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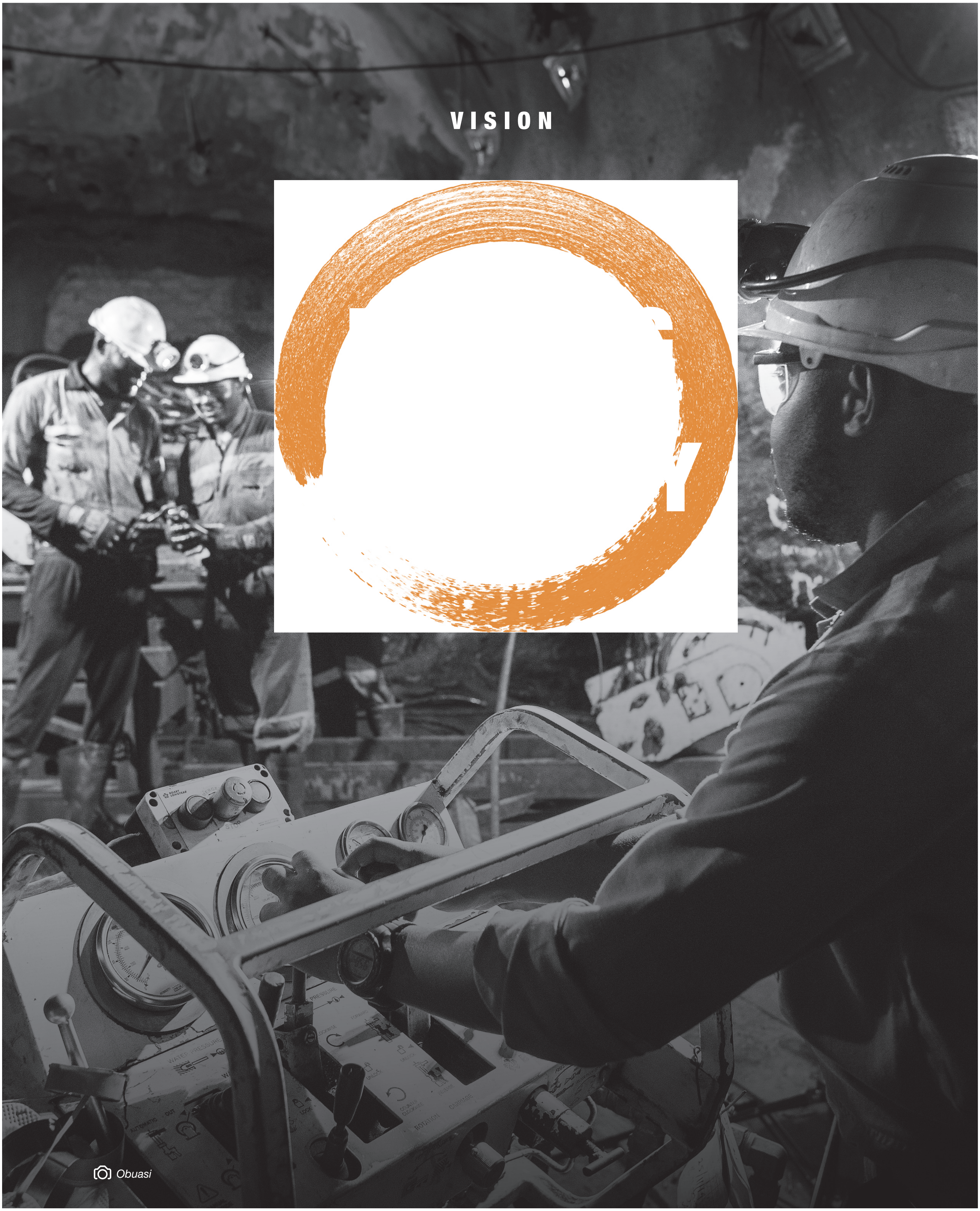
DIVERSIFIED, DECISIVE, SUSTAINABLE BUSINESS

NOTICE OF ANNUAL GENERAL MEETING 2019

ANGLOGOLDASHANTI

VISION



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MISSION

To create value for our shareholders, our employees and our business and social partners by safely and responsibly exploring, mining and marketing our products.

VALUES

Our values and beliefs guide all decision-making and activities in the conduct of our business to ensure we make a positive impact. They underpin our environmental, social and governance (ESG) performance.

For noting:

The following key parameters should be noted in respect of our reports:

- Production is expressed on an attributable basis unless otherwise indicated.
- The average workforce, including employees and contractors, is reported for AngloGold Ashanti, its subsidiaries and its joint ventures. The joint ventures are reported on an attributable basis.
- Unless otherwise stated, $ or dollar refers to US dollars throughout the suite of reports.
- 'Statement of financial position' and 'balance sheet' are used interchangeably.

Safety and Health | Dignity and respect | Accountability | Community | Diversity | Environment

AngloGold Ashanti's 2019 suite of reports comprises:

<IR>	Integrated Report
<NOM>	Notice of Annual General Meeting and Summarised Financial Information (Notice of Meeting)
<SR>	Sustainability Report
<R&R>	Mineral Resource and Ore Reserve Report
<AFS>	Annual Financial Statements
<WWW>	Reporting website

OUR 2019 SUITE OF REPORTS

This Notice of Annual General Meeting and Summarised Financial Information 2019 was approved by the AngloGold Ashanti Board of Directors (the board) and was signed on its behalf by Mr SM Pityana, the Chairman, on 29 April 2020.

This document provides shareholders with the information required to enable them to make informed decisions regarding the resolutions to be voted on at the Company's annual general meeting for shareholders. Details on these resolutions are also provided. This document is distributed to all AngloGold Ashanti shareholders.

In compliance with the rules governing its listing on the New York Stock Exchange (NYSE), AngloGold Ashanti prepares a report on Form 20-F which is filed annually with the United States Securities and Exchange Commission (SEC).

As this Notice of Annual General Meeting does not provide a holistic assessment of the group's business, performance, risks or prospects, it should be read in conjunction with other reports making up AngloGold Ashanti's 2019 annual reports. These are:

<IR>

Integrated Report <IR> is the primary document in our suite of reports and provides a comprehensive overview of our financial, operational and sustainability performance in relation to our strategic objectives and the outlook for the Company.

<NOM>

Notice of Annual General Meeting and Summarised Financial Information (Notice of Meeting) <NOM> is produced and delivered to shareholders in line with the JSE Listings Requirements and the requirements of the South African Companies Act, 71 of 2008, as amended (Companies Act).

<SR>

Sustainability Report <SR>, compiled in line with the Global Reporting Initiatives' Standards, is published together with the accompanying GRI scorecard and supplementary data.

<R&R>

Mineral Resource and Ore Reserve Report <R&R>, presented in accordance with the minimum standards of the SAMREC code, 2016 edition, provides detailed information on all our operations and projects.

<AFS>

Annual Financial Statements <AFS> are prepared in accordance with the International Financial Reporting Standards (IFRS).

<OP>

An operational profile <OP> is produced for each of our operations, presenting detailed information on operational, financial and sustainability performance.

<WWW>

A dedicated annual reporting website hosts PDFs of the full suite of reports to facilitate ease of access by and communication with our stakeholders.

www.aga-reports.com

All these reports are available online at www.aga-reports.com

Printed copies of these reports are available on request from the Company

NOTICE OF ANNUAL GENERAL MEETING

AngloGold Ashanti Limited
Registration number 1944/017354/06
(Incorporated in the Republic of South Africa)
Ordinary share code: ANG ISIN: ZAE000043485
("AngloGold Ashanti" or "the Company")

Notice is hereby given that the 76th annual general meeting of the shareholders of AngloGold Ashanti (the AGM) for the year ended 31 December 2019 will be held at 14:00 (South African time) on Wednesday, 10 June 2020.

On 15 March 2020, the South African Minister of Cooperative Governance and Traditional Affairs declared, in terms of section 27(1) of the Disaster Management Act, 57 of 2002, South Africa to be in a national state of disaster in order to allow the Government of South Africa to augment its response to the outbreak of the COVID-19 pandemic. Following the declaration of the state of disaster, the Government of South Africa has prescribed several regulations in terms of which, amongst other things, gatherings of people have been prohibited. Consequently, it may be unlawful for the company to allow its shareholders to convene physically for the AGM.

Moreover as the Government of South Africa and the World Health Organization have encouraged all citizens to practice social distancing, the Company, as a socially responsible corporate citizen, has elected in any event to convene and hold its AGM entirely by way of electronic communication in accordance with the provisions of section 63(2) of the Companies Act and the Listings Requirements of the JSE Limited (the "JSE") as read with clause 6.5 of the company's memorandum of incorporation.

The Company has appointed The Meeting Specialist (Pty) Ltd ("TMS") for purposes of hosting its AGM entirely by way of electronic communication and, in particular, for TMS to provide the Company and its shareholders with access to its electronic communication platform (the "Platform") for purpose of enabling all of the shareholders, who are present at the AGM, to communicate concurrently with each other, without an intermediary, and to participate reasonably effectively in the AGM and exercise their voting rights at the AGM.

Please note that in terms of Section 63(1) of the Companies Act, before any person may attend or participate in the AGM, (a) that person must present reasonably satisfactory identification and (b) the person presiding at the AGM must be reasonably satisfied that the right of the person to participate in and vote at the AGM, either as a shareholder (or shareholder's representative), or as a proxy for a shareholder, has been reasonably verified. Forms of identification include a valid identity document, driver's licence or passport. Accordingly, the Company has appointed TMS to verify the identity of any shareholder who wishes to attend the AGM and **shareholders will only be granted access to the Platform once they have been verified by TMS**.

Please also note that in order to attend and participate in the AGM, shareholders are required to be granted access to the Platform by TMS and any shareholder who wishes to attend the AGM is encouraged to contact TMS on **proxy@tmsmeetings.co.za or +27 11 520 7950/1/2 as soon as possible, but not later than 14:00 on Monday, 8 June 2020** to enable TMS to verify its/his/her identity and thereafter to grant that shareholder access to the Platform. Notwithstanding the aforegoing, any shareholder who wishes to attend the AGM is entitled to contact TMS at any time prior to the conclusion of the AGM, in order to be verified and provided with access to the Platform by TMS. In order to avoid any delays in being provided with access to the Platform by TMS, shareholders are encouraged to contact TMS at their earliest convenience.

Included in this document are the following:

- The Notice of Annual General Meeting (the Notice) setting out the resolutions to be proposed at the meeting, together with explanatory notes. There are also guidance notes if you wish to attend the AGM or to vote by proxy.
- A form of proxy for completion, signature and submission by shareholders holding AngloGold Ashanti ordinary shares in certificated form or in dematerialised form with "own name" registration.
- A CDI voting instruction form for completion, signature and submission by holders of CHESS Depositary Interests (CDIs) trading on the Australian Securities Exchange.
- A GhDS voting instruction form for completion, signature and submission by holders of Ghanaian Depositary Shares (GhDSs).

The purpose of the AGM is:

a. To present shareholders with the annual financial statements of the Company and its subsidiaries for the year ended 31 December 2019, a summarised form of which was distributed to the shareholders with this Notice.

b. For the chairman of the Audit and Risk Committee to present to the shareholders a report on the matters within the committee's mandate.

c. For the chairperson of the Social, Ethics and Sustainability Committee (being AngloGold Ashanti's Social and Ethics Committee as contemplated in the Companies Act) to present to the shareholders a report on the matters within its mandate.

d. To consider all and any matters of the Company as may lawfully be dealt with at the AGM.

e. To consider and, if deemed fit, to pass, with or without modification, the ordinary and special resolutions of shareholders set out hereunder in the manner required by the Companies Act.

A copy of the complete annual financial statements can be found on AngloGold Ashanti's annual report website: www.aga-reports.com.

Record dates

The board of directors (the board) has determined, in accordance with Sections 59(1)(a) and (b) of the Companies Act, that:

- **The record date for the purposes of receiving notice of the AGM** (being the date on which a shareholder must be registered in the Company's register of shareholders in order to receive notice of the AGM), shall be the close of business on **Thursday, 30 April 2020** (Notice Record Date); and
- **The record date for the purposes of participating in and voting at the AGM** (being the date on which a shareholder must be registered in the Company's register of shareholders in order to participate in and vote at the AGM) shall be the close of business on **Friday, 5 June 2020** (Voting Record Date). Accordingly, the last day to trade in AngloGold Ashanti securities in order to be eligible to participate in and vote at the AGM is **Tuesday, 2 June 2020**.

Voting and proxies at the AGM

All shareholders of the Company are entitled to attend and speak, through the use of the Platform, at the AGM or any cancellation, postponement or adjournment thereof. All holders of ordinary shares will be entitled to vote on each resolution at the AGM or any cancellation, postponement or adjournment thereof.

A shareholder entitled to attend, participate in and vote at the AGM is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, participate in and vote at the meeting in the place of the shareholder.

The attached form of proxy is only to be completed by those shareholders who:

- Hold shares in certificated form; or
- Are recorded on the sub-register in dematerialised electronic form with "own name" registration.

All other beneficial owners who have dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker and wish to attend, speak or vote at the AGM, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These shareholders must not use a form of proxy.

It is requested that the Company receives completed forms of proxy by no later than **14:00 (South African time) on Monday, 8 June 2020** by way of electronic mail to the Company's share registrars in South Africa, Computershare Investor Services, at Proxy@Computershare.co.za. Any forms of proxy not lodged by this time may be sent to Computershare Investor Services immediately prior to the proxy exercising any rights of the shareholder at the AGM.

Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote at the AGM should the shareholder decide to do so, provided that such shareholder has been provided with access to the Platform by TMS. A summary of the shareholders' rights in respect of proxy appointments as contained in section 58 of the Companies Act is set out on the attached proxy form.

All voting at the AGM shall be conducted by way of polling, and every person entitled to vote on any matter that is being voted on at the AGM shall have one vote for every ordinary share held by that person, and will be administered by TMS through the Platform. TMS will also act as scrutineer in respect of any votes that are exercised at the AGM.

Lodging of voting instruction forms

- Duly completed CDI voting instruction forms must be received by the share registrars in Perth, Australia, no later than **14:00 (Perth time) on Monday, 8 June 2020**.

- In accordance with the AngloGold Ashanti Ghanaian Depositary Shares Agreement dated 26 April 2004, the Ghanaian Depositary will mail all appropriate notices, together with a voting instruction form, to holders of GhDSs who have elected to receive same. Holders of GhDSs may direct the Depositary, via the voting instruction form, to vote on their behalf in the manner such holders may direct. Duly completed GhDS voting instruction forms must be received by the share registrars in Ghana, no later than **14:00 (Accra time) on Monday, 8 June 2020**.

Electronic participation in the AGM

In compliance with the provisions of the Companies Act, the Company intends to conduct the AGM entirely by electronic communication through the Platform. Through the use of the Platform, shareholders will be able to listen to the proceedings and raise questions should they wish to do so and exercise their voting rights at the AGM.

TMS will only provide shareholders who have been verified by it, with access to the Platform.

Voting will be possible through the Platform but shareholders are encouraged to vote by way of proxy forms which will have been delivered to Computershare Investor Services, the share registrars, at Proxy@Computershare.co.za.

The cost of procuring the services of TMS and the use of the Platform will be for the account of the Company. However, the cost of the shareholders'/proxies' participation at the meeting through the Platform will be at their own expense. Any such charges will not be for the account of the company, the JSE, and/or TMS.

None of the Company, the JSE or TMS can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any shareholder from participating in and/or voting at the AGM.

Resolutions

1. Ordinary resolution 1 (1.1 and 1.3) – Re-election of directors

RESOLVED THAT, the three directors listed in ordinary resolutions 1.1 to 1.3 shall retire from office at the AGM in accordance with the company's Memorandum of Incorporation (MOI) and, being eligible and having offered themselves for re-election, each by way of separate resolution be re-elected as a director of the company with immediate effect:

1.1 Mr SM Pityana
1.2 Mr AH Garner
1.3 Mr R Gasant

Percentage of voting rights required to pass each of these resolutions: 50% plus one vote of the voting rights exercised.

Motivation for ordinary resolutions 1.1 to 1.3

In terms of the MOI, one-third of the directors are required to retire at each annual general meeting of the company. There are eight directors of AngloGold Ashanti and accordingly, three directors are required to retire at the AGM. In terms of the MOI, the directors to retire at the AGM must be selected from those directors who have served longest in time since their last election or re-election.

Applying these requirements, the directors listed in ordinary resolutions 1.1 to 1.3 are required to retire and they are entitled and have offered themselves for re-election. The board recommends to shareholders the re-election of these three directors.

The profiles of the directors standing for re-election in terms of ordinary resolutions numbers 1.1 to 1.3 appear at the end of this notice (page 13).

2. Ordinary resolution 2 (2.1 and 2.2) – Election of directors

RESOLVED THAT, by way of separate resolutions, the appointment of the following directors, who were appointed since the last annual general meeting in accordance with the provisions of clause 7.1.4 of the Company's MOI, be appointed:

2.1 Ms MDC Ramos

2.2 Ms NVB Magubane

Percentage voting rights required to pass each of these resolutions: 50% plus one vote of the voting rights exercised.

Motivation for ordinary resolution 2 (2.1 and 2.2)

Based on the recommendations of the Nominations Committee, which has conducted formal assessments of Mses Ramos and Magubane, the board recommends their election as directors of the Company.

The profiles of the directors standing for election in terms of ordinary resolutions 2.1 and 2.2 appear at the end of this Notice (page 14).

3. Ordinary resolution 3 (3.1 to 3.4) – Appointment of Audit and Risk Committee members

RESOLVED THAT, the following independent non-executive directors, each by way of separate resolutions, be appointed as members of the Company's Audit and Risk Committee from the conclusion of the AGM until the next annual general meeting of the Company:

3.1 Mr R Gasant

3.2 Ms MC Richter

3.3 Mr AM Ferguson

3.4 Mr JE Tilk

For the detailed curriculum vitae of each director, refer to the section entitled THE BOARD at our 2019 online report website: www.aga-reports.com/18/ir/accountability/board

Percentage of voting rights required to pass each of these resolutions: 50% plus one vote of the voting rights exercised.

Motivation for ordinary resolutions 3.1 to 3.4

Ordinary resolutions 3.1 to 3.4 are proposed to appoint members of the Audit and Risk Committee in accordance with the guidelines of King IV Report on Corporate Governance for South Africa, 2016 (King IV) and the requirements of the Companies Act. In terms of the aforementioned requirements, the Audit and Risk Committee should comprise a minimum of three members, all of whom must be independent non-executive directors of the Company and membership of the Audit and Risk Committee may not include the chairman of the board.

Furthermore, in terms of the Companies Regulations 2011, at least one-third of the members of the Audit and Risk Committee at any particular time, must have academic qualifications, or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management. Mindful of the aforegoing, the Nominations Committee recommended to the board that the aforementioned persons be members of the Audit and Risk Committee and the board has approved such recommendations.

In terms of the requirements of the US Sarbanes-Oxley Act, the board is required to identify a financial expert from within its ranks for appointment to the Audit and Risk Committee. The board has resolved that Mr R Gasant is the board's designated financial expert on the Audit and Risk Committee.

4. Ordinary resolution 4 – Re-appointment of Ernst & Young Inc. as auditors of the Company

RESOLVED THAT, Ernst & Young Inc. be re-appointed as the independent registered auditor of the Company from the conclusion of the AGM until conclusion of the next annual general meeting of the Company.

Percentage of voting rights required to pass this resolution: 50% plus one vote of the voting rights exercised.

Motivation for ordinary resolution 4

At an AngloGold Ashanti Audit and Risk Committee meeting held on 18 February 2020, the committee considered the independence of the auditor, Ernst & Young Inc., in accordance with Section 94(8) of the Companies Act and also considered the suitability of the audit firm in terms of paragraph 3.84(g)(iii) of the Listings Requirements (following receipt of the information detailed in paragraph 22.15(h) of the Listings Requirements). The committee also considered whether Ernst & Young Inc. is independent, as prescribed by the Independent Regulatory Board for Auditors established by the Auditing Profession Act and was satisfied that Ernst & Young Inc. was independent. The Audit and Risk Committee nominates Ernst & Young Inc. for re-appointment as registered auditor of the Company in accordance with Section 94(7)(a) of the Companies Act with Mr Ernest Botha as lead audit partner.

Furthermore, the AngloGold Ashanti Audit and Risk Committee has, in terms of paragraph 3.86 of the JSE Listings Requirements, considered and satisfied itself that Ernst & Young Inc., the reporting accountant and the aforementioned individual auditor are not on the list of disqualified individual auditors and are accredited and recorded on the JSE List of Auditors and their advisors, in compliance with Section 22 of the JSE Listings Requirements.

Ernst & Young Inc. has indicated its willingness to continue in office as auditors of the Company and ordinary resolution 4 proposes the re-appointment of that firm as the Company's auditor until the conclusion of the next annual general meeting of the Company.

5. Ordinary resolution 5 – General authority to directors to allot and issue ordinary shares

RESOLVED THAT, as an ordinary resolution, and subject to the provisions of the Companies Act and the JSE Listings Requirements, from time to time, that the directors of the Company be and are hereby authorised, as a general authority and approval, to allot and issue, for such purposes and on such terms as they may in their discretion determine, ordinary shares in the authorised but unissued share capital of the Company (and/or any options/convertible securities that are convertible into ordinary shares) up to a maximum of 5% of the Company's listed equity securities (excluding treasury shares) as at 29 April 2020, such number being 20,817,036 ordinary shares in the Company's issued share capital.

Percentage of voting rights required to pass this resolution: 50% plus one vote of the voting rights exercised.

Motivation for ordinary resolution 5
The reason for proposing ordinary resolution 5 is to seek a general authority and approval for the directors to allot and issue ordinary shares in the authorised but unissued share capital of the Company (and/or any options/convertible securities that are convertible into ordinary shares), up to 5% of the number of ordinary shares of the Company in issue as at 29 April 2020, in order to enable the Company to take advantage of business opportunities which might arise in the future.

6. Ordinary resolution 6 (6.1 and 6.2) – Separate non-binding advisory endorsements of the AngloGold Ashanti remuneration policy and implementation report

RESOLVED THAT, the shareholders hereby endorse, through separate non-binding advisory votes:

6.1 the Company's remuneration policy (excluding the remuneration of non-executive directors for their services as directors and members of the board or statutory committees) as set out in the remuneration report contained in the Integrated Report 2019; and

6.2 the implementation report in relation to the remuneration policy, as set out in the remuneration report contained in the Integrated Report 2019.

The complete remuneration policy is attached as Annexure 1 (page 15) and the implementation report as Annexure 2 (page 23).

Percentage of voting rights required to pass these resolutions: As these are not matters that require to be resolved or approved by shareholders, no minimum voting threshold is required. Nevertheless, for record purposes, the minimum percentage of voting rights to adopt these resolutions as non-binding advisory votes is 50% plus one vote of the voting rights exercised. Should 25% or more of the votes cast be against these resolutions, the Company undertakes to engage with dissenting shareholders as to the reasons why and to appropriately address legitimate and reasonable objections and concerns raised.

Motivation for ordinary resolution 6
In terms of King IV and paragraph 3.84 (j) of the JSE Listings Requirements, separate non-binding advisory votes should be obtained from shareholders on the Company's remuneration policy and implementation report. These votes allow shareholders to express their views on the remuneration policies adopted and their implementation, but will not be binding on the Company.

The Company's remuneration policy is designed to deliver the key principles of its remuneration which are meant to:

- influence and reward behaviours and performance of our employees and executives, which align the strategic goals of the organisation, shareholders and employees;
- ensure that performance metrics are demanding, sustainable and cover all aspects of the business, including key financial and non-financial drivers;
- structure compensation to ensure that AngloGold Ashanti's values are maintained and that the correct governance frameworks are applied across its compensation decisions and practices;
- apply the appropriate remuneration benchmarks; and
- provide competitive rewards to attract, motivate and retain highly skilled executives, management and staff vital to the ongoing success of the organisation.

The Company's implementation report, which includes the remuneration disclosure in terms of the Companies Act, sets out compliance with and any deviation from the remuneration policy and the following additional information:

- The remuneration of each member of executive management;
- The details of all awards made under variable remuneration incentive schemes;
- The cash value of all awards made under variable remuneration incentive schemes that were settled during the reporting period;
- An account of the performance measures used and the relative weighting of each, as a result of which awards under variable remuneration incentive schemes have been made; and
- A statement regarding compliance with, and any deviations from, the remuneration policy.

7. Special resolution 1 – Remuneration of non-executive directors

RESOLVED THAT, as a special resolution, the remuneration payable quarterly in arrears to the non-executive directors remain unchanged from the last approval on 9 May 2019 until the next annual general meeting.

Emoluments payable to non-executive directors

	2020/2021 US$
Board meetings • The remuneration payable in terms of board fees for six board meetings per annum will be in proportion to the period during which the office of the non-executive director, chairman or lead independent as the case may be, has been held during the year. • 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.	
Chairman	290,000
Lead independent director	160,000
Non-executive directors	120,000
Allowance per meeting for attendance at special board meetings by the chairman	13,000
Allowance per meeting for attendance at special board meetings by each non-executive director	3,500
Committee meetings • Remuneration payable for four meetings per annum. • Each non-executive director will be entitled to an allowance for each board committee meeting attended by such director in respect of those committees which meet on an ad hoc basis, including any special purpose committee established by the board or required by statutes or regulation as follows:	
Chairman of the Audit and Risk Committee	35,000
Members of the Audit and Risk Committee	20,000
Chairman of the Remuneration and Human Resources Committee	35,000
Members of the Remuneration and Human Resources Committee	20,000
Chairman of the Investment Committee	32,500
Members of the Investment Committee	20,000
Chairperson of the Social, Ethics and Sustainability Committee	32,500
Members of the Social, Ethics and Sustainability Committee	20,000
Chairman of the Nominations Committee	32,500
Members of the Nominations Committee	20,000
Additional fee per meeting for *ad hoc* committee meetings	3,500
Board travel allowance per overnight away (in addition to the travel allowance payable, the Company will cover all accommodation and sundry costs)	1,250

Percentage of voting rights required to pass special resolution 1: 75% of the voting rights exercised.

Motivation for special resolution 1

In terms of Section 66(8) and (9) of the Companies Act, remuneration may only be paid to directors for their service as directors in accordance with a special resolution approved by the shareholders and if not prohibited in a company's MOI. AngloGold Ashanti's MOI does not prohibit the payment of such remuneration. The remuneration sought to be approved is to be paid to the non-executive directors, as they are not remunerated as employees of the company, as in the case of the executive directors. Remuneration is VAT exclusive where/if applicable.

The board has accepted that the fees for non-executive directors should remain unchanged.

8. Special resolution 2 – General authority to acquire the Company's own shares

RESOLVED THAT, as a special resolution, and pursuant to the Company's MOI and subject to the Companies Act and the JSE Listings Requirements, that the Company or any subsidiary of the Company, be and is hereby authorised, by way of a general approval, from time to time, to acquire ordinary shares issued by the Company, provided that:

- any such acquisition of shares shall be effected through the order book operated by the JSE Limited trading system or on the open market of any other stock exchange on which the shares are or may be listed, subject to the approval of the JSE and any other relevant stock exchange, as necessary, in either event without any prior understanding or arrangement between the Company and the counterparty;
- this approval shall be valid only until the next annual general meeting of the Company, or for 15 months from the date of passing of this resolution, whichever period is shorter;

- shares issued by the Company may not be acquired at a price greater than 10% above the weighted average of the market value of the Company's shares for the five business days immediately preceding the date of the acquisition being effected;
- at any point in time, the Company only appoints one agent to effect any acquisitions on its behalf;
- the board has resolved to authorise the acquisition, that the Company and its subsidiaries will satisfy the solvency and liquidity test immediately after the acquisition and that since the test was done, there have been no material changes in the affairs or the financial position of the group since signature of the annual financial statements and up to the date of the this Notice;
- the Company may not, in any one financial year, acquire in excess of 5% of the Company's issued ordinary share capital as at the date of passing of this special resolution number 2;
- an announcement containing details of such acquisitions will be published as soon as the Company and/or the subsidiaries, collectively, shall have acquired ordinary shares issued by the Company constituting, on a cumulative basis, not less than 3% of the number of ordinary shares in the Company in issue as at the date of this approval; and an announcement containing details of such acquisitions will be published in respect of each subsequent acquisition by either the Company and/or by the subsidiaries, collectively, of ordinary shares issued by the Company, constituting, on a cumulative basis, not less than 3% of the number of ordinary shares in the Company in issue as at the date of this approval;
- the acquisition of shares by the Company or its subsidiaries may not be effected during a prohibited period, as defined in the JSE Listings Requirements, unless there is in place a repurchase programme as contemplated in the JSE Listings Requirements;
- the Company's subsidiaries shall not be entitled to acquire ordinary shares issued by the Company if the acquisition of shares will result in them holding, on a cumulative basis, more than 10% of the number of ordinary shares in issue in the Company; and
- no voting rights attached to the shares acquired by the Company's subsidiaries may be exercised while the shares are held by them and they remain subsidiaries of the Company.

Percentage of voting rights required to pass this resolution: 75% of the voting rights exercised.

Motivation for special resolution 2

The reason for special resolution 2 is to grant a general authority for the acquisition of the Company's ordinary shares by the Company, or by a subsidiary or subsidiaries of the Company. The effect of special resolution 2, if passed, will be to authorise the Company or any of its subsidiaries to acquire ordinary shares issued by the Company on the JSE or any other stock exchange on which the Company's shares are or may be listed subject to the provisions of the Company's MOI, Companies Act and the JSE Listings Requirements.

The directors of AngloGold Ashanti believe that the Company should retain the flexibility to take action if future acquisitions of its shares were considered desirable and in the best interests of the Company and its shareholders.

After considering the effect of acquisitions, up to the maximum limit, of the Company's issued ordinary shares, the directors are of the opinion that if such acquisitions were implemented:

- the Company and the group would be able in the ordinary course of business to pay its debts for a period of 12 months after the date of the notice issued in respect of the AGM;
- the assets of the Company and the group would be in excess of the liabilities of the Company and the group for a period of 12 months after the date of the notice issued in respect of the AGM. For this purpose, the assets and liabilities would be recognised and measured in accordance with the accounting policies used in the latest audited group annual financial statements;
- the ordinary capital and reserves of the Company and the group would be adequate for ordinary business purposes for a period of 12 months after the date of the notice issued in respect of the AGM; and the working capital of the Company and the group would be adequate in the ordinary course of business for a period of 12 months after the date of the notice issued in respect of the AGM.

9. Special resolution 3 – General authority to directors to issue for cash, those ordinary shares which the directors are authorised to allot and issue in terms of ordinary resolution 5

RESOLVED THAT, subject to ordinary resolution 5 being passed, that the directors of the Company be and are hereby authorised, in accordance with the Companies Act and the JSE Listings Requirements, to allot and issue for cash, on such terms and conditions as they may deem fit, all or any of the ordinary shares in the authorised but unissued share capital of the Company (and/or any options/convertible securities that are convertible into ordinary shares), which they shall have been authorised to allot and issue in terms of ordinary resolution number 5, subject to the following conditions:

- This authority is valid until the Company's next annual general meeting, provided that it will not extend beyond 15 (fifteen) months from the date that this authority is given;
- The equity securities which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into or represent options in respect of a class already in issue;
- Any such issue will only be made to 'public shareholders' as defined in the JSE Listings Requirements and not to related parties, unless the JSE otherwise agrees;
- The number of shares issued for cash will not in aggregate exceed 5% of the Company's listed equity securities (excluding treasury shares) as at 29 April 2020, such number being 20,817,036 ordinary shares in the Company's issued share capital;

- Any equity securities issued under the authority during the period contemplated in the first bullet above must be deducted from such number in the preceding bullet;
- In the event of a sub-division or consolidation of issued equity securities during the period contemplated in the first bullet above, the existing authority must be adjusted accordingly to represent the same allocation ratio; and
- The maximum discount at which the equity securities may be issued is 10% of the weighted average of the market value of the Company's shares for the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the shares.

Percentage of voting rights required to pass this resolution: In terms of the JSE Listing Requirements, a 75% majority is required of votes cast in favour of such ordinary resolution. Since this is the Company's threshold for special resolutions, the resolution is instead proposed as a special resolution.

Motivation for special resolution 3

The reason for proposing special resolution 3 is that the directors consider it advantageous to have the authority to issue ordinary shares for cash in order to enable the Company to take advantage of any business opportunity which might arise in the future. At present, the directors have no specific intention to use this authority, and the authority will thus only be used if circumstances are appropriate.

It should be noted that this authority relates only to those ordinary shares which the directors are authorised to allot and issue in terms of ordinary resolution 5 and is not intended to (nor does it) grant the directors authority to issue ordinary shares for cash over and above, and in addition to, the ordinary shares which the directors are authorised to allot and issue in terms of ordinary resolution 5, when ordinary shares are issued for such purposes and on such terms as the directors may deem fit.

10. Special resolution 4 – General authority to provide financial assistance in terms of Sections 44 and 45 of the Companies Act

RESOLVED THAT, as a special resolution, to the extent required by the Companies Act, that the board may, subject to compliance with the requirements of the Company's MOI, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance as contemplated in Sections 44 and 45 of the Companies Act, including by way of loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or entity that is or becomes related or interrelated to the Company, for any purpose or in connection with any matter, including, but not limited to, the subscription of any option, or any securities issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company, for such amounts and on such terms as the board may determine. This authority will expire on the second anniversary of the date on which this special resolution is adopted, unless renewed prior thereto.

Percentage of voting rights required to pass this resolution: 75% of the voting rights exercised.

Motivation for special resolution 4

Section 45 of the Companies Act applies to financial assistance provided by a company to any related or interrelated company or corporation, a member of a related or interrelated corporation, and to a person related to any such company, corporation or member.

Further, Section 44 of the Companies Act may also apply to the financial assistance so provided by a company to any related or interrelated company or corporation, a member of a related or interrelated corporation, or a person related to any such company, corporation or member, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company.

Both Sections 44 and 45 of the Companies Act provide, *inter alia*, that the particular financial assistance must be provided only pursuant to a special resolution of shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and the board is satisfied that: (i) immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test (as contemplated in the Companies Act); and (ii) the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

As part of the normal conduct of the business of the Company and its subsidiaries or associates ("AngloGold Ashanti Group"), the Company, where necessary, usually provides guarantees and other support undertakings to third parties on behalf of its local and foreign subsidiaries and joint ventures or partnerships in which the Company or members of the AngloGold Ashanti Group have an interest. This is particularly so where funding is raised by the foreign subsidiaries of the Company, whether by way of borrowings or the issue of bonds or otherwise, for the purposes of the conduct of their operations. Previously in terms of the Company's articles of association and the now repealed Companies Act 61 of 1973, as amended, the Company was not precluded from providing the aforementioned financial assistance. The Company would like the ability to provide financial assistance, if necessary, also in other circumstances, in accordance with Sections 44 and 45 of the Companies Act. Furthermore, it may be necessary for the Company to provide financial assistance to any of its present or future subsidiaries, and/or to any related or interrelated company or entity and/or to a person related to any such company or entity, to subscribe for options or securities of the Company or another company related or interrelated to it. Under the Companies Act, the Company will however, require the special resolution referred to above to be adopted. It is difficult to foresee the exact details of financial assistance that the Company may be required to provide over the upcoming months. It is essential however, that the Company is able to organise effectively its internal financial administration. For these reasons, it is necessary to obtain the approval of shareholders as set out in special resolution 4.

It should be noted that this resolution does not authorise financial assistance to a director or a prescribed officer of the Company or any company or person related to such a director or prescribed officer.

11. Special resolution 5 – Approval of the MOI amendment

RESOLVED THAT, in accordance with Section 16 of the Companies Act and the provisions of paragraph 5.92 of the JSE Listings Requirements, that the memorandum of incorporation of the Company be amended by:

11.1 the deletion of clause 9.1.1.3.2 in its entirety and the replacement thereof with the following new clause 9.1.1.3.2:

"9.1.1.3.2 to receive on redemption the nominal value of the said A preference shares;"

11.2 the deletion of clause 9.2.1.3.2 in its entirety and the replacement thereof with the following new clause 9.2.1.3.2:

"9.2.1.3.2 to receive on redemption:

9.2.1.3.2.1 the nominal value of the said B preference shares; and

9.2.1.3.2.2 a premium per share of an amount equal to R175,096,390 divided by that number of B preference shares in issue."

Percentage of voting rights required to pass this resolution: 75% of the voting rights exercised.

Motivation for special resolution 5

The explanation for special resolution 5 is to enable the Company to comply with the provisions of the Companies Act and the JSE Listings Requirements in order to amend the A preference share terms and the B preference share terms of the memorandum of incorporation of the Company as contemplated in paragraphs 11.1 and 11.2 above. The effect of special resolution 5 is that the Company's existing memorandum of incorporation will be amended as set out therein.

12. Ordinary resolution 7 – Directors' authority to implement special and ordinary resolutions

RESOLVED THAT, as an ordinary resolution, each and every director of the Company be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the resolutions passed at this meeting.

Percentage of voting rights required to pass this resolution: 50% plus one vote of the voting rights exercised.

Motivation for ordinary resolution 7

This resolution is to provide the directors with the necessary authority to do all things necessary to act under or implement the decisions and resolutions passed at this AGM.

Further disclosure

In terms of paragraph 11.26 of the JSE Listings Requirements, the following information is disclosed in the Annual Financial Statements 2019:

- Major shareholders;
- Material change statement; and
- Share capital of the Company.

Directors' responsibility statement

The directors, whose names appear in the Integrated Report 2019, collectively and individually accept full responsibility for the accuracy of the information given in this Notice and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Notice contains all information required by law and the JSE Listings Requirements.

By order of the board of AngloGold Ashanti Limited

Ms ME Sanz Perez
Executive Vice-President: General Counsel,
Compliance and Company Secretary

29 April 2020

Registered and corporate office
76 Rahima Moosa Street, Newtown,
Johannesburg 2001, South Africa
PO Box 62117, Marshalltown, 2107,
South Africa

IMPORTANT NOTES REGARDING THE ANNUAL GENERAL MEETING

Date	**Wednesday, 10 June 2020**
Venue	The Platform hosted by TMS – further details of which will be provided to the shareholders upon making contact with TMS
Timing	The AGM will start promptly at 14:00 (South African time)
Admission	Shareholders and others attending the AGM are asked to register with TMS by not later than **14:00 (South African time) on 10 June 2020**. Shareholders and proxies are required to provide proof of identity to TMS prior to being granted access to the Platform by TMS
Electronic participation	Every shareholder may only participate in the meeting through electronic communication by making use of the Platform
Enquiries and questions	Shareholders who intend to ask questions related to the business of the AGM or on related matters are asked to furnish their name, address and question(s) to TMS, which will be available to provide any advice and assistance required
Queries about the AGM	If you have any queries about the AGM, please telephone any of the contact names listed on the inside back cover

DIRECTOR PROFILES

Profiles of the directors being re-elected at the AGM:

Sipho M Pityana (60)

BA (Hons), MSc, Dtech (Honoris)

Independent non-executive Chairman

Appointed: A director on 13 February 2007 and Chairman of the board on 17 February 2014

Board committee memberships:

- Nominations Committee (Chairman)
- Remuneration and Human Resources Committee
- Social, Ethics and Sustainability Committee

Sipho M Pityana has extensive business experience having served in both an executive and non-executive capacity on several locally and internationally listed boards of companies as well as running his own companies, Izingwe Capital and Izingwe Holdings, which he chairs. He is also currently the chairman of the JSE-listed Redefine Properties and serves as a non-executive director on the board of banking group, Absa. Sipho is also the President of Business Unity South Africa and the co-chair of the World Economic Forum Africa Stewardship board.

Sipho is currently chairperson of the Council of the University of Cape Town. He also serves on President Ramaphosa's Presidential Working Committee on Employment. He was one of the founding members of the governing body of the Commission for Conciliation, Mediation and Arbitration. He is the Leader of the Business delegation to the National Economic Development and Labour Council.

In addition to his private sector track record, Sipho has extensive public sector experience and international exposure. He was the first Director General of the Department of Labour in the former President Mandela's government. As the Foreign Affairs Director General, he represented South Africa in various international fora including the United Nations, African Union and Commonwealth.

He was the founding Chairperson of the Council for the Advancement of the South African Constitution and former convener and founder of Save South Africa.

Albert Garner (64)

BSE, Aerospace and Mechanical Sciences

Independent non-executive director

Appointed: 1 January 2015

Board committee memberships:

- Investment Committee
- Nominations Committee

Albert Garner is an independent non-executive director. He has extensive experience in capital markets, corporate finance and mergers and acquisitions, having worked with Lazard Frères & Co. LLC for over 40 years in various leadership positions. He is one of the most senior bankers at Lazard, currently leading their special committee practice and chairing their fairness opinion committee. He formerly led Lazard's corporate finance practice. Albert became a general partner in 1989 and is now Vice Chair – Investment Banking. Over the past 10 years he has advised and acted as lead adviser to more than 50 companies and their boards of directors on transformative transactions.

Rhidwaan Gasant (60)

BCompt (Hons), CA (SA), ACIMA, Executive Development Programme

Lead Independent Director

Appointed: 12 August 2010

Board committee memberships:

- Audit and Risk Committee (Chairman)
- Investment Committee
- Nominations Committee

Rhidwaan Gasant is an independent non-executive director. He was previously the Chief Executive Officer of Energy Africa Limited. He serves as a director and chairs the Audit and Risk Committees of international companies in the MTN Group. His other directorships include those in the Rapid African Energy Holdings Group, a start-up oil and gas exploration business focused on Africa, and Edcon Limited.

Profiles of the directors being elected at the AGM:

Maria Ramos (61)

MSc (Economics); BCom (Economics); Banker Diploma, Certified Associate of the Institute of Bankers (South Africa)

Independent non-executive director

Appointed: 1 June 2019

Board committee memberships:

- Investment Committee
- Social, Ethics and Sustainability Committee

Ms Ramos serves as a non-executive director on the boards of AngloGold Ashanti Ltd, Compagnie Financière Richemont SA, the Public Investment Corporation (PIC) and Saudi British Bank (SABB). She also Co-chairs the United Nations Secretary General's Task Force on Digital Financing of the Sustainable Development Goals.

Between March 2009 and February 2019, Maria served as Chief Executive Officer of Absa Group leading the Group through a number of significant milestones including the acquisition of the Barclays Africa subsidiary banks; the sell-down by Barclays PLC and the setting of a new strategy and refreshed brand for the bank.

Before joining Absa (previously Barclays Africa Group Limited) as Group Chief Executive in March 2009, Ms Ramos served as the Chief Executive of Transnet Limited for five years. This followed an eight-year tenure as director general of South Africa's National Treasury (formerly the Department of Finance) during which time she played a crucial role in transforming the Treasury into one of the most effective and efficient state departments in the post-apartheid administration.

Ms Ramos has in the past served as a non-executive and independent director on the boards of Sanlam Ltd, Remgro Ltd and SABMiller PLC. She was a member of the World Economic Forum's International Business Council and member of its executive Committee for 12 years and its chairman between 2017 and 2019.

She is a member of the Group of Thirty and serves on the International Advisory Board of the Blavatnik School of Government, Oxford University.

Her contribution has been recognised through numerous awards including ranking in Fortune Magazine's 50 most powerful women in business a number of years running; CNBC Africa Woman Leader of the Year (2011); and Wits Business School's Management Excellence Award (2010). She was named the Sunday Times and Business Times Business Leader of the Year in 2005 and Businesswoman of the Year by the SA Businesswomen's Association in 2001.

Nelisiwe Magubane (54)

Pr.Eng, BSc, MBA

Independent non-executive director

Appointed: 1 January 2020

Board committee memberships:

- Investment Committee
- Social, Ethics and Sustainability Committee

Neli Magubane has extensive experience in the energy sector, having started her career at Eskom. After a stint in the private sector as a consulting electrical engineer, she joined the Department of Minerals and Energy as the chief director responsible for the restructuring of the electricity sector, planning and implementation of the electrification programme. She was later appointed as the Deputy Director General responsible for the development of the policies that govern electricity, nuclear and clean energy in South Africa.

In 2009, Neli was appointed as Director General of Energy, responsible for, among other things, the development of the integrated resource plan and improved access to electricity for over a million households in four years. She was responsible for the regulatory framework and policies that govern the liquid fuels and gas sectors. She was also responsible for oversight of the State-Owned Companies (SOC) that operate in the energy sector, namely CEF SOC LTD, NECSA SOC LTD, and the regulatory authorities that govern the energy sector. She established the Renewable Energy Independent Power Producer Programme.

More recently, she was appointed to the current board of Eskom Holdings SOC Limited as a non-executive director. Neli has been named one of the top 50 most influential figures in the Southern African Power sector by ESI Africa Magazine. In 2019 she was awarded a Big 5 Energy Award by Africa Oil and Power Conference for her outstanding contribution in shaping energy policy in sub-Saharan Africa. As an entrepreneur, she has established Matleng Energy Solutions, a 70% women-owned company that provides energy solutions.

ANNEXURE 1

Remuneration policy

Remuneration strategy

AngloGold Ashanti's remuneration policy is aligned to the business strategy and aims to ensure that we attract, retain and motivate high quality people, who are capable of consistently achieving exceptional performance and maximising shareholder value. Our remuneration strategy and approach aims to enable strategy execution and focuses on driving our five business objectives namely:

(1) Maintain the strong foundation – People are the foundation of our business. Our business must operate according to our values if it is to remain sustainable in the long term. This includes a drive to improve safety performance, reduce fatalities, and retain key skills;

(2) Improve financial flexibility – Ensure that our balance sheet remains able to meet our funding needs;

(3) Optimise cost base – Ensure that all spend is optimally structured and necessary to fulfil the core business objectives;

(4) Improve portfolio quality – focus on a portfolio of assets that must be actively managed to improve the overall mix of our production base as we strive for a competitive valuation as a business; and

(5) Maintain long-term optionality, albeit at a reasonable cost – Creating a competitive pipeline of long-term opportunities.

Policy

Based on the alignment to the remuneration strategy, and the achievement of the Company's remuneration objectives, this policy applies to all AngloGold Ashanti operations globally and sets out policies and parameters relating to the establishment and application of employee remuneration. In determining a holistic approach to employee remuneration AngloGold Ashanti applies the following key principles:

- Remunerate to drive and reward behaviour and performance of employees and executives which align the organisation, shareholder and employee strategic goals.
- Ensure that performance metrics are demanding, sustainable and cover all aspects of the business including both the key financial and non-financial drivers.
- Structure remuneration ensuring that the Company's values are maintained, and the correct governance frameworks are applied across remuneration decisions and practices.
- Apply the appropriate remuneration benchmarks; and
- Provide competitive rewards to attract, motivate and retain highly skilled executives and staff vital to the success of the organisation.

In order to address the above key principles and to ensure that employees feel that they are equitably rewarded for their input, AngloGold Ashanti applies the following framework:

- A pay curve designed according to the applicable job level/ stratum (grade) and substratum;
- Pay for performance, differentiation in pay according to an employee's deliverables;
- Internal equity; and
- Market benchmarking using the AngloGold Ashanti principle of positioning guaranteed pay at the median of the applicable markets and where there is a shortage of specialist and/or key technical skills paying higher than the median.

The policy should be followed and applied in conjunction with any local AngloGold Ashanti practices and applicable local government legislation.

As required by King IV™, AngloGold Ashanti's remuneration policy and implementation report as detailed in this Remuneration Report will be tabled for separate non-binding advisory votes by shareholders at the upcoming annual general meeting (AGM).

In the event that either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the voting rights entitled to be exercised by shareholders at the AGM, the committee will ensure that the following measures are taken in good faith and with best reasonable efforts:

- An engagement process with shareholders to ascertain the reasons for the dissenting votes, and
- Appropriately addressing legitimate and reasonable objections and concerns raised which may include amending the remuneration policy or clarifying or adjusting remuneration governance and/or processes.

1. Reward components

Base salary

A competitive salary is provided to all employees to ensure their experience, contribution and appropriate market comparisons are fairly reflected and applied. For non-bargaining unit employees' base salaries are increased in January of each year, in accordance with a Remuneration and Human Resources Committee (the committee) approved inflationary pool. In high inflation countries increases may be adjusted by an individual's performance, but in low inflation countries a flat inflation is typically applied. Bargaining unit employees' base salaries are increased in line with union negotiated agreements.

Deferred Share Plan (DSP)

Incentives form a key part of total remuneration and eligible AngloGold Ashanti employees will participate in an incentive bonus plan. With effect from 1 January 2018, the Company has been using a single incentive for short-term and long-term performance. The Deferred Share Plan (DSP) is designed to reward employees to meet the strategic short, medium and long-term objectives that will enable them to deliver value to shareholders, by achieving defined company objectives.

Permanent employees who do not participate in a production bonus are eligible to participate in the DSP. Participation is at the discretion of the committee.

A portion of the award is paid in cash as a bonus, and the balance is delivered as either deferred cash (for stratum levels III – middle management – and below) or deferred shares (for stratum level IV – senior management – and above), vesting equally over a period of two to five years.

The total incentive is determined based on a combination of company and individual performance measures, defined annually and weightings are applied to each measure. The metrics are defined against the objectives that most strongly drive company performance and are weighted to financial outcomes, production, cost and sustainability.

Each metric is weighted and has a threshold, target and stretch definition based on the company budget and the desired stretch targets for the year.

The table below sets out the performance measure weightings (company and individual); threshold, target and maximum award of the DSP scheme.

At the end of each financial year, the Company's and CEO's performance is assessed by both the committee and the board against the defined metrics to determine the quantum of the cash portion and the quantum of the deferred portion namely:

Cash portion:

Base pay x individual performance weighting x on-target cash percentage x individual performance modifier (KPIs: 1 – 5 rating)

+

Base pay x company performance weighting x on-target cash percentage x company performance modifier

Deferred cash/shares:

Base pay x individual performance weighting x on-target deferred percentage x individual performance modifier (KPIs: 1 – 5 rating)

+

Base pay x company performance weighting x on-target deferred percentage x company performance modifier

The deferred shares are awarded as conditional rights to shares with dividend equivalents.

Vesting of the deferred portion (cash or shares) occurs over either a two, three, or five-year period, depending on the level of the participant.

		Performance measure weightings *		Threshold				On-target				Maximum			
Employee level and stratum	**Deferral period (years)**	**Company**	**Individual**	**Cash award**	**Deferred cash award**	**Deferred share award**	**Total DSP award (cash + deferred)**	**Cash award**	**Deferred cash award**	**Deferred share award**	**Total DSP award (cash + deferred)**	**Cash award**	**Deferred cash award**	**Deferred share award**	**Total DSP award (cash + deferred)**
CEO (VII) *	5	80%	20%	50.0%	–	100.0%	**150.0%**	100.0%	–	200.0%	**300.0%**	150.0%	–	300.0%	**450.0%**
CFO (VIH) *	5	80%	20%	42.5%	–	92.5%	**135.0%**	85.0%	–	185.0%	**270.0%**	127.5%	–	277.5%	**405.0%**
Executive management (VIL) *	5	80%	20%	37.5%	–	87.0%	**124.5%**	75.0%	–	174.0%	**249.0%**	112.5%	–	261.0%	**373.5%**
Senior management (IVH – V)	3	50%	50%	26.0%	–	39.0%	**65.0%**	52.0%	–	78.0%	**130.0%**	78.0%	–	117.0%	**195.0%**
Senior management (IVL)	2	50%	50%	24.0%	–	27.0%	**51.0%**	48.0%	–	54.0%	**102.0%**	72.0%	–	81.0%	**153.0%**
Middle management (IIIH)	2	40%	60%	16.5%	16.5%	–	**33.0%**	33.0%	33.0%	–	**66.0%**	49.5%	49.5%	–	**99.0%**
Middle management (IIIL – IIIM)	2	40%	60%	12.5%	12.5%	–	**25.0%**	25.0%	25.0%	–	**50.0%**	37.5%	37.5%	–	**75.0%**

* *Please see amendments to performance measure weightings for the CEO, CFO and executive management team.*

The DSP performance metrics for 2020 are as follows:

	2020 DSP performance measure	Target weighting	Threshold measures	Target measures	Stretch measures
Financial measures	Relative total shareholder return (TSR)	10.00%	Median TSR of comparators	Halfway between median and upper quartile	Upper quartile TSR of comparators
	Absolute TSR	10.00%	US$ COE [(1)]	US$ COE + 2%	US$ COE + 6%
	Normalised cash return on equity (nCROE)	15.00%	US$ COE	US$ COE + 2%	US$ COE + 6%
	Production	12.50%	3.050Moz	3.175Moz	3.300Moz
	All-in sustaining costs	15.00%	US$1,100/oz	US$1,070/oz	US$1,040/oz
Future optionality	Ore Reserve additions (pre-depletion, asset sales, mergers and acquisitions)	6.25%	Plus 1.2Moz	Plus 2.3Moz	Plus 3.5Moz
	Mineral Resources (pre-depletion, asset sales, mergers and acquisitions)	6.25%	Plus 3.5Moz	Plus 7.0Moz	Plus 10.5Moz
Safety, health, environment and community	All injury frequency rate (AIFR) per million hours worked	4.00%	≥ 2.5% performance improvement (3.24)	≥ 5% performance improvement (3.14)	≥ 7.5% performance improvement (3.06)
	Major hazard management critical control percentage compliance	4.00%	92.5% critical control compliance	95% critical control compliance	97.5% critical control compliance
	Number of critical control registers established for site-specific, material health risks (as captured in AuRisk) at each operation	1.50%	2	3	5
	Compliance with occupational exposure monitoring and sampling programmes for noise and dust at each operation, for employees and contractors	1.50%	50% compliance	60% compliance	70% compliance
	Number of reportable environmental incidents at operating mines	3.00%	2	1	0
	Greenhouse gas emissions intensity at gold-producing operations, measured in kg CO_2e/tonne	3.00%	7.321 -0.3% off base	7.277 -0.6% off base	7.248 -1% off base
	Number of material business disruptions as a result of community unrest	2.50%	5	3	1
Core value: people	Strategic coverage	2.00%	11 potential successors for 8 Excom [(2)] roles	13 potential successors for 8 Excom [(2)] roles	15 potential successors for 8 Excom [(2)] roles
	Key staff retention	1.00%	85% pa	90% pa	95% pa
	Gender diversity	2.50%	19% female representation	21% female representation	23% female representation
	Total	**100%**			

[(1)] *Cost of equity*
[(2)] *Executive Committee*

Malus and claw-back

The committee may determine that an unvested award or part of an award may not vest, or may determine that any cash bonus, vested shares, or their equivalent value in cash be returned to the Company in the event that any of the following matters is discovered:

- A material misstatement of our results which may have caused the over allocation of cash bonus, deferred cash and deferred share allocations.
- Misconduct, including but not limited to the participant acting fraudulently or dishonestly or being in material breach of their obligations to AngloGold Ashanti as described in our Disciplinary Code and Procedure policy, will result in the lapse of all deferred cash and deferred shares, both vested and unvested, in line with the rules of the DSP.
- Where there is an error in the calculation of any performance condition used in the calculation of the performance conditions which may have resulted in an overpayment.
- Under both "malus" and "claw-back" provisions, where the committee determines that an exceptional circumstance has occurred, the committee may, at its discretion, reduce the number of shares to be received on vesting of an award, or, for a period of two years after the vesting of an award, the committee can claw-back value from a participant.

Employee benefits and allowances

Other components of reward are detailed under separate AngloGold Ashanti policy documents. However, subject to local competitive practice and legislation, AngloGold Ashanti policy is to provide, where appropriate, additional elements of compensation from the following list:

- **Retirement schemes**

  Provides a defined contribution retirement benefit aligned to the schemes in the respective country in which the employee operates. The funds vary depending on jurisdiction and legislation. Defined benefit schemes are not available. The maximum company contribution opportunity is 24.75% of base salary for the Chief Executive Officer and lower contributions for others, dependent on their schemes.

- **Medical benefits**

  Provides medical aid assistance aligned to the schemes in the respective country in which the employee operates. Provided to all executives through either a percentage of fee contribution, reimbursement or company provided healthcare providers. Contributions are in line with the approved company policy. It is no longer AngloGold Ashanti's practice to provide a post-retirement medical care benefit. Existing plans have been closed to new entrants or converted to employee paid plans.

- **Life assurance**

  Comprising a fixed amount or a multiple of base salary.

- **Disability insurance (short- or long-term)**

  Comprising an amount to partially replace lost compensation during a period of medical incapacity or multiple of base salary.

- **Accidental death and dismemberment cover**

  Usually comprising a schedule of fixed amounts or multiple of base salary.

- **Relocation allowances**

  To enable an employee and their family to relocate for business purposes from one location to another. Allowances may be once only or extend over a determined period of time and cover such expenses as house sale and purchase, transportation of effects, costs of living, rental expenses and school fees.

2. Compensation structure

AngloGold Ashanti uses the stratum structure to determine the levels of work and the pay scales associated with those levels of work.

The pay ranges cover each stratum or level in the location in which jobs are situated. Each stratum is divided into an upper, middle and lower section and a pay range is constructed for each.

Pay ranges represent the level of compensation paid to similar positions in the market. The median (50th percentile) of market comparators becomes the midpoint of the AngloGold Ashanti range and the minimum and maximum of the range is informed by the lower and upper market quartile.

An individual promoted to a particular position entering the appropriate range for that position typically receives a salary toward the minimum. Over time as they approach full competency, they move toward the midpoint through annual salary awards.

Increases above the midpoint will typically be lower as performance expectations become higher. Individuals approaching the maximum of their range would usually be candidates for promotion or are considered to be exceptionally competent and performing at a consistently high level over long periods or have identified scarce skills. Only in special circumstances of particularly scarce skills or experience shortages may an individual be compensated beyond the maximum of the range.

An individual's salary relative to the midpoint of the range for the position occupied is referred to as the compa-ratio. Aggregated compa-ratios provide an indication of the populations' overall competitiveness.

3. Competitive positioning

Market comparison

For executive management, the Mercer Survey methodology known as international position evaluation (IPE) is used for market benchmarking. For senior management and below globally, benchmarking is done using locally available reputable surveys including, Remchannel (South Africa), Hay evaluation methodology and others. The executive comparison which includes all executive committee members and the selected global roles from stratum IV (senior management) and above are benchmarked against the following selected group of global comparator companies:

2020 Comparator benchmark group

Agnico Eagle Mines	United States
Anglo American Platinum	South Africa
Antofagasta	London
Barrick Gold Corporation	Canada
B2Gold Corporation	Canada
Gold Fields Limited	South Africa
Kinross Gold Corporation	Canada
Newcrest Mining Limited	Australia
Newmont/Goldcorp	United States
South32	Australia
Yamana Gold Incorporated	Canada

The benchmark list of comparator companies is reviewed on an annual basis to ensure that they remain appropriate. In reviewing the participants, the committee considers:

- Global spread and complexity;
- Nature of business;
- Size; and
- The peer group should also be large enough to create a sufficient benchmark to draw information and to not create any concerns from an antitrust legislative perspective.

Each component of remuneration (base salary, variable pay and benefits) is analysed and compared with the market information and the overall package is reviewed accordingly. The global market is used for the executive team and then dependent on level and global reach the stratum IV and V (senior management) employees are benchmarked against the relevant global and/or local markets. Typically for stratum III (middle management) and below, local benchmarking is done for these employees. This benchmarking is usually completed on an annual basis.

On the global benchmark survey, each executive's role is individually sized to ensure the best match possible. The comparison is then done on the same or similar roles irrespective of place of work (and includes a review of purchasing power parity between countries).

For the stratum III (middle management) and below surveys, the individual roles are matched to the survey data and measured against the local roles. The surveys must be done utilising reputable survey houses that have a sufficient spread of participants with a robust job matching and detailed validation process.

To determine competitive positioning in these surveys, guaranteed salaries are compared with guaranteed salaries paid for similar positions. Short-term incentive (STI) targets are compared with recently paid incentives, profit sharing or bonus payments made by the competitive marketplace.

4. Expatriate compensation

Being a global organisation with a requirement for specialist skills, AngloGold Ashanti employs a skilled workforce with members who are globally mobile to service the organisation primarily in remote locations or areas where the skill set is not available locally. The mobile workforce is tasked to develop and grow skills locally.

The mobile workforce is given expatriate benefits including housing, schooling, international medical aid, international pension funds (where appropriate) and home leave trips in line with the nature, duration and location of the assignment. Where appropriate, tax equalisation principles are followed for base pay (exclusive of shares and other benefits not agreed up front).

AngloGold Ashanti's mobility policy is contained in a separate policy document.

5. Retention

Retention is a key requirement for AngloGold Ashanti which operates in a global arena where fewer people are moving into the mining industry and there is a limited talent supply.

A retention strategy is in place whereby AngloGold Ashanti can pay between 50% and up to one times base pay for identified retention risks that require additional pay due to external offers or similar situations, delivered in cash (or shares where approved by the board) over a period of 12 – 36 months to employees identified as key skills who are identified retention risks. All retention payments are approved by the Executive Vice President – Group Human Resources and noted by the committee.

6. Recruitment policy

When recruiting a member of the executive management team, a comparative benchmarking exercise is undertaken to determine the size, nature and complexity of the role, and skills availability in the market prior to making a competitive offer.

The following will be considered when recruiting external hires:

- External appointments will not be paid more than what they would have lost at their previous employer within a 12-month period. The terms of the payment will reflect the nature of the remuneration forfeited (salary, other contractual payments, annual bonus and/or share based elements including in-flight share awards), time horizons and any performance requirements. The committee will not offer any sign-on bonus for example, a "golden hello".
- In the case of share awards forfeited they will have equivalent performance conditions unless the committee determines otherwise.
- The committee will also take into account both market practice and any relevant commercial factors in considering the terms of the buy-out award;
- A time period is applied to a buy-out with a minimum claw-back
- A buy-out award will only be granted on proof of forfeiture of compensation from previous employer.

7. Termination guidelines

Legislation and contractual obligations take precedent in any termination agreement however the table below recommends the typical standard group practice:

	Reasons for termination			
	Voluntary resignation	**Dismissal/termination for cause**	**Normal and early retirement, retrenchment and death**	**Mutual separation**
Base salary	Base pay will be paid over the notice period or as a lump sum	Base pay will be paid until employment ceases	Base pay is paid for a defined period based on cause and local policy as employees have different employment entities	Base pay will be paid over the notice period or as a lump sum
Pension	Pension contributions for the notice period will be paid; any lump sum does not include pension contributions unless contractually agreed	Pension contributions will be paid until employment ceases	Pension contributions will be paid until employment ceases	Pension contributions for the notice period will be paid; any lump sum would not include pension contributions unless contractually agreed
Medical provisions	Where applicable, medical provision for the notice period will be paid; any lump sum does not include contributions unless contractually agreed	Medical provision/ payment will be provided until employment ceases	Medical provision/payment will be provided until employment ceases	Where applicable, medical provision for the notice period will be paid; any lump sum would not include contributions unless contractually agreed
Benefits	Applicable benefits may continue to be provided during the notice period but will not be paid on a lump sum basis	Benefits will fall away when employment ceases	Benefits will fall away when employment ceases	Applicable benefits may continue to be provided during the notice period but will not be paid on a lump sum basis
DSP cash bonus	Forfeit, no bonus	No bonus	Discretion to pro-rate for period worked	Discretion to pro-rate for period worked
Deferred cash awards	Unvested awards lapse	Unvested awards lapse	The vesting date will be accelerated to the date of separation and the participant shall be entitled to receive a pro-rated deferred cash value taking into account the period that the participant has been in employment during the vesting period.	The vesting date will be accelerated to the date of separation and the participant shall be entitled to receive a pro-rated deferred cash value taking into account the period that the participant has been in employment during the vesting period.

Reasons for termination				
	Voluntary resignation	**Dismissal/termination for cause**	**Normal and early retirement, retrenchment and death**	**Mutual separation**
Deferred share awards	Unvested awards lapse	Unvested awards lapse	Retrenchment and retirement (early, normal and late): **Senior managers** – upon termination, the vesting date will be accelerated to the date of separation and the participant shall be entitled to receive pro-rated shares taking into account the period that the participant has been in employment during the vesting period. Vested shares may be exercised within six months following termination date. **Executives** – upon termination of employment, vested shares may be exercised within six months following termination date. The participant will continue to hold unvested shares post termination of employment to vest at the original vesting date. Upon vesting of these shares, participant has up to six months to exercise vested shares. Death: **All participants** – upon death of an employee, the vesting date will be accelerated, and the participant's estate shall be entitled to receive the full vested and unvested deferred shares within 12 months from date of death.	**Senior managers** – upon termination, the vesting date will be accelerated to the date of separation and the participant shall be entitled to receive pro-rated shares taking into account the period that the participant has been in employment during the vesting period. Vested shares may be exercised within six months following termination date. **Executives** – upon termination of employment, vested shares may be exercised within six months following termination date. The participant will continue to hold unvested shares post termination of employment to vest at the original vesting date. Upon vesting of these shares, participant has up to six months to exercise vested shares.

8. Minimum shareholder requirements

To ensure that executive and shareholder objectives are aligned, a minimum shareholding requirement (MSR) applies to all Executive Committee members on the following basis (effective January 2020):

- Executive directors are required to accumulate AngloGold Ashanti shares as follows:
  - Chief Executive Officer: 150% of net annual base salary within three years of appointment and 300% of net annual base salary within six years of appointment,
  - Chief Financial Officer: 125% of net annual base salary within three years of appointment and 250% of net annual base salary within six years of appointment.
- Executive Committee members: 100% of net annual base salary within three years of appointment and 200% of net annual base salary within six years of appointment.

The MSR is calculated as follows:

Deemed value of the shares on the MSR measurement date = cost of shares acquired x CPI index on MSR measurement date/CPI index on the share acquisition date.

9. Governance

Legislation and statutory compliance

The Remuneration Policy is adhered to in line with AngloGold Ashanti policy and local government legislation; where local legislation deviates from policy the applicable legislation should be applied.

Furthermore, we ensure that our remuneration practices are designed to be fair, transparent and compliant with legislative requirements within all the jurisdictions that we operate in. This is achieved through ongoing compliance benchmarking and implementation of legislative requirements, for example King IV and SEC.

Budgeting compensation increases

As part of the business planning and operational budgeting cycle, annual compensation increases are budgeted for. The budgeted amount takes into consideration the current average consumer price index (CPI) (where applicable) as well as AngloGold Ashanti's overall market competitiveness and industry trends. Approval for these increases is in line with the business planning and budget cycle.

Remuneration and Human Resources Committee

The purpose of the committee is to assist the board in discharging its oversight responsibilities relating to all compensation, including annual base salary, annual incentive compensation, long-term incentive compensation, employment, severance pay and ongoing perquisites or special benefit items and equity compensation of the Company's executives, including the Chief Executive Officer as well as retention strategies, design and application of material compensation programmes, and share ownership guidelines.

The committee operates in an independent role, operating as an overseer with accountability to the board. This is accomplished by:

- Reviewing and approving corporate goals and objectives relevant to the compensation of the executive management team;
- Evaluating the performance of the executive management team in light of these goals and objectives annually and setting each executive's compensation based on such evaluation;
- Ensuring that the mix of fixed and variable pay, in base pay and other elements of compensation meets the Company's requirements and strategic objectives;
- Linking individual pay with operational and Company performance in relation to strategic objectives;
- Considering the sentiments and views of the Company's investors;
- Overseeing and reviewing all aspects of any share option scheme operated by or to be established by the Company;
- Regularly reviewing incentive schemes to ensure continued contribution to shareholder value and ensure that these are administered in terms of the rules;
- Regularly reviewing human resources strategy aimed at ensuring the supply and retention of sufficient skilled resources to achieve the Company's objectives;
- Ensure that the remuneration policy and implementation report is put to a non-binding advisory vote at the general meeting of shareholders once every year; and
- Review the outcome of the implementation of the remuneration policy to ensure that the set objectives are being achieved and fairness is addressed.

ANNEXURE 2

Remuneration implementation report – January to December 2019

This section of the Remuneration Report explains the implementation of the remuneration policy by providing details of the remuneration paid to executives and non-executive directors for the financial year ended 31 December 2019.

Executive pay

On behalf of AngloGold Ashanti, Mercer conducts biennial bespoke survey of executive remuneration. For 2019, the committee reviewed the comparator group against AngloGold Ashanti to ensure that changes in the market had not led to variances that made the current matches inappropriate. The review consisted of a detailed analysis of companies who it was felt were appropriate for inclusion in the benchmark. The companies included in the comparator group were ranked in terms of a number of criteria selected in areas which were aligned with AngloGold Ashanti. The table below summarises the final comparator group.

2019 Comparator benchmark group

Anglo American Platinum	South Africa
Agnico Eagle Mines	United States
Barrick Gold Corporation	Canada
B2Gold Corporation	Canada
Eldorado Gold Corporation	Canada
Evolution Mining Limited	Australia
Gold Fields Limited	South Africa
IAMGOLD Corporation	Canada
Impala Platinum Holdings Limited	South Africa
Kinross Gold Corporation	Canada
Newcrest Mining Limited	Australia
Newmont/Goldcorp	United States
Sibanye Stillwater Limited	South Africa
South32	Australia
Yamana Gold Incorporated	Canada

In 2019, the January annual increases resulted in each member of the executive management team receiving an increase in line with the CPI in their respective jurisdictions. This is in line with increases for all AngloGold Ashanti employees.

Information regarding CEO's remuneration on joining AngloGold Ashanti

At the 2018 annual general meeting of shareholders held in May 2019, 58.51% of those shareholders present and voting supported implementation of the remuneration report compared with support of 98.31% for the remuneration policy. This level of support necessitated engagement by the committee Chairperson with 30% of investors to better understand their perspectives and ensure that our remuneration practices and reporting reflect their views.

As set out in the committee Chairperson's letter, one of the main areas for engagement with shareholders related to the sign-on terms accompanying Mr Kelvin Dushnisky's appointment. The Chairperson committed to providing a detailed explanation of the approach the committee took in determining the payments, to clarify the disclosure in our 2018 report.

As previously disclosed in our 2018 Remuneration Report, Mr Dushnisky's payments at joining included:

- A pro-rata sign-on cash payment of $800,000 in lieu of his previous company's 2018 performance year
- A sign-on award valued at $4,200,000, made up of the following components and terms as per the tables below:

Vesting date	Value of cash sign-on bonus in US$
1 January 2019	400,000
1 January 2020	1,000,000
Total	**1,400,000**

Vesting date	Value of shares (US$) [(1)]	Value of shares (ZAR)	Number of AngloGold Ashanti shares
1 January 2019	1,400,000	20,188,000	175,877
1 January 2020	700,000	10,094,000	87,939
1 January 2021	700,000	10,094,000	87,939
Total	**2,800,000**	**40,376,000**	**351,755**

[(1)] *Value of shares is based on award date and not vesting date calculated on a five-day VWAP prior to Mr Dushnisky's starting date of 1 September 2018. In accordance with the above tables, a cash payment of $400,000 was made to Mr Dushnisky on 1 January 2019 and 175,877 AngloGold Ashanti shares vested on 1 January 2019.*

Cash payment ($800,000)

The sign-on cash payment of $800,000 was in lieu of the annual bonus which Mr Dushnisky was eligible for from his previous employer, Barrick Gold, but would ordinarily have been forfeited on termination of his employment. Notwithstanding his departure, the Remuneration Committee of Barrick Gold exercised their discretion to make an incentive payment to Mr Dushnisky post the cessation of his employment for the flexibility shown by him regarding his departure date and the delivery of agreed matters of strategic importance as disclosed in the Barrick Gold 2019 Information Circular published in March 2019 relating to the financial year ending 31 December 2018. In light of this, Mr. Dushnisky has voluntarily repaid the $800,000 sign-on cash payment to the Company.

Sign-on payment ($4,200,000)

While the payment of $4.2m was disclosed in the 2018 Remuneration report, it was incorrectly described as a share buyout. The correct position is that, at the time of the negotiations, Mr Dushnisky expected corporate activity under discussion at the time by his former employer that would entitle him to a substantial contractual severance payment. He was prepared to wait for this activity to materialise and for the payment to become due, after which time he would join AngloGold Ashanti.

However, in light of AngloGold Ashanti's requirement that he start immediately after the departure of the former CEO, the parties agreed to a figure that took into account Mr Dushnisky's expected loss of compensation and his willingness to start at the earlier date.

Annual salary review

In 2019, the January annual increases resulted in each member of the executive management team receiving an increase in line with the CPI in their respective jurisdictions. This is in line with increases for all AngloGold Ashanti employees. The respective CPI increases applicable to the executive management team were as follows:

Region	Increase
Australia	3.0%
South Africa	5.7%
USA	2.5%

Executive movements

In 2019, the following executive management team members retired:

- Mr Charles Carter, Executive Vice President: Strategy, on 31 March 2019
- Mr Chris Sheppard, Chief Operating Officer: South Africa on 15 March 2019
- Mr David Noko, Executive Vice President: Group Sustainable Development, on 28 February 2019

All retirees received the standard payments as per the retirement policies in place at AngloGold Ashanti.

Mr Sicelo Ntuli was appointed Executive Vice President: Chief Operating Officer: Africa Operations, and Mr Stewart Bailey was appointed Executive Vice President: Corporate Affairs, effective 1 January 2019. Both were internal promotions, confirming our commitment to succession planning and developing internal talent.

Mr Pierre Chenard was appointed Executive Vice President: Strategy and Corporate Development, on the following terms:

- Base pay: R8,380,580 per annum
- Medical aid insurance through BUPA
- International pension scheme membership
- A sign-on award, which Mr Chenard received on appointment for compensation forfeited from his previous employer. This was based on the fair value of unvested share awards which lapsed on the cessation of his employment and other remuneration and benefits, as detailed below. The buy-out award for Mr Chenard took into account the proportionate achievement of the relevant performance conditions and the time elapsed from the date of grant under the terms of the former employer's share scheme. As such, it was concluded that the buy-out award featured no further corporate performance conditions other than new time-based vesting conditions.

Vesting date	Value of cash sign-on bonus in US$	Value of cash sign-on bonus in ZAR
1 April 2019	225,000	3,165,000
1 April 2020	225,000	3,165,000
Total	**450,000**	**6,330,000**

Vesting date	Value of shares in US$[1]	Value of shares in ZAR	Number of AngloGold Ashanti shares
1 April 2020	450,000	6,513,255	32,475
1 April 2021	450,000	6,513,255	32,476
Total	**900,000**	**13,026,510**	**64,951**

[1] *Value of shares is based on award date and not vesting date calculated on a five-day VWAP prior to Mr Chenard's starting date of 1 April 2019. In accordance with the above tables a cash payment of R3,165,000 was made to Mr Chenard on start date, 1 April 2019.*

Shares will vest in accordance with the JSE Listings Requirements.

See overleaf for details of executive directors' and prescribed officers' remuneration, including single total figure remuneration.

Remuneration implementation report – January to December 2019

Executive directors' and prescribed officers' remuneration

In line with King IV and the JSE Listing Requirements, we are reporting for the first time the executive management team's remuneration in Single Total Figure Remuneration format. This further improves transparency and accountability to shareholders.

The table below summarises remuneration of Executive Directors and Prescribed Officers. It comprises an overview of all the pay elements available to the executive management team for the year ended 31 December 2019.

Single total figure remuneration

		Base salary				
		ZAR denominated portion ZAR '000	US$/AUD denominated portion [1] ZAR '000	Pension scheme benefits ZAR '000	Once-off relocation costs ZAR '000	Cash in lieu of dividends ZAR '000
Executive directors						
KPM Dushnisky	**2019**	**–**	**18,608**	**4,648**	**2,726**	**142**
	2018	–	5,740	1,421	–	–
KC Ramon	**2019**	**5,585**	**3,981**	**779**	**–**	**194**
	2018	5,246	3,446	725	–	124
Total executive directors	**2019**	**5,585**	**22,589**	**5,427**	**2,726**	**336**
	2018	5,246	9,186	2,146	–	124
Prescribed officers						
SD Bailey	**2019**	**3,879**	**2,560**	**–**	**–**	**37**
	2018	–	–	–	–	–
CE Carter [6]	**2019**	**–**	**2,791**	**5,524**	**–**	**–**
	2018	–	9,557	1,381	–	131
PD Chenard [5][7]	**2019**	**2,933**	**3,900**	**–**	**1,270**	**–**
	2018	–	–	–	–	–
GJ Ehm	**2019**	**–**	**9,074**	**251**	**–**	**163**
	2018	–	8,693	248	–	116
L Eybers	**2019**	**1,377**	**7,945**	**251**	**1,135**	**64**
	2018	4,795	3,151	248	–	37
DC Noko [6]	**2019**	**869**	**396**	**117**	**–**	**17**
	2018	4,931	2,083	658	–	92
S Ntuli	**2019**	**4,607**	**2,871**	**631**	**–**	**36**
	2018	–	–	–	–	–
ME Sanz Perez	**2019**	**4,481**	**3,184**	**958**	**–**	**169**
	2018	4,196	2,757	869	–	88
CB Sheppard [6]	**2019**	**1,159**	**528**	**160**	**–**	**169**
	2018	5,213	2,202	696	–	40
TR Sibisi	**2019**	**4,944**	**2,337**	**910**	**–**	**158**
	2018	4,778	1,569	793	–	19
Total prescribed officers	**2019**	**24,249**	**35,586**	**8,802**	**2,405**	**813**
	2018	23,913	30,012	4,893	–	523

(1) *Salary denominated in US$/AUD for global roles and responsibilities converted to ZAR on payment date.*

(2) *Other benefits include health care, group personal accident, disability, funeral cover, accommodation allowance, airfare and surplus leave encashed. Surplus leave days accrued are automatically encashed unless work requirements allow for carry over.*

(3) *The fair value of the DSP comprises a cash bonus and share awards for the year ended 31 December 2019 with the cash bonus payable in February 2020 and the share awards allocated in February 2020, vesting over a five-year period in equal tranches.*

(4) *The fair value of the CSLTIP granted in 2017 with a three-year performance period ended 31 December 2019. The awards vested on 1 March 2020.*

Details of incentive scheme awards are included in the Related Parties note in the **<AFS>** (group note 33).

	Awards earned during the period reflected but not yet settled				
Other benefits [2]	DSP awards [3]	CSLTIP awards [4]	Sign-on awards granted	Single total figure remuneration	
ZAR '000	ZAR '000	ZAR '000	ZAR '000	ZAR '000	US$ '000 [8]
2,578	**61,842**	**–**	**–**	**90,544**	**6,268**
127	19,586	–	73,400	100,274	7,570
893	**29,135**	**33,064**	**–**	**73,631**	**5,097**
1,038	26,097	10,316	–	46,992	3,547
3,471	**90,977**	**33,064**	**–**	**164,175**	**11,365**
1,165	45,683	10,316	73,400	147,266	11,117
1,160	**18,087**	**5,917**	**–**	**31,640**	**2,190**
–	–	–	–	–	–
2,277	**–**	**–**	**–**	**10,592**	**733**
855	27,026	10,316	–	49,266	3,719
1,729	**18,362**	**–**	**19,356**	**47,550**	**3,292**
–	–	–	–	–	–
611	**25,329**	**33,064**	**–**	**68,492**	**4,742**
578	23,577	10,316	–	43,528	3,286
2,310	**25,054**	**29,160**	**–**	**67,296**	**4,659**
1,333	21,985	1,719	–	33,268	2,511
1,110	**–**	**–**	**–**	**2,509**	**174**
314	19,307	10,316	–	37,701	2,846
343	**21,041**	**7,526**	**–**	**37,055**	**2,565**
–	–	–	–	–	–
68	**20,567**	**26,447**	**–**	**55,874**	**3,868**
62	19,238	10,316	–	37,526	2,833
830	**–**	**–**	**–**	**2,846**	**197**
349	20,410	10,316	–	39,226	2,961
61	**19,638**	**22,713**	**–**	**50,761**	**3,514**
94	18,183	10,316	–	35,752	2,699
10,499	**148,078**	**124,827**	**19,356**	**374,615**	**25,934**
3,585	149,726	63,615	–	276,267	20,855

[5] *PD Chenard was awarded a sign-on award of ZAR19.356m at start date,1 April 2019, of which ZAR6.33m will be settled in cash with 50% payable upfront, the balance on 1 April 2020 and ZAR13.026m will be settled in shares to vest over a two-year period in equal tranches in accordance with the JSE Listing Requirements.*

[6] *All salary payments (including salary, performance related payments, pension and other benefits) for CE Carter (retired 28 March 2019), DC Noko (retired 28 February 2019) and CB Sheppard (retired 15 March 2019) are pro-rated in accordance with their retirement dates.*

[7] *All salary payments (including salary, performance related payments, pension and other benefits) for PD Chenard are pro-rated in accordance with his start date, 1 April 2019.*

[8] *Convenience conversion to US$ at the year-to-date average exchange rate of $1:R14.445 (2018: $1:R13.247).*

Remuneration implementation report – January to December 2019

Total cash equivalent received reconciliation

			Awards earned during the period reflected but not yet settled				BSP, CIP and LTIP share awards settled		
		Single total figure remuneration	DSP awards [1]	CSLTIP awards [2]	Sign-on awards granted	DSP 2018 cash portion settled	*Grant fair value* [4]	*Market movement since grant date* [4]	Vesting fair value [4]
		ZAR '000	ZAR '000	ZAR '000	ZAR '000	ZAR '000	ZAR '000	*ZAR '000*	ZAR '000
Executive directors									
KPM Dushnisky	**2019**	**90,544**	**(61,842)**	**–**	**–**	**7,119**	**–**	**–**	**–**
	2018	100,274	(19,586)	–	(73,400)	–	–	–	–
KC Ramon	**2019**	**73,631**	**(29,135)**	**(33,064)**	**–**	**8,378**	***21,504***	***2,849***	**24,353**
	2018	46,992	(26,097)	(10,316)	–	4,607	*14,843*	*(4,384)*	10,459
Total executive directors	**2019**	**164,175**	**(90,977)**	**(33,064)**	**–**	**15,497**	***21,504***	***2,849***	**24,353**
	2018	147,266	(45,683)	(10,316)	(73,400)	4,607	*14,843*	*(4,384)*	*10,459*
Prescribed officers									
SD Bailey	**2019**	**31,640**	**(18,087)**	**(5,917)**	**–**	**2,613**	***4,066***	***724***	**4,789**
	2018	–	–	–	–	–	–	–	–
CE Carter	**2019**	**10,592**	**–**	**–**	**–**	**8,778**	***26,276***	***3,913***	**30,188**
	2018	49,266	(27,026)	(10,316)	–	4,411	*13,804*	*(4,079)*	9,725
PD Chenard [3]	**2019**	**47,550**	**(18,362)**	**–**	**(16,191)**	**–**	**–**	**–**	**–**
	2018	–	–	–	–	–	–	–	–
GJ Ehm	**2019**	**68,492**	**(25,329)**	**(33,064)**	**–**	**7,113**	***19,622***	***(198)***	**19,424**
	2018	43,528	(23,577)	(10,316)	–	4,116	*13,163*	*(3,723)*	9,439
L Eybers	**2019**	**67,296**	**(25,054)**	**(29,160)**	**–**	**6,701**	***7,463***	***2,825***	**10,289**
	2018	33,268	(21,985)	(1,719)	–	3,691	*4,466*	*(1,389)*	3,077
DC Noko	**2019**	**2,509**	**–**	**–**	**–**	**5,851**	***24,906***	***4,316***	**29,222**
	2018	37,701	(19,307)	(10,316)	–	3,173	*10,712*	*(2,943)*	7,769
S Ntuli	**2019**	**37,055**	**(21,041)**	**(7,526)**	**–**	**3,269**	***3,956***	***1,046***	**5,002**
	2018	–	–	–	–	–	–	–	–
ME Sanz Perez	**2019**	**55,874**	**(20,567)**	**(26,447)**	**–**	**5,864**	***18,839***	***1,460***	**20,299**
	2018	37,526	(19,238)	(10,316)	–	3,159	*10,181*	*(2,774)*	7,407
CB Sheppard	**2019**	**2,846**	**–**	**–**	**–**	**6,186**	***25,446***	***4,338***	**29,783**
	2018	39,226	(20,410)	(10,316)	–	3,354	*4,737*	*(1,406)*	3,331
TR Sibisi	**2019**	**50,761**	**(19,638)**	**(22,713)**	**–**	**5,495**	***17,709***	***876***	**18,585**
	2018	35,752	(18,183)	(10,316)	–	2,886	*2,251*	*(652)*	1,599
Total prescribed officers	**2019**	**374,615**	**(148,078)**	**(124,827)**	**(16,191)**	**51,870**	***148,283***	***19,300***	**167,581**
	2018	276,267	(149,726)	(63,615)	–	24,790	*59,314*	*(16,966)*	42,347

(1) *The fair value of the DSP comprises a cash bonus and share awards for the year ended 31 December 2019 with the cash bonus payable in February 2020 and the share awards allocated in February 2020, vesting over a five-year period in equal tranches.*

(2) *The fair value of the CSLTIP granted in 2017 with a three-year performance period ending 31 December 2019. The awards vested on 1 March 2020.*

(3) *PD Chenard was awarded a sign-on award of ZAR19.356m at start date,1 April 2019, of which ZAR6.33m will be settled in cash with 50% payable upfront, the balance on 1 April 2020 and ZAR13.026m will be settled in shares to vest over a 2 year period in equal tranches in accordance with the JSE Listing requirements.*

(4) *Reflects the sum of all the grant fair value, the sum of all the share price movements since grant to vesting date and the sum of all the vesting fair value for the vested CSLTIP 2016, vested BSP 2017 and 2018, vested CIP 2017 and 2018 vested sign-on share awards and difference in the currency movements for the vested sign-on cash settled award. These values include awards vested early for CE Carter, DC Noko and CB Sheppard in accordance with their retirement dates as per as per scheme rules.*

(5) *Convenience conversion to US$ at the year-to-date average exchange rate of $1:R14.445 (2018: $1:R13.247).*

Details of the share incentive scheme awards follow.

Sign-on cash settled			Sign-on shares settled			Total cash equivalent received reconciliation	
Grant fair value [(4)]	*Currency movement since grant date* [(4)]	Settlement fair value [(4)]	*Grant fair value* [(4)]	*Market movement since grant date* [(4)]	Vesting fair value [(4)]		
ZAR '000	*ZAR '000*	ZAR '000	*ZAR '000*	*ZAR '000*	ZAR '000	ZAR '000	US$ '000 [(5)]
17,616	*(1,010)*	16,606	*20,188*	*18,357*	38,545	90,972	6,298
–	–	–	–	–	–	7,288	550
–	–	–	–	–	–	44,163	3,057
–	–	–	–	–	–	25,645	1,936
17,616	*(1,010)*	16,606	*20,188*	*18,357*	38,545	135,135	9,355
–			–			32,933	2,486
–	–	–	–		–	15,038	1,041
–	–	–	–		–	–	–
–	–	–	–		–	49,558	3,431
–	–	–	–		–	26,060	1,967
–	–	–	–		–	12,997	900
–	–	–	–		–	–	–
–	–	–	–		–	36,636	2,536
–	–	–	–		–	23,190	1,751
–	–	–	–		–	30,072	2,082
–	–	–	–		–	16,332	1,233
–	–	–	–		–	37,582	2,602
–	–	–	–		–	19,020	1,436
–	–	–	–		–	16,759	1,160
–	–	–	–		–	–	–
–	–	–	–		–	35,023	2,425
–	–	–	–		–	18,538	1,399
–	–	–	–		–	38,815	2,687
–	–	–	–		–	15,185	1,146
–	–	–	–		–	32,490	2,249
–	–	–	–		–	11,738	886
–	–	–	–		–	304,970	21,113
–	–	–	–		–	130,063	9,818

Minimum shareholding requirements

For the purposes of the MSR calculation, only fully owned and vested awards will count towards the determination of the MSR.

Executive	Six-year target achievement date	MSR holding as at 31 December 2019 as a percentage of net base pay	Three -year MSR target achievement percentage	Six-year MSR target achievement percentage
Executive directors				
KPM Dushnisky	March 2024	279	100	200
KC Ramon	March 2021	507	75	150
Prescribed officers				
SD Bailey [(1)]	March 2025	81	75	150
PD Chenard [(2)]	March 2026	0	75	150
GJ Ehm	March 2019	321	75	150
L Eybers	March 2023	169	75	150
S Ntuli [(1)]	March 2025	34	75	150
ME Sanz Perez	March 2019	532	75	150
TR Sibisi	March 2022	155	75	150

[(1)] *Appointed prescribed officer with effect from 1 January 2019 and the three-year MSR achievement is only due in March 2022.*

[(2] *Appointed prescribed officer with effect from 1 April 2019 and the three-year MSR achievement is only due in March 2023.*

The committee has amended the MSR requirements for 2020. Details of the changes can be found on page 22.

DSP performance outcomes

The DSP measures resulted in an achievement of 103.25% out of 100%.

The table below summarises AngloGold Ashanti's remuneration metrics, their weightings, and performance against these metrics applicable to the DSP during 2019:

2019 DSP performance measure		Weighting	Threshold measures	Target measures	Stretch measures	Actual achievement	2019 achievement %
Financial Measures	Relative total shareholder return (TSR)	10.00%	Median TSR of comparators	Halfway between median and upper quartile	Upper quartile TSR of comparators	18.88%	**15.00%**
	Absolute total shareholder return	10.00%	US$ COE [(1)]	US$ COE + 2%	US$ COE + 6%	18.88%	**15.00%**
	Normalised cash return on equity (nCROE)	15.00%	US$ COE	US$ COE + 2%	US$ COE + 6%	14.00%	**22.50%**
	Production	12.50%	3.280Moz	3.350Moz	3.420Moz	3.280Moz	**6.34%**
	All-in-sustaining costs	15.00%	US$998/oz	US$983/oz	US$968/oz	US$991/oz	**10.90%**
Future Optionality	Ore Reserve additions (pre-depletion, asset sales, mergers and acquisitions)	6.25%	Plus 0.9Moz	Plus 1.7Moz	Plus 2.6Moz	Plus 3.34Moz	**9.38%**
	Mineral Resource (pre-depletion, asset sales, mergers and acquisitions)	6.25%	Plus 2.8Moz	Plus 5.7Moz	Plus 8.5Moz	Plus 1.11Moz	**0.00%**

[(1)] *Cost of equity*

2019 DSP performance measure		Weighting	Threshold measures	Target measures	Stretch measures	Actual achievement	2019 achievement %
Safety, health, environment and community	AIFR – three-year rolling average	4.00%	≥ 5% performance improvement (4.57)	≥ 10% performance improvement (4.33)	≥ 15% performance improvement (4.09)	3.31	**6.00%**
	Major hazard management critical control percentage compliance	4.00%	90% of major hazards identified, assessed and controlled.	92.5% of major hazards identified, assessed and controlled.	95% of major hazards identified, assessed and controlled.	98.47%	**6.00%**
	Health – site compliance to the global safety standards on organisational health, wellness and fitness for work standard	1.50%	90% compliance	95% compliance	100% compliance	99.27% compliance	**2.14%**
	Completion of risk assessments per region, including identification of critical controls and actions managed to closure	1.50%	1	2	3	21 assessments completed group wide	**2.25%**
	Number of reportable environmental incidents at operating mines	3.00%	2	1	0	3	**0.00%**
	Greenhouse gas emissions intensity at gold producing operations, measured in Kg CO_2e/tonne	2.00%	7.171	7.150	7.121	7.69	**0.00%**
	Community: number of human rights violations	1.50%	(0.3)% off base ≤ 2 human rights violations	(0.6)% off base ≤ 1 human rights violations	(1)% off base 0 human rights violations	0	**2.25%**
	Number of business disruptions as a result of community unrest	2.50%	5	3	1	23	**0.00%**
Core value: People	Strategic coverage ratio	2.00%	1:1.375	1:1.5	1:1.75	1:1.375	**1.00%**
	Key staff retention	2.00%	85% pa	90% pa	95% pa	95.5%	**3.00%**
	Gender diversity	1.00%	13% female representation	15% female representation	17% female representation	19.27%	**1.50%**
Total		**100%**					103.25%

Vesting outcomes of the 2017 CSLTIP awards

The table below summarises AngloGold Ashanti's 2017 CSLTIP metrics, their weightings and performance against these metrics, which vested in March 2020:

2017 CSLTIP performance measure	% weighting	% achievement
Relative total shareholder return (TSR)	15%	15.00%
Absolute total shareholder return (TSR)	15%	15.00%
nCroe	20%	20.00%
Portfolio optimisation (20%)		
– Project delivery	10%	3.74%
– Asset optimisation	10%	7.06%
Future optionality (20%)		
– Mineral Resource	10%	0%
– Ore Reserve	5%	5%
– Colombia	5%	5%
Core value: People (10%)		
– Strategic coverage ratio	5%	5%
– Retention of top talent pool	5%	5%
Sub-total	**100%**	**80.80%**
Multiplier	±20%	16.90%
Core value: Safety		
– Percent compliance with AngloGold Ashanti safety standards		
TOTAL	100%	94.46%

For comparison purposes, the historical LTIP performance achievements are indicated as follows:

Historical LTIP performance achievement				
2012	2013	2014	2015	2016
37.4%	32.4%	26.1%	41.04%	47.3%

Non-executive directors' fees and allowances

The board elected not to take an increase in 2019, given prevailing market conditions. Non-executive directors have not received an increase in their fees since 2014. Note that while the fees have not changed, the absolute figures will vary according to the number of meetings held in the particular year.

The table below summarises directors' fees for the period as well as the comparative totals for 2018 and 2017:

Non-executive directors' fees and allowances (US dollars)

	Director fees	Committee fees	Travel allowance	Total	Total	
	2019				2018	2017
SM Pityana (Chairman)	303,000	73,750	10,000	386,750	441,000	372,250
AH Garner	123,500	37,000	35,000	195,500	200,000	200,750
AM Ferguson [(1)]	123,500	50,500	42,500	216,500	52,500	–
MJ Kirkwood [(2)]	33,500	22,250	6,250	62,000	246,750	230,750
NP January-Bardill	123,500	56,000	6,250	185,750	197,500	179,500
R Gasant	123,500	63,500	6,250	193,250	229,500	182,000
RJ Ruston	123,500	56,000	38,750	218,250	260,750	212,000
MDC Richter	123,500	71,750	35,000	230,250	235,250	203,250
DL Hodgson [(2)]	33,500	13,500	–	47,000	189,750	167,000
JE Tilk [(1)]	123,500	47,000	60,000	230,500	–	–
M Ramos [(3)]	70,000	30,500	6,250	106,750	–	–
Total	1,304,500	521,750	246,250	2,072,500	2,053,000	1,747,500

[(1)] *Director's travel allowance includes travel for site inductions.*

[(2)] *Directors resigned effective 9 May 2019*

[(3)] *Director joined on 1 June 2019*

SUMMARISED FINANCIAL INFORMATION

The summarised consolidated results for the year ended 31 December 2019 were approved on 27 March 2020 by the AngloGold Ashanti Board of Directors and were signed on its behalf by the Chairman, Sipho Pityana, the Chairman of the Audit and Risk Committee, Rhidwaan Gasant, Chief Executive Officer, Kelvin Dushnisky and Chief Financial Officer, Christine Ramon.

The summarised consolidated financial statements have been prepared by the corporate reporting staff of AngloGold Ashanti, headed by Ian Kramer, the group's Senior Vice President: Finance. This process was supervised by Kelvin Dushnisky, the group's Chief Executive Officer and Christine Ramon, the group's Chief Financial Officer.

This document is a summary of the information contained in the consolidated annual financial statements of AngloGold Ashanti for the year ended 31 December 2019, but is not itself audited. Should you wish to obtain hard copies of the consolidated annual financial statements for the year ended 31 December 2019, please contact companysecretary@anglogoldashanti.com or visit our website at www.anglogoldashanti.com.

In accordance with Section 30(2) and 30(3) of the Companies Act, the consolidated annual financial statements for the year ended 31 December 2019, have been audited by Ernst & Young Inc., the Company's independent external auditors, whose unqualified audit report can be found under Independent Auditor's Report in the Annual Financial Statements 2019.

Basis of preparation

The financial statements are prepared according to the historical cost convention, except for the revaluation of certain financial instruments to fair value. The group's accounting policies as set out below are consistent in all material respects with those applied in the previous year, except for the adoption of new or amended standards applicable from 1 January 2019 as set out below.

Effective 1 July 2019, the group changed the disclosure of "Special Items" in the income statement, refer to note 18.

New and amended standards adopted by the group:

- IFRS 16 Leases, and
- IFRIC 23 Uncertainty over Income Tax Treatments.

As a result of adopting IFRS 16 Leases, the group has changed its accounting policies. The impact of adopting IFRS 16 Leases, is disclosed in note 17.

The comparative periods have been restated to separate continuing operations from discontinued operations in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, as a consequence of the classification of the sale of the South African producing assets and the related liabilities as a discontinued operation. The sale agreement was announced on 12 February 2020.

The group financial statements are presented in US dollars.

Based on materiality, certain comparatives in the notes have been aggregated and comparatives have been restated to accord with current year disclosures. All notes are from continuing operations unless otherwise stated.

The group financial statements incorporate the financial statements of the Company, its subsidiaries and its interests in joint ventures and associates. The financial statements of all material subsidiaries, the Environmental Rehabilitation Trust Fund, joint ventures and associates, are prepared for the same reporting period as the holding company, using the same accounting policies.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Control would generally exist where the group owns more than 50% of the voting rights, unless the group and other investors collectively control the entity where they must act together to direct the relevant activities. In such cases, as no investor individually controls the entity the investment is accounted for as an equity method investment or a joint operation. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date on which control ceases. The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies, including any resulting tax effect are eliminated.

Independent audit by the auditors

These summarised consolidated financial results for the year ended 31 December 2019 have been extracted from the complete set of annual financial statements on which the auditors, Ernst & Young Inc., has expressed an unqualified audit opinion. The auditor's opinion and annual financial statements are available for inspection at the registered office of the Company.

Related party transactions

The group, in the ordinary course of business, entered into various sale and purchase transactions with related parties. Related parties include directors and prescribed officers as members of key management personnel.

Compensation to directors and other key management personnel includes the following:

US dollar millions	2019	2018 Restated	2017 Restated
Related parties			
Short term employee benefits	7	7	6
Post-employment benefits	1	1	1
Share-based payments	22	8	7
	30	16	14

The group adopted single figure reporting in the current year. Comparative results have been restated accordingly.

Use of estimates

The preparation of the financial statements requires the group's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions, and in some cases actuarial techniques. Actual results could differ from those estimates.

The more significant areas requiring the use of management estimates and assumptions relate to Ore Reserve that are the basis of future cash flow estimates and unit-of-production depreciation, depletion and amortisation calculations; environmental, reclamation and closure obligations; recoverability of indirect taxes; asset impairments/reversals (including impairments of goodwill); and write-downs of inventory to net realisable value. Other estimates include employee benefit liabilities and unrecognised tax positions.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements that management has applied in the application of accounting policies, and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Carrying value of tangible assets

Amortisation

The majority of mining assets are amortised using the units-of-production method where the mine operating plan calls for production from a well-defined proved and probable Ore Reserve.

For other tangible assets, the straight-line method is applied over the estimated useful life of the asset which does not exceed the estimated mine life based on proved and probable Ore Reserve as the useful lives of these assets are considered to be limited to the life of the relevant mine.

The calculation of the units-of-production rate of amortisation could be impacted to the extent that actual production in the future is different from current forecast production based on proved and probable Ore Reserve. This would generally arise from the following factors:

- changes in proved and probable Ore Reserve;
- the grade of Ore Reserve may vary significantly from time to time;
- differences between actual commodity prices and commodity price assumptions;
- unforeseen operational issues at mine sites; and
- changes in capital, operating, mining, processing and reclamation costs, discount rates and foreign exchange rates.

Changes in proved and probable Ore Reserve could similarly impact the useful lives of assets amortised on the straight-line method, where those lives are limited to the life of the mine.

Stripping costs

The group has a number of surface mining operations that are in the production phase for which production stripping costs are incurred. The benefits that accrue to the group as a result of incurring production stripping costs include (a) ore that can be used to produce inventory and (b) improved access to further quantities of material that will be mined in future periods.

The production stripping costs relating to improved access to further quantities of material in future periods are capitalised as a stripping activity asset, if and only if, all of the following are met:

- It is probable that the future economic benefit (improved access to the orebody) associated with the stripping activity will flow to the group;
- The group can identify the component of the orebody for which access has been improved; and
- The costs relating to the stripping activity associated with that component or components can be measured reliably.

Components of the various orebodies at the operations of the group are determined based on the geological areas identified for each of the orebodies and are reflected in the Ore Reserve reporting of the group. In determining whether any production stripping costs should be capitalised as a stripping activity asset, the group uses three operational guidance measures; two of which relate to production measures, while the third relates to an average stripping ratio measure.

Once determined that any portion of the production stripping costs should be capitalised, the group determines the amount of the production stripping costs that should be capitalised with reference to the average mine costs per tonne of the component and the actual waste tonnes that should be deferred. Stripping activity assets are amortised on the units-of-production method based on the Ore Reserve of the component or components of the orebody to which these assets relate.

This accounting treatment is consistent with that for stripping costs incurred during the development phase of a pit, before production commences, except that stripping costs incurred during the development phase of a pit, before production commences, are amortised on the units-of-production method based on the Ore Reserve of the pit.

Deferred stripping costs are included in ‘Mine development costs’, within tangible assets. These costs form part of the total investment in the relevant cash-generating unit, which is reviewed for impairment if events or a change in circumstances indicate that the carrying value may not be recoverable. Amortisation of stripping activity assets is included in operating costs.

Impairment

The group reviews and tests the carrying value of tangible assets when events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets, which is generally at the individual mine level. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time and impact the recoverable amounts. The cash flows and value in use are significantly affected by a number of factors including published reserves, resources, exploration potential and production estimates, together with economic factors such as spot and future metal prices, discount rates, foreign currency exchange rates, estimates of costs to produce reserves and future capital expenditure. At the reporting date the group assesses whether any of the indicators which gave rise to previously recognised impairments have changed such that the impairment loss no longer exists or may have decreased. The impairment loss is then assessed on the original factors for reversal and if indicated, such reversal is recognised.

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use.

The recoverable amount is estimated based on the positive indicators. If an impairment loss has decreased, the carrying amount is recorded at the recoverable amount as limited in terms of IAS 36 *Impairment of Assets*.

The carrying value of tangible assets at 31 December 2019 was $2,592m (2018: $3,381m; 2017: $3,742m). The impairment and derecognition of tangible assets recognised in the consolidated financial statements for the year ended 31 December 2019 (including impairment of tangible assets transferred to held for sale) was $505m (2018: $104m; 2017: $288m).

Carrying value of goodwill and intangible assets

Where an investment in a subsidiary, joint venture or an associate is made, any excess of the consideration transferred over the fair value of the attributable Mineral Resource including value beyond proved and probable Ore Reserve, exploration properties and net assets is recognised as goodwill.

Intangible assets that have an indefinite useful life and separately recognised goodwill are not subject to amortisation and are tested annually for impairment and whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An individual operating mine is not a typical going-concern business because of the finite life of its reserves. The allocation of goodwill to an individual mine will result in an eventual goodwill impairment due to the wasting nature of the mine reporting unit. In accordance with the provisions of IAS 36, the group performs its annual impairment review of assigned goodwill during the fourth quarter of each year.

The carrying value of goodwill in the consolidated financial statements at 31 December 2019 was $116m (2018: $116m; 2017: $127m). The impairment of goodwill recognised in the consolidated financial statements for the year ended 31 December 2019 was nil (2018: nil; 2017: $9m).

Income taxes

The group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The group tax reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate, prepared in accordance with IAS 12 *Income Taxes*, applies the South African corporate tax rate of 28%.

The group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the group operates could limit the ability of the group to obtain tax deductions in future periods.

Carrying values of the group at 31 December 2019:

- deferred tax asset: $105m (2018: nil; 2017: $4m);
- deferred tax liability: $241m (2018: $315m; 2017: $363m);
- taxation liability: $72m (2018: $60m; 2017: $53m); and
- taxation asset: $10m (2018: $6m; 2017: $3m), included in trade, other receivables and other assets.

Unrecognised value of deferred tax assets: $389m (2018: $501m; 2017: $470m).

Provision for environmental rehabilitation obligations

The group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The group recognises management's best estimate for decommissioning and restoration obligations in the period in which they are incurred. Future changes to environmental laws and regulations, life of mine estimates, inflation rates, foreign currency exchange rates and discount rates could affect the carrying amount of this provision.

The carrying amount of the rehabilitation obligations (including held for sale rehabilitation obligations) for the group at 31 December 2019 was $730m (2018: $637m; 2017: $724m).

Stockpiles, metals in process and ore on leach pad

Costs that are incurred in or benefit the production process are accumulated in stockpiles and metals in process values. Net realisable value tests are performed at least annually and represent the estimated future sales price of the product, based on prevailing and long-term metals prices, less estimated costs to complete production and bring the product to sale.

Surface and underground stockpiles and metals in process are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained ounces based on assay data, and the estimated recovery percentage based on the expected processing method. Stockpile ore tonnages are verified by periodic surveys.

Although the quantities of recoverable metal are reconciled by comparing the grades of ore to the quantities of metals actually recovered (metallurgical balancing), the nature of the process inherently limits the ability to precisely monitor recoverability levels. As a result, the metallurgical balancing process is constantly monitored and engineering estimates are refined based on actual results over time.

Variations between actual and estimated quantities resulting from changes in assumptions and estimates that do not result in write-downs to net realisable value are accounted for on a prospective basis.

The carrying value of inventories (excluding finished goods and mine operating supplies) for the group at 31 December 2019 was $377m (2018: $404m; 2017: $424m).

Recoverable tax, rebates, levies and duties

In a number of countries, particularly in Continental Africa, AngloGold Ashanti is due refunds of indirect tax which remain outstanding for periods longer than those provided for in the respective statutes.

In addition, AngloGold Ashanti has unresolved non-income tax disputes in a number of countries, particularly in Continental Africa and in Brazil and Argentina. If the outstanding input taxes are not received and these disputes are not resolved in a manner favourable to AngloGold Ashanti, it could have a material adverse effect upon the carrying value of these assets and our results of operations.

The net carrying value of recoverable tax, rebates, levies and duties for the group at 31 December 2019 was $227m (2018: $194m; 2017: $174m).

Post-retirement obligations

The determination of AngloGold Ashanti's obligation and expense for post-retirement liabilities depends on the selection of certain assumptions used by actuaries to calculate amounts. These assumptions include, among others, the discount rate, the expected long-term rate of return of plan assets, health care inflation costs, rates of increase in compensation costs and the number of employees who reach retirement age before the mine reaches the end of its life. While AngloGold Ashanti believes that these assumptions are appropriate, significant changes in the assumptions may materially affect post-retirement obligations as well as future expenses, which may result in an impact on earnings in the periods that the changes in these assumptions occur.

The carrying value of the post-retirement obligations at 31 December 2019 was $100m (2018: $100m; 2017: $122m).

Ore Reserve estimates

An Ore Reserve estimate is an estimate of the amount of product that can be economically and legally extracted from the group's properties. In order to calculate the Ore Reserve, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates.

Estimating the quantity and/or grade of the Ore Reserve requires the size, shape and depth of orebodies to be determined by analysing geological data such as the logging and assaying of drill samples. This process may require complex and difficult geological judgements and calculations to interpret the data.

The group is required to determine and report its Ore Reserve in accordance with the minimum standards described by the South African Code for the reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code, 2016 Edition).

Because the economic assumptions used to estimate changes in the Ore Reserve from period to period, and because additional geological data is generated during the course of operations, estimates of the Ore Reserve may change from period to period. Changes in the reported Ore Reserve may affect the group's financial results and financial position in a number of ways, including the following:

- asset carrying values may be affected due to changes in estimated future cash flows;
- depreciation, depletion and amortisation charged in the income statement may change where such charges are determined by the units-of-production method, or where the useful economic lives of assets change;
- overburden removal costs, including production stripping activities, recorded on the statement of financial position or charged in the income statement may change due to changes in stripping ratios or the units-of-production method of depreciation;
- decommissioning site restoration and environmental provisions may change where changes in the estimated Ore Reserve affect expectations about the timing or cost of these activities; and
- the carrying value of deferred tax assets may change due to changes in estimates of the likely recovery of the tax benefits.

Provision for silicosis

Significant judgement is applied in estimating the costs that will be incurred to settle the silicosis class action claims and related expenditure. The final costs may differ from current cost estimates. The provision is based on actuarial assumptions including:

- silicosis prevalence rates;
- estimated settlement per claimant;
- benefit take-up rates;
- disease progression rates;
- timing of cash flows; and
- discount rate.

Management believes the assumptions are appropriate, however changes in the assumptions may materially affect the provision and final costs of settlement.

The carrying value of the silicosis provision at 31 December 2019 was $65m (2018: $63m; 2017: $63m).

Identification and classification of discontinued operations

During 2019, the decision to sell the remaining South African operations was made, judgement was applied regarding classification of the disposal group as held for sale at year end, and whether the disposal group should be classified as a discontinued operation. The South African asset sale was assessed as a major geographical area of operations and part of a single co-ordinated plan to dispose of a major geographical area of operations and accordingly, it was classified as a discontinued operation. The sale was announced on 12 February 2020.

Summary of Mineral Resource and Ore Reserve

Mineral Resource

Gold:
The AngloGold Ashanti Mineral Resource reduced from 184.5Moz in December 2018 to 175.6Moz in December 2019. This gross annual decrease of 8.9Moz includes depletion of 4.1Moz. The balance of 4.8Moz results from reductions of 4.0Moz due to the application of a revised methodology, at some operations, to constrain the underground Mineral Resource and thereby ensure the Mineral Resource meets the requirement for reasonable and realistic prospects of eventual economic extraction. Further reductions of 2.4Moz due primarily to pillar clean up, 0.6Moz due to revised geotechnical design requirements and other factors resulted in reductions of 1.3Moz. These reductions were offset by increases due to exploration of 2.9Moz, changes in economic assumptions of 0.3Moz and changes in ownership of 0.3Moz. The Mineral Resource was estimated at a gold price of US$1,400/oz (2018: US$1,400/oz).

Copper:
The AngloGold Ashanti Mineral Resource increased from 3.61Mt (7,954Mlb) in December 2018 to 4.39Mt (9,677Mlb) in December 2019. This gross annual increase of 0.78Mt includes an increase of 0.58Mt due to methodology and 0.20Mt due to change in ownership from 94.876% to 100% as B2Gold’s shareholding was converted to a share of profits. The Mineral Resource was estimated at a copper price of US$3.30/lb (2018: US$3.30/lb).

Ore Reserve

Gold:
The AngloGold Ashanti Ore Reserve reduced from 44.1Moz in December 2018 to 43.9Moz in December 2019. This gross annual decrease of 0.2Moz includes depletion of 3.7Moz. The increase before depletion of 3.5Moz, resulted from additions of 3.6Moz due to exploration and modelling changes, changes in economic assumptions of 0.4Moz and a change in ownership of 0.1Moz. Other factors resulted in a 0.6Moz reduction. The Ore Reserve was estimated using a gold price of US$1,100/oz (2018: US$1,100/oz).

Copper:
The AngloGold Ashanti Ore Reserve increased from 1.26Mt (2,769Mlb) in December 2018 to 1.39Mt (3,068Mlb) in December 2019. This gross annual increase of 0.14Mt includes an increase of 0.07Mt (150Mlb) due to methodology and 0.07Mt (150Mlb) due to change in ownership from 94.876% to 100% as B2Gold’s shareholding was converted to a share of profits. The Ore Reserve was estimated at a copper price of US$2.65/lb (2018: US$2.65/lb).

GROUP – INCOME STATEMENT

For the year ended 31 December

US dollar millions	Notes	2019	2018 Restated	2017 Restated
Continuing operations				
Revenue from product sales	2	**3,525**	3,336	3,394
Cost of sales	3	**(2,626)**	(2,584)	(2,607)
Gain (loss) on non-hedge derivatives and other commodity contracts		**5**	(2)	–
Gross profit	1	**904**	750	787
Corporate administration, marketing and other expenses	4	**(82)**	(76)	(64)
Exploration and evaluation costs		**(112)**	(98)	(105)
Impairment, derecognition of assets and profit/loss on disposal		**(6)**	(7)	(2)
Other expenses (income)	5	**(83)**	(79)	(150)
Operating profit		**621**	490	466
Interest income		**14**	8	8
Dividend income		**–**	2	–
Foreign exchange losses		**(12)**	(9)	(11)
Finance costs and unwinding of obligations	6	**(172)**	(168)	(157)
Share of associates and joint ventures' profit	7	**168**	122	22
Profit before taxation		**619**	445	328
Taxation	8	**(250)**	(212)	(163)
Profit after taxation from continuing operations		**369**	233	165
Discontinued operations			–	–
Loss from discontinued operations	9	**(376)**	(83)	(336)
Profit for the year		**(7)**	150	(171)
Allocated as follows				
Equity shareholders				
Continuing operations		**364**	216	145
Discontinued operations		**(376)**	(83)	(336)
Non-controlling interests				
Continuing operations		**5**	17	20
		(7)	150	(171)
Basic earnings (loss) per ordinary share (cents)		**(3)**	32	(46)
Earnings per ordinary share from continuing operations		**87**	52	35
Loss per ordinary share from discontinued operations		**(90)**	(20)	(81)
Diluted earnings (loss) per ordinary share (cents)		**(3)**	32	(46)
Earnings per ordinary share from continuing operations		**87**	52	35
Loss per ordinary share from discontinued operations		**(90)**	(20)	(81)

Comparatives have been restated in accordance with IFRS 5, refer to note 9.

GROUP – STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December

US dollar millions	2019	2018 Restated	2017 Restated
Profit (loss) for the year	**(7)**	150	(171)
Items that will be reclassified subsequently to profit or loss:	**4**	(150)	148
Exchange differences on translation of foreign operations	**4**	(150)	123
			25
Net gain on available-for-sale financial assets			20
Release on impairment of available-for-sale financial assets			3
Release on disposal of available-for-sale financial assets			(6)
Deferred taxation thereon			8
Items that will not be reclassified subsequently to profit or loss:	**10**	9	6
Net gain on equity investments	**6**	9	
Actuarial gain (loss) recognised	**2**	5	8
Deferred taxation thereon	**2**	(5)	(2)
Other comprehensive income (loss) for the year, net of tax	**14**	(141)	154
Total comprehensive income (loss) for the year, net of tax	**7**	9	(17)
Allocated as follows:			
Equity shareholders			
Continuing operations	**378**	75	299
Discontinued operations	**(376)**	(83)	(336)
Non-controlling interests			
Continuing operations	**5**	17	20
	7	9	(17)

Comparatives have been restated in accordance with IFRS 5, refer to note 9.

GROUP – STATEMENT OF FINANCIAL POSITION

As at 31 December

US dollar millions	Notes	2019	2018	2017
ASSETS				
Non-current assets				
Tangible assets		**2,592**	3,381	3,742
Right of use assets		**158**	–	–
Intangible assets		**123**	123	138
Investments in associates and joint ventures		**1,581**	1,528	1,507
Other investments		**76**	141	131
Inventories		**93**	106	100
Trade, other receivables and other assets		**122**	102	67
Deferred taxation		**105**	–	4
Cash restricted for use		**31**	35	37
		4,881	5,416	5,726
Current assets				
Other investments		**10**	6	7
Inventories		**632**	652	683
Trade, other receivables and other assets		**250**	209	222
Cash restricted for use		**33**	31	28
Cash and cash equivalents		**456**	329	205
		1,381	1,227	1,145
Assets held for sale		**601**	–	348
		1,982	1,227	1,493
Total assets		**6,863**	6,643	7,219
EQUITY AND LIABILITIES				
Share capital and premium	11	**7,199**	7,171	7,134
Accumulated losses and other reserves		**(4,559)**	(4,519)	(4,471)
Shareholders' equity		**2,640**	2,652	2,663
Non-controlling interests		**36**	42	41
Total equity		**2,676**	2,694	2,704
Non-current liabilities				
Borrowings		**1,299**	1,911	2,230
Lease liabilities		**126**	—	—
Environmental rehabilitation and other provisions		**697**	827	942
Provision for pension and post-retirement benefits		**100**	100	122
Trade, other payables and provisions		**15**	3	3
Deferred taxation		**241**	315	363
		2,478	3,156	3,660
Current liabilities				
Borrowings		**734**	139	38
Lease liabilities		**45**	–	–
Trade, other payables and provisions		**586**	594	638
Taxation		**72**	60	53
		1,437	793	729
Liabilities held for sale		**272**	–	126
		1,709	793	855
Total liabilities		**4,187**	3,949	4,515
Total equity and liabilities		**6,863**	6,643	7,219

GROUP – STATEMENT OF CASH FLOWS

For the year ended 31 December

US dollar millions	Notes	2019	2018 Restated	2017 Restated
Cash flows from operating activities				
Receipts from customers		**3,535**	3,339	3,418
Payments to suppliers and employees		**(2,433)**	(2,408)	(2,351)
Cash generated from operations		**1,102**	931	1,067
Dividends received from joint ventures		**77**	91	6
Taxation refund		**7**	5	14
Taxation paid		**(228)**	(171)	(174)
Net cash inflow from operating activities from continuing operations		**958**	856	913
Net cash inflow from operating activities from discontinued operations		**89**	1	84
Net cash inflow from operating activities		**1,047**	857	997
Cash flows from investing activities				
Capital expenditure				
– project capital		**(336)**	(170)	(132)
– stay-in-business capital		**(367)**	(405)	(543)
Interest capitalised and paid		**(6)**	–	–
Dividends from other investments		**–**	2	–
Proceeds from disposal of tangible assets		**3**	10	3
Other investments acquired		**(9)**	(13)	(8)
Proceeds from disposal of other investments		**3**	7	3
Investments in associates and joint ventures		**(5)**	(8)	(27)
Loans advanced to associates and joint ventures		**(3)**	(5)	(6)
Loans repaid by associates and joint ventures		**23**	22	–
Increase in cash restricted for use		**–**	(6)	(8
Interest received		**14**	5	7
Net cash outflow from investing activities from continuing operations		**(683)**	(561)	(711)
Net cash (outflow) inflow from investing activities from discontinued operations		**(54)**	226	(151)
Cash in subsidiaries sold and transferred to held for sale		**(6)**	–	–
Net cash outflow from investing activities		**(743)**	(335)	(862)
Cash flows from financing activities				
Proceeds from borrowings		**168**	753	815
Repayment of borrowings		**(123)**	(967)	(767)
Repayment of lease liabilities		**(42)**	–	–
Finance costs – borrowings		**(128)**	(130)	(138)
Finance costs – leases		**(9)**	–	–
Bond settlement premium, Revolving Credit Facilities and bond transaction costs		**–**	(10)	–
Dividends paid		**(43)**	(39)	(58)
Net cash outflow from financing activities from continuing operations		**(177)**	(393)	(148)
Net cash inflow (outflow) from financing activities from discontinued operations		**–**	–	–
Net cash outflow from financing activities		**(177)**	(393)	(148)
Net increase in cash and cash equivalents		**127**	129	(13)
Translation		**–**	(5)	3
Cash and cash equivalents at beginning of year		**329**	205	215
Cash and cash equivalents at end of year		**456**	329	205

Comparatives have been restated in accordance with IFRS 5, refer to note 9.

GROUP – STATEMENT OF CHANGES IN EQUITY

US dollar millions	Share capital and premium	Other capital reserves	Retained earnings (Accumulated losses)	Fair value through OCI	Available-for-sale reserve	Actuarial gains (losses)	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	Equity holders of the parent									
Balance at 31 December 2016	**7,108**	**116**	**(3,119)**		**17**	**(21)**	**(1,386)**	**2,715**	**39**	**2,754**
Profit for the year			(191)					**(191)**	20	(171)
Other comprehensive income					25	6	123	**154**		154
Total comprehensive (loss) income	–	–	(191)		25	6	123	**(37)**	20	(17)
Shares issued	26							**26**		26
Share-based payment for share awards net of exercised		(1)						**(1)**		(1)
Dividends paid			(39)					**(39)**		(39)
Dividends of subsidiaries								**–**	(19)	(19)
Translation		9	(10)		1	(1)		**(1)**	1	–
Balance at 31 December 2017	**7,134**	**124**	**(3,359)**		**43**	**(16)**	**(1,263)**	**2,663**	**41**	**2,704**
Impact of adopting IFRS 9	–	–	10	33	(43)	–	–	**–**	–	–
Opening balance under IFRS 9	**7,134**	**124**	**(3,349)**	**33**		**(16)**	**(1,263)**	**2,663**	**41**	**2,704**
Profit for the year			133					**133**	17	150
Other comprehensive income				5		4	(150)	**(141)**		(141)
Total comprehensive (loss) income	–	–	133	5		4	(150)	**(8)**	17	9
Shares issued	37							**37**		37
Share-based payment for share awards net of exercised		(17)						**(17)**		(17)
Dividends paid			(24)					**(24)**		(24)
Dividends of subsidiaries								**–**	(15)	(15)
Transfer of gain on disposal of equity investments			1	(1)				**–**		–
Translation		(11)	12					**1**	(1)	–
Balance at 31 December 2018	**7,171**	**96**	**(3,227)**	**37**		**(12)**	**(1,413)**	**2,652**	**42**	**2,694**
(Loss) profit for the year			(12)					**(12)**	5	(7)
Other comprehensive income				8		2	4	**14**	–	14
Total comprehensive (loss) income	–	–	(12)	8		2	4	**2**	5	7
Shares issued	28							**28**		28
Share-based payment for share awards net of exercised		(10)						**(10)**		(10)
Dividends paid			(27)					**(27)**		(27)
Dividends of subsidiaries								**–**	(16)	(16)
Transfer with non-controlling interests		(4)						**(4)**	4	–
Translation		1	(2)					**(1)**	1	–
Balance at 31 December 2019	**7,199**	**83**	**(3,268)**	**45**		**(10)**	**(1,409)**	**2,640**	**36**	**2,676**

SELECTED NOTES
For the year ended 31 December

1. Segmental reporting

AngloGold Ashanti's operating segments are being reported based on the financial information provided to the Chief Executive Officer and the Executive Committee, collectively identified as the Chief Operating Decision Maker (CODM). Individual members of the Executive Committee are responsible for geographic regions of the business.

US dollar millions	2019	2018	2017
Gold income			
Continental Africa	**2,203**	1,983	1,895
Australia	**851**	780	709
Americas	**1,000**	1,021	1,104
	4,054	3,784	3,708
Equity-accounted investments included above	**(615)**	(581)	(453)
Continuing operations	**3,439**	3,203	3,255
Discontinued operations – South Africa	**554**	602	1,101
	3,993	3,805	4,356
By-product revenue			
Continental Africa	**3**	4	3
Australia	**3**	2	2
Americas	**81**	128	135
	87	134	140
Equity-accounted investments included above	**(1)**	(1)	(1)
Continuing operations	**86**	133	139
Discontinued operations – South Africa	**1**	6	15
	87	139	154
Gross profit			
Continental Africa	**605**	380	386
Australia	**221**	160	159
Americas	**265**	310	253
Corporate and other	**1**	2	2
	1,092	852	800
Equity-accounted investments included above	**(188)**	(102)	(13)
Continuing operations	**904**	750	787
Discontinued operations – South Africa	**79**	22	(3)
	983	772	784
Cost of sales			
Continental Africa	**1,601**	1,607	1,513
Australia	**632**	622	551
Americas	**822**	838	987
Corporate and other	**(1)**	(3)	(3)
	3,054	3,064	3,048
Equity-accounted investments included above	**(428)**	(480)	(441)
Continuing operations	**2,626**	2,584	2,607
Discontinued operations	**479**	589	1,129
	3,105	3,173	3,736

For the year ended 31 December

US dollar millions	2019	2018	2017
Amortisation			
Continental Africa	**367**	379	421
Australia	**173**	149	130
Americas	**177**	192	273
Other, including non-gold producing subsidiaries	**3**	3	2
	720	723	826
Equity-accounted investments included above	**(137)**	(165)	(136)
Continuing operations	**583**	558	690
Discontinued operations	**61**	72	133
	644	630	823
Capital expenditure			
Continental Africa	**410**	313	409
Australia	**149**	156	153
Americas	**195**	176	234
Other, including non-gold producing subsidiaries	**–**	–	2
Continuing operations	**754**	645	798
Discontinued operations	**60**	76	155
	814	721	953
Equity-accounted investments	**(51)**	(69)	(123)
	763	652	830
Non-current assets			
Non-current assets considered material, by country are:			
South Africa	**25**	1,005	1,295
Foreign entities	**4,644**	4,234	4,259
Democratic Republic of the Congo	**1,506**	1,439	1,423
Ghana	**758**	550	533
Tanzania	**379**	369	422
Australia	**817**	718	764
Brazil	**625**	615	632
Total assets			
South Africa	**697**	1,106	1,734
Continental Africa	**3,514**	3,135	3,153
Australasia	**972**	888	929
Americas	**1,427**	1,286	1,258
Other, including non-gold producing subsidiaries	**253**	228	145
	6,863	6,643	7,219

2. Revenue

US dollar millions	2019	2018	2017
Gold income	**3,439**	3,203	3,255
By-products	**86**	133	139
Revenue from product sales	**3,525**	3,336	3,394

3. Cost of sales

US dollar millions	2019	2018	2017
Cash operating costs	**1,831**	1,850	1,756
Royalties	**137**	133	111
Other cash costs	**13**	13	14
Total cash costs	**1,981**	1,996	1,881
Retrenchment costs	**4**	4	6
Rehabilitation and other non-cash costs	**53**	17	16
Amortisation of tangible assets	**538**	553	685
Amortisation of right of use assets	**42**	–	–
Amortisation of intangible assets	**3**	5	5
Inventory change	**5**	9	14
	2,626	2,584	2,607

4. Corporate administration, marketing and other expenses

US dollar millions	2019	2018	2017
Corporate administration expenses	**63**	60	52
Share scheme and related costs	**19**	16	12
	82	76	64

5. Other expenses (income) [(1)]

US dollar millions	2019	2018	2017
Care and maintenance	**47**	39	62
Governmental fiscal claims, cost of old tailings operations and other expenses	**21**	14	15
Guinea public infrastructure contribution	**8**	–	–
Pension and medical defined benefit provisions	**9**	10	9
Royalties received	**(3)**	(10)	(18)
Brazilian power utility legal settlement	**(16)**	–	–
Retrenchment and related costs	**3**	6	6
Legal fees and project costs	**11**	16	74
Other indirect taxes	**3**	4	2
	83	79	150

[(1)] *Change in disclosure from prior years, refer to note 18.*

6. Finance costs and unwinding of obligations

US dollar millions	2019	2018	2017
Finance costs on bonds, corporate notes, bank loans and other	**135**	128	131
Amortisation of fees	**4**	7	4
Lease finance charges	**10**	5	6
Less: interest captalised	**(6)**	–	–
	143	140	141
Unwinding of obligations	**29**	28	16
Total finance costs and unwinding of obligations	**172**	168	157

7. Share of associates and joint ventures' profit

US dollar millions	2019	2018	2017
Revenue	**616**	582	454
Operating costs and other expenses	**(452)**	(472)	(471)
Net interest (paid) received	**10**	(8)	1
Profit (loss) before taxation	**174**	102	(16)
Taxation	**(35)**	(9)	23
Profit after taxation	**139**	93	7
Impairment reversal of investments in associates	**23**	15	13
Net impairment reversal of investments in joint ventures	**6**	14	2
Share of associates and joint ventures' profit (loss)	**168**	122	22

8. Taxation

US dollar millions	2019	2018	2017
South African taxation			
Non-mining tax	**–**	–	1
Prior year over provision	**–**	(2)	–
Deferred taxation			
Other temporary differences	**(18)**	(27)	(42)
Change in estimated deferred tax rate	**(14)**	7	10
	(32)	(22)	(31)
Foreign taxation			
Normal taxation	**299**	243	201
Prior year (over) under provision	**(1)**	1	(26)
Deferred taxation			
Temporary differences	**(28)**	(6)	19
Prior year under provision	**1**	4	2
Change in estimate	**9**	(7)	–
Change in statutory tax rate	**2**	(1)	(2)
	282	234	194
	250	212	163

Income tax uncertainties

AngloGold Ashanti operates in numerous countries around the world and accordingly is subject to, and pays annual income taxes under, the various income tax regimes in the countries in which it operates. Some of these tax regimes are defined by contractual agreements with local government, and others are defined by the general corporate income tax laws of the country. The Company has historically filed, and continues to file, all required income tax returns and to pay the taxes reasonably determined to be due. In some jurisdictions, tax authorities are yet to complete their assessments for previous years. The tax rules and regulations in many countries are highly complex and subject to interpretation. From time to time, the Company is subject to a review of its historic income tax filings and in connection with such reviews, disputes can arise with the tax authorities over the interpretation or application of certain rules in respect of the Company's business conducted within the country involved. Significant judgement is required in determining the worldwide provisions for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

The IFRS Interpretations Committee issued IFRIC23, which clarifies how the recognition and measurement requirements of income taxes are applied where there is uncertainty over income tax treatments. IFRIC 23 was adopted by the Company on 1 January 2019.

Irrespective of whether potential economic outflows of matters have been assessed as probable or possible, individually significant matters are included below, to the extent that disclosure does not prejudice the group.

Argentina – Cerro Vanguardia SA

The Argentina Tax Authority has challenged the deduction of certain hedge losses, with tax and penalties amounting to $10m (2018: $14m). Management has appealed this matter which has been heard by the Tax Court, with final evidence submitted in 2017. The matter is pending and judgement is expected in the next 24 months. Management is of the opinion that the hedge losses were claimed correctly and no provision has therefore been made.

Brazil – AGA Mineração and Serra Grande

The Brazil Tax Authority has challenged various aspects of the Companies' tax returns for periods from 2003 to 2016 which individually and in aggregate are not considered to be material. Based on engagement with the Tax Authority, certain amounts have been allowed and assessments reduced, whilst objections have been lodged against the remainder of the findings. In December 2019, Serra Grande received a tax assessment of approximately $25m relating to the amortisation of goodwill on the acquisition of mining interests, which is permitted as a tax deduction when the acquirer is a domiciled entity. Management is of the opinion that the Tax Authority is unlikely to succeed in this matter. This is supported by external legal advice and therefore no provision has been made.

Colombia – La Colosa and Gramalote

The tax treatment of exploration expenditure has been investigated by the Colombian Tax Authority which resulted in claims for taxes and penalties of $88m [(1)] (2018: $144m) pertaining to the 2010 to 2014 tax years.

These assessments were appealed in 2016 (in the case of La Colosa) and resulted in an adverse judgement on 22 October 2018, in the Administrative Court of Cundinamarca. An appeal was lodged and all arguments submitted to the Council of State on 21 August 2018, with an expected judgement in the next 12 to 18 months. The deduction of exploration costs is prohibited from 2017 onwards following a change in legislation. Subsequent to this date, exploration costs have been treated in accordance with the amended legislation. In July 2019, the Supreme Administrative Court issued a ruling that duplicate penalties may not be charged. The impact of the ruling is that certain penalties will be waived, which reduces the overall exposure by $76m. The matter is pending and may take two to four years to be resolved. Management is of the opinion that the Colombian Tax Authority is unlikely to succeed in this matter and therefore no provision is made.

[(1)] *Includes reduction of overall exposure by $76m as described above.*

Guinea – Siguiri

The Guinea Tax Authority has challenged various aspects of the Companies' tax returns for periods of 2010, and 2014 to 2016 totalling $12m (attributable) (2018: $8m (attributable)). Management has objected to these assessments, but has provided for a portion of the total claims amounting to $2m (attributable) (2018: $2m (attributable)).

Mali – Sadiola, Yatela, Morila

The Mali Tax Authority has challenged various aspects of the Companies' tax returns for periods of 2012 to 2018 totalling $26m (attributable) (2018: $16m (attributable)). This includes an assessment of $10m (attributable) received late in December 2019. Management has objected to these assessments and is of the opinion that the Tax Authority is unlikely to succeed in this matter and therefore no provision has been made.

Tanzania – Geita Gold Mine

The Tanzania Revenue Authority has raised audit findings on various tax matters for years from 2009 to 2018 amounting to $164m (2018: $163m). Management has objected and appealed through various levels of the legislative processes and has provided for a portion of the total claims amounting to $2m (2018: $2m). Management is of the opinion that for the remainder of the claims the Tax Authority is unlikely to succeed and therefore no provision has been made.

In addition to above, it should be noted that amendments passed to legislation in 2017 amended the 2010 Mining Act and new Finance Act. Effective from 1 July 2017, the gold mining royalty rate increased to 6% (from 4%) and further a 1% clearing fee on the value of all minerals exported was imposed. The Company has been paying the higher royalty and clearing fees since this date, under protest, and is of the view that this is in contravention of its Mining Development Agreement.

9. Discontinued operations and assets and liabilities held for sale

South African asset sale

On 12 February 2020, AngloGold Ashanti announced that it has reached an agreement to sell its remaining South African producing assets and related liabilities to Harmony Gold Mining Company Limited. Consideration for the transaction is in cash and deferred payments with expected proceeds of around $300m subject to subsequent performance, and with additional proceeds if the West Wits assets are developed below current infrastructure.

The transaction includes the following assets and liabilities:

- The Mponeng mine and its associated assets and liabilities;
- The TauTona and Savuka mines and associated rock-dump and tailings storage facility reclamation sites, mine rehabilitation and closure activities located in the West Wits region and their associated assets and liabilities;
- First Uranium (Pty) Limited which owns Mine Waste Solutions (Pty) Limited and Chemwes (Pty) Limited as well as associated tailings assets and liabilities;
- Covalent Water Company (Pty) Limited, AngloGold Security Services (Pty) Limited and Masakhisane Investments (Pty) Limited; and
- Certain rock-dump reclamation, mine rehabilitation and closure activities located in the Vaal River region and their associated assets and liabilities.

The consideration comprises three elements:

- US$200m in cash payable at closing; and
- Two components of deferred consideration, payable as follows:

1. US$260 per ounce payable on all underground production sourced within the West Wits mineral rights (comprising the Mponeng, Savuka and TauTona mines) in excess of 250,000 ounces per annum for six years commencing 1 January 2021; and
2. US$20 per ounce payable on underground production sourced within the West Wits mineral rights (comprising the Mponeng, Savuka and TauTona mines) below the datum of current infrastructure.

The agreement provides for terms customary in agreements of this nature and is subject to customary conditions precedent. Key conditions precedent include:

- Approval from the South African Competition Authorities in terms of the South African Competition Act No 89 of 1998; and
- Section 11 approval from the Minister of Mineral Resources and Energy in terms of the Mineral and Petroleum Resources Development Act (MPRDA) in relation to West Wits Mineral Right.

AngloGold Ashanti and Harmony have committed to engage with the relevant authorities and other stakeholders in order to ensure the conditions precedent are fulfilled as soon as possible with earliest closing anticipated on or about 30 June 2020.

As at 31 December 2019 AngloGold Ashanti had received offers from potential buyers regarding the sale of the South African assets. The announced transaction on 12 February 2020 resulted in an expected consideration of around $300m which forms the basis for the fair value less costs to sell value of the South Africa disposal group. The non-recurring fair value measurement for the South Africa disposal group is included in level 3 of the fair value hierarchy. The fair value is based on unobservable market offers from potential buyers for the South Africa disposal group.

The held for sale assets and liabilities related to the transaction are reported in the South Africa segment. The South African asset sale is treated as a discontinued operation.

In terms of the transaction the silicosis obligation of $65m and the post-retirement medical obligation of $93m relating to South African employees are retained by AngloGold Ashanti.

Sale interest in the Sadiola Mine

On 23 December 2019, AngloGold Ashanti announced that it together with its joint venture partner, IAMGOLD Corporation (IAMGOLD), had agreed to sell their interests in Société d'Exploitation des Mines d'Or de Sadiola S.A. (Sadiola) to Allied Gold Corp (Allied Gold). Sadiola's principal asset is the Sadiola Mine located in the Kayes region of Western Mali. AngloGold Ashanti and IAMGOLD each hold a 41% interest in Sadiola with the remaining 18% interest held by the Government of Mali.

In terms of the agreement, AngloGold Ashanti and IAMGOLD will sell their collective interests in Sadiola to Allied Gold for a cash consideration of US$105m, payable as follows:

- US$50m (US$25m each to AngloGold Ashanti and IAMGOLD) upon the fulfillment or waiver of all conditions precedent and closing of the transaction;
- Up to a further US$5m (US$2.5m each to AngloGold Ashanti and IAMGOLD), payable 8 days after closing, to the extent that the cash balance of Sadiola at closing is greater than an agreed amount;
- US$25m (US$12.5m each to AngloGold Ashanti and IAMGOLD) upon the production of the first 250,000 ounces from the Sadiola Sulphides Project (SSP); and
- US$25m (US$12.5m each to AngloGold Ashanti and IAMGOLD) upon the production of a further 250,000 ounces from the SSP.

The transaction is subject to the fulfillment, or waiver, of a number of conditions precedent, including the receipt of certain approvals and releases from the Government of Mali. AngloGold Ashanti received approval from the South African Reserve Bank in early 2020. It is anticipated that all conditions precedent will be fulfilled or waived by the end of April 2020.

This transaction offer represents the most significant unobservable input in determining the non-recurring fair value measurement of the Sadiola investment; accordingly, the fair value is included in level 3 of the fair value hierarchy.

The carrying value of the Sadiola held for sale asset of $20m (which is lower than fair value less costs to sell) is included in the Continental Africa segment; it was previously disclosed as an investment in joint venture on the Statement of Financial Position.

Discontinued operations

The results of the South Africa disposal group for the year ended 31 December are presented below:

US dollar millions	2019	2018	2017
Revenue from product sales	**555**	608	1,116
Cost of sales	**(479)**	(589)	(1,129)
Gain on non-hedge derivatives and other commodity contracts	**3**	3	10
Gross profit (loss)	**79**	22	(3)
Other expenses	**(44)**	(72)	(97)
Derecognition of assets, impairments and profit on disposal of assets	**(3)**	(118)	(256)
Impairment loss recognised on remeasurement to fair value less costs to sell	**(549)**		(35)
Loss before taxation	**(517)**	(168)	(391)
Normal taxation and deferred taxation on operations	**(23)**	38	(14)
Deferred tax on impairment loss, derecognition and profit on disposal of assets	**164**	47	69
Total loss from discontinued operations	**(376)**	(83)	(336)

The major classes of assets and liabilities of the South African disposal group as at 31 December 2019, are as follows:

US dollar million	2019
Tangible assets and right of use assets	429
Other investments	84
Inventories	37
Trade, other receivables and other assets	4
Deferred taxation	15
Cash and cash restricted for use	12
Assets held for sale	581
Lease liabilities	3
Environmental rehabilitation and other provisions	211
Trade and other payables	58
Liabilities held for sale	272
Net assets held for sale	309
Total assets held for sale include:	
Sadiola	20
South Africa	581
	601

The discontinued operations' net cash flows are reflected in the Statement of Cash Flows.

Impairment of South African assets

Following the classification of the South African disposal group as held for sale, an impairment of $549m and taxation on impairment of $164m (i.e. $385m, net of tax) was recognised to reduce the carrying amount of the assets in the disposal group to their fair value less costs to sell.

10. Headline earnings

US dollar million	2019	2018	2017
The profit (loss) attributable to equity shareholders was adjusted by the following to arrive at headline earnings (loss):			
Profit (loss) attributable to equity shareholders	(12)	133	(191)
Net impairment and derecognition of assets	559	102	298
Net (profit) loss on disposal of assets	(3)	32	(8)
Taxation thereon	(165)	(47)	(72)
Headline earnings	379	220	27
Headline earnings per ordinary share (cents)	91	53	6
Diluted headline earnings per ordinary share (cents)	91	53	6
Number of shares			
Ordinary shares	414,407,622	411,412,947	409,265,471
Fully vested options	3,942,155	5,709,208	6,174,606
Weighted average number of shares	418,349,777	417,122,155	415,440,077
Dilutive potential of convertible bonds	–	257,250	–
Diluted number of ordinary shares	418,349,777	417,379,405	415,440,077

11. Share capital and premium

US dollar millions	2019	2018	2017
Share capital			
Authorised:			
600,000,000 Ordinary shares of 25 SA cents each	**23**	23	23
2,000,000 A redeemable preference shares of 50 SA cents each	**–**	–	–
5,000,000 B redeemable preference shares of 1 SA cent each	**–**	–	–
30,000,000 C redeemable preference shares at no par value	**–**	–	–
	23	23	23
Issued and fully paid:			
415,301,215 (2018: 412,769,980; 2017: 410,054,615) ordinary shares of 25 SA cents each	**17**	16	16
2,000,000 A redeemable preference shares	**–**	–	–
778,896 B redeemable preference shares	**–**	–	–
	17	16	16
Treasury shares held within the group			
2,778,896 A and B redeemable preference shares	**–**	–	–
	17	16	16
Share premium			
Balance at beginning of year	**7,208**	7,171	7,145
Ordinary shares issued	**27**	37	26
	7,235	7,208	7,171
Less: held within group			
Redeemable preference shares	**(53)**	(53)	(53)
Balance at end of year	**7,182**	7,155	7,118
Share capital and premium	**7,199**	7,171	7,134

12. Exchange rates

US dollar millions	2019	2018	2017
ZAR/US$ average for the year	**14.44**	13.25	13.30
ZAR/US$ closing	**13.99**	14.35	12.36
AUD/US$ average for the year	**1.44**	1.34	1.30
AUD/US$ closing	**1.42**	1.42	1.28
BRL/US$ average for the year	**3.94**	3.66	3.19
BRL/US$ closing	**4.03**	3.87	3.31
ARS/US$ average for the year	**48.29**	28.14	16.57
ARS/US$ closing	**59.90**	37.81	18.65

13. Capital commitments

US dollar millions	2019	2018	2017
Orders placed and outstanding on capital contracts at the prevailing rate of exchange [(1)]	161	99	87

[(1)] *Includes the group's attributable share of capital commitments relating to associates and joint ventures and $7m relating to discontinued operations.*

Liquidity and capital resources

To service the above capital commitments and other operational requirements, the group is dependent on existing cash resources, cash generated from operations and borrowing facilities.

Cash generated from operations is subject to operational, market and other risks. Distributions from operations may be subject to foreign investment, exchange control laws and regulations and the quantity of foreign exchange available in offshore countries. In addition, distributions from joint ventures are subject to the relevant board approval.

The credit facilities and other finance arrangements contain financial covenants and other similar undertakings. To the extent that external borrowings are required, the group's covenant performance indicates that existing financing facilities will be available to meet the above commitments. To the extent that any of the financing facilities mature in the near future, the group believes that sufficient measures are in place to ensure that these facilities can be refinanced.

14. Financial risk management activities

Borrowings

The rated bonds are carried at amortised cost and their fair values are their closing market values at the reporting date which results in the difference noted in the table below. The interest rate on the remaining borrowings is set on a short-term floating rate basis, and accordingly the carrying amount is considered to approximate fair value.

US dollar millions	2019	2018	2017
Carrying amount	2,033	2,050	2,268
Fair value	2,135	2,084	2,377

Fair value of financial instruments

The group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quote prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Type of instrument

Equity securities

US dollar millions	2019 Level 1	2019 Level 2	2019 Level 3	2019 Total	2018 Level 1	2018 Level 2	2018 Level 3	2018 Total	2017 Level 1	2017 Level 2	2017 Level 3	2017 Total
Other equity securities – FVTPL	21	–	–	21	19	–	–	19				
Other equity securities – FVTOCI	82	–	–	82	69	–	–	69				
Equity securities – available for sale									80	–	–	80

15. Contingencies

AngloGold Ashanti's material contingent liabilities at 31 December are detailed below:

Contingencies and guarantees

US dollar millions	2019	2018	2017
Contingent liabilities			
Litigation – Ghana (1) (2)	**97**	97	97
Litigation North America (3)	**–**	–	–
Groundwater pollution (4)	**–**	–	–
Deep groundwater pollution – Africa (5)	**–**	–	–
	97	97	97

Litigation claims

(1) **Litigation** – On 11 October 2011, AngloGold Ashanti (Ghana) Limited (AGAG) terminated Mining and Building Contractors Limited's (MBC) underground development agreement, construction on bulkheads agreement and diamond drilling agreement at Obuasi mine. The parties reached agreement on the terms of the separation and concluded a separation agreement on 8 November 2012. On 20 February 2014, AGAG was served with a demand issued by MBC claiming a total of $97m. In December 2015, the proceedings were stayed in the High Court pending arbitration. In February 2016, MBC submitted the matter to arbitration. On 12 July 2018, the Ghana Arbitration Centre notified AGAG that MBC had appointed an arbitrator and AGAG subsequently selected its own arbitrator.

(2) **Litigation** – AGAG received a summons on 2 April 2013 from Abdul Waliyu and 152 others in which the plaintiffs allege that they were or are residents of the Obuasi municipality or its suburbs and that their health has been adversely affected by emission and/or other environmental impacts arising in connection with the current and/or historical operations of the Pompora Treatment Plant (PTP), which was decommissioned in 2000. The plaintiffs' alleged injuries include respiratory infections, skin diseases and certain cancers. The plaintiffs subsequently did not timely file their application for directions, but AGAG intends to allow some time to pass prior to applying to have the matter struck out for want of prosecution. On 24 February 2014, executive members of the PTP (AGAG) Smoke Effect Association (PASEA), sued AGAG by themselves and on behalf of their members (undisclosed number) on grounds similar to those discussed above, as well as economic hardships as a result of constant failure of their crops. This matter has been adjourned indefinitely. AGAG intends to allow some time to pass prior to applying to have the matter struck out for want of prosecution. In view of the limitation of current information for the accurate estimation of a liability, no reliable estimate can be made for AGAG's obligation in either matter.

(3) **Litigation** – On 19 October 2017, Newmont Mining Co. filed a lawsuit in the United States District Court for the Southern District of New York against AngloGold Ashanti and certain related parties, alleging that AngloGold Ashanti and such parties did not provide Newmont with certain information material to its purchase of the Cripple Creek & Victor Gold Mining Company in 2015 during the negotiation-and-sale process. During November 2019, the AngloGold Ashanti defendants filed two motions for summary judgement with the Court, requesting the dismissal of all causes of actions against all defendants. On 18 March 2020, the Court granted the motions, dismissed all causes of actions and ordered the case to be closed. Newmont Mining Co. has 30 days from the date of the order to file an appeal to the Court's decision.

Tax claims

For a discussion on tax claims and uncertainties, refer to note 8.

Other

(4) **Groundwater pollution** – AngloGold Ashanti has identified groundwater contamination plumes at certain of its operations, which have occurred primarily as a result of seepage from mine residue stockpiles. Numerous scientific, technical and legal studies have been undertaken to assist in determining the magnitude of the contamination and to find sustainable remediation solutions. The group has instituted processes to reduce future potential seepage and it has been demonstrated that Monitored Natural Attenuation (MNA) by the existing environment will contribute to improvements in some instances. Furthermore, literature reviews, field trials and base line modelling techniques suggest, but have not yet proven, that the use of phyto-technologies can address the soil and groundwater contamination. Subject to the completion of trials and the technology being a proven remediation technique, no reliable estimate can be made for the obligation.

(5) **Deep groundwater pollution** – The group has identified potential water ingress and future pollution risk posed by deep groundwater in certain underground mines in Africa. Various studies have been undertaken by AngloGold Ashanti since 1999 to understand this potential risk. In South Africa, due to the interconnected nature of mining operations, any proposed solution needs to be a combined one supported by all the mines located in these gold fields. As a result, the MPRDA requires that the affected mining companies develop a Regional Mine Closure Strategy to be approved by the Department of Mineral Resources and Energy. In view of the limitation of current information for the accurate estimation of a liability, no reliable estimate can be made for the obligation.

16. Borrowings

AngloGold Ashanti's borrowings are interest bearing.

17. New standards and interpretations issued

The adoption of the new standards, interpretations and amendments effective from 1 January 2019 had the following impact on the group.

Leases were capitalised under IFRS16 and disclosed as follows:

Leases

Right of use assets

US dollar millions	Mine infrastructure	Land and buildings	Total
Cost			
Impact of adopting IFRS 16 – 1 January 2019	119	9	128
Additions			
– stay-in-business capital	32	–	32
Transfers and other movements [1]	58	15	73
Transfer to non-current assets and liabilities held for sale	–	(1)	(1)
Translation	–	1	1
Balance at 31 December 2019	**209**	**24**	**233**
Accumulated amortisation and impairments			
Balance at 1 January 2019	–	–	–
Amortisation for the year	40	2	42
Transfers and other movements [1]	21	12	33
Balance at 31 December 2019	**61**	**14**	**75**
Net book value at 31 December 2019	**148**	**10**	**158**

[1] *Relates to contracts previously classified as leases under IAS 17 which the group has reassessed upon initial transition as leases under IFRS 16 as of 1 January 2019.*

Lease expenses

US dollar million	2019
Amounts recognised in the income statement	
Amortisation expense on right of use assets	**42**
Interest expense on lease liabilities	**10**
Expenses on short term leases	**83**
Expenses on variable lease payments not included in the lease liabilities	**220**
Expenses on leases of low value assets	**2**

These expenses are allocated to cost of sales and corporate, administration and other costs.

Total cash outflow for leases during the period amounted to $51m, consisting of repayments of liabilities of $42m and finance costs paid of $9m.

Lease liabilities

US dollar million	2019
Lease liabilities	
Non-current	126
Current	45
Total	171

US dollar million	2019
Reconciliation of lease liabilities	
A reconciliation of the lease liabilities included in the statement of financial position is set out in the following table:	
Opening balance	–
Lease Liabilities recognised	160
Repayment of lease liabilities	(42)
Finance costs paid on lease liabilities	(9)
Interest charged to the income statement	10
Reclassification of finance leases from borrowings	60
Change in estimate	(5)
Translation	(3)
Closing balance	171
Lease finance costs paid included in the statement of cash flows	9
Maturity analysis of lease liabilities	
Undiscounted cash flows	
Less than and including 1 year	52
Between 1 and 5 years	89
Five years and more	57
Total	198
Reconciliation between IFRS 16 leases and lease commitments as at 31 December 2018	
Lease liabilities at 1 January 2019	128
Discounting of lease liabilities	16
Non-qualifying leases [1]	121
Lease commitments at 31 December 2018	265

[1] *Non-qualifying leases include leases that are short term in nature, low value items, or where the contractual repayment structures are variable in nature only, as well as the service components of qualifying contracts, not capitalised as part of the initial cost of the right of use assets.*

The group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the group's treasury function.

All lease contracts contain market review clauses in the event that AngloGold Ashanti exercises its option to renew.

Certain of the group's contracts have a payment structure that is variable in nature and hence do not qualify for IFRS 16 lease accounting. These contracts consist of mostly mining and drilling contracts. The variable nature of these contracts is to allow equal sharing of pain and gain between the group and its contractors. The cash flows are not disclosed as their variability does not permit reliable forecasts. Short-term, low value and variable contracts continue to be recognised within cost of sales.

The weighted average incremental borrowing rate at the date of initial application is 4.72%.

18. Change in disclosure

Effective 1 July 2019, the group changed the disclosure of "Special Items" in the income statement. In prior years, the group disclosed items that due to their size and/or nature, required separate disclosure on the face of the income statement as Special Items. In addition, a disclosure category – "Other operating expenses" was reported to disclose expenses which were not included in gross profit. Going forward these two categories of expenses and income will be disclosed as:

- Other expenses (income); and
- Separate line item(s) on the face of the income statement depending on materiality.

The re-presentation provides more useful information by reporting material items separately. The change in presentation has no impact on the reported totals, headline earnings per share or on amounts presented in the Statement of Financial Position.

As a result of the change, reclassifications in the income statement are as follows:

Income statement extract [1]

	2018 Previously reported	2018 Reclassified	2017 Previously reported	2017 Reclassified
US dollar million				
Gross profit (loss)	772	772	784	784
Corporate administration, marketing and other expenses	(76)	(76)	(64)	(64)
Exploration and evaluation costs	(102)	(102)	(114)	(114)
Impairment, derecognition of assets and profit (loss) on disposal	n/a	(124)	n/a	(293)
Other expenses (income)	(97)	(143)	(88)	(233)
Special items	(170)	n/a	(438)	n/a
Operating profit (loss)	**327**	**327**	**80**	**80**

[1] *Represents reclassification prior to the disclosure of Discontinued operations.*

19. Subsequent events

Sale of South African assets – On 12 February 2020, AngloGold Ashanti announced that it has reached an agreement to sell its remaining South African producing assets and related liabilities to Harmony Gold Mining Company Limited. Consideration for the transaction is in cash and deferred payments with expected proceeds of around $300m, subject to subsequent performance and with additional proceeds if the West Wits assets are developed below current infrastructure. Refer to note 9.

Dividend declaration – On 21 February 2020, the directors of AngloGold Ashanti declared a gross cash dividend per ordinary share of 165 South African cents (assuming an exchange rate of ZAR15/$, the gross dividend payable per ADS is equivalent to ~11 US cents).

COVID-19 pandemic – At the date of approval of these consolidated annual financial statements, the SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe, contributing to a sharp decline in global financial markets and a significant decrease in global economic activity. On 11 March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization (WHO) and has since then resulted in numerous governments and companies, including AngloGold Ashanti, introducing a variety of measures to contain the spread of the virus. To date, we have taken a number of proactive steps to protect our employees, our host communities and business, in line with the company's values, guidelines and advice provided by the WHO and with the requirements of the countries in which we operate. The health and wellbeing of our employees and our host communities remains a key priority. Cases of the outbreak have been reported in all of the jurisdictions in which we operate, and it may lead to a prolonged restriction on the movement of people and continued requirement for people to self-isolate or be quarantined.

Any self-imposed or government-mandated temporary lockdowns may disrupt the company's activities and operations and even lead to a full or partial temporary suspension of the company's mining operations in those jurisdictions. On 21 March 2020, following the Argentinian government's decision to impose a nationwide lockdown (quarantine) until 31 March 2020, including temporary travel restrictions, border closings and suspension of most industries, Cerro Vanguardia S.A. (CVSA) was required to temporarily suspend mining activities.

On 23 March 2020, the South African government announced a 21-day nationwide lockdown, effective from midnight on 26 March 2020, resulting in the temporary suspension of mining activities of the company's South African operations particularly Mponeng, and the partial suspension of mining activities at Mine Waste Solutions (MWS) and Surface Operations.

On 26 March 2020, the State of Goiás, in Brazil, extended a set of restrictions on the operation of non-essential business to include mining. These restrictions are set to run through 4 April 2020. Mineração Serra Grande S.A. will temporarily suspend its operations.

The current impact of all of the suspended operations is expected to be about 30,000oz to 40,000oz, or less than 2% of annual production. In these countries, the suspension of mining activities will continue for the period during which the respective restrictions remain in force.

While minimal operational disruptions have occurred at the company's other operations to date, the company may experience temporary disruptions in supply chain and logistics across its operations in the coming months should the pandemic be prolonged. Such disruptions, which include restrictions in travel and border access, may impact the company's ability to source and transport goods and services required to operate mines and to transport gold doré to refineries. Furthermore, should COVID-19 spread among the company's workforce, it may lead to a full or partial temporary suspension of the company's operating mines in those affected areas.

Given the uncertainties with respect to future developments, including duration, severity and scope of the COVID-19 pandemic and the necessary government responses to limiting its spread, the board has decided to withdraw its market guidance for 2020 published as part of its preliminary condensed consolidated financial results on 21 February 2020, at this time. In anticipation of a prolonged negative impact from the COVID-19 pandemic, the company has drawn down $1.4bn on its US dollar RCF to cater for the $700m bond redemption due mid-April 2020 and to provide additional liquidity headroom. After the drawdowns, cash on hand is about $1.8bn (excluding cash lock-up positions at Kibali and Sadiola, where AngloGold Ashanti's combined share totals about $300m).

Management will continue to take a prudent and proactive approach to managing the group's liquidity, which may include procuring additional credit facilities or debt over and above its current facilities.

NON-GAAP DISCLOSURE

SUMMARY

From time to time AngloGold Ashanti Limited may publicly disclose certain “Non-GAAP” financial measures in the course of its financial presentations, earnings releases, earnings conference calls and otherwise.

The group uses certain Non-GAAP performance measures and ratios in managing the business and may provide users of this financial information with additional meaningful comparisons between current results and results in prior operating periods. The Non-GAAP financial measures are used to adjust for fair value movements on the convertible bonds as well as the highly volatile marked-to-market movements on unrealised non-hedge derivatives and other commodity contracts, which can only be measured with certainty on settlement of the contracts. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to, the reported operating results or any other measure of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures that other companies use. The Non-GAAP metrics are as follows:

			2019	2018	2017
1	Price received				
	– Gold sold	000oz	**3,268**	3,412	3,761
	– Revenue price per unit	$/oz	**1,387**	1,261	1,251
2	Total cash cost, all-in sustaining costs and all-in costs per unit				
	– Gold produced	000oz	**3,281**	3,400	3,744
	– Total cash costs	$/oz	**776**	773	792
	– All-in sustaining costs	$/oz	**998**	976	1,054
	– All-in costs	$/oz	**1,162**	1,068	1,126
3	Adjusted EBITDA [(1)]	$m	**1,723**	1,480	1,483
4	Interest cover	times	**11**	11	10
5	Free cash flow	$m	**127**	67	1
6	Adjusted net debt	$m	**1,572**	1,659	2,001
7	Net asset value	US cps	**644**	653	659
8	Net tangible asset value	US cps	**615**	623	626
9	Market capitalisation				
	Number of listed ordinary shares in issue at year-end (millions)		**415**	413	410
	Closing share price as quoted on the New York Stock Exchange		**22.34**	12.55	10.19
	Market capitalisation	$m	**9,278**	5,180	4,178

[(1)] *Adjusted EBITDA is prepared in terms of the formula set out in the Revolving Credit Agreements.*

All Non-GAAP metrics provided above include continuing and discontinued operations.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document, other than statements of historical fact, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices, production, total cash costs, all-in sustaining costs, all-in costs, cost savings and other operating results, productivity improvements, growth prospects and outlook of AngloGold Ashanti's operations, individually or in the aggregate, including the achievement of project milestones, commencement and completion of commercial operations of certain of AngloGold Ashanti's exploration and production projects and the completion of acquisitions, dispositions or joint venture transactions, AngloGold Ashanti's liquidity and capital resources and capital expenditures and the outcome and consequence of any potential or pending litigation or regulatory proceedings or environmental health and safety issues, are forward-looking statements regarding AngloGold Ashanti's operations, economic performance and financial condition. These forward-looking statements or forecasts involve known and unknown risks, uncertainties and other factors that may cause AngloGold Ashanti's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in these forward-looking statements. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements and forecasts are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic, social and political and market conditions, (including as a result of the covid-19 pandemic), the success of business and operating initiatives, changes in the regulatory environment and other government actions, including environmental approvals, fluctuations in gold prices and exchange rates, (including as a result of the covid-19 pandemic), the outcome of pending or future litigation proceedings, and business and operational risk management. For a discussion of such risk factors, refer to AngloGold Ashanti's annual reports on Form 20-F filed with the United States Securities and Exchange Commission. These factors are not necessarily all of the important factors that could cause AngloGold Ashanti's actual results to differ materially from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. Consequently, readers are cautioned not to place undue reliance on forward-looking statements. 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 hereof or to reflect the occurrence of unanticipated events, except to the extent required by applicable law.

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.

Non-GAAP financial measures

This communication may contain certain "Non-GAAP" financial measures. AngloGold Ashanti utilises certain Non-GAAP performance measures and ratios in managing its business. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the reported operating results or cash flow from operations or any other measures of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures other companies may use.

NOTES

NOTES

ADMINISTRATION AND CORPORATE INFORMATION

AngloGold Ashanti Limited

Registration No. 1944/017354/06
Incorporated in the Republic of
South Africa

Share codes:

ISIN: ZAE000043485
JSE: ANG
NYSE: AU
ASX: AGG
GhSE: (Shares) AGA
GhSE: (GhDS) AAD

JSE Sponsor:
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Directors

Executive
KPM Dushnisky § (Chief Executive Officer)
KC Ramon ^ (Chief Financial Officer)

Non-executive
SM Pityana ^ (Chairman)
AM Ferguson *
AH Garner #
R Gasant ^
NP January-Bardill ^
NVB Magubane ^
M Ramos ^
MDC Richter #
RJ Ruston ~
JE Tilk §

* British § Canadian # American
~ Australian ^ South African

Officers
Executive Vice President:
General Council, Compliance and
Company Secretary:
ME Sanz Perez

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