

# Glossary of terms

<b>By-products</b>	Any products that emanate from the core process of producing gold, including silver, uranium and sulphuric acid.
<b>Capital employed</b>	Shareholders' equity including outside shareholders' interests in subsidiaries, interest bearing debt, deferred taxation less long-term loans and current portion of long-term loans, adjusted for the timing of acquisitions and disposals. Where average capital employed is referred to, this is the average of the figures at the beginning and the end of the financial year.
<b>Capital expenditure</b>	Total capital expenditure on mining assets to maintain and expand operations.
<b>Dividend cover</b>	Earnings per ordinary share divided by dividends per ordinary share.
<b>Debt</b>	Borrowings including short-term portion, plus debentures.
<b>Effective tax rate</b>	Current and deferred taxation as a percentage of net profit before taxation.
<b>Equity</b>	Shareholders' equity and deferred taxation, adjusted for the timing of acquisitions and disposals. Where average equity is referred to, this is calculated by averaging the figures at the beginning and end of the financial year.
<b>Interest cover</b>	Profit before exceptional items, net interest and amortisation of mining assets divided by interest paid.
<b>Life-of-mine</b>	Number of years that the operation is planning to mine and treat ore, and is taken from the current mine plan.
<b>Market capitalisation</b>	Number of ordinary shares in issue at close of business on 31 December multiplied by the closing share price as quoted on the JSE Securities Exchange South Africa.
<b>Mineral resource</b>	A mineral resource is a concentration or occurrence of material of economic interest in or on the earth's crust in such form, quality and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a mineral resource are known, estimated from specific geological evidence and knowledge, or interpreted from a well-constrained and portrayed geological model. Mineral resources are subdivided, in order of increasing geological confidence, into inferred, indicated and measured categories. The mineral resources are inclusive of those resources which have been modified to produce ore reserves.
<b>Net operating assets</b>	Mining assets, inventories, trade and other receivables (excluding Value Added Taxation), less trade and other payables.
<b>Ore reserves</b>	An ore reserve is the economically mineable material derived from a measured and/or indicated mineral resource. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments have been carried out, including consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified. Ore reserves are sub-divided in order of increasing confidence into probable ore reserves and proved ore reserves.
<b>Ounces</b>	Used in imperial statistics. A kilogram is equal to 32.1507 ounces.
<b>Region</b>	Defines the operational management divisions within AngloGold and these are Africa (the continent excluding South Africa), Australasia, North America, South Africa and South America.
<b>Return on capital employed</b>	Profit before interest paid, expressed as a percentage of average capital employed.
<b>Return on shareholders' equity</b>	Profit expressed as a percentage of the average equity.
<b>Total cash costs</b>	Total cash costs include site costs for all mining processing and administration, as well as contributions from by-products but are exclusive of royalties, production taxes, amortisation, rehabilitation, corporate administration costs, capital costs and exploration.
<b>Total production costs</b>	Total cash costs including production taxes, amortisation, rehabilitation and retrenchment costs.
<b>Weighted average number of ordinary shares in issue</b>	The number of ordinary shares in issue at the beginning of the year, increased by shares issued during the year, weighted on a time basis for the period during which they have participated in the income of the group.