

OPERATIONAL PROFILE 2017



SIGUIRI
GUINEA

Sigiri is a multiple open-pit oxide gold mine situated in the relatively remote district of Sigiri, around 850km north-east of the country's capital, Conakry. The gold processing plant treats about 981ktpm. A combination plant conversion project, begun during the year, is expected to enable treatment of harder ore and add substantial economic resources to the mine. Commissioning is planned for the second half of 2018. AngloGold Ashanti holds an 85% interest in Sigiri, with the remaining 15% held in trust for the nation by the government of Guinea. Sigiri is contractor-mined using conventional open-pit techniques. The area has significant gold mining potential.

HIGHLIGHTS

PRODUCTION 25% HIGHER
year-on-year

IMPROVED COST
efficiencies and productivity

13% DECLINE IN ALL-IN SUSTAINING COSTS
to \$796/oz

COMBINATION PLANT
well advanced

DRILLING BEGINS
at Block 2

As at 31 December 2017:

- **MINERAL RESOURCE** of 7.27Moz (inclusive)
- **ORE RESERVE** of 2.24Moz



Operational performance

Production

Production at Siguiri increased by 25% year-on-year, following a solid performance with improved productivities and greater access to higher grade ore in the new Seguelen pit in Area 1. Production in 2017, the third highest in the mine's history, was boosted by favourable grade variances and optimised treatment of full-grade ore laterite cap rock (duricrust) stockpiles. This improvement offset treatment of lower-grade stockpiles from other pits and the lower volumes treated. During the year, work began on the Siguiri combination plant project, with commissioning planned for late 2018.

Costs

Total cash costs at Siguiri decreased by 8% year-on-year, a result of increased production.

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

Siguiri's combination plant is well advanced and scheduled to be fully commissioned in the second half of 2018. The associated 30MW power plant will also be commissioned in the second half of the year. Construction of the combination plant began with the early works in the first half of the year carried

out by a local contractor. The main civil construction commenced in the second half of the year with the first major concrete poured in December 2017. The mill shells arrived on site in September, and off-site fabrication and sourcing of electrical and instrumentation equipment and cabling, continued during the last quarter of the year. Major contractors mobilised on site and a new mining contractor was on track to begin mining in first half of 2018.

Siguiri has begun drilling Block 2, after which it is expected that drilling can begin at Saraya and Foulata to support a prefeasibility study. Some of the farms being compensated will be for the infrastructure required for the development of the project. It is expected that Block 2 will both improve the ounce profile from 2020 and potentially extend the mine life.

Capital expenditure

Capital expenditure at Siguiri for the year increased to \$70m (2016: \$50m) in line with company plans to invest in growth projects.

Sustainability performance

For further information on sustainable development activities related to Siguiri, 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

SIGUIRI – KEY STATISTICS

	Units	2017	2016	2015
Operational performance				
Cut-off grade ⁽¹⁾	oz/t	0.019	0.018	0.020
	g/t	0.65	0.60	0.67
Recovered grade	oz/t	0.030	0.023	0.023
	g/t	1.01	0.79	0.80
Tonnes treated/milled	Mt	9.9	10.3	10.0
Gold production	000oz	324	259	255
Total cash costs	\$/oz	725	784	827
All-in sustaining costs	\$/oz	796	915	965
Capital expenditure	\$m	70	50	25
Productivity	oz/TEC	21.69	15.40	14.59
Safety				
No. of fatalities		0	0	0
All injury frequency rate (AIFR)	per million hours worked	0.13	0.13	0.13
People				
Total average no. of employees		3,353	3,509	3,445
– Permanent		1,850	1,839	1,910
– Contractors		1,503	1,670	1,535
Environment				
Water use	ML	6,349	3,395	5,145
Water use efficiency	kL/t	0.54	0.28	0.44
Energy consumption	PJ	2.40	2.58	2.50
Energy intensity	GJ/t	0.21	0.21	0.21
Greenhouse gas (GHG) emissions	000t	163	194	189
GHG emissions intensity	t CO ₂ e/t	14	15	16
Cyanide use	t	2,508	2,378	2,392
No. of reportable environmental incidents		0	0	0
Total rehabilitation liabilities	\$m	59	56	61

⁽¹⁾ Based on the Ore Reserve.