



OPERATIONAL PROFILE 2017



SADIOLA
MALI

Sadiola is a joint venture between AngloGold Ashanti (41%) and IAMGOLD (41%). The government of Mali owns the remaining 18%. The Sadiola mine is situated in south-western Mali, some 77km south-southwest of the regional capital Kayes. On-site surface infrastructure includes a 4.9Mt per annum CIL gold plant where the ore is eluted and smelted. The mine, which began operating in 1996, has multiple open-pits and is nearing the end of its economic life on the oxide Mineral Resource. Discussions continue with the government of Mali regarding the Sadiola sulphides project, which is expected to enable the plant to process sulphide ore.

HIGHLIGHTS

PRODUCTION DOWN

as oxide resources are depleted

COST MANAGEMENT

continues to yield productivity and efficiency improvements

TOTAL CASH COSTS

decline by 9%

SULPHIDE PROJECT to extend life of mine on plan

As at 31 December 2017:

- **MINERAL RESOURCE** of 3.29Moz (inclusive)
- **ORE RESERVE** of 1.70Moz



Operational performance

Production

At Sadiola, production declined as the recovered grade decreased. This was a result of reduced mining flexibility as the remaining oxide ore mining sources are depleted. Plant operations were efficient and consistently achieved exceeded planned throughput. This helped to partly offset the lower feed grade and provided flexibility to maintain a steady production and revenue profile. Tonnage throughput was made up of a combination of the limited, newly mined oxide ore and full-grade ore stockpiles, as well as periodic drawdowns from the lower-grade marginal ore stockpiles.

Costs

Total cash costs at Sadiola declined by 9% year-on-year to \$900/oz.

During the year, the Continental Africa region continued to drive continuous improvement through the Operational Excellence programme, a system that is now well entrenched across all sites and disciplines. The focus remains on delivering systemic and sustainable operational improvements, aimed at each operation rapidly progressing towards targeted lower all-in sustaining costs that reflect the inherent opportunity that exists within each operation.

Growth and improvement

The main pit dewatering project at Sadiola was substantially completed at year end, with all equipment and materials delivered to site. Construction of the sulphide project awaits approval by the government of Mali, though no agreement has yet been reached in this regard. Despite our efforts and the clear benefits the project would generate locally and to the government of Mali, there has been no resolution around the terms critical to moving the project forward. AngloGold Ashanti and joint-venture partner IAMGOLD Corporation continue to evaluate the project which will add sulphide-ore processing capability to the plant. Although we remain committed to the project, if no agreement is reached, the operation will enter a restricted exploitation phase and then, when stockpiles are exhausted, it will enter a phase of suspended exploitation (care and maintenance).

Capital expenditure

Capital expenditure at Sadiola remained steady at \$7m.

Sustainability performance

For further information on sustainable development activities related to Sadiola, including safety and health, employee relations, the environment, communities, and security and human rights, refer to:

- *Regional reviews – Continental Africa in the <IR>*, available at www.aga-reports.com
- *<SDR>*, also available at www.aga-reports.com

SADIOLA — KEY STATISTICS

	Units	2017	2016	2015
Operational performance				
Cut-off grade ⁽¹⁾	oz/t	0.022	0.019	0.025
	g/t	0.77	0.65	0.85
Recovered grade	oz/t	0.028	0.032	0.030
	g/t	0.96	1.09	1.04
Tonnes treated/milled (attributable)	Mt	2.1	2.0	2.1
Gold production (attributable)	000oz	63	70	69
Total cash costs	\$/oz	900	991	818
All-in sustaining costs	\$/oz	1,019	1,066	886
Capital expenditure (attributable)	\$m	7	7	2
Productivity	oz/TEC	12.62	13.97	13.46
Safety				
No. of fatalities		0	0	0
All injury frequency rate (AIFR)	per million hours worked	1.25	1.56	0.51
People				
Total average no. of employees		592	588	585
– Permanent		398	392	387
– Contractors		194	196	198
Environment				
Water use	ML	3,476	3,940	4,625
Water use efficiency	kL/t	0.69	0.80	0.91
Energy consumption	PJ	1.55	1.40	1.40
Energy intensity	GJ/t	0.31	0.28	0.28
Greenhouse gas (GHG) emissions	000t	106	104	104
GHG emissions intensity	t CO ₂ e/t	21	21	21
Cyanide use	t	1,779	1,926	1,731
No. of reportable environmental incidents		0	0	0
Total rehabilitation liabilities	\$m	27	27	27

⁽¹⁾ Based on the Ore Reserve.