

ANGLOGOLD ASHANTI LTD

Form 6-K

February 07, 2008

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

Report on Form 6-K dated February 7, 2008

Commission File Number 1-14846

AngloGold Ashanti Limited

(Translation of registrant's name into English)

76 Diagonal Street

Newtown, 2001

(P.O. Box 62117, Marshalltown, 2107)

South Africa

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Enclosure: Press release ANGLOGOLD ASHANTI REPORT FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2007, PREPARED IN ACCORDANCE WITH IFRS

**Quarter 4 2007
Report
for the quarter and year ended 31 December 2007**

Group results for the quarter

- Gold production decreases 5% to 1.37Moz, following safety interventions in South Africa and operational difficulties at Geita.
- Total cash costs at \$404/oz, primarily as a result of lower production, local currency appreciation, and the purchase of uranium to meet contractual obligations.
- Adjusted headline earnings similar to previous quarter at \$82m, before year-end adjustments amounting to \$64m. Including year-end accounting adjustments, adjusted headline earnings at \$18m.

.... and for the year

- Gold production declines 3% to 5.48Moz.
 - Total cash costs increased by 16% to \$357/oz, due to lower production, stronger local currencies and inflationary pressure.
 - Adjusted headline earnings for the year at \$278m.
 - Mineral Resource increases by 34.1Moz, before depletion for the year, with 6.95Moz (attributable) from Greenfields discoveries.
- Ore Reserves increases 13Moz, before depletion to 73.1Moz.
- Final dividend declared at 53 South African cents per share or 7 US cents per share, resulting in total dividend of 143 South African cents or 20 US cents per share for the year.

**Quarter
Year
Quarter
Year
ended
Dec
2007
ended
Sept
2007
ended
Dec
2007
ended
Dec
2006
ended
Dec
2007
ended
Sept
2007
ended
Dec
2007
ended
Dec
2006**

**SA rand / Metric
US dollar / Imperial
Operating review**

Gold			
Produced			
- kg / oz (000)			
42,556			
44,611	170,365	175,253	
1,368			
1,434			
5,477			
5,635			
Price received			
1			
- R/kg / \$/oz			
149,312			
141,400	142,107	126,038	
687			
621			
629			
577			
Total cash costs			
- R/kg / \$/oz			
87,744			
81,186	80,490	67,133	
404			
357			
357			
308			
Total production costs			
- R/kg / \$/oz			
122,344			
107,239	107,415	90,345	
563			
471			
476			
414			

Financial review

Gross (loss) profit			
- Rm / \$m			
(2,354)			
(879)			
(524)			
2,700			
(355)			
(159)	(136)	443	
Gross profit adjusted for the loss on unrealised non-hedge derivatives and other commodity contracts			
2			
- Rm / \$m			

1,309

1,761 6,590 7,207

195

249

935

1,058

Loss attributable to equity
shareholders

- Rm / \$m

(3,199)

(2,003)

(4,269)

(587)

(482)

(316) (668) (44)

Headline loss ³

- Rm / \$m

(3,095)

(1,972)

(4,136)

(850)

(466)

(312) (648) (82)

Headline earnings adjusted for the loss on
unrealised non-hedge derivatives, other
commodity contracts and fair value adjustments
on convertible bond

4

- Rm / \$m

117

575 1,971

2,777

18

81

278

411

Capital expenditure

- Rm / \$m

2,315

1,733 7,444

5,533

339

245

1,059

817

Loss per ordinary share

- cents/share

Basic

(1,136)

(712)

(1,516)

(215)
(171)
 (112) (237) (16)

Diluted
(1,136)

(712)
 (1,516)
 (215)

(171)
 (112) (237) (16)

Headline ³
(1,099)

(701)
 (1,470)
 (312)

(165)
 (111) (230) (30)

Headline earnings adjusted for the loss on
 unrealised non-hedge derivatives and other
 commodity contracts and fair value adjustments
 on convertible bond

4
 - cents/share

42
 204 700
 1,018

6
 29
 99
 151

Dividends
 - cents/share

53
 143 450

7
 20
 62

Notes:

1.
Refer to note D Non-GAAP disclosure for the definition.
 2.
Refer to note B on Non-GAAP disclosure for the definition.
 3.
Refer to note 8 of Notes for the definition.
 4.
Refer to note A of Non-GAAP disclosure.
- \$ represents US dollar, unless otherwise stated.
 Rounding of figures may result in computational discrepancies.

Operations at a glance

for the quarter ended 31 December 2007

Production

Total cash costs

Cash gross profit

(loss)

1

Gross profit (loss)

adjusted for the loss

on unrealised non-

hedge derivatives

and other

commodity

contracts

2

oz (000)

%

Variance

3

\$/oz

%

Variance

3

\$m

%

Variance

3

\$m

%

Variance

3

Mponeng

136

(12)

304

20

52

(12)

39

(15)

Sunrise Dam

150

(2)

348

25

47

(11)

34

(17)

AngloGold Ashanti Mineração

91

5
251
14
37
19
26
24
Kopanang
104
(11)
329
8
36
(3)
27
(4)
Cripple Creek & Victor J.V.
89
48
277
(10)
36
50
28
87
TauTona
97
(17)
357
12
32
(11)
12
(43)
Morila
4
52
-
351
15
20
54
16
78
Great Noligwa
116
(2)
543
37
16
(41)

5
(67)
Cerro Vanguardia

4
51
2

310
7
14

(13)
8

(20)
Siguri
4

83
36
439

(15)
14

100
4
500

Serra Grande
4

21
(9)
292

9
9
13

7
17

Sadiola
4
40

14
419
5

8
14
7

17
Tau Lekoa
40

(7)
516
7

7
17
1

-

Iduapriem

4

45

(13)

414

15

5

(64)

2

(78)

Savuka

17

(15)

422

4

5

25

4

100

Navachab

20

(5)

527

22

4

-

3

50

Yatela

4

22

(27)

547

43

2

(71)

1

(83)

Moab Khotsong

23

35

693

-

(6)

(500)

(22)

(214)

Geita

58

(47)

722

80
(8)
(131)
(16)
(223)
Obuasi
84
-
489
(5)
(12)
(300)
(23)
(229)
Other
30
-
41
141
33
136
AngloGold Ashanti
1,368
(5)
404
13
358
(11)
195
(22)

1
Refer to note F “Non-GAAP disclosure” for the definition.

2
Refer to note B of Non-GAAP disclosure for the definition.

3
Variance December 2007 quarter on September 2007 quarter – increase (decrease).

4
Attributable.

Rounding of figures may result in computational discrepancies.

Financial and **operating review**

**OVERVIEW FOR THE QUARTER AND YEAR
FOURTH QUARTER**

On 8 November 2007 the company launched its “*Safety is our first value*” campaign in South Africa, in collaboration with trade unions and government representatives. Combined with the launch, safety interventions were undertaken at each operation to re-emphasize the company’s safety principles and standards, with the key focus on leadership behaviours and improving compliance to operating standards at the shop floor.

Prior to the launch on 8 November 2007, eight employees lost their lives at the South African operations during the quarter, with one fatality at Obuasi in Ghana. Following the launch, there were no fatalities for the remaining 53 days of the quarter and year. The South African operations reduced their fatal injury rate by 17% year-on-year, while there was an increase in the fatality rate at operations outside of South Africa.

AngloGold Ashanti remains committed to a continuing focus on raising safety standards, and there is a commitment to use OHSAS 18001 and OHSAS 18002 as the templates for the safety management framework. At the end of the year, half of the operations were certified OHSAS 18001 compliant, with the balance on schedule for certification during 2008.

Gold production for the quarter was 5% lower at 1.37Moz, mainly as a result of the safety interventions in South Africa and operational difficulties at Geita. Total cash costs at \$404/oz, was 13% higher than the previous quarter, which was impacted by lower production, appreciation of local currencies, and the purchase of uranium to meet contractual obligations.

Adjusted headline earnings for the quarter were \$18m, compared with \$81m in the third quarter.

Adjusted headline earnings were adversely distorted by annual accounting adjustments which totalled \$64m and included adjustments on rehabilitation, inventory, and current and deferred tax provisions. This was further exacerbated by stronger local operating currencies, higher exploration expenditure and lower production, specifically in South Africa, Ghana and Tanzania.

In South Africa, gold production dropped 9% to 17,503kg, following safety interventions, stoppages and the one-day NUM strike. Total cash costs increased 14% to R87,949/kg on the back of lower

production and adverse by-products contribution, following the decision to take advantage of weaker uranium prices in October 2007 when 300,000 pounds of uranium were purchased. Excluding the purchase of additional uranium, total cash costs increased 4% quarter-on-quarter.

The other African assets had a mixed quarter, with significant operational improvements from Siguiri and Sadiola, which posted increased gold production of 36% and 14% respectively. Morila and Obuasi were on par with the previous quarter. Iduapriem was affected by power outages, with gold production declining 13%, while Yatela and Navachab declined 27% and 5% respectively. Geita was adversely affected by discharge pump failures and the treatment of hard ore, resulting in gold production being 47% lower.

The international operations remained steady during the quarter, with Cerro Vanguardia and AngloGold Ashanti Brasil Mineração improving their gold production by 2% and 5% respectively, while Sunrise Dam was marginally lower, as the operation continued to mine the higher grade area. Gold production at CC&V improved 48% quarter-on-quarter, as delays from improved leach pad stacking depths were rectified. Consequently, total cash costs at CC&V reduced by 10% and adjusted gross profit improved 87% to \$28m for the quarter. During the quarter, following a review process, a regional operating structure was established with Robbie Lazare (Africa), Ron Largent (Americas) and Graham Ehm (Australasia) appointed as Executive Vice Presidents accountable for their respective operating regions, reporting directly to the CEO. This restructuring is designed to further strengthen the focus on delivering improved operational performance and safety improvement. Two teams have also been established in the Africa region, with Johan Viljoen appointed Regional Head for Southern Africa, and Christian Rampa Luhembwe appointed Regional Head for West Africa. Following the disappointing recent performance from Geita, Richard Le Seur has been appointed as the new Managing Director at Geita, reporting directly to Robbie Lazare.

YEAR

The company's total Mineral Resource before depletion increased by 34.1Moz for the year.

After depletion, this represents an increase of 26.0Moz, from 181.6Moz in 2006 to 207.6Moz in 2007, of which 6.95Moz (attributable) were delineated by AngloGold Ashanti's greenfields exploration teams for the year, at three key prospects, namely Tropicana (Western Australia), Mongbwalu (DRC) and Gramalote (Colombia). Significant other additions include 17.1Moz at Mponeng and 4.7Moz at CC&V, both due to improved economics and revised methodologies.

In 2007, AngloGold Ashanti recorded an increase in total ore reserves before depletion of 13.0Moz. After depletion, this represents a 9% increase year-on-year, from 66.9Moz in 2006 to 73.1Moz in 2007. Significant additions included 3.8Moz at Moab Khotsong, due to the inclusion of Project Zaaiplaats, a deepening of Moab Khotsong to access deeper Vaal Reef blocks to the South West of the current mine, and 3.4Moz at Mponeng, due to the inclusion of the Carbon Leader Reef project below 120 Level.

Production for 2007 declined by 3% or 158,000oz against the previous year, with Great Noligwa and TauTona showing production declines of 132,000oz and 65,000oz respectively, affected by mining redesign following safety concerns at TauTona and by lower grades at Great Noligwa, as mining moves into the lower grade SV3 area. Both Sunrise Dam in Australia and Siguiri in Guinea achieved record production levels of 600,000oz and 280,000oz (attributable), respectively, for the year.

Total cash costs increased by 16% to \$357/oz, due to lower production, stronger local currencies, higher by-product losses (uranium purchases), higher royalty payments (higher gold price), increased maintenance activities and inflationary pressure. Combined with a higher spend on exploration activities year-on-year to the value of \$59m, adjusted headline earnings reduced from \$411m in 2006 to \$278m.

A dividend of 53 South African cents (7 US cents) per share was declared for the six months ended 31 December 2007. This represents a similar dividend payout level to adjusted headline earnings, as per the interim year declaration, resulting in a total dividend for the year of 143 South African cents (20 US cents) per share.

On 14 January 2008, AngloGold Ashanti agreed to acquire 100% of Golden Cycle Gold Corporation (GCGC), for an aggregate consideration of approximately \$149m. GCGC, which is listed and trades on the NYSE Arca Exchange, is a Colorado-based holding company with its primary investment being its joint venture interest in CC&V and which is majority owned by AngloGold Ashanti. The successful completion of the acquisition, will allow AngloGold Ashanti to consolidate 100% interest in CC&V. Under the terms of the CC&V joint venture agreement, AngloGold Ashanti was entitled to 100% of the net proceeds from the CC&V mine until GCGC has repaid its initial loans.

On 24 January 2008, AngloGold Ashanti entered into agreements to sell its royalty interests in El Chanate (Sonoro, Mexico) and Marigold (Nevada, USA) to Royal Gold for \$13.75m. The transaction is subject to due diligence and is expected to be completed by the end of the first quarter.

On 25 January 2008, the South African national power supplier, Eskom, communicated that it could not guarantee power supply to the local operations. Precautionary steps were immediately taken for the safety of all employees, with no employees transported underground to carry-out mining activities, together with the cessation of milling activities. Following extensive discussions with Eskom and government, a power supply of 90% has been offered, although at the time of writing, this was still to be attained, which means that first quarter 2008 production from South African operations has been severely disrupted. The company is still reviewing a scenario in which only 90% of power is available to its South African operations.

Equally important is Eskom's ability to maintain a continuous power supply, at a 90% level, given that since 25 January 2008, the company has experienced daily fluctuations in available power which in turn has further disrupted the attempt to return to normal production levels and milling rates.

Since 2004, Eskom and AngloGold Ashanti have been working to improve energy efficiencies and reduce consumption, with both organisations committing funds and resources to the programme. These combined efforts have

achieved a 17% improvement in energy efficiencies by the Company during this period.

Subject to the power stability and availability at the 90% level, the production for the 2008 year is expected to be within the range of 4.8Moz to 5.0Moz. Total cash costs are anticipated to be between \$425/oz and \$435/oz, based on the following exchange rate assumptions: R7.35/\$, A\$/0.88, BRL1.81/\$ and Argentinean peso 3.10/\$. Capital expenditure for the year is estimated to be \$1,259m, and will be managed in line with profitability and cash flow.

Production for the first quarter of 2008, based on 90% stabilising power supply and associated operating recovery, is estimated to be 1.10Moz at an average total cash cost of \$467/oz, assuming the following exchange rates: R7.35/\$, A\$/0.89, BRL1.81/\$ and Argentinean peso 3.10/\$. Capital expenditure is estimated at \$328m.

The table below provides guidance for the year in respect of forecast ounces, total cash costs and capital expenditure, taking into consideration the impact of a 90% power supply in South Africa, as well as the current operational constraints at Geita.

Operational forecast for 2008

Operation	Forecast
------------------	-----------------

Production	
-------------------	--

Ounces (000)	
---------------------	--

Expected	
-----------------	--

Cash Cost	
------------------	--

US\$/oz*	
-----------------	--

Forecast Capital	
-------------------------	--

Expenditure	
--------------------	--

US\$m**	
----------------	--

South Africa	
--------------	--

1,800 - 1,900	
---------------	--

395 - 415	
-----------	--

383	
-----	--

Argentina	
-----------	--

200 - 205	
-----------	--

310 - 320	
-----------	--

22	
----	--

Australia	
-----------	--

400 - 420	
-----------	--

595 - 605	
-----------	--

411	
-----	--

Brazil	
--------	--

400 - 415	
-----------	--

290 - 300	
-----------	--

113	
-----	--

Ghana	
-------	--

580 - 620	
-----------	--

420 - 430

172

Guinea

260 - 270

475 - 485

16

Mali

400 - 420

410 - 420

8

Namibia

75 - 80

520 - 530

34

Tanzania

330 - 340

595 - 605

64

North America

290 - 300

310 - 320

28

Other

8

AngloGold Ashanti

4,800 - 5,000

425 - 435

1,259

* Assumes the following exchange assumptions to the US dollar: R7.35/\$, A\$/\$0.88, BRL1.81/\$ and Argentinean peso3.10/\$.

** Capital expenditure is managed in line with earnings and cash flow, and may fluctuate accordingly.

OPERATING RESULTS FOR THE QUARTER SOUTH AFRICA

At **Great Noligwa**, gold production was down 2% to 3,613kg (116,000oz), as a result of a 4% lower yield, partially offset by a 2% higher volume.

Volume improved despite the loss of production shifts due to safety training interventions, stoppages and the one-day NUM safety strike.

Although overall mining costs reduced, a higher by-product loss was incurred, following the purchase of uranium in October 2007, when the company took advantage of a dip in uranium prices to meet contractual obligations, resulting in total cash costs increasing 31% to R117,918/kg (\$543/oz).

Consequently, adjusted gross profit was 70% lower at R32m (\$5m). Total cash costs was marginally lower at R86,580/kg excluding the purchase of uranium.

The Lost-Time Injury Frequency Rate (LTIFR) was 13.24 lost-time injuries per million hours worked (12.72 for the previous quarter).

Gold production at **Kopanang** reduced 11% to 3,229kg (104,000oz), following unexpected geological structure changes, safety training interventions and the one-day NUM safety strike, resulting in a 5% decrease in yield and a 7% lower volume.

Despite the 11% lower production, total cash costs only increased by 3% to R71,498/kg (\$329/oz), partially off-setting the adverse impact of the lower volume and grade, with improved efficiencies. The adjusted gross profit was 10% lower at R180m (\$27m).

The LTIFR improved to 11.13 (11.30).

The build up at **Moab Khotsong** continues with both volume treated and values mined increasing, up 14% and 3% respectively, resulting in gold production being 39% higher at 726kg (23,000oz), while total cash costs were 4% lower at R150,648/kg (\$693/oz). The adjusted gross loss increased to R151m (\$22m) due to an adjustment in amortisation cost and an increase in the rehabilitation provision.

The LTIFR improved to 12.16 (15.03).

At **Tau Lekoa**, despite an increased yield of 7%, volumes were down 13%, due to the safety training intervention, mining activity stoppages following a fatal accident due to a gravity-induced fall of ground accident and the one-day NUM strike.

As a result, gold production was down 7% to 1,247kg (40,000oz), and consequently total cash

costs increased 2% to R112,042/kg (\$516/oz).

Adjusted gross profit increased to R6m (\$1m), against the previous quarter's breakeven position.

The LTIFR improved to 15.57 (19.88).

Gold production at **Mponeng** was down 12% to 4,223kg (136,000oz) following the loss of five shifts as a result of fatal accidents, safety interventions and the one-day NUM strike. Total cash costs consequently increased by 14% to R66,025/kg (\$304/oz) and the adjusted gross profit decreased 19% to R263m (\$39m).

The LTIFR improved to 11.57 (13.45) and the mine had four fatalities relating to fall of ground accidents.

At **Savuka**, despite a 7% improvement in yield due to reduced grade dilution from lower development and improved stoping widths, volume was down 19%, following lower face advances, safety interventions and the one-day NUM strike. As a result, gold production was 13% lower at 540kg (17,000oz).

Total cash costs were marginally lower at R91,613/kg (\$422/oz), largely offsetting the adverse impact of the lower volume, by improved cost efficiencies and lower power charges. The adjusted gross profit increased to R29m (\$4m) from R15m (\$2m) in the previous quarter, mainly due to the lower amortisation charge and improved price, partially offset by the lower volume impact.

The LTIFR improved significantly to 17.23 (34.15).

TauTona had a challenging quarter. Increased geological risk from seismicity activity has required re-planning and together with the three fatal accidents, resulted in mining stoppages, and combined with safety interventions and the one day NUM strike, resulted in volume and yield being lower. Gold production was 18% down to 3,005kg (97,000oz) and consequently, total cash costs rose by 7% to R77,572/kg (\$357/oz), which was partially offset by various cost interventions to counter the lower production, as well as the lower power tariffs. The adjusted gross profit was 43% lower at R83m (\$12m).

The LTIFR was 17.82 (14.66). The mine experienced three fatalities during the quarter, two incidents from a fall of ground, and the third from an ore pass accident.

ARGENTINA

At **Cerro Vanguardia** (92.5% attributable), gold production increased 2% to 51,000oz, due to the higher feed grade. Total cash costs rose 7% to \$310/oz as a result of the lower silver by-product sales and higher services costs. Gold sales were 31% lower due to on-going discussions with the government of Argentina, regarding its proposed tax changes, and consequently the adjusted gross profit decreased 20% to \$8m.

The LTIFR improved significantly to 1.79 (7.14).

AUSTRALIA

Sunrise Dam continued to perform in accordance with the planned production schedule, producing 150,000oz for the quarter, culminating in a record annual production of 600,000oz. Yield was 6% lower as mining passed through the high-grade GQ lode, but was partially offset by the 4% higher tonnage throughput. Total cash costs, however, increased by 19% to A\$392/oz (\$348/oz), owing to the marginally lower production, higher fuel costs and inventory and stockpile movements. As a result of the higher costs and lower production, the adjusted gross profit decreased by 21% to A\$38m (\$34m). During the quarter, production from underground mining continued from the Sunrise Shear, Western Shear and Mako lodes, while mine development focused on the Cosmo lode. A total of 729m of underground capital development and 1,055m of operational development were completed during the quarter.

The LTIFR was 2.59 (2.63).

BRAZIL

At

AngloGold Ashanti Brasil Mineração, production increased 5% to 91,000oz with operating performance improvements in both volume and grade. Total cash costs rose 14% to \$251/oz, primarily due to higher transport costs resulting from mill plant downtime (gearbox breakdown) and higher chemical usage, spares and services cost. Adjusted gross profit rose 24% to \$26m mainly due to 2% higher gold sold and 11% higher received price, offsetting the higher costs.

The LTIFR was 1.96 (2.70).

At

Serra Grande (50% attributable), gold production decreased 9% to 21,000oz as planned, due to low grade material and feed from the open-pit and Nova mine. Total cash costs were 9%

higher at \$292/oz, due to local currency appreciation and lower grades, partially offset by movements in stockpiles. The adjusted gross profit rose 17% to \$7m, mainly due to the higher received price, partially reduced by the lower gold sold and higher costs.

The LTIFR was 1.90 (0.00).

GHANA

At **Iduapriem**, tonnage throughput was adversely affected by power cuts following the failure of the main Volta River Authority (VRA) transformer, with tonnage 16% lower and gold production declined 13% to 45,000oz.

Total cash costs, increased by 15% to \$414/oz, due to the lower gold production, and consequently the adjusted gross profit declined to \$2m from \$9m in the previous quarter, combined with a higher rehabilitation charge.

LTIFR was 0.72 (0.00)

OBUASI

In the prior quarter, tonnage throughput at Obuasi was adversely affected by a plant shut down for eleven-days for both maintenance and testing and development of processes to reduce environmental impacts of ore treatment. In the fourth quarter, power outages reduced the ability for the operation to recover from the production loss in the previous quarter, and gold production remained steady at 84,000oz.

Total cash costs reduced 5% to \$489/oz, following cost savings from restructuring the operation by approximately 200 employees. Following the re-setting of the environmental liability and higher retrenchment cost, the adjusted gross loss increased to \$23m from the previous quarter's loss of \$7m.

LTIFR was 3.97 (3.51). One person died in a machinery related accident.

REPUBLIC OF GUINEA

A significant improvement was achieved at **Siguiri** (85% attributable), with a 9% increase in tonnage throughput and a 26% increase in grade, resulting in production increasing by 36% to 83,000oz in the quarter.

As a result of the higher production, total cash costs reduced by 15% to \$439/oz. The adjusted gross profit of \$4m for the quarter was \$5m higher than the loss of \$1m in the previous quarter, due to the increased gold production and improved gold price, which was partially offset by higher royalties, and increased rehabilitation and amortisation charges.

LTIFR was 0.50 (1.02)

MALI

Gold production at **Morila** (40% attributable) was consistent with that of the previous quarter at 52,000oz. Total cash costs, however, increased by 15% to \$351/oz due to increased royalty charges, higher fuel prices, a weaker US dollar and higher mining contractor costs. Despite the steady production profile, gold sales for the quarter increased by 10,000oz due to the timing of the final gold shipments carried over from the previous quarter, and combined with a higher gold price, resulted in a 78% increase in adjusted gross profit to \$16m.

The LTIFR was 0.00 (2.38).

At **Sadiola** (38% attributable), production was 14% higher at 40,000oz, with increases in both recovered grade and tonnage throughput. Total cash costs increased by 5% to \$419/oz with the impact of higher gold production being negated by higher fuel prices, a weaker US dollar and increased royalty charges. The adjusted gross profit of \$7m was 17% higher than the previous quarter with the increased production and higher gold price, being partially offset by higher total cash costs and an increased rehabilitation charge.

The LTIFR was 1.71 (0.00).

Production at **Yatela** (40% attributable) decreased by 27% to 22,000oz despite tonnage stacked being 35% higher, following the end of the wet season.

The lower gold production was due to the release of low grade ore that had been stacked in the previous quarter, and consequently total cash costs were 43% higher at \$547/oz, combined with a weaker US dollar. The adjusted gross profit decreased 83% to \$1m due to the decline in production and higher cash costs.

The LTIFR was 0.00 (0.00).

NAMIBIA

Gold production at **Navachab** decreased by 5% to 20,000oz as planned, due to a lower feed grade.

Total cash costs at \$527/oz, were 22% higher due to the weaker US dollar and higher stores, drilling and fuel costs. Adjusted gross profit was 50% higher at \$3m, due primarily to the improved gold price.

The LTIFR was 3.36 (3.44).

TANZANIA

Geita experienced a disappointing quarter with gold production 47% lower at 58,000oz, due to an 8% decrease in tonnage throughput together with a 43% decrease in recovered grade. Tonnage throughput was adversely affected in November by discharge pump failures on both mills and a large build up of mill scats due to the treatment of hard banded iron formation (BIF) ore from the Nyankanga pit. In early December a dramatic drop in gold recovery occurred, and was attributed to the refractive nature of ore from the Geita Hill pit. Processing of Geita Hill ore was consequently suspended and replaced with lower grade stockpiled material, resulting in reduced production for the quarter.

Total cash costs were 80% higher at \$722/oz, primarily due to the lower gold production. An adjusted gross loss of \$16 million was recorded for the quarter as opposed to a profit of \$13 million in the previous quarter, due to the lower production and an increased rehabilitation provision.

The LTIFR was 0.44 (0.00).

NORTH AMERICA

At **Cripple Creek & Victor** (67% ownership with 100% interest in production until initial loans are repaid), gold production increased 48% to 89,000oz, attributable to the partial recovery of delayed production from increased leach pad stacking levels. Total cash costs decreased 10% to \$277/oz, due to a reduced royalty expense and improved production.

Adjusted gross profit increased 87% to \$28m as a result of the lower total cash costs, increased sales ounces and improved gold price.

The LTIFR was 4.93 (0.00).

Notes:

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All references to price received includes realised non-hedge derivatives.

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In the case of joint venture and operations with minority holdings, all production and financial results are attributable to AngloGold Ashanti.

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Adjusted gross profit is gross profit (loss) adjusted to exclude unrealised non-hedge derivatives and other commodity contracts.

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Adjusted headline earnings is headline earnings before unrealised non-hedge derivatives and other commodity contracts, fair value adjustments on the option component of the convertible bond and deferred tax thereon.

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Rounding of figures may result in computational discrepancies.

Review of the gold market

Gold exhibited exceptional trading strength in the fourth quarter, with dollar prices reaching a high of \$845/oz in early November, on the back of US credit concerns and fears that the US economy may stagnate or enter a recession. The first two months of the quarter were also characterised by highly volatile US dollar gold prices, with gold trading in a range of \$728/oz to \$841/oz.

The average US dollar gold price for the quarter was \$788/oz, 16% higher than the previous quarter's average price of \$680/oz. The rand gold price saw record highs of some R187,000/kg and averaged R171,334/kg for the quarter, some 10% higher than the previous quarter's average of R155,005/kg.

JEWELLERY DEMAND

Having performed well in the first half of the year, jewellery demand suffered from price volatility exhibited in the fourth quarter, particularly in traditional markets such as the Middle East and India.

Gold jewellery demand in the Gulf countries was particularly affected by this period of price volatility, as local currencies are linked to the dollar and so the full effect of US dollar gold price volatility was felt by local consumers. This came at a time of inflationary concerns and escalating rents, which dampened gold purchases considerably, and it is likely that the region's consumption will show a reduction in tonnage terms for the fourth quarter, compared to the same period in 2006.

Both the Egyptian and Turkish markets performed well, owing to increased economic stability as well as good consumption from the tourist sector.

These markets were also protected against the worst impact of US dollar price volatility, as local currencies performed strongly against the dollar.

In India, demand was adversely impacted by price volatility and the lack of seasonal buying opportunities during the fourth quarter. However, over the year as a whole, consumption is expected to show an increase, due to record demand levels in tonnage and value terms achieved in the first half of the year.

Chinese consumption remained steady despite high and volatile prices. While there was good demand for 18 carat gold jewellery at the top end of the US market, middle and mass market retailers were negatively impacted by a general downturn in retail sales.

Looking forward to 2008, a major concern is that retailers, particularly those in price sensitive markets, will only re-stock slowly, amidst concerns that gold prices may continue to show the volatility exhibited in the first part of the fourth quarter. In China, manufacturers have reported orders at only one third of typical levels for this time of year. High absolute price levels will also act as a constraint on demand, as manufacturers will have access to reduced levels of gold working inventory finance.

CENTRAL BANK SALES

The second Central Bank Gold Agreement entered its third period in September 2007. Sales occurring to date in this new period of the agreement are estimated to be approximately 135t, and have taken place without any disruption to the market.

INVESTMENT MARKET

The fourth quarter was an active period in the investment sector. On the exchanges, the average net long position during the quarter of some 24Moz.

Investment in Exchange Traded Funds (ETFs) continued the strong performance exhibited in the third quarter into the period under review. Total holdings at year end stood at close to 28Moz, with a total value of over \$23bn, of which some \$17bn is held in the US-listed ETF, StreetTracks.

INDUSTRIAL DEMAND

The industrial sector accounts for 12% of physical demand, of which the electronics industry accounts for some 70% of demand, and continues to show growth over the previous period.

PRODUCER HEDGING

Producer de-hedging slowed in the fourth quarter from the exceptional levels of previous quarters, particularly the first half of the year. No new gold hedges of any significant proportions were reported during the quarter.

CURRENCIES

The US dollar continued its sharp depreciation against the Euro and reached a new low of Euro/US\$1.49 in late November. This was as a consequence of the ongoing credit crisis and the perceived need for further interest rate cuts in order to stimulate the economy. US dollar woes were further exacerbated by a rising oil price, which was continuing to trade through its own record highs of around US\$90/bbl and peaked at US\$ 96/bbl.

In South Africa, expectations of higher interest rates saw the Rand strengthen during the first month of the quarter. Sentiment was further buoyed as the single largest foreign investment in a South African company was announced, when the Investment and Commercial Bank of China announced their intention to purchase a 20% stake in Standard Bank South Africa. Risk aversion in international markets once again caused a reversal of the Rand's fortunes in November, however this was not sustained and the Rand closed the quarter unchanged.

The Australian dollar and Brazilian Real both strengthened marginally over the quarter, gaining 1% and 3% respectively.

Hedge position

As at 31 December 2007, the total net delta tonnage of the hedge was 10.39Moz or 323t (at 30 September 2007: 10.58Moz or 329t). The reduction in the hedge book from deliveries and maturing contracts was mostly offset by an increase in the hedge delta due to the higher gold price.

The marked-to-market value of all hedge transactions making up the hedge positions was a negative \$4.27bn (negative R29.10bn), of which \$2.4bn (R16.2bn) is on balance sheet as at 31 December 2007 (at 30 September 2007: negative \$3.52bn or R24.17bn).

This value was based on a gold price of \$836.30/oz, exchange rates of R6.84/\$ and A\$/0.88 and the prevailing market interest rates and volatilities at that date. The increase in the negative marked-to-market value was primarily due to the higher spot gold price.

For the quarter, the company's received price of \$687/oz, was 13% lower than the average spot price of \$788/oz for 2008, the gap in the received and spot prices is likely to be between 18% to 20% going forward, provided that gold trades in a price range of \$700/oz and \$900/oz.

As at 6 February 2008, the marked-to-market value of the hedge book was a negative \$4.69bn (negative R36.02bn), based on a gold price of \$887.10/oz and exchange rates of R7.69/\$ and A\$/0.89 and the prevailing market interest rates and volatilities at the time.

These marked-to-market valuations are not predictive of the future value of the hedge position, nor of future impact on the revenue of the company. The valuation represents the cost of buying all hedge contracts at the time of valuation, at market prices and rates available at the time.

Year**2008****2009****2010****2011****2012****2013-2015****Total****DOLLAR****GOLD**

Forward contracts (kg)	22,817	Amount 21,738	14,462	12,931	11,944	12,364	96,256
US\$/oz	\$314	\$316	\$347	\$397	\$404	\$432	\$357
Restructure Longs Amount							

(kg)
 *11,304
 *11,304
 US\$/oz \$647
 \$647
 Put options sold
 Amount (kg)
 25,962
 3,748
 1,882
 1,882
 1,882
 3,764
 39,120
 US\$/oz
 \$682 \$530 \$410 \$420 \$430 \$445 \$607
 Call options purchased
 Amount (kg)
 9,813
 9,813
 US\$/oz \$427
 \$427
 Call options sold Amount (kg) 58,570 45,950 36,804 39,385 24,460
 39,924 245,093
 US\$/oz
 \$521 \$498 \$492 \$517 \$622 \$604 \$535

RAND GOLD

Forward contracts

Amount (kg)

933

933

Rand per kg

R116,335

R116,335

Call options sold

Amount (kg)

2,986

2,986

2,986

8,958

Rand per kg

R202,054

R216,522

R230,990

R216,522

A DOLLAR GOLD

Forward contracts

Amount (kg)

16,018

3,390

3,110

22,518								
A\$ per oz								
A\$848								
A\$644								
A\$685								
A\$795								
Put options sold								
Amount (kg)								
7,465								
7,465								
A\$								
per								
oz								
A\$882								
A\$882								
Call options purchased								
Amount (kg)								
3,110								
1,244								
3,110								
7,464								
A\$ per oz								
A\$680								
A\$694								
A\$712								
A\$696								
Call								
options								
sold								
Amount								
(kg)								
5,599								
5,599								
A\$								
per								
oz								
A\$954								
A\$954								
Delta (kg)	(69,805)	(70,154)	(51,200)	(51,137)	(33,123)	(47,702)	(323,121)	
** Total net gold:								
Delta (oz)	(2,244,280)	(2,255,500)	(1,646,116)	(1,644,090)	(1,064,928)	(1,533,653)	(10,388,567)	
*								

Indicates a long position resulting from forward purchase contracts. The group enters into forward purchase contracts as part of its strategy to actively manage and reduce the size of the hedge book.

The Delta of the hedge position indicated above is the equivalent gold position that would have the same marked-to-market sensitivity for a small change in the gold price. This is calculated using the Black-Scholes option formula with the ruling market prices, interest rates and volatilities as at 31 December 2007.

Rounding of figures may result in computational discrepancies.

Year	
2008	
2009	
2010	
2011	
2012	
2013-2015	
Total	
DOLLAR	
SILVER	
Put options purchased	
Amount (kg)	
43,545	
43,545	
\$ per oz	\$7.66
\$7.66	
Put options sold	
Amount (kg)	
43,545	
43,545	
\$ per oz	\$6.19
\$6.19	
Call	
options	
sold	
Amount	
(kg)	
43,545	
43,545	
\$ per oz	\$8.64
\$8.64	

The following table indicates the group's currency hedge position at 31 December 2007

Year	
2008	
2009	
2010	
2011	
2012	
2013-2015	
Total	
RAND DOLLAR (000)	
Forward contracts	
Amount (\$)	
35,000	
35,000	
US\$/R	
R6.94	
R6.94	
Put options purchased	
Amount (\$)	
120,000	

120,000

US\$/R

R6.98

R6.98

Put options sold

Amount (\$)

120,000

120,000

US\$/R

R6.65

R6.65

Call options sold

Amount (\$)

135,000

135,000

US\$/R

R7.35

R7.35

A

DOLLAR

(000)

Forward
contracts

Amount

(\$)

190,000

190,000

A\$/US\$ \$0.84

\$0.84

Put options purchased

Amount (\$)

140,000

140,000

A\$/US\$ \$0.83

\$0.83

Put options sold

Amount (\$)

140,000

140,000

A\$/US\$ \$0.87

\$0.87

Call
options
sold

Amount

(\$)

140,000

140,000

A\$/US\$ \$0.81

\$0.81

BRAZILIAN REAL (000)

Forward
contracts
Amount
(\$)
31,000
31,000
US\$/BRL
BRL
1.99
BRL
1.99

Put options purchased
Amount (\$)
24,000
24,000
US\$/BRL
BRL
1.87
BRL
1.87

Call
options
sold
Amount
(\$)
68,000
68,000
US\$/BRL
BRL
1.92
BRL
1.92

Derivative analysis by accounting designation as at 31 December 2007

**Normal sale
exempted**

**Cash flow
hedge**

accounted

Non-hedge

accounted

Total

US Dollars (millions)

Commodity option contracts

(675)

-

(2,030)

(2,705)

Foreign exchange option contracts

-

-

(6)

(6)
Forward sale commodity contracts
(1,230)
(336)
(50)
(1,616)
Forward foreign exchange contracts
-
4
7
11
Interest rate swaps
(26)
-
34
8
Total hedging contracts
(1,931)
(332)
(2,045)
(4,308)
Option component of convertible bonds
-
-
(25)
(25)
Total derivatives
(1,931)
(332)
(2,070)
(4,333)

Rounding of figures may result in computational discrepancies.

Exploration

Total exploration expenditure increased to \$48m (\$22m brownfields, \$26m greenfields) during the fourth quarter of 2007, compared to \$46m (\$21m brownfields, \$25m greenfields) in the previous quarter. This brings the total spend on exploration activities for the year to \$167m (\$75m brownfields; \$92m greenfields), the highest spend recorded in the company's history, against a spend in 2006 of \$103m (\$52m brownfields; \$51m greenfields).

In 2007, AngloGold Ashanti recorded an increase in total ore reserves before depletion of 13.0Moz. After depletion, this represents a 9% increase year-on-year, from 66.9Moz in 2006 to 73.1Moz in 2007. Significant additions included 3.8Moz at Moab Khotsong due to the inclusion of Project Zaaiplaats, the deepening of Moab Khotsong to access deeper Vaal Reef blocks to the South West of the current mine, and 3.4Moz at Mponeng, due to inclusion of the Carbon Leader Reef project below 120 Level.

The company's total Mineral Resource before depletion increased by 34.1Moz for the year. After depletion, this represents an increase of 26.0Moz, from 181.6Moz in 2006 to 207.6Moz in 2007, with 6.95Moz (attributable) delineated by AngloGold Ashanti's greenfields exploration teams, at three key prospects, namely Tropicana (Western Australia), Mongbwalu (DRC) and Gramalote (Colombia). Other additions include 17.1Moz at Mponeng, and 4.7Moz at CC&V, both due to improved economics and revised methodologies.

BROWNFIELDS EXPLORATION

In **South Africa**, surface drilling continued in the Project Zaaiplaats area, with borehole MZA9, a long deflection to the east in progress, and drilling at borehole MMB5 continued.

Surface drilling in the Moab North area has been re-started after the structural interpretation was updated. Borehole MCY4 has been re-opened and a deflection to the east is in progress and borehole MCY5 advanced 1,606m during the quarter.

At Tau Lekoa, borehole G54 was started during the quarter and intersected poorly developed Venterdorp Contact Reef at 1,097m and deflection drilling continues.

At Iduapriem in **Ghana**, resource conversion (RC) drilling at Blocks 7 and 8 was completed in November 2007. An additional 19 holes were

drilled during the quarter, in an effort to convert inferred mineral resources to indicated mineral resources. Modelling has commenced.

In **Australia**, at Boddington mine, three rigs were employed on resource conversion and near mine extension exploration diamond drilling. During the quarter, approximately 16,263m of drilling from 17 holes was completed, and for the year, a total of 121,212m from 151 holes was drilled.

In **Brazil**, at Córrego do Sítio Sulphide Project, drilling continued at Laranjeira and Carvoaria ore bodies (Paraiso). At the Lamego project, surface and underground exploration of the Carruagem and Arco da Velha zones is progressing. At Cuiabá Mine, the narrow-vein subsidiary orebodies, notably Balancão, were explored with the objective to obtain additional ore and enhance mining flexibility.

At Siguri in **Guinea**, exploration activities focused on 25m by 25m of infill RC drilling at Kintinian (situated 4km north of the plant), and 50m by 50m of infill RC drilling at Sintroko South (situated 8km south of the mine).

Reconnaissance aircore drilling commenced on the coincident AEM and geochemical anomalies at Kouremale in Block 4, close to the Malian border, and in Block 3 at Kolita and Kounkoun. These targets are located approximately 70km and 35km, respectively north east of the current infrastructure.

At Geita in **Tanzania**, exploration activities continued to be concentrated in five areas, namely, Matandani Pit; Area 3; Nyakabale-Prospect 30; the Lone Cone-Nyankanga Gap and the Nyankanga foot wall. Infill drilling was also started at the Star and Comet projects.

At Morila in **Mali**, a programme of four diamond drill holes was completed during the quarter.

These boreholes were targeted at extensions of the mineralisation in prospective areas.

Pitting was initiated at Sokela, to the South West of the mine and two trenches were dug in the Domba area to the North of the mine, in order to extract samples for further evaluation.

At Sadiola, a fence line of three diamond holes were drilled inside the FE4 main pit. The objectives of this programme was to establish the potential of sulphide mineralisation in the hard rock. The fence line of 22 diamond holes between FE3-pit 3 and FE4 was completed and borehole SDFE3S-022 was concluded, as well as additional resource delineation drilling at Tambali South.

At Yatela, the final assay results for the “Deep Sulphide” drilling were received and the results proved to be disappointing. Infill drilling at the North West Extension to the Yatela deposit was started with 2,985m being drilled from 66 boreholes.

At Navachab in **Namibia**, drilling continued in the Upper Schist to the north-west of the main pit, and drilling on the west ramp of the main pit area was completed, with further drilling planned for 2008.

The drilling programme to test vertical mineralisation along the Upper Schist-MDM contact in the main pit area continued, while positive results were received from the drilling at Gecko South and North. Drill access roads for additional drilling in the Gecko Far North and for Anomaly 16 are currently being developed.

At Cripple Creek & Victor in the **United States**, exploration and development drilling continued on the north side of the district near Schist Island and Control Point.

GREENFIELDS EXPLORATION

Greenfields exploration activities continued in seven countries (Australia, Colombia, the DRC, China, Laos, the Philippines, and Russia) during the fourth quarter of 2007. A total of 378,014m of diamond drilling (DDH), reverse circulation (RC), and aircore (AC) drilling was completed during the year, and drill testing at existing priority targets and delineating new targets in Australia, the DRC, Colombia, and China was undertaken.

A total of 6.95Moz attributable (9.1Moz on a 100% basis) of JORC-standard Inferred and Indicated Resources were delineated by AngloGold Ashanti’s greenfields exploration teams for the year ended December 2007 at three key prospects globally, namely Tropicana (Western Australia), Mongbwalu (DRC) and Gramalote (Colombia). This figure exceeds the market guidance of 6Moz given for the discovery of new gold resources by greenfields exploration by the end of 2007. In addition, a significant drill

programme and conceptual study is concurrently being undertaken at AngloGold Ashanti's 100% owned La Colosa project in Colombia, with an additional Inferred Resources expected to be announced for La Colosa during the first quarter of 2008.

In **Australia**, drilling continued at the Tropicana JV Project (AngloGold Ashanti 70%, Independence Group 30%) during the fourth quarter and the Pre-Feasibility Study (PFS) Resource Model was completed. An initial open pit resource (Inferred and Indicated) of 62.8Mt @ 2.01g/t (using a 0.6g/t cut-off) for 4.05Moz (100% basis) was announced on 3 December 2007. This resource was calculated using the assay data from nearly 141,000m of diamond and RC drilling, at drill hole spacings of a minimum of 50m by 50m. The Tropicana PFS will focus on the economics of the open-pit mining of gold mineralisation currently identified over a four kilometre strike length at Tropicana-Havana, and will include additional mining, metallurgical, and environmental studies. Reconnaissance exploration is continuing, in parallel, throughout the remainder of the Tropicana JV tenement holding, particularly in the Beachcomber sector. Regional exploration and target generation activities continued in **Colombia** during the fourth quarter, with DDH undertaken on five prospects. A conceptual economic study was also completed on the bulk-tonnage Gramalote prospect (Antioquia Department), where an Inferred Resource (100% basis) of 57.8Mt @ 1.14g/t (using a 0.5g/t cut-off), for a total of 2.12Moz has been delineated. The Inferred Resource for Gramalote was calculated using the assay data derived from the 13,060m of diamond drilling (in 43 drill holes), including adit sampling completed to date. Ownership of the Gramalote project is currently 75% AngloGold Ashanti, 25% B2Gold Corporation, however, a non-binding memorandum of understanding has been signed with B2Gold in which B2Gold will have the option to earn-in to a 51% interest in the Gramalote project in return for taking the project through to Feasibility.

Resource delineation drilling continued during the fourth quarter at AngloGold Ashanti's 100% owned La Colosa porphyry gold prospect (Tolima Department). To date, approximately 12,000m of diamond drilling (from 42 drill holes) has been

completed at La Colosa. Additional drilling and conceptual studies are both being undertaken at La Colosa, with an Inferred Resource expected to

be announced by end of February 2008.

AngloGold Ashanti and JV partners have also completed first-pass diamond drilling on three other projects during the quarter, with follow-up drilling expected to be undertaken on one of these prospects during the first quarter of 2008.

Exploration activities undertaken in Concession 40 (**DRC**) included the infill drilling of the main mineralised mylonite zones at Mongbwalu, together with the initial evaluation of priority targets regionally. A conceptual economic study for the Mongbwalu deposit was also completed during the quarter, and confirmed an initial open pittable Inferred Resource of 33Mt @ 2.68g/t (using a 0.5g/t cut-off) for 2.93Moz (2.52Moz attributable to AngloGold Ashanti) at Mongbwalu. The initial resource area lies within a polygon that covers both the Adidi sector and the Socumoto sector (which is located about 1km to the south-east of the past-producing Adidi mine). The conceptual study utilised the assay data from the 88,000m of DDH and RC drilling that has been completed at Mongbwalu by AngloGold Ashanti between mid-2005 and November 2007.

In **Russia**, all efforts were focused on finalising the formation of the Polymetal/AngloGold Ashanti Strategic Alliance. The registration of Zoloto Taigi, the Russian management company, is expected to be completed during the first quarter of 2008.

Management of exploration activities in the four initial project areas (Bogunay, Anenskoye, and Veduga in the Krasnoyarsk region, and Aprelskovskoye in the Chita region) was gradually assumed by the Joint Venture team in late 2007.

The JV was also successful in acquiring the 390km² Sovremenie Prospect (Krasnoyarsk Region) at auction.

2

In **China**, a short (1,053m) DDH programme was completed on the Yili-Yunlong CJV prospect in Xinjiang Province (northwestern China). The primary objective of the drill programme was to test the vertical continuity of outcropping gold-copper mineralisation, however, drilling only succeeded in intersecting weakly anomalous mineralisation at depth. At Red Valley (Qinghai), assay results from the 3,300m DDH programme were also reviewed and confirmed the presence of only low-grade gold mineralisation within the principal targets. As a

result, AngloGold Ashanti elected to withdraw from earning into the CJV. Registration of the Pingwu CJV (Sichuan province) is proceeding according to schedule, with systematic exploration expected to commence on the property in the first quarter of 2008.

In the **Philippines**, the final tenement grant for Mapawa is still awaited from the Manila Central Mines and Geosciences Bureau. Work continued on finalizing the Mapawa and Outer Siana JV Agreements with Red 5 Limited.

In **Laos**, the Strategic Exploration Alliance between AngloGold Ashanti and Oxiana Ltd expired on 13 December 2007 and has not been extended by mutual agreement.

Mineral Resource and Ore Reserve

Mineral Resources and Ore Reserves are reported in accordance with the minimum standard described by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition), and also conform to the standards set out in the South African Code for the Reporting of Mineral Resources and Mineral Reserves (the SAMREC 2000 Code). Mineral Resources are inclusive of the Ore Reserve component unless otherwise stated.

Mineral Resources

The 2007 Mineral Resource increased by 34.1Moz before the subtraction of depletion. After a depletion of 8.1Moz, the net increase is 26.0Moz to give a total Mineral Resource of 207.6Moz. Mineral Resources were estimated at a gold price of \$700/oz in contrast to the \$650/oz used in 2006. The increased gold price resulted in 17.5Moz of added Mineral Resource while successful exploration and revised modelling resulted in a further increase of 14.2Moz. The remaining change of 2.5 Moz is the result of various other reasons.

Moz

December 2006 Mineral Resources

181.6

Reductions

Geita

Increase in cost (1.6)Moz and revision to estimation methodology (0.6)Moz
(2.3)

TauTona

Transfer of the Shaft Pillar Mineral Resource to Mponeng
(2.3)

Great Noligwa

Transfer of the Shaft Pillar Mineral Resource to Moab Khotsong
(1.8)

Kopanang

Decrease in grade as a result of the modelling of new sampling and drilling information
(1.6)

Sadiola

Increase in costs (0.6)Moz and revisions to methodology (0.1)Moz
(1.0)

Other

Total of non significant changes
(2.3)

Additions

Gramalote

Successful Greenfields exploration
1.6

Moab Khotsong

Transfers in from Great Noligwa and improved economics
2.3

Mongbwalu

Successful Greenfields exploration
2.5

Tropicana

Successful Greenfields exploration
2.8

Obuasi

Exploration below 50 level (1.3)Moz and completion of additional Mineral Resource modelling above 50 level

4.0

Cripple Creek & Victor

Primarily revisions to the methodology with contribution from improved economics and exploration

4.7

Mponeng

Improvement in economics increased the Ventersdorp Contact Reef Mineral Resource to the West, the Carbon Leader down to 4300mbd was included on the back of a scoping study, material was transferred in from TauTona and revised modelling of the Carbon Leader Reef

17.1

Other

Total of non significant changes

2.3

December 2007 Mineral Resources

207.6

Ore Reserves

The 2007 Ore Reserve increased by 13.0Moz before the subtraction of depletion. After a depletion of 6.8Moz, the net increase is 6.2Moz to give a total Ore Reserve of 73.1Moz

A gold price of \$600/oz was used for Ore Reserve estimates in contrast to the \$550/oz used in 2006. The change in economic assumptions made from 2006 to 2007 resulted in the Ore Reserve increasing by 6.3Moz while exploration and modelling resulted in an additional increase of 6.7Moz.

Moz

December 2006 Ore Reserves

66.9

Reductions

Geita

Introduction of reconciliation factors into planning [(0.8)Moz], Flattening of slopes (0.5)Moz, modelling revisions (0.2)Moz and costs (0.1)Moz
(2.0)

Sadiola

Removal of Deep Sulphide project, hard sulphide stockpiles and marginal stockpiles primarily due to economic factors
(1.3)

Kopanang

Drop in face value of 9% due to the modelling of new drilling and sampling information
(0.5)

Other

Total of non significant changes
(1.7)

Additions

Iduapriem

Purchase of an additional 15% of the operation from the Ghanaian Government and the IFC, to bring the ownership to 100%
0.2

Savuka

Improved economic factors increased the Life of Mine by 8 years to 2017
0.5

Navachab

Improved economics have brought in an additional push back to the west of the main pit
0.8

Siguiri

Two new deposits (Kintinian and the spent heap) were proved up by drilling
0.8

Cripple Creek & Victor

Inclusion of the life extension project
1.0

Boddington

The upgrade of inferred Mineral Resource within the pit shell by drilling
1.0

Mponeng

The inclusion of the Carbon Leader Reef Project below 120 level
3.4

Moab Khotsong

The inclusion of Project Zaaiplaats – a deepening of Moab Khotsong to access deeper Vaal Reef blocks to the South West of the current mine
3.8

Other

Total of non significant changes

0.3

December 2007 Ore Reserves

73.1

By-products

A number of by-products are recovered as a result of the processing of gold Ore Reserves.

These include 19.5 thousand tonnes of uranium from the South African operations, 0.23 million tonnes of copper from Australia, 0.47 million tonnes of sulphur from Brazil and 31.0Moz of silver from Argentina.

Details of the by-product Mineral Resources and Ore Reserves are given in the supplementary statistics document which is available on the corporate website, www.AngloGoldAshanti.com.

External audit of Mineral Resource and Ore Reserve statements

During the course of the year, the AngloGold Ashanti 2006 Mineral Resources and Ore Reserves for the following operations were submitted for external audit:

Mponeng

Geita

Obuasi

Morila

Sadiola

Yatela

Cuiaba

Cripple Creek & Victor

The company has been informed that the audit identified no material shortcomings in the process by which AngloGold Ashanti's Ore Reserves and Mineral Resources were evaluated.

During 2007, it was resolved to audit Mineral Resources and Ore Reserves prior to publication. As a result the 2007 Mineral Resources and Ore Reserves for the following operations were audited late in 2007:

Sunrise Dam

Cerro Vanguardia

Great Nologwa

Kopanang

Project Zaaiplaats (Moab deepening project)

The company has been informed that these audits identified no material shortcomings in the process by which AngloGold Ashanti's Mineral Resources and Ore Reserves were evaluated. It is the company's intention to continue this process so that its operations will be audited every three years on average.

Competent persons

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by the competent persons listed below. They are either members of the Australian Institute of Mining and Metallurgy (AusIMM) or recognised overseas professional organisations. They are all full-time employees of the company.

The competent person for AngloGold Ashanti Exploration Results is:

E Roth, PhD (Economic Geology), BSc (Hons) (Geology), MAusIMM, 17 years experience.

Competent persons for AngloGold Ashanti's Mineral Resources are:

VA Chamberlain, MSc (Mining Engineering), BSc (Hons) (Geology), MAusIMM, 22 years experience.

MF O'Brien, MSc (Mining Economics), BSc (Hons) (Geology), Dip Data, Pr.Sci.Nat., MAusIMM, 28 years experience.

Competent persons for AngloGold Ashanti's Ore Reserves are:

CE Brechtel, MSc (Mining Engineering), MAusIMM, 32 years experience.

D L Worrall, ACSM, MAusIMM, 27 years experience.

J van Zyl Visser, MSc (Mining Engineering), BSc (Mineral Resource Management), PLATO, 21 years experience.

The competent persons' consent to the inclusion of Exploration Results, Mineral Resources and Ore Reserves information in this report, in the form and context in which it appears.

Notes

A detailed breakdown of the Mineral Resources and Ore Reserves is provided in the report entitled, "Supplementary Information: Mineral Resources and Ore Reserves", which is available in the annual report section of the AngloGold Ashanti website (www.AngloGoldAshanti.com) and may be downloaded as a PDF file using Adobe Acrobat Reader. This information is also available on request from the AngloGold Ashanti offices at the addresses given at the back of this report.

Mineral Resources by country

Metric

Imperial

as at 31 December 2007

Tonnes

million

Grade

g/t

Contained

gold

tonnes

Tons

million

Grade

oz/t

Contained

gold

million oz

South Africa

Measured 28.0

13.98 391.9 30.6 0.408 12.601

Indicated

747.1

3.01

2,251.1

823.5

0.088

72.373

Inferred

37.7

10.92

411.8

41.6

0.319

13.239

Total

812.8

3.76

3,054.8

896.0

0.110

98.214

Argentina

Measured 11.1 1.71 18.9 12.2 0.050 0.607

Indicated

21.1

3.73

78.8

23.3

0.109

2.533

Inferred

2.9

3.85

11.2

3.2

0.112

0.359

Total

35.1

3.10

108.8

38.7

0.090

3.499

Australia

Measured	86.1	1.01	87.1	94.9	0.030	2.801
----------	------	------	------	------	-------	-------

Indicated

315.9

0.87

273.4

348.3

0.025

8.789

Inferred

153.4

0.93

143.2

169.1

0.027

4.605

Total

555.5

0.91

503.7

612.3

0.026

16.194

Brazil

Measured	12.5	7.48	93.1	13.7	0.218	2.993
----------	------	------	------	------	-------	-------

Indicated

13.2

6.32

83.3

14.5

0.184

2.679

Inferred

27.4

6.98

191.3

30.2

0.204		
6.150		
Total		
53.0		
6.94		
367.7		
58.4		
0.202		
11.823		
Colombia		
Measured		0.0
0.0	0.0	
0.000		
Indicated		
0.0		
0.0		
0.0		
0.000		
Inferred		
43.4		
1.14		
49.5		
47.8		
0.033		
1.591		
Total		
43.4		
1.14		
49.5		
47.8		
0.033		
1.591		
Democratic Republic of		
Measured		0.0
0.0	0.0	
0.000		
Congo		
Indicated		0.0
0.0	0.0	
0.000		
Inferred		
29.2		
2.68		
78.5		
32.2		
0.078		
2.523		
Total		
29.2		
2.68		
78.5		

32.2						
0.078						
2.523						
Ghana						
Measured	95.3	5.18	493.7	105.0	0.151	15.872
Indicated						
82.4						
3.91						
322.4						
90.8						
0.114						
10.366						
Inferred						
45.3						
7.34						
332.6						
49.9						
0.214						
10.693						
Total						
222.9						
5.15						
1,148.7						
245.7						
0.150						
36.930						
Guinea						
Measured	38.7	0.72	27.7	42.7	0.021	0.891
Indicated						
92.7						
0.78						
72.5						
102.1						
0.023						
2.330						
Inferred						
58.1						
0.92						
53.6						
64.1						
0.027						
1.724						
Total						
189.5						
0.81						
153.8						
208.9						
0.024						
4.945						
Mali						
Measured	16.5	1.66	27.4	18.2	0.048	0.882

Indicated

16.2

3.09

50.0

17.8

0.090

1.607

Inferred

6.1

2.36

14.3

6.7

0.069

0.461

Total

38.8

2.37

91.7

42.7

0.069

2.950

Namibia

Measured

11.7

0.79

9.2

12.8

0.023

0.297

Indicated

59.3

1.31

77.5

65.3

0.038

2.490

Inferred

45.2

1.12

50.9

49.9

0.033

1.636

Total

116.2

1.18

137.6

128.1

0.035

4.423

Tanzania

Measured

6.3

1.20

7.6

7.0

0.035

0.243

Indicated

84.4

3.72
314.1
93.1
0.109
10.097
Inferred
18.6
3.54
65.8
20.5
0.103
2.114
Total
109.3
3.54
387.4
120.5
0.103
12.454

**Metric
Imperial
as at 31 December 2007**

**Tonnes
million
Grade
g/t
Contained**

**gold
tonnes
Tons
million
Grade
oz/t
Contained
gold
million oz**

United States of America

Measured	250.1	0.81	203.3	275.7	0.024	6.537
----------	-------	------	-------	-------	-------	-------

Indicated

173.5

0.73

126.1

191.2

0.021

4.054

Inferred	70.6	0.65	45.9	77.8		
----------	------	------	------	------	--	--

0.019

1.477

Total

494.1

0.76

375.4

544.7

0.022

12.068

Total

Measured	556.3	2.44	1,360.0	613.2	0.071	43.724
----------	-------	------	---------	-------	-------	--------

Indicated

1,605.7

2.27

3,649.0

1,770.0

0.066

117.319

Inferred

537.9

2.69

1,448.6

592.9

0.079

46.573

Total
2,699.9
2.39
6,457.5
2,976.1
0.070
207.615

Ore Reserves by country (attributable)

Metric

Imperial

as at 31 December 2007

Tonnes

million

Grade

g/t

Contained

gold

tonnes

Tons

million

Grade

oz/t

Contained

gold

million oz

South Africa

Proved	21.5	7.58	162.8	23.7	0.221	5.233
--------	------	------	-------	------	-------	-------

Probable

216.4

4.12

891.2

238.6

0.120

28.652

Total

237.9

4.43

1,054.0

262.3

0.129

33.886

Argentina

Proved	1.0					
--------	-----	--	--	--	--	--

6.08	6.3	1.2				
------	-----	-----	--	--	--	--

0.177	0.204					
-------	-------	--	--	--	--	--

Probable

7.9

6.58

52.1

8.7

0.192

1.674

Total

9.0

6.52

58.4

9.9

0.190

1.879

Australia

Proved	68.6	1.14	78.5	75.7	0.033	2.524
--------	------	------	------	------	-------	-------

Probable

164.8

0.88

144.7

181.7

0.026

4.653

Total

233.4

0.96

223.2

257.3

0.028

7.176

Brazil

Proved	8.9					
--------	-----	--	--	--	--	--

6.75	60.1	9.8				
------	------	-----	--	--	--	--

0.197	1.934					
-------	-------	--	--	--	--	--

Probable

4.9

5.99

29.1

5.4

0.175

0.937

Total

13.8

6.48

89.3

15.2

0.189

2.870

Ghana

Proved	68.8	2.96	203.7	75.8	0.086	6.550
--------	------	------	-------	------	-------	-------

Probable

28.3

4.62

130.5

31.2

0.135

4.197

Total

97.0

3.44

334.3

107.0

0.100

10.747

Guinea

Proved	21.3	0.59	12.6	23.5	0.017	0.405
--------	------	------	------	------	-------	-------

Probable						
----------	--	--	--	--	--	--

89.6						
------	--	--	--	--	--	--

0.77						
------	--	--	--	--	--	--

69.2						
------	--	--	--	--	--	--

98.7						
------	--	--	--	--	--	--

0.023						
-------	--	--	--	--	--	--

2.225						
-------	--	--	--	--	--	--

Total						
--------------	--	--	--	--	--	--

110.9						
--------------	--	--	--	--	--	--

0.74						
-------------	--	--	--	--	--	--

81.8						
-------------	--	--	--	--	--	--

122.2						
--------------	--	--	--	--	--	--

0.022						
--------------	--	--	--	--	--	--

2.629						
--------------	--	--	--	--	--	--

Mali

Proved	9.0					
--------	-----	--	--	--	--	--

2.18	19.7	10.0				
------	------	------	--	--	--	--

0.064	0.634					
-------	-------	--	--	--	--	--

Probable						
----------	--	--	--	--	--	--

7.1						
-----	--	--	--	--	--	--

2.57						
------	--	--	--	--	--	--

18.3						
------	--	--	--	--	--	--

7.9						
-----	--	--	--	--	--	--

0.075						
-------	--	--	--	--	--	--

0.590						
-------	--	--	--	--	--	--

Total						
--------------	--	--	--	--	--	--

16.2						
-------------	--	--	--	--	--	--

2.35						
-------------	--	--	--	--	--	--

38.1						
-------------	--	--	--	--	--	--

17.8						
-------------	--	--	--	--	--	--

0.069						
--------------	--	--	--	--	--	--

1.224						
--------------	--	--	--	--	--	--

Namibia

Proved	5.8					
--------	-----	--	--	--	--	--

1.00	5.8	6.4				
------	-----	-----	--	--	--	--

0.029	0.186					
-------	-------	--	--	--	--	--

Probable						
----------	--	--	--	--	--	--

27.3						
------	--	--	--	--	--	--

1.46						
------	--	--	--	--	--	--

39.9						
------	--	--	--	--	--	--

30.1						
------	--	--	--	--	--	--

0.043						
-------	--	--	--	--	--	--

1.281						
-------	--	--	--	--	--	--

Total						
--------------	--	--	--	--	--	--

33.1						
-------------	--	--	--	--	--	--

1.38						
-------------	--	--	--	--	--	--

45.6						
-------------	--	--	--	--	--	--

36.5						
-------------	--	--	--	--	--	--

0.040						
--------------	--	--	--	--	--	--

1.467

Tanzania

Proved	5.6	
1.01	5.7	6.2
0.030	0.183	

Probable

62.4

3.14

195.9

68.7

0.092

6.298

Total

68.0

2.96

201.6

74.9

0.086

6.481

United States of America

Proved	107.9	0.96	103.8	118.9	0.028	3.339
Probable	47.6	0.92	44.0	52.5	0.027	1.414

Total

155.5

0.95

147.8

171.4

0.028

4.753

Total

Proved	318.5	2.07	659.1	351.0	0.060	21.191
--------	-------	------	-------	-------	-------	--------

Probable

656.3

2.46

1,614.9

723.4

0.072

51.921

Total

974.7

2.33

2,274.0

1,074.4

0.068

73.112

Group
operating results

Dec

Sep

Dec

Dec

Dec

Dec

Sep

Dec

Dec

Dec

2007

2007

2006

2007

2006

2007

2007

2006

2007

2006

OPERATING RESULTS

1

UNDERGROUND OPERATION

Milled

- 000 tonnes

/ - 000 tons

3,236

3,384

3,296

13,112

13,489

3,567

3,730

3,633

14,454

14,870

Yield

- g / t

/ - oz / t

6.96

7.11

7.47

6.99

7.20

0.203

0.207

0.218

0.204

0.210

Gold produced

- kg

/ - oz (000)

22,505

24,066

24,611

91,684

97,112

723

774

791

2,948

3,123

SURFACE AND DUMP RECLAMATION

Treated

- 000 tonnes

/ - 000 tons

2,987

2,976

3,029

12,429

12,414

3,293

3,280

3,339

13,701

13,684

Yield

- g / t

/ - oz / t

0.45

0.48

0.52

0.49

0.50

0.013

0.014

0.015

0.014

0.015

Gold produced

- kg

/ - oz (000)

1,339

1,429

1,569

6,142

6,246

43

46

50

197

201

OPEN-PIT OPERATION

Mined

- 000 tonnes

/ - 000 tons

47,549

41,999

44,614

172,487

173,178

52,414

46,296

49,179

190,134

190,897

Treated

- 000 tonnes

/ - 000 tons

6,455

6,456

7,242

25,312

26,739

7,115

7,116

7,983

27,901

29,475

Stripping ratio

- t (mined total - mined ore) / t mined ore

4.62

4.20

4.51

4.48

4.82

4.62

4.20

4.51

4.48

4.82

Yield

- g / t

/ - oz / t

2.33

2.49

2.13

2.34

2.14

0.068

0.073

0.062

0.068

0.063

Gold in ore

- kg

/ - oz (000)

13,711

15,059

9,240

55,463

39,983

441

484

297

1,783

1,285

Gold produced

- kg

/ - oz (000)

15,047

16,064

15,451

59,227

57,334

484

516

497

1,904

1,843

HEAP LEACH OPERATION

Mined

- 000 tonnes

/ - 000 tons

14,965

14,807

15,534

59,720

63,519

16,496

16,322

17,124

65,830

70,018

Placed

2

- 000 tonnes

/ - 000 tons

5,852

5,636

5,888

22,341

23,329

6,450

6,213

6,490

24,627

25,716

Stripping ratio

- t (mined total - mined ore) / t mined ore

1.61

1.53

1.84

1.77

1.83

1.61

1.53

1.84

1.77

1.83

Yield

3

- g / t

/ - oz / t

0.70

0.66

0.73

0.73

0.78

0.021

0.019

0.021

0.021

0.024

Gold placed

4

- kg

/ - oz (000)

4,115

3,706

4,295

16,242

18,162

132

119

138

522

584

Gold produced

- kg

/ - oz (000)

3,665

3,052

4,066

13,312

14,561

118

98

131

428

468

TOTAL

Gold produced

- kg

/ - oz (000)

42,556

44,611

45,697

170,365

175,253

1,368

1,434

1,469

5,477

5,635

Gold sold

- kg

/ - oz (000)

42,278

45,768

45,866

170,265

173,639

1,359

1,471

1,475

5,474

5,583

Price received

- R / kg

/ - \$ / oz

- sold

149,312

141,400

135,628

142,107

126,038

687

621

578

629

577

Total cash costs

- R / kg

/ - \$ / oz
 - produced

87,744

81,186

72,422

80,490

67,133

404

357

309

357

308

Total production costs

- R / kg

/ - \$ / oz

- produced

122,344

107,239

98,145

107,415

90,345

563

471

419

476

414

PRODUCTIVITY PER EMPLOYEE

Target

- g

/ - oz

404

409

438

396

412

12.99

13.16

14.07

12.74

13.25

Actual

- g

/ - oz

342

361

372

349

358

10.99

11.62

11.97

11.23

11.49

CAPITAL EXPENDITURE - Rm

/ - \$m

2,315

1,733

1,861

7,444

5,533

339

245

260

1,059

817

1

Effective 1 September 2007, the minority shareholdings of the International Finance Corporation (10%) and Government of Ghana (5%) were acquired and Iduapriem is now fully owned by AngloGold Ashanti.

2

Tonnes (Tons) placed on to leach pad.

3

Gold placed / tonnes (tons) placed.

4

Gold placed into leach pad inventory.

Rounding of figures may result in computational discrepancies.

Quarter ended

Quarter ended

Unaudited

Rand / Metric

Unaudited

Dollar / Imperial

Year ended

Year ended

Group
income statement

Quarter

Quarter

Quarter

Year

Year

ended

ended

ended

ended

ended

December

September

December

December

December

2007

2007

2006

2007

2006

SA Rand million

Notes

Unaudited

Unaudited

Unaudited

Unaudited

Audited

Revenue

2

6,428

6,613

5,975

24,383

21,104

Gold income

5,784

6,383

5,634

23,052

20,137

Cost of sales

3

(5,215)

(4,924)

(4,477)

(18,495)

(15,482)

(Loss) profit on non-hedge derivatives and other commodity contracts

(2,923)

(2,338)

482

(5,081)

(1,955)

Gross (loss) profit

(2,354)

(879)

1,639

(524)

2,700

Corporate administration and other expenses

(209)

(252)

(174)

(885)

(567)

Market development costs

(40)

(26)

(32)

(115)

(108)

Exploration costs

(241)

(219)

(116)

(839)