

OPERATIONAL PROFILE CÓRREGO DO SÍTIO MINERAÇÃO, BRAZIL



Highlights of the year

In 2012, production at AGA Mineração rose 7% to 388,000oz, equivalent to 10% of total group production. There was an average of 4,239 employees for the year at AGA Mineração, with a productivity rate of 14.22oz/total employee costed (TEC) (2011: 17.41oz/TEC). Total cash costs rose by 33% due largely to inflationary pressures.

Capital expenditure decreased by 37% to \$162m in 2012, bringing total capital expenditure for the five years from 2008 – 2012 to \$716m.

At 31 December 2012, AngloGold Ashanti had a total Mineral Resource in Brazil of 14.58Moz (2011: 12.65Moz) and a total Ore Reserve of 3.1Moz (2011: 2.42Moz), equivalent to 6% and 4% respectively of group resources and reserves. AGA Mineração accounted for 11.79Moz of the Mineral Resource and 2.33Moz of the Ore Reserve.

DESCRIPTION

AngloGold Ashanti's wholly owned AGA Córrego do Sítio Mineração (AGA Mineração) is one of the two group operations in Brazil and is included in the Americas region. AGA Mineração comprises two operational units, namely the Cuiabá and Córrego do Sítio complexes.

The Cuiabá complex includes the Cuiabá and Lamego mines and the Cuiabá and Queiroz plants. In operation since 1986, the Cuiabá mine is a cut-and-fill and sub-level bench mine accessed by ramp and shaft. Lamego is also an underground mine exploiting sulphide ore. Ore from the Cuiabá and Lamego mines is processed initially at the Cuiabá gold plant from where the concentrate produced is transported 15km by aerial ropeway to the Queiroz plant where roasting, leaching, precipitation and refining occur. Total annual capacity of the complete circuit is 1.70Mt and recoveries of 93% are achieved.

The Córrego do Sítio complex comprises one surface mine (oxide open-pit) and two underground sulphide mines, as well as a heap-leach pad and sulphide plant. The plant, acquired from Eldorado Gold in 2008, was refurbished and brought into operation in January 2012.

PERFORMANCE IN 2012

Operational performance

Production in 2012 was boosted by the start-up of the Córrego do Sítio Sulphide Project in January that year, although delays with the project, metallurgical challenges and the increasing complexity in the orebody geometry and grade reduction resulted in the increase in production being less than initially expected. Challenges at the plant have been addressed and a stabilisation plan developed for and implemented at the underground mine. Higher-than-expected production from the Cuiabá complex helped to limit the shortfall.

Total cash costs increased by 33% to \$696/oz, due largely to inflationary pressures, stockpile movements on the start of the sulphide project as well as increases in both wages and the number of employees.

The annual collective wage agreement was concluded in August 2012, granting a wage increase of 6.4%. Operational problems encountered at the start of the Córrego do Sítio Sulphide Project also affected costs.

Contribution to production of the Americas region (%)



The cost and availability of specialised mining skills remain key challenges in Brazil, where a plethora of mining and engineering projects are competing with a tight labour market and inflated salaries. Preparations for the FIFA World Cup in 2014 and the Olympic Games in Rio de Janeiro in 2016 are likely to further impact labour issues.

Given the change in mining method at the Cuiabá mine from cut-and-fill to sub-level open stoping, stabilisation was a priority. This change in mining method was based on the successful trial mining of the sub-level bench method last year. This was extended to other parts of the mine and helped to address the geomechanical instability issue.

At Córrego do Sítio, the underground operation was at full production by year-end. However, the grade being mined was lower than anticipated, mainly as a result of increase complexity of the orebody geometry. Additional drilling is being undertaken to increase orebody information and improve reconciliation of geological models and grades mined. Once the secondary mobile crusher ahead of the mill had been commissioned, the plant reached 90% of design capacity in the third quarter of the year.

Despite some early teething issues, the pressure oxidation circuit is fully operational and there are plans to increase its output in 2013. AngloGold Ashanti plans to reach full stabilisation of the sulphide operation in 2013.

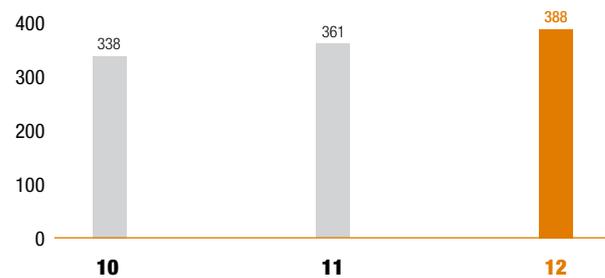
Growth and improvement

Implementation of Project ONE's Business Process Framework continued with the roll-out completed at all nine operational areas within AGA Mineração. The last two to be done were power generation and Córrego do Sítio's metallurgical plants. The project progressed to the next stage of analysis and improvement. This involved some 30 projects which contributed to improved sulphur recovery, truck availability, mine development performance and jumbo MTBF (mean time between failures). The focus in 2013 will be on the Cuiabá and Lamego operations and the exploration programme.

Exploration

Brownfields exploration at AGA Mineração is aimed at increasing and sustaining production in accordance with the growth strategy for each operation. The three projects currently under way are:

AGA Mineração – annual attributable production (000oz)



- The Cuiabá Queiroz brownfields exploration project which covers the Cuiabá, Lamego and Nova Lima region. For this project, a new structure is being implemented at the Cuiabá mine to investigate the down plunge continuity of the main and satellite orebodies;
- Córrego do Sítio brownfields exploration which covers the near-mine areas. Sangue de Boi and Anomaly I are the main targets for sulphide and oxide ores respectively; and
- Regional brownfields which explores regional tenements to generate new targets. Pari has been the main target with interesting results regarding sulphide ore.

During 2012, a total of 82,500m were drilled at several targets around the main production centres (Cuiabá, Lamego and Córrego do Sítio) with \$22 million being spent on brownfields exploration works at Iron Quadrangle targets. This resulted in an addition of 763,000oz to the mineral resource.

Sustainability performance

Safety

Safety performance deteriorated slightly with an all injury frequency rate (AIFR) of 4.64 per million hours worked recorded for the year (2011: 4.05). In terms of numbers of actual lost-time injuries, there was a significant improvement of 44% at AGA Mineração as a whole, in comparison with 2011 (2011: 27; 2012: 15), and most notably at the Córrego do Sítio mine there were no lost-time injuries in 2012.

Following a detailed evaluation of the company's safety performance in 2011, a safety behaviour plan, called the 'Attitude Programme' was launched at all AngloGold Ashanti's Brazilian operations, following which there was a significant improvement in terms of risk perception and attitude of employees towards safety behaviour. Every single employee participated in the programme's risk perception workshop.

Another positive safety aspect was the improved communication of information on and management of incidents in operational areas. All incidents are reported immediately and investigated, allowing all consequences such as material damage, halts to production, near misses, lost-time injuries and medical requirements, to be managed judiciously.

A Contractor Management Committee, co-ordinated by the AGA Mineração Safety Team, has been established to co-operate with the devising of improved safety strategies in terms of contractor safety performance.

AGA Mineração – key statistics

	Units	2012	2011	2010
Operational performance				
Volume treated/milled	Mt	2.2	1.7	1.6
Pay limit	oz/t	0.13	0.13	0.13
	g/t	4.58	4.41	4.40
Recovered grade	oz/t	0.177	0.217	0.210
	g/t	6.07	7.47	7.21
Gold production	000oz	388	361	338
Total cash costs	\$/oz	696	525	407
Total production costs	\$/oz	1,036	823	651
Capital expenditure	\$m	162	259	142
Productivity	oz/TEC	14.22	17.41	18.32
Safety				
No. of fatal accidents		0	1	0
All injury frequency rate (AIFR)	per million hours worked	4.64	4.05	2.62
People				
Total average no. of employees:		4,239	3,825	3,426
– permanent employees		3,079	2,715	2,486
– contractors		1,161	1,110	940
Employee turnover	%	4.39	2.39	3.67
Training and development expenditure	\$m	3,131	2,993	1,931
Environment				
Total water consumption	ML	4,213	3,174	2,691
Water usage intensity	ML/oz	0.011	0.009	0.008
Total energy usage	million GJ	1.35	1.18	1.04
Energy usage intensity	GJ/oz	3.48	3.27	3.08
Total greenhouse gas (GHG) emissions (CO ₂ e)	000t	29	25	23
GHG emissions per ounce	tCO ₂ e/oz	0.074	0.069	0.068
Cyanide used	t	440	331	305
No. of reportable environmental incidents		0	0	0
Rehabilitation liabilities	\$m	86.7	81.9	57.3
– restoration	\$m	68.7	63.0	38.1
– decommissioning	\$m	18.0	18.9	19.2

AGA Mineração maintained its OHSAS 18001 (occupational health and safety) certification.

Health

There are three aspects to the monitoring of health at AngloGold Ashanti's Brazilian operations. These are:

- Regarding occupational health management, various occupational examinations are conducted in terms of legislation as well as formal assessments of employee physical fitness, the management of sick leave, health campaigns and educational lectures. In-house medical facilities such as electrocardiogram, electroencephalogram, chest x-ray and spirometry, are increasingly available for the convenience of employees. Active participation in simulated medical emergency exercises is encouraged;
- Legal documentation and a biological programme, which involves the preparation and review of legal documentation to monitor occupational health, a hearing programme, and a respiratory programme. Biological monitoring is conducted every six months to maintain employees exposed to toxic chemicals products (cyanide, arsenic, metal fumes like lead, nickel and manganese); and

- The Quality of Life programme, 'Mais Viver' (which means 'living better in a healthy way'), focuses on assessments and nutritional assistance, jogging and walking groups and gymnastics on the job. For 2013, a new programme will be implemented focusing on stress management. In 2012, 965 employees participated in this programme.

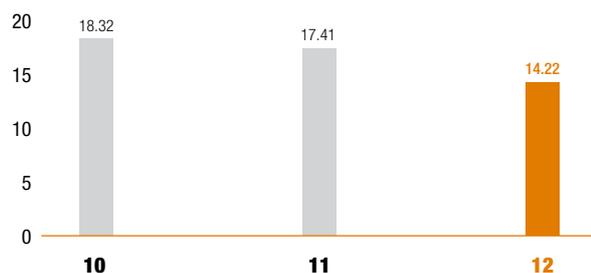
Community

Both AngloGold Ashanti's Brazilian operations have long-running community environmental education and social investment programmes. At AGA Mineração, the major community initiatives during the year were CPP (roughly translated as the 'Public Social Projects Competition') and environmental education programmes.

AGA Mineração has adopted a novel approach to identifying and supporting local community development projects. The CCP initiative seeks to engage local communities, near our operations in Brazil, in decision-making regarding social investment. This innovative project was initiated so as to minimise the communities' dependency on the company in

AGA Mineração – productivity

(oz/TEC)



the long term and to determine those areas in which social investment is most needed. The first cycle took place in 2010, with a further two cycles following in 2011 and 2012. The 2013 cycle has begun.

During the operation's annual Safety Week, a simulation exercise of an accident involving the transport of cyanide was successfully enacted. The exercise involved the local community, its representatives as well as the nearby school, alongside AngloGold Ashanti professionals from all disciplines concerned.

In April, the operation responded swiftly to subsidence measuring 6m in diameter and 12m in depth on the Nova Lima road to Rio Acima, which runs above an old, disused Morro Velho mine, the 'Faria Mine'. This rupture occurred due to damage to the structure of Faria Mine, a 124 year old underground mine that runs under the road and was closed by Morro Velho Company in 1996. The company took immediate action to resolve the problem, to communicate with the local community and to assist with the provision of detour routes and to repair the road. The original road was completed in June.

A new model for the Good Neighbour Programme was implemented with the first such meeting taking place with communities surrounding the Queiroz plant. The opportunity was used to encourage community participation in the discussion on the eventual closure of this plant, in line with the closure communication plan.

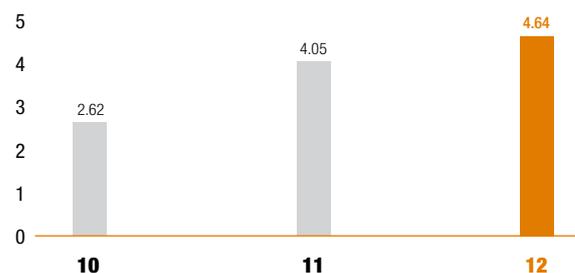
A highlight of the year was AGA Mineração's being recommended for three-year certification by the Responsible Jewellery Council.

Environment

AGA Mineração has had no reportable environmental incidents for six years. A primary focus this year was on improved processes to ensure timely submissions of environmental permit applications. The operation was granted several different environmental licences including those permitting the use of water in exploration and for the hydropower system. All the necessary documents regarding tailings dam management have been submitted to the Federal Minerals Rights Department.

AGA Mineração – AIFR

(per million hours worked)



In compliance with federal law, new legislation was published by the state environmental authorities in Minas Gerais, regarding the need for environmental licences for exploration activities in the Atlantic Forest Biome. In addition, a new Brazilian Forestry Code was published which seeks to balance economic development with forest sustainability and the protection of native vegetation. Importantly, this code recognises mining companies as "public utilities", allowing them to operate in so-called areas of permanent preservation. In addition, two agreements were signed with the relevant authorities which allow exploration at Córrego do Sítio to continue. Consequently a portion of the legal reserve close to this mine will be transferred to AngloGold Ashanti.

The repercussions of heavy rains early in the year were felt for some months. AngloGold Ashanti's Crisis Management Committee was activated to identify risks and mitigation measures. Swollen rivers threatened rocks falls which could have damaged roads and other mining infrastructure. There was added vigilance regarding the transportation of sulphuric acid, employees and ore while the tailings dams were closely monitored. AngloGold Ashanti assisted the communities with repairs to roads, infrastructure and homes.

External audits relating to ISO 14001 were undertaken and AGA Mineração's certification renewed. Following this a Community and Environmental Review audit was conducted confirming the operation's compliance with group environmental standards.

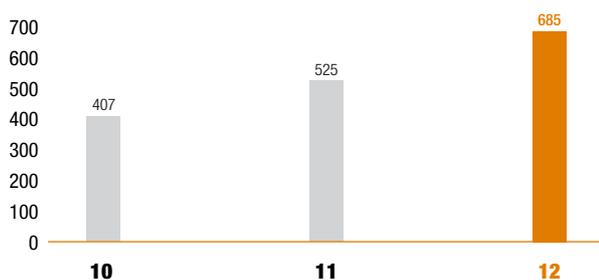
Rehabilitation of the old 'Isolamento' tailings deposit in Nova Lima was also completed.

Environmental and sustainability awareness is promoted in Crixas by means of celebrations such as Tree Day – many such activities involve schools and the local community.

AngloGold Ashanti received a certificate for rehabilitation work undertaken at the Madeiras tailings facility in Nova Lima. This certificate was granted by the Minas Gerais government's environmental foundation. AngloGold Ashanti is the first mining company in Minas Gerais state to receive such recognition from the government for rehabilitation work.

AGA Mineração – total cash costs

(\$/oz)



The Minas Gerais state environmental foundation recognised AngloGold Ashanti as a member of the voluntary public registry for greenhouse gas (GHG) emissions. This registry informs stakeholders of the company's GHG emissions and demonstrates that such emissions have been reduced over the years. Among the benefits to business are discounted environmental licensing fees, as well as an increase of a year for the validity of environmental permits.

AngloGold Ashanti won the government of Minas Gerais' Environmental Management Award. There were 24 judges involved in the analysis, including representatives of all state-level departments of Minas Gerais.

Planning for mine closure: As all mining operations eventually cease, on-going planning for closure, from the start of exploration and mine design onwards, is an integral aspect of operational planning as is the estimation of the associated liability costs and the assurance of adequate financial provisions to cover these costs. AGA Mineração's complies with the group's closure and rehabilitation management standards.

Forward-looking statements

Certain statements contained in this document, other than statements of historical fact, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices, production, cash costs and other operating results, return on equity, productivity improvements, growth prospects and outlook of AngloGold Ashanti's operations, individually or in the aggregate, including the achievement of project milestones, commencement and completion of commercial operations of certain of AngloGold Ashanti's exploration and production projects and the completion of acquisitions and dispositions, AngloGold Ashanti's liquidity and capital resources and capital expenditures and the outcome and consequence of any potential or pending litigation or regulatory proceedings or environmental issues, are forward-looking statements regarding AngloGold Ashanti's operations, economic performance and financial condition. These forward-looking statements or forecasts involve known and unknown risks, uncertainties and other factors that may cause AngloGold Ashanti's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in these forward-looking statements. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements and forecasts are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic, social and political and market conditions, the success of business and operating initiatives, changes in the regulatory environment and other government actions, including environmental approvals, fluctuations in gold prices and exchange rates, the outcome of pending or future litigation proceedings, and business and operational risk management. For a discussion of such risk factors, refer to the document entitled "Risk Factors related to AngloGold Ashanti's suite of 2012 reports" on the AngloGold Ashanti online corporate report website at www.aga-reports.com. These factors are not necessarily all of the important factors that could cause AngloGold Ashanti's actual results to differ materially from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. Consequently, readers are cautioned not to place undue reliance on forward-looking statements. AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this operational profile or to reflect the occurrence of unanticipated events, except to the extent required by applicable law. All subsequent written or oral forward-looking statements attributable to AngloGold Ashanti or any person acting on its behalf are qualified by the cautionary statements herein. This communication may contain certain "Non-GAAP" financial measures. AngloGold Ashanti utilises certain Non-GAAP performance measures and ratios in managing its business. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the reported operating results or cash flow from operations or any other measures of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures other companies may use. AngloGold Ashanti posts information that is important to investors on the main page of its website at www.anglogoldashanti.com and under the "Investors" tab on the main page. This information is updated regularly. Investors should visit this website to obtain important information about AngloGold Ashanti.

Additional information from a country perspective can be obtained from the Brazil country fact sheet which is available at www.aga-reports.com.



Highlights of the year

In 2012, attributable production at Serra Grande rose to 98,000oz, equivalent to 2.5% of total group production and 10% of production for the Americas region. There was an average of 1,421 employees for the year at Serra Grande (2011: 1,339), with a productivity rate of 11.40oz/total employee costed (TEC) (2011: 12.98oz/TEC).

Capital expenditure at Serra Grande in 2012 was \$41m, a decrease of 9% on the \$45m spent in 2011 bringing total capital expenditure for the five years 2008 – 2012 to \$245m.

At 31 December 2012, AngloGold Ashanti had a total Mineral Resource in Brazil of 14.58Moz (2011: 12.65Moz) and a total Ore Reserve of 3.1Moz (2011: 2.42Moz), equivalent to 6% and 4% respectively of group resources and reserves. Serra Grande accounted for 2.79Moz of the Mineral Resource and 0.77Moz of the Ore Reserve.

DESCRIPTION

Serra Grande is one of two AngloGold Ashanti operations in Brazil – the other being AGA Córrego do Sítio Mineração (AGA Mineração), and is included in the group's Americas region. On 1 July 2012, Serra Grande became a wholly owned subsidiary of the group when AngloGold Ashanti acquired the remaining 50% stake held by Kinross Gold Corporation. The full acquisition of Serra Grande is expected to increase annual production in Brazil to more than 550,000oz and the contribution to group production from the Americas region, to more than 1Moz.

Serra Grande is located in central Brazil, in the state of Goiás, about 5km from the city of Crixás. The mine comprises three mechanised underground mines – Mina III, Mina Nova, which exploits the Pequizão orebody, and Palmeiras – and an open pit on the outcrop of the Mina III orebody.

One dedicated metallurgical plant treats all ore mined. Nominal annual project capacity of the processing circuit, which has grinding, leaching, filtration, precipitation and smelting facilities, is 1.15Mt, but improvement initiatives to increase this are under way.

PERFORMANCE IN 2012

Operational performance

Attributable production in 2012 was significantly higher for the year, due in large part to its being 100% attributable following the full acquisition of Serra Grande from July 2012. Profit before taxation was \$80m and the profit after taxation was \$113m, due to a deferred tax credit of \$58m.

Attributable total cash costs were 6% higher at \$816/oz, caused mainly by lower gold production from the operation as a whole, maintenance costs and lower capitalised mine development, which was in turn partially offset by a positive exchange rate effect.

Measures implemented in 2011 to reduce dilution and monitor drilling and blasting processes were successful, with an average operational dilution of 15.2% recorded for 2012, in-line with expectations.

Equipment performance in 2012 was mostly according to plan. Despite increased utilisation, truck fleet (underground and surface) availability was slightly higher than planned. Performance of the simba fleet (long drilling fandrill) exceeded targets by 10% and availability was just below target. Once

Contribution to group production

(%)



this fleet had been identified as a pilot project for the Business Performance Framework's (BPF's) analyse and improvement programme there was a significant increase in the second half of the year. The LHD fleet had the most challenging year of all the heavy mining equipment in terms of availability, due to the fleet age, increased availability and operation with remote control in the sub-level areas.

In the process plant, equipment performance was excellent with 95.5% utilisation of the hydrometallurgical circuit, allowing the plant to achieve a record of 1.2Mt treated during the year. Optimisation of the gravity circuit, completed in mid-2012, is expected to yield further improvements in recoveries. In 2012, 57% of the gold produced at Serra Grande was recovered through gravity.

An operational control centre has been established on site to improve maintenance and enhance the general skills level of heavy mining equipment operators to achieve better operational performance and reduce breakdowns.

Cost savings continued to receive attention in 2012, with benefits still flowing from the on-going programme to develop alternative sources of supplies. This programme saved \$406,000 during the year. A new approach to the management of support services, launched in December 2011, resulted in savings in 2012 of \$400,000 in civil works, food, transport of people and travel.

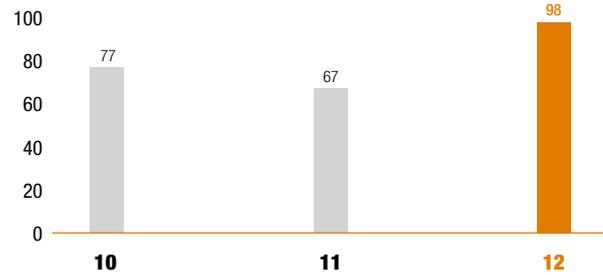
The cost and availability of specialised mining skills remain key challenges in Brazil, where a plethora of mining and engineering projects are competing with a tight labour market and inflated salaries. Preparations for the FIFA World Cup in 2014 and the Olympic Games in Rio de Janeiro in 2016 are likely to further impact labour issues.

Growth and improvement

A priority for Serra Grande's management is to facilitate closer co-operation between the geology, mine, plant and maintenance teams to reduce variability and increase both underground mine output and plant throughput. This is a key benefit that will follow the stabilisation phase of Project ONE's BPF phase and will assist in maintaining the required quality and quantity of feed to the mill while rebuilding the strategic stockpile which was depleted in 2010.

Serra Grande – annual attributable production

(000oz)



During 2012, the implementation of the BPF and its work programmes resulted in significant improvements at Serra Grande, with three areas having been stabilised in the management phase namely: the mining operation, the plant and heavy mechanical equipment. The roll-out of the BPF at Serra Grande has now been completed and the next phase of analysis and improvement has begun. Five projects were undertaken to address certain key performance indicators. Marked improvements in performance were noted regarding crusher use, availability of the Simba fleet and daily development metres drilled, with the latter increasing from 17.98m a day to 24.14m.

Exploration

The fast-track exploration programme at Serra Grande has added 882,000oz to the inferred resource at this operation. About \$20m will be invested in this campaign in the coming two years with the aim of adding a total of 1Moz to resources, to increase the average grade of the reserves and further extend the life of the operation. This programme, which began in 2011 and continued in 2012, aimed to define and evaluate the full potential of the known orebodies such as Pequizão, Palmeiras, Orebody IV and Mina Nova. It was also intended to generate new targets in the northwest structure and the region.

Pequizão and Palmeiras are the most recent discoveries and are the newest underground mines. Importantly, they have the highest grade reserves of all the Serra Grande operating areas but currently have modest development programmes, given that focus was previously on Orebody IV at Mina III. During 2012, this accelerated exploration programme continued to evaluate the regional potential. A total of 65,839m was drilled during the year, targeting extensions of known orebodies around the mine area at Pequizao and Mina III. Beyond the immediate mine area, mapping and sampling continued in target areas.

The focus now is on developing an optimal mine sequencing plan to make the best possible use of these higher grade areas.

Sustainability performance

Safety

Following a survey undertaken during 2010, a safety behaviour plan was launched at AngloGold Ashanti's Brazilian operations. Initiatives included improvements to the new employee induction course, a review of on-the-job training processes,

Serra Grande – key statistics

	Units	2012	2011	2010
Operation				
Volume treated/milled (attributable)	Mt	0.9	0.6	0.6
Pay limit	oz/t	0.08	0.11	0.09
	g/t	2.86	3.89	3.20
Recovered grade	oz/t	0.098	0.105	0.118
	g/t	3.36	3.59	4.05
Gold production (attributable)	000oz	98	67	77
Total cash costs	\$/oz	816	767	481
Total production costs	\$/oz	953	1,149	690
Capital expenditure (attributable)	\$m	33	22	26
Productivity	oz/TEC	11.45	12.98	15.88
Safety				
No. of fatal accidents		0	0	0
All injury frequency rate (AIFR)	per million hours worked	2.58	3.48	7.22
People				
Total average no. of employees		1,081	1,339	1,268
– permanent		821	1,039	965
– contractors		260	300	303
Employee turnover	%	8.48	9.19	11.23
Training and development expenditure	\$000	890	745	571
Environment				
Total water consumption	MI	459	429	393
Water usage intensity*	MI/oz	0.004	0.006	0.005
Total energy usage	million GJ	0.48	0.45	0.44
Energy usage intensity*	GJ/oz	3.72	3.36	2.86
Total greenhouse gas (GHG) emissions (CO ₂ e)	000t	14	13	15
Total GHG emissions per ounce*	tCO ₂ e/oz	0.11	0.10	0.10
Cyanide used	t	615	544	558
No. of reportable environmental incidents		0	0	0
Total rehabilitation liabilities	\$m	23.8	27.6	6.3
– restoration	\$m	18.7	21.9	2.5
– decommissioning	\$m	5.1	5.7	3.8

* Based on total production (100%) and not attributable data.

and standardisation of safety processes. A new approach to incident investigation and analysis was also established. AngloGold Ashanti has a long-term goal of operating a business free of occupational injury and illness and a five-year objective of reducing the AIFR to less than nine per million hours worked by 2014 and to zero by 2020.

A safety climate and culture survey was conducted at Serra Grande in 2012 and improvements detected in the maturity of the safety culture and management system. Based on the results of this survey, the “Towards Zero Accident” strategic plan was launched with new initiatives to achieve the 2020 target.

Serra Grande’s AIFR of 2.58 per million hours worked in 2012 compares with 3.48 in 2011. No lost time injuries had been reported for an impressive 22 months until February 2012 with no fatalities for more than three years. A proactive safety indicator to evaluate the quality of processes has been developed and AngloGold Ashanti’s Brazilian operations have set targets to reduce their AIFRs to zero by 2020.

Serra Grande has maintained its compliance with OHSAS 18001. The AngloGold Ashanti Global Safety Award was received by Serra Grande for its excellent safety performance. This is the third time that Serra Grande has achieved this accolade since the award’s inception. It is the only operation to have won the award two years’ running.

Health

Serra Grande continued to comply with the Medical and Occupational Health Programme, with all employees undergoing their annual medical reviews. No occupational diseases were recorded during the year.

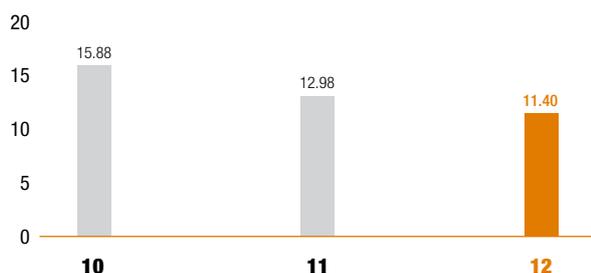
During the year, a quality-of-life programme for employees and families called “Live More” was launched. The programme begins with a diagnosis of the general health of employees based on which health improvement plans are developed related to physical, financial, emotional and social health.

Stakeholder engagement

Stakeholder mapping exercises were conducted and engagement plans developed with assistance from regional sustainability

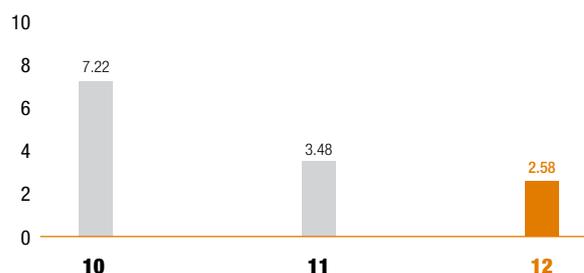
Serra Grande – productivity

(oz/TEC)



Serra Grande – AIFR

(per million hours worked)



teams in 2011. From this exercise the main stakeholders were identified and a communication plan prepared to improve relationships. Serra Grande has continued to maintain its positive and constructive relationship with its host community in Crixás. It has an open-door policy with communities, communicating operational and environment-related information. Communities are informed in advance of the funds allocated to community investments and the host communities themselves participate in the selection of projects.

All stakeholders – communities, companies, suppliers, employees, non-governmental organisations (NGOs) and local government – are invited to participate in an annual forum aimed at promoting discussion on social policy and practices so as to identify opportunities for improvement.

Early in the year, 35 people participated in a roundtable discussion on mine closure and its possible socio-economic impacts. This was a fruitful discussion with fully engaged community members making a range of recommendations involving themselves and the company. These recommendations will be considered during future planning. The key themes identified as required for the sustainability of the community, such as social engagement, public management, development of other economic potentials and education, were included in a preliminary report which presented a medium-term action plan based on a detailed socio-economic diagnosis. The action plan will be validated in 2013.

Community

Local community engagement and support provided for 40 cultural, education and sport projects and preservation of the Crixás cultural heritage.

In Brazil, a “Public Call for Projects”, an AngloGold Ashanti initiative, strives to ensure greater legitimacy and transparency regarding the company’s community investment as well as to actively engage communities.

In towns close to the company’s operations in the state of Goiás, five projects were selected to receive company support. At Serra Grande, these projects include the following:

- The Small Entrepreneur Fair “Uirapuense” which was approved in the 2012 public competition, and began operating. The initiative generates income for 14 families by selling crafts and rural products;
- The “Watercolor” Ecological Soap project which is expected to be a source of income for six families. It produces soap from used cooking oil that is collected from various locations at nearby restaurants, schools and the company restaurant; and
- The fortnightly “Cerrado Fair”, where 40 families sell typical food. The fair is attended by more than 1,200 people.

Environment

A primary focus in 2012 was process improvement to ensure the timely submission of environmental permit applications.

Serra Grande currently holds the following certifications:

- ISO 14001 – Environment;
- International Cyanide Management Code; and
- ISO 9001 – Quality (laboratory and smelter house).

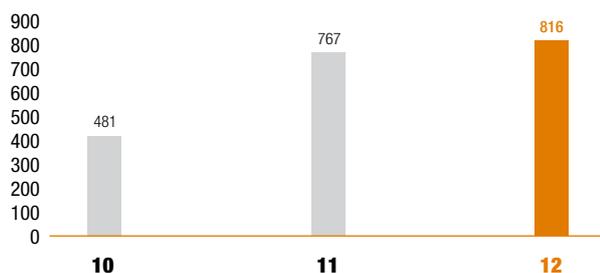
Serra Grande had no reportable environmental incidents and there was just one moderate incident in 2012. Due to torrential rain, the lake’s level in the tailings dam rose. An overflow of up to 900m³ of rainwater, mixed with effluent, entered the Vermelho River via a channel (drainage system). Monitoring and assessment was done immediately after the event, and no environmental impact to the soil and water was identified. Contingency and preventative measures have been identified and implemented.

An incident investigation protocol has been developed and implemented as well as an incident management and tracking system developed. A global pilot project is already in progress.

Re-vegetation work covering 45,000m² of the company’s legal reserve was completed at Serra Grande in February 2012. This work had begun in November 2011 with the planting of 3,500 native seedlings and plants indigenous to the Cerrado Biome. Between January and February 2012, 2,000 more seedlings were planted. The species survival rate exceeds 85%.

Serra Grande – total cash costs

(\$/oz)



Serra Grande also sponsored and participated in the launch of the Environmental Awareness Programme, which was developed by the environmental secretary of Goiás state and will be implemented in local schools.

Legislation on carbon pricing is under consideration in Brazil. The company is proactively engaging with governments in order to find a balance between effectiveness in addressing climate change and adverse impacts on the economy and business.

Planning for mine closure: As all mining operations eventually cease, on-going planning for closure, from the start of exploration and mine design onwards, is an integral aspect of operational planning as is the estimation of the associated liability costs and the assurance of adequate financial provisions to cover these costs. Serra Grande complies with the group's closure and rehabilitation management standards.

The current life of mine ends in 2023 and exploration efforts are in place to extend it. During the year, provision for restoration amounted to \$18.7m and decommissioning \$5.1m, giving a total of \$23.8m (2011: \$27.6m).

Forward-looking statements

Certain statements contained in this document, other than statements of historical fact, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices, production, cash costs and other operating results, return on equity, productivity improvements, growth prospects and outlook of AngloGold Ashanti's operations, individually or in the aggregate, including the achievement of project milestones, commencement and completion of commercial operations of certain of AngloGold Ashanti's exploration and production projects and the completion of acquisitions and dispositions, AngloGold Ashanti's liquidity and capital resources and capital expenditures and the outcome and consequence of any potential or pending litigation or regulatory proceedings or environmental issues, are forward-looking statements regarding AngloGold Ashanti's operations, economic performance and financial condition. These forward-looking statements or forecasts involve known and unknown risks, uncertainties and other factors that may cause AngloGold Ashanti's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in these forward-looking statements. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements and forecasts are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic, social and political and market conditions, the success of business and operating initiatives, changes in the regulatory environment and other government actions, including environmental approvals, fluctuations in gold prices and exchange rates, the outcome of pending or future litigation proceedings, and business and operational risk management. For a discussion of such risk factors, refer to the document entitled "Risk Factors related to AngloGold Ashanti's suite of 2012 reports" on the AngloGold Ashanti online corporate report website at www.aga-reports.com. These factors are not necessarily all of the important factors that could cause AngloGold Ashanti's actual results to differ materially from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. Consequently, readers are cautioned not to place undue reliance on forward-looking statements. AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this operational profile or to reflect the occurrence of unanticipated events, except to the extent required by applicable law. All subsequent written or oral forward-looking statements attributable to AngloGold Ashanti or any person acting on its behalf are qualified by the cautionary statements herein. This communication may contain certain "Non-GAAP" financial measures. AngloGold Ashanti utilises certain Non-GAAP performance measures and ratios in managing its business. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the reported operating results or cash flow from operations or any other measures of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures other companies may use. AngloGold Ashanti posts information that is important to investors on the main page of its website at www.anglogoldashanti.com and under the "Investors" tab on the main page. This information is updated regularly. Investors should visit this website to obtain important information about AngloGold Ashanti.

Additional information from a country perspective can be obtained from the Brazil country fact sheet which is available at www.aga-reports.com.