

Review of operations – Mali

AngloGold Ashanti has interests in three gold mining operations, all of which it manages in Mali. They are Sadiola, Yatela and Morila. The Malian operations together produced 441,000 attributable ounces of gold in 2007, equivalent to 8% of group production.

Ownership of these three operations is as follows:

- Sadiola: AngloGold Ashanti and IAMGOLD each have a stake of 38% while the government of Mali has a stake of 18% and the International Finance Corporation, 6%.
- Yatela: this operation is owned by Société d'Exploration des Mines d'Or de Yatela SA, a joint venture in which AngloGold Ashanti and IAMGOLD each have an effective holding of 40% and the government of Mali, 20%.
- Morila: this is a joint venture between AngloGold Ashanti and Randgold Resources in which each has a 40% interest. The remaining 20% is held by the Malian government.

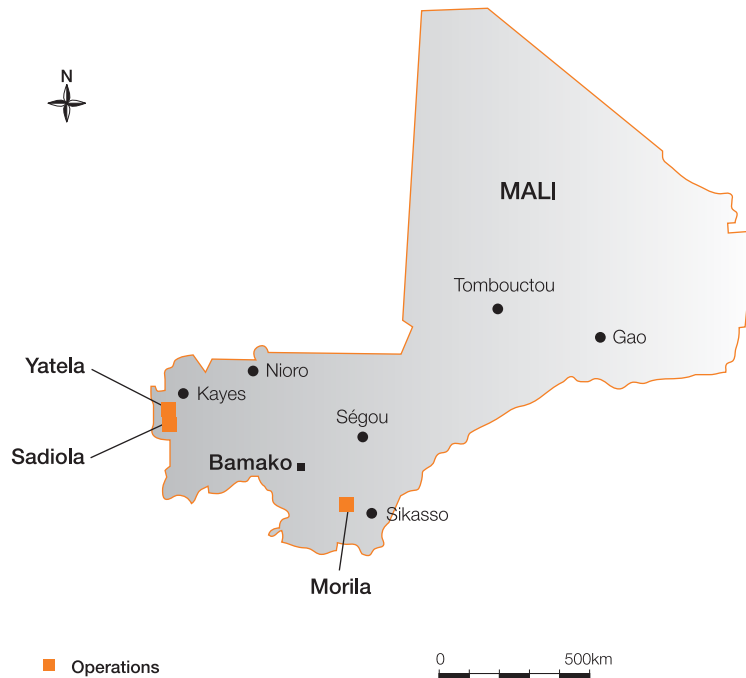
Sadiola

Description: Sadiola is situated in the far south-west of the country, 77 kilometres to the south of the regional capital of Kayes. Mining takes place in five open pits and the ore mined is treated and processed in a 435,000Mtpm (5.2Mtpa) CIP gold plant.

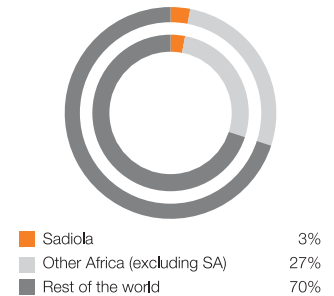
Safety: Overall safety standards were maintained at Sadiola with an LTIFR for the year of 1.11 (2006: 1.02). No fatalities were recorded.

Operating review: Attributable production at Sadiola declined year-on-year by 26% to 140,000 ounces (2006: 190,000 ounces). While there was a steady increase in production during the course of the year, this failed to make up for the sharp drop which had occurred during the

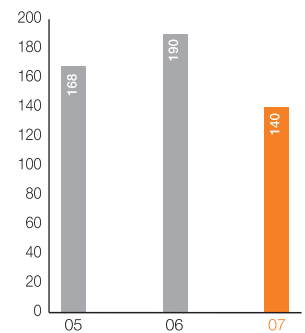
Sadiola		2007	2006	2005
Pay limit	(oz/t)	0.08	0.06	0.05
	(g/t)	2.46	1.98	1.80
Recovered grade	(oz/t)	0.081	0.094	0.080
	(g/t)	2.76	3.22	2.73
Gold production	(000oz) – 100%	369	500	442
	– 38%	140	190	168
Total cash costs	(\$/oz)	414	270	265
Total production costs	(\$/oz)	462	335	336
Adjusted gross profit	(\$m) – 100%	63	129	53
	– 38%	24	49	20
Capital expenditure	(\$m) – 100%	16	11	18
	– 38%	6	4	7
Total number of employees	– 100%	1,529	1,294	1,245
Employees		618	589	584
Contractors		911	705	661



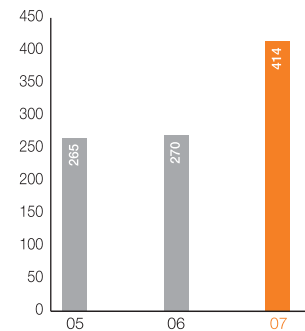
Contribution to attributable group production in 2007 (%)



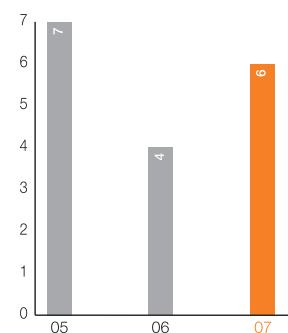
Gold production (000oz) attributable Sadiola



Total cash costs (\$/oz) Sadiola



Capital expenditure (\$m) attributable Sadiola



first quarter of the year. This decline in the throughput of tonnes was a result of plant optimisation to improve recovery of sulphide ores. The decline in the grade of feed to the plant was a result of a decision to withhold high-grade sulphide feed prior to the commissioning of the gravity circuit at the concentrator in December 2007. Consequently, total cash costs rose sharply by 53% to \$414/oz (2006: \$270/oz).

Adjusted gross profit was also down as a result, declining by 51% on the year to \$24 million (2006: \$49 million), mainly as a result of the reduced level of gold sales.

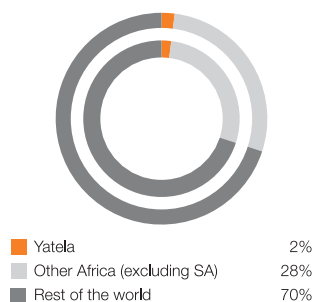
Total capital expenditure of \$16 million – attributable \$6 million – was spent during the year. A new gravity circuit was installed at the metallurgical plant to improve the recovery rates for the sulphide ores.

Growth prospects: Various options are to be reviewed in the coming year to improve current assumptions in the Deep Sulphide Project concerning mining method, scale, energy, and metallurgical recovery in order to convert the vast indicated resource below the main pit into reserve. A significant improvement was made in the understanding of sulphide ore recovery in 2007 and the commissioning of the new gravity circuit at the concentrator towards the end of 2007 will enable recovery of the very high-grade sulphide ores on stockpile in 2008.

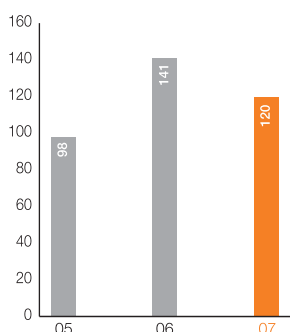
Outlook: Attributable production at Sadiola is projected to be between 155,000 and 160,000 ounces at a total cash cost of between \$455/oz and \$465/oz. Capital expenditure is planned to be \$9 million (\$3 million attributable).

Review of operations – Mali continued

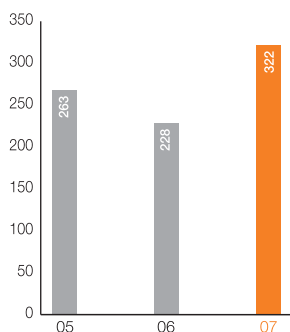
Contribution to attributable group production in 2007 (%)



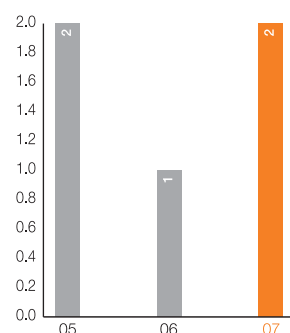
Gold production (000oz) attributable Yatela



Total cash costs (\$/oz) Yatela



Capital expenditure (\$m) attributable Yatela



Yatela		2007	2006	2005
Pay limit	(oz/t)	0.04	0.06	0.05
	(g/t)	1.37	1.79	1.66
Recovered grade	(oz/t)	0.101	0.120	0.087
	(g/t)	3.46	4.12	2.99
Gold production	(000oz) – 100%	301	352	246
	– 40%	120	141	98
Total cash costs	(\$/oz)	322	228	263
Total production costs	(\$/oz)	381	299	340
Adjusted gross profit	(\$m) – 100%	75	110	27
	– 40%	30	44	11
Capital expenditure	(\$m) – 100%	5	3	5
	– 40%	2	1	2
Total number of employees	– 100%	903	878	910
Employees		265	203	210
Contractors		638	675	700

Yatela

Description: Yatela is situated some 25 kilometres north of Sadiola and approximately 50 kilometres south-south-west of Kayes. This is a single pit operation. The ore mined is treated at a heap-leach pad together with carbon-loading. The carbon is then eluted and the gold smelted at nearby Sadiola.

Safety: Overall safety standards improved at Yatela with an LTIFR for the year of 0.39 (2006: 0.43). No fatalities were recorded.

Operating review: Attributable gold production at Yatela declined by 15% to 120,000 ounces (2006: 141,000 ounces). Mining from the bottom of the main pit was completed in July 2007, after which lower grade ore from the stockpiles was fed to the heap leach pad.

Total cash costs increased dramatically, to \$322/oz as a result of the decline in gold production, the appreciation of the euro and the FCFA against the dollar, and higher fuel prices.

There was a decline in attributable adjusted gross profit to \$30 million (2006: \$44 million).

Capital expenditure of \$5 million (attributable \$2 million) increased in 2007 and was spent mostly on additional leach pads to accommodate the extension in the life of mine.

Growth prospects: The push back 7 project will allow the operation to access the bottom of the main pit in 2009.

Outlook: Attributable production at Yatela is projected to decrease to between 63,000 and 73,000 ounces. Total cash costs are expected to rise to between \$518/oz and \$528/oz as a result of the expected grade-related decline in gold production. Capital expenditure of \$6 million (\$3 million attributable) is planned to be spent mostly on additional leach pads.

Morila

Description: The Morila mine is situated some 180 kilometres by road south-east of Bamako, the capital of Mali. Open-pit mining takes place at five cuts within one pit. The current focus is on cuts 4 and 5. At its peak, the Morila pit will be approximately 1.4 kilometres by 1 kilometre and up to 240 metres deep. The plant, which comprises a conventional carbon-in-leach (CIL) process with an upfront gravity section to extract the free gold, has throughput capacity of 350,000tpm and 4.2Mtpa.

Safety: Overall, the level of lost-time injuries was maintained at Morila with an LTIFR for the year of 0.57 per million hours worked (2006: 1.42). The OSHAS 18001 Safety Management certification was achieved by November 2007. Sadly, the Morila team lost two fellow colleagues on 9 February during an explosion caused by the inadvertent mixing of two chemicals. This resulted in a FIFR for the year of 0.57 per million hours worked (2006: 0).

Operating review: Attributable gold production at Morila decreased by 13% to 180,000 ounces (2006: 207,000 ounces), with the significant increase in production in the second half of the year not quite making up for the losses recorded in the first half of the year. The initial fall in production levels was a result of a decline in the recovered grade which improved markedly later in the year with the mining and processing of higher grade ore.

Mining production efficiencies improved significantly in the second half of 2007 as highlighted by the achievement of 1,001,444 BCMs in September month. The optimal use of in-pit backfill (leaving waste in the pit) resulted in significant savings and an increase in mining production.

Total cash costs increased by 27% to \$350/oz largely owing to the decline in production and an increase in cash costs caused by higher fuel costs and a weakening in the dollar against the FCFA and the euro. As a result, fuel, local salaries, mining contractor and certain reagent costs increased significantly.

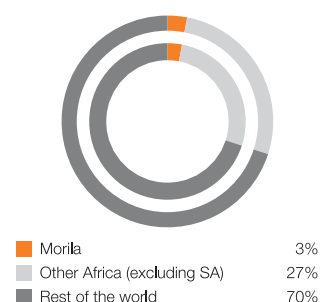
Adjusted gross profit for the year decreased by 27% to \$38 million (2006: \$52 million) primarily as a result of the decline in gold production and increased production costs. Capital expenditure of \$1.3 million (attributable \$0.5 million) in 2007.

Growth prospects: Good progress was made with the current drilling programme and broad zones of mineralisation have been identified along the eastern margin of the pit at a depth (565 metres). A follow-up drilling programme for this area will be proposed for 2008. A pitting programme in the Sokela area, situated 8 kilometres south-west of the main pit is progressing well. This programme will establish the feasibility of drilling in this area.

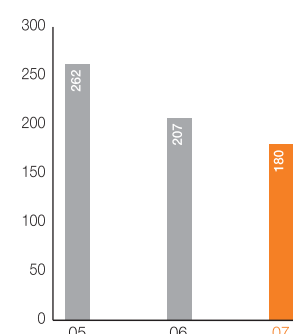
Outlook: In 2008, attributable production at Morila is projected to be between 182,000 and 187,000 ounces while total cash costs are forecast to increase to between \$361/oz and \$371/oz. Capital expenditure of \$4 million (\$2 million attributable) is planned.

Morila		2007	2006	2005
Pay limit	(oz/t)	0.08	0.08	0.07
	(g/t)	2.46	2.41	2.27
Recovered grade	(oz/t)	0.098	0.113	0.158
	(g/t)	3.36	3.88	5.41
Gold production	(000oz) – 100%	450	517	655
	– 40%	180	207	262
Total cash costs	(\$/oz)	350	275	191
Total production costs	(\$/oz)	421	349	293
Adjusted gross profit	(\$m) – 100%	95	130	96
	– 40%	38	52	39
Capital expenditure	(\$m) – 100%	1.3	3	5
	– 40%	0.5	1	2
Total number of employees	– 100%	1,686	1,575	1,183
Employees		498	500	478
Contractors		1,188	1,075	705

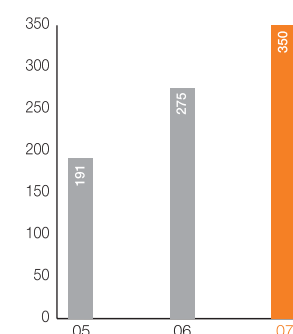
Contribution to attributable group production in 2007 (%)



Gold production (000oz) attributable Morila



Total cash costs (\$/oz) Morila



Capital expenditure (\$m) attributable Morila

