

Review of operations – Guinea

AngloGold Ashanti has one gold mining operation, Siguiri, in the Republic of Guinea. Siguiri produced 280,000 attributable ounces of gold in 2007, equivalent to 5% of group production.

Siguiri		2007	2006	2005
Pay limit	(oz/t)	0.03	0.03	0.02
	(g/t)	0.95	0.94	0.55
Recovered grade*	(oz/t)	0.031	0.032	0.035
	(g/t)	1.05	1.08	1.21
Gold production	(000oz) – 100%	330	301	289
	– 85%	280	256	246
Total cash costs	(\$/oz)	464	399	301
Total production costs	(\$/oz)	599	552	414
Adjusted gross profit	(\$m) – 100%	14	4	15
	– 85%	9	–	12
Capital expenditure	(\$m) – 100%	21	16	36
	– 85%	18	14	31
Total number of employees		2,917	2,708	1,978
Employees		1,537	1,541	1,170
Contractors		1,380	1,167	808

* open-pit operations

Siguiri

Description: AngloGold Ashanti has an interest of 85% in Siguiri and the government of Guinea, 15%. The Siguiri mine is a conventional open-pit operation situated in the Siguiri district in the north-east of the Republic of Guinea, West Africa, about 850 kilometres from the capital city of Conakry. The nearest major town is Siguiri (some 50,000 inhabitants), located on the banks of the Niger River. All ore and waste is mined by a mining contractor and the ore is processed using carbon-in-pulp (CIP) and heap-leach processes. Siguiri mines two types of gold deposits, laterite and in situ quartz-vein related mineralisations.

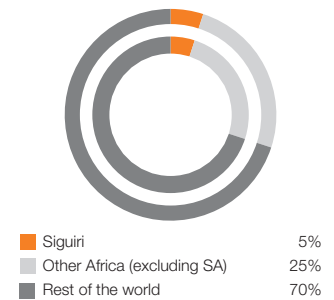
Safety: Overall safety standards improved at Siguiri with an LTIFR for the year of 0.41 per million hours worked (2006: 0.77). No fatalities were recorded.

Operating review: Attributable production increased by 9% to a record 280,000 ounces in 2007 (2006: 256,000 ounces), which was more than had been planned.

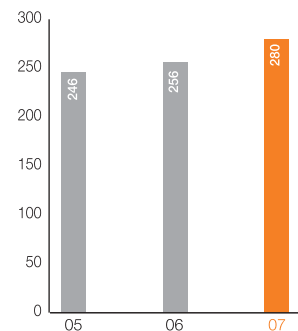
Total cash costs were again considerably higher at \$464/oz (2006: \$399/oz), due to higher royalty payments which are a function of the significantly higher gold price, and higher fuel costs. Siguiri is currently in discussion with the Guinean government regarding the relationship between fuel prices and the exchange rate. Compounding the problem of rising costs is that the increase in local labour costs, together with the appreciation of the Guinean franc against the dollar, has changed the cost profile and labour costs now account for a greater proportion of total costs.



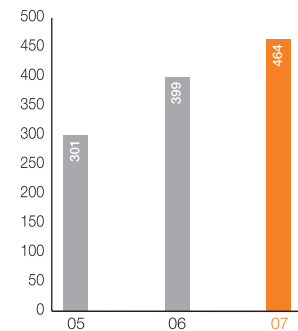
Contribution to attributable group production in 2007 (%)



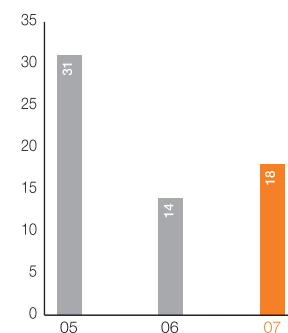
Gold production (000oz) attributable Siguiri



Total cash costs (\$/oz) Siguiri



Capital expenditure (\$m) attributable Siguiri



The CIP plant had a consistently good operation in 2007. A total of 9.8 million tonnes of ore was processed for the year with plant availability of 91.6% and a recovery rate of 94.2%.

Adjusted gross profit for the year increased to \$9 million having broken even in 2006. The increase in the gold price received for the year had a beneficial effect on profits and helped to offset increases in production costs. Attributable capital expenditure for the year amounted to \$18 million.

Growth prospects: It is expected, with the exploration at Kintinian and Sintroko nearing completion, that an additional 1.3 million ounces will be converted to reserves in early 2008. Regarding the CIP plant, the design of a second gravity concentrator and de-gritting facilities are being finalised and will be installed during 2008; these are expected to improve productivity.

Outlook: Attributable gold production for 2008 is projected to be between 260,000 and 270,000 ounces with total cash cost ranging from \$475/oz to \$485/oz. Capital expenditure of \$16 million is scheduled for 2008.