/\$.

4 Ad hoc committee fees payable to non-executive directors

Each non-executive director will be entitled to an allowance for each ad hoc committee meeting attended. Ad hoc committees are those committees which meet on an as needs basis, namely the Party Political Donations Committee, the Nominations Committee and any special purpose committee established by the board.

Board	Current fee per meeting	Increased fee per meeting
4.1 South African resident	R15,000	R16,200
4.2 Non-South African resident who is resident in Africa ⁽¹⁾	R15,000	\$2,025
4.3 Non-South African resident who is resident in jurisdictions other than Africa	R15,000	\$3,000

(1) Non-South Africans who are resident in Africa will receive the \$ equivalent of the South African resident fees, converted at a rate of R8/\$.

5 Travel allowance to attend board meetings

The travel allowance, as detailed below, remains unchanged from that approved by shareholders at the annual general meeting held on 15 May 2009.

- 5.1 \$10,000 per board meeting for the Chairman, when based internationally;
- 5.2 \$6,000 per board meeting for non-South African resident directors who are resident in Africa; and
- 5.3 \$8,000 per board meeting for non-South African resident directors who are resident in jurisdictions other than Africa.

Below are the schedules detailing the remuneration paid or payable to non-executive and executive management for services rendered during the 2009 financial year.

Non-executive directors' remuneration

The following table details fees and allowances paid to non-executive directors:

All figures stated to the nearest R000 ⁽¹⁾	Appointed with effect from ⁽²⁾	Resigned/ retired with effect from ⁽²⁾	Directors' fees ⁽³⁾	Com- mittee fees	Travel ⁽⁴⁾	Total	Directors' fees ⁽³⁾	Com- mittee fees	Travel ⁽⁴⁾	Total
	2009	2009	2009			2008				
RP Edey (Chairman)			1,626	318	314	2,258	1,274	266	219	1,759
Dr TJ Motlatsi (Deputy Chair)			560	273	-	833	360	160	-	520
FB Arisman			315	303	208	826	212	275	170	657
RE Bannerman		15 May 09	121	68	88	277	212	100	219	531
Mrs E le R Bradley		6 May 08	-	-	-	-	45	42	-	87
JH Mensah		15 May 09	121	100	38	259	212	175	170	557
WA Nairn			227	288	-	515	135	160	-	295
Prof LW Nkuhlu ⁽⁵⁾		See note ⁽⁵⁾	240	260	-	500	135	225	-	360
SM Pityana			227	393	-	620	135	279	-	414
SR Thompson		28 July 08	-	-	-	-	117	133	40	290
Total - non-executive directors			3,437	2,003	648	6,088	2,837	1,815	818	5,470

Rounding may result in computational differences.

⁽¹⁾ Where directors' compensation is in dollars, the amounts reflected are the actual South African rand values paid calculated using the R:\$ rate of exchange at the time of payment.

⁽²⁾ Fees are disclosed only for the period from or to which, office is held.

⁽³⁾ At the annual general meeting of shareholders held on 15 May 2009, shareholders approved an increase in directors fees with effect from 1 June 2009

	For six meetings	Additional per meeting	Travel ⁽⁴⁾
- Chairman	\$180,000	\$9,000	\$10,000
- Deputy Chairman	R600,000	R30,000	-
- South African resident directors	R250,000	R12,500	-
- Non-South African directors			
- Living in Africa	\$25,000	\$1,250	\$6,000
- Living other than in Africa	\$40,000	\$2,000	\$8,000

The fees payable in respect of committees were approved by the board.

⁽⁴⁾ A travel allowance per board meeting is paid to non-executive directors who travel internationally to attend board meetings. In addition, AngloGold Ashanti is liable for the payment of all travel costs.

⁽⁵⁾ Prof. Nkuhlu resigned from the board with effect from 5 May 2009 and rejoined the board on 1 June 2009.

Executive directors do not receive payment of directors' fees or committee fees.

Non-executive directors are not eligible to participate in the Share Incentive Scheme.

Executive directors' and executive management remuneration

Executive director and executive management remuneration is made up as follows:

All figures in R000	Appointed with effect from ⁽¹⁾	Resigned/ retired with effect from ⁽¹⁾	Perfor- mance related pay- ments ⁽²⁾	Pension scheme contri- butions	Other benefits ⁽³⁾	En- cashed leave ⁽⁴⁾	Sub total	Pre-tax gains on share options exercised ⁽⁵⁾	Total
	Salary								
2009									
Executive directors' remuneration									
M Cutifani	Full year	10,807	7,627	1,913	634	-	20,981	-	20,981
S Venkatakrishnan	Full year	6,552	4,297	1,199	1,948	-	13,996	2,621	16,617
		17,359	11,924	3,112	2,582	-	34,977	2,621	37,598
Executive management remuneration									
Representing 10 executive managers									
	Full year	37,635	17,002	4,510	10,135	394	69,676	20,370	90,046
Total executive directors, and executive management remuneration 2009									
		54,994	28,926	7,622	12,717	394	104,653	22,991	127,644
2008									
Executive directors' remuneration									
M Cutifani	Full year	9,513	5,877	1,477	24	-	16,891	-	16,891
S Venkatakrishnan	Full year	5,585	3,613	1,004	-	-	10,202	1,837	12,039
		15,098	9,490	2,481	24	-	27,093	1,837	28,930
Executive management's remuneration 2008									
Representing 11 executive managers									
		31,771	14,541	5,135	1,194	496	53,137	1,584	54,721
Total executive directors, and executive management remuneration 2008									
		46,869	24,031	7,616	1,218	496	80,230	3,421	83,651

Rounding of figures may result in computational discrepancies.

⁽¹⁾ Salaries are disclosed only for the period from or to which office was held.

⁽²⁾ In order to more accurately disclose remuneration received/receivable by executive directors and executive management, the tables above include the performance related payments calculated on the year's financial results.

⁽³⁾ Includes health care, retention payments and personal travel.

⁽⁴⁾ In 2005, AngloGold Ashanti altered its policy regarding the number of leave days that may be accrued. As a result, surplus leave days accrued are compulsorily encashed.

⁽⁵⁾ Mr Venkatakrishnan applied all of the proceeds after tax from the sale of his share options to acquire 5,130 ordinary shares (2008: 4,569) in AngloGold Ashanti. Of the 92,452 share options exercised by the executive management, the proceeds from the sale of 48,595 options were used to acquire 16,911 ordinary shares in AngloGold Ashanti (2008: of the 15,563 options exercised, proceeds from the sale of 12,963 shares were used to acquire 2,304 ordinary shares in AngloGold Ashanti).

Share incentive schemes

Details of the options and rights to subscribe for ordinary shares in the company granted to, and exercised by, executive directors, as well as executive management and other managers on an aggregate basis during the year to 31 December 2009 and subsequent to year-end are set out in the table below.

	M Cutifani	Venkat ⁽¹⁾	Executive management ⁽²⁾	Other management	Total scheme
Granted and outstanding at 1 January 2009					
Number ⁽³⁾	39,440	62,027	433,488	2,906,841	3,441,796
<i>Granted during the year</i>					
Number	60,687	36,029	172,020	932,379	1,201,115
<i>Exercised during the year</i>					
Number	–	8,564	92,452	1,030,900	1,131,916
Pre-tax gain at date of exercise (value) – R	–	2,620,858	20,369,930	169,444,948	192,435,736
<i>Lapsed during the year</i>					
Number	–	7,308	27,123	248,880	283,311
Held at 31 December 2009					
Number	100,127	82,184	485,933	2,559,440	3,227,684 ⁽⁴⁾
Subsequent to year-end – to 31 January 2010					
<i>Granted</i>					
Number	–	–	–	–	–
<i>Exercised</i>					
Number	–	–	–	33,282	33,282
Pre-tax gain at date of exercise (value) – R	–	–	–	8,502,546	8,502,546
<i>Lapsed</i>					
Number	–	–	–	6,662	6,662
Held at 31 January 2010					
Number	100,127	82,184	485,933	2,519,496	3,187,740
Latest expiry date	16 Feb 2019	16 Feb 2019	16 Feb 2019	16 Feb 2019	16 Feb 2019

⁽¹⁾ Mr Venkatakrishnan (Venkat) applied all of the proceeds after tax from the sale of his share options to acquire 5,130 ordinary shares (2008: 4,569) in AngloGold Ashanti.

⁽²⁾ Of the 92,452 options exercised by the executive management, the proceeds from the sale of 48,595 options were used to acquire 16,911 ordinary shares in the company.

⁽³⁾ As a result of the change in status, the following movements to opening balances were made:

- From executive management status to other managers – 17,099 options/awards.

⁽⁴⁾ Of the 3,227,684 options/awards granted and outstanding at 31 December 2009, 983,094 options/awards are fully vested.

⁽⁵⁾ Awards granted to executive directors and executive management in February 2010 are as follows:

	BSP	LTIP
M Cutifani	27,146	50,548
Venkat	15,074	25,543
Total executive management	102,164	167,609

For full details of the AngloGold Share Incentive Scheme, including the number of shares used in the scheme and dilution to shareholders in this regard, refer to the Directors' Report from page 48.

Shareholder information

Shareholders at 31 December

According to information available to the directors, the following are the only shareholders holding, directly or indirectly, in excess of 5% of the ordinary share capital of the company:

	Ordinary shares held			
	31 December 2009		31 December 2008	
	Number	%	Number	%
The Bank of New York Mellon*	176,762,305	48.79	111,178,529	31.45
Paulson & Co., Inc	42,849,864	11.83	-	-
Allan Gray Unit Trust Management Limited	36,689,809	10.13	42,865,757	12.13
Anglo American plc (AAplc)	-	-	57,175,183	16.17
Public Investment Corporation	See below		19,543,308	5.53

* Shares held through various custodians in respect of ADSs issued by the Bank.

Top 20 shareholders

The 20 largest holders of the ordinary share capital of the company as at 31 December 2009 were:

	Ordinary shares held	
	Number	%
Paulson & Co., Inc.	42,849,864	11.83
Allan Gray Unit Trust Management Limited	36,689,809	10.13
Public Investment Corp. of South Africa	17,308,397	4.78
Fidelity Management & Research	12,862,911	3.55
NWQ Investment Management Co. LLC	12,312,563	3.40
Government of Ghana	11,257,076	3.11
Blackrock Investment Management (UK) Limited	11,149,791	3.08
Tradewinds Global Investors LLC	10,268,839	2.83
Wellington Management Co. LLP	9,561,952	2.64
Van Eck Global	8,093,941	2.23
Franklin Advisers, Inc.	6,980,170	1.93
Northern Cross LLC	6,477,485	1.79
First State Investments International (UK) Limited	6,358,158	1.76
Old Mutual Investment Group South Africa (Pty) Limited	6,156,943	1.70
Sanlam Investment Management (Pty) Limited	4,864,331	1.34
BlackRock Global Investors	4,818,759	1.33
Investec Asset Management (Pty) Limited (South Africa)	4,451,553	1.23
Capital International, Inc.	4,422,127	1.22
T. Rowe Price Associates, Inc.	4,249,194	1.17
Vanguard Group Inc.	4,122,260	1.14

The above list of shareholders may not necessarily reflect the beneficial shareholders.

Analysis of ordinary shareholdings At 31 December 2009

Size of shareholding	Number of shareholders	% of total shareholders	Number of shares issued	% of shares
1 – 100	2,801	28.87	151,085	0.04
101 – 500	4,306	44.38	975,300	0.27
501 – 1,000	791	8.15	593,816	0.16
1,001 – 5,000	898	9.26	2,009,164	0.55
5,001 – 10,000	202	2.08	1,452,769	0.40
10,001 – 100,000	495	5.10	17,769,892	4.91
Over 100,000	209	2.15	339,288,643	93.66
Total	9,702	100.00	362,240,669	100.00

Shareholder spread At 31 December 2009

Pursuant to the Listings Requirements of the JSE, with the best knowledge of the directors and after reasonable enquiry, the spread of shareholders was as follows:

Class	Number of shares	% of shares issued	Number of holders	%
Ordinary shares				
Non-public shareholders:				
– Directors	29,198	0.01	5	0.80
– Strategic holdings	11,257,076	3.11	1	3.11
Public shareholders	350,954,395	96.89	9,696	96.09
Total	362,240,669	100.00	9,702	100.00

A redeemable preference shares
B redeemable preference shares

} All shares are held by a wholly owned subsidiary company

Stock exchange listings

The primary listing of the company's ordinary shares is on the JSE Limited (JSE). Its ordinary shares are also listed on stock exchanges in London, Paris and Ghana, as well as being quoted in Brussels in the form of International Depository Receipts (IDRs), in New York in the form of American Depository Shares (ADSs), in Australia, in the form of CHESS Depository Interests⁽¹⁾ (CDIs) and in Ghana, in the form of Ghanaian Depository Shares (GhDSs).

Stock exchange information at 31 December

	2009	2008	2007	2006	2005
JSE (Share code: ANG)					
Rands per share:					
Market price					
– high	369.00	349.00	358.89	387.00	319.90
– low	232.06	150.11	254.00	247.00	187.00
– year end	306.29	252.00	293.00	329.99	314.00
Shares traded	376,590	306,655	216,717	131,476	88,946
London Stock Exchange (Share code: AGD)					
Pounds per share:					
Market price					
– high	28.53	23.08	23.15	34.72	28.25
– low	16.64	9.93	18.43	17.50	11.00
– year end	27.06	16.66	21.25	20.55	26.04
Shares traded	643	5	648	421	259
Euronext Paris (Share code: VA)					
Euros per share:					
Market price					
– high	31.40	34.79	37.95	52.15	42.00
– low	17.54	10.46	25.21	28.00	24.18
– year end	28.85	18.20	29.05	35.40	41.29
Shares traded	1,102	1,926	1,609	1,209	855
Ghana Stock Exchange (Share code: AGA) (listing commenced 27 April 2004)					
Cedis per share: ⁽¹⁾					
Market price					
– high	30.00	30.00	30.00	30.00	30.00
– low	30.00	30.00	30.00	30.00	30.00
– year end	30.00	30.00	30.00	30.00	30.00
Shares traded	118	–	–	1	–
Euronext Brussels (Share code: ANG)					
Euros per IDR:					
Market price					
– high	31.04	34.75	37.55	51.00	41.30
– low	16.83	10.58	25.90	28.10	24.50
– year end	27.85	19.05	30.00	36.00	41.30
IDRs traded	807	681	704	1,028	711
Each IDR is equal to one ordinary share					
New York Stock Exchange (Share code: AU)					
US dollars per ADS:					
Market price					
– high	47.52	51.35	49.88	62.20	49.88
– low	27.88	13.37	33.80	35.58	30.50
– year end	40.18	27.71	42.81	47.09	49.33
ADSs traded	706,541	588,403	352,041	348,040	191,698
Each ADS is equal to one ordinary share					
Australian Stock Exchange (Share code: AGG)					
Australian dollars per CDI:					
Market price					
– high	11.50	11.31	12.37	16.40	13.60
– low	6.80	4.25	8.85	9.75	7.95
– year end	9.00	7.60	10.10	11.90	13.40
CDIs traded	6,574	5,854	14,993	5,424	13,691
Each CDI is equal to one-fifth of one ordinary share					
Ghana Stock Exchange (Share code: AADS) (listing commenced 27 April 2004)					
Cedis per GhDS: ⁽²⁾					
Market price					
– high	0.35	0.35	0.30	0.31	0.30
– low	0.30	0.35	0.30	0.30	0.30
– year end	0.30	0.35	0.30	0.31	0.30
GhDSs traded	477	183	–	–	20
Each GhDS is equal to one-hundredth of one ordinary share					

⁽¹⁾ Clearing House Electronic Sub-register System.

⁽²⁾ Adjusted to address change in currency.

Shareholders' diary

Financial year-end		31 December 2009
Annual financial statements	posting on or about	26 March 2010
Annual general meeting	11:00 SA time	7 May 2010
Quarterly reports		Released on or about
– Quarter ended 31 March 2010		7 May 2010
– Quarter ended 30 June 2010		12 August 2010
– Quarter ended 30 September 2010		11 November 2010
– Quarter ended 31 December 2010		*10 February 2011

* Approximate dates.

Dividends

Dividend number	Date dividend declared	Last date to trade ordinary shares cum dividend	Payment date to shareholders	Payment date to ADS holders
Interim – number 106	29 July 2009	14 August 2009	28 August 2009	8 September 2009
Final – number 107	16 February 2010	5 March 2010	19 March 2010	29 March 2010
Interim – number 108	*10 August 2010	*27 August 2010	*10 September 2009	*20 September 2010

* Approximate dates.

Dividend policy

Dividends are proposed by, and approved by the board of directors of AngloGold Ashanti, based on the interim and year-end financial statements. Dividends are recognised when declared by the board of directors of AngloGold Ashanti. AngloGold Ashanti expects to continue to pay dividends, although there can be no assurance that dividends will be paid in the future or as to the particular amounts that will be paid from year to year. The payments of future dividends will depend upon the Board's ongoing assessment of AngloGold Ashanti's earnings, after providing for long term growth and cash/debt resources, the amount of reserves available for dividend using going concern assessment and restrictions placed by the conditions of line convertible bond and other debt facilities and other factors.

Withholding tax

On 21 February 2007, the South African Government announced a proposal to replace the Secondary Tax on Companies with a 10% withholding tax on dividends and other distributions payable to shareholders. This proposal is expected to be implemented in 2010. Although this may reduce the tax payable by the South African operations of the group, thereby increasing distributable earnings, the withholding tax will generally reduce the amount of dividends or other distributions received by AngloGold Ashanti shareholders.

Annual general meeting

Shareholders on the South African register who have dematerialised their shares in the company (other than those shareholders whose shareholding is recorded in their own names in the sub-register maintained by their CSDP) and who wish to attend the annual general meeting in person, will need to request their CSDP or broker to provide them with the necessary authority in terms of the custody agreement entered into between them and the CSDP or broker.

Voting rights

The articles of association provide that every member present at a meeting in person or, in the case of a body corporate, represented, is entitled to one vote only on a show of hands. Upon a poll, members present or any duly appointed proxy shall have one vote for every share held. There are no limitations on the right of non-South African shareholders to hold or exercise voting rights attaching to any shares of the company. CDI holders are not entitled to vote in person at meetings, but may vote by way of proxy.

Options granted in terms of the share incentive scheme do not carry a right to vote.

Change of details

Shareholders are reminded that the onus is on them to keep the company, through its nominated share registrars, apprised of any change in their postal address and personal particulars. Similarly, where shareholders received dividend payments electronically (EFT), they should ensure that the banking details which the share registrars and/or CSDPs have on file are correct.

Annual financial statements

Should you wish to receive a printed copy of our 2009 annual financial statements, please request same from the contact persons listed on either the inside back cover of this report or on the company's website.

Administration information

AngloGold Ashanti Limited

Registration No. 1944/017354/06

Incorporated in the Republic of South Africa

Share codes:

ISIN: ZAE000043485

JSE:	ANG
LSE:	AGD
NYSE:	AU
ASX:	AGG
GhSE (Shares):	AGA
GhSE (GhDS):	AAD
Euronext Paris:	VA
Euronext Brussels:	ANG

JSE Sponsor: UBS

Auditors: Ernst & Young Inc.

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Directors

Executive

M Cutifani** (Chief Executive Officer)
S Venkatakrishnan* (Chief Financial Officer)

Non-Executive

RP Edey* (Chairman)
Dr TJ Motlatsi† (Deputy Chairman)
FB Arisman#
WA Nairn†
Prof LW Nkulu†
SM Pityana†

* British # American
** Australian † South African

Officers

Company Secretary: Ms L Eatwell

Investor Relations

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Company secretarial E-mail

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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.

Share Registrars

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web.queries@computershare.co.za

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or +1 201 680 6578 (outside USA)
E-mail: shrelations@mellon.com
Website:
www.bnymellon.com/shareowner

Global BuyDIRECTSM

BoNY maintains a direct share purchase and dividend reinvestment plan for AngloGold Ashanti.
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www.anglogoldashanti.com