

OPERATIONAL PROFILE

2013



Obuasi, which is wholly owned by AngloGold Ashanti, is located in the Ashanti region of Ghana 320km northwest of the capital Accra and 60km south of Kumasi. The total mining concession covers an area of 47,500ha. Obuasi is a large, high-grade deposit with significant potential.

Mining operations are primarily underground to a depth of 1.5km with two main shaft systems currently in operation for the transport of material and personnel and the hoisting of rock. A decline from surface is being developed to access the existing mining blocks and ultimately the Obuasi Deeps. Some surface mining in the form of open pit and tailings reclamation occurs.

A mine improvement process is underway to enhance production rates through the mechanisation of all mining blocks, and to improve the life of mine plan, taking account of organisational structure, water management, environment and community.

PERFORMANCE 2013

Production declined year-on-year, owing largely to the replacement of the semi-autogenous mill and the transition from contractors to AngloGold Ashanti of development work. The mine improvement process progressed during the year with a ramp up of production and mechanised development rates and a gradual reduction in employee numbers at the operation.

Open-pit mining has recommenced to generate additional ounces in the short term. Tailings retreatment commenced following the completion of land compensation and environmental permitting requirements. While many of the challenges related to the tailings retreatment operation were resolved, a few issues are still being addressed.

HIGHLIGHTS OF THE YEAR

- Production lower following the termination of contractor services and changeover to owner mining
- Decline development continues
- An average of 5,194 employees achieved a productivity rate of 4.10oz per total employee costed (TEC)
- As at 31 December 2013, Obuasi's Mineral Resource of 27.39Moz accounted for 40% of the Continental Africa region's Mineral Resource
- All options for Obuasi's long-term viability are being considered

Development of a ramp decline from surface to higher-grade underground mining areas started in 2013 and advanced in tandem with a series of safety, environment and community projects. The ramp decline will allow development of the

appropriate infrastructure to enable mechanised operations and de-bottleneck the mine, which is currently constrained by an outmoded, labour-intensive mining method and also ageing and sub-optimal vertical hoisting infrastructure.

Obuasi – key statistics

	Units	2013	2012	2011
Operational performance				
Pay limit	oz/t	0.23	0.21	0.19
	g/t	7.87	7.29	5.85
Recovered grade	oz/t	0.144	0.137	0.141
	g/t	4.94	4.79	4.82
Tonnes treated/milled	Mt	1.7	2.1	2.0
Gold production	000oz	239	280	313
Total cash costs ⁽¹⁾	\$/oz produced	1,406	1,187	862
All-in sustaining costs	\$/oz sold	2,214	2,021	
Total production costs	\$/oz	1,758	1,590	1,285
Capital expenditure ⁽¹⁾	\$m	196	185	132
Productivity	oz/TEC	4.10	5.19	5.68
Safety				
No. of fatalities		1	2	3
All injury frequency rate (AIFR)	per million hours worked	2.39	2.13	2.37
People				
Total average no. of employees		5,194	5,373	5,538
– Permanent		4,728	4,098	4,163
– Contractors		466	1,274	1,375
Environment				
Total water usage ⁽²⁾	ML	3,685	3,820	4,047
Total water use per tonne treated	kL/t	2.14	1.80	2.02
Total energy usage	PJ	1.77	1.74	1.52
Total energy usage per tonne treated	GJ/t	1.03	0.82	0.76
Total greenhouse gas (GHG) emissions (CO ₂ e)	000t	199	197	187
Total GHG emissions per tonne treated	t CO ₂ e/t	0.12	0.09	0.09
Cyanide usage	t	2,891	2,424	3,888
No. of reportable environmental incidents		3	1	14
Total rehabilitation liabilities	\$m	184	184	144

⁽¹⁾ Restated for 2011 and 2012 in terms of adoption of IFRIC 20.

⁽²⁾ Water usage data for 2011 to 2012 recalculated to exclude domestic water usage.

For more detailed information from an operational and sustainability perspective, please see the Ghana country fact sheet which is available at www.aga-reports.com.