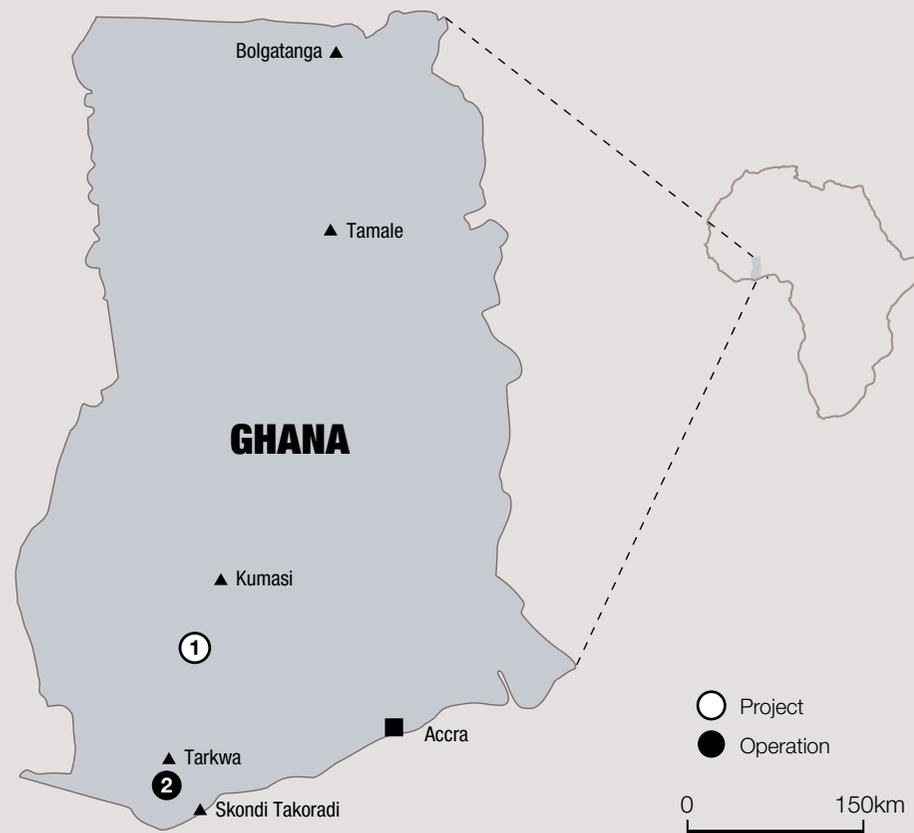


OPERATIONAL PROFILE 2018

IDUAPRIEM

GHANA

IDUAPRIEM



LEGEND

① Obuasi

➔ ② Iduapriem

Iduapriem, which comprises the Iduapriem and Teberebie properties in a 110km² concession, is in the western region of Ghana, some 70km north of the coastal city of Takoradi and about 10km south-west of the Tarkwa mine. Iduapriem is an open-pit mine with two circuits each comprising two-stage milling – a gravity circuit and a carbon-in-leach (CIL) plant. The gravity circuit recovers about 30% of the gold and the remainder is recovered by the 418ktpm capacity CIL plant.

PERFORMANCE 2018

HIGHLIGHTS

Production at highest level since 2004

Improved performance driven by Operational Excellence initiatives

All-in sustaining costs decline more than 5% year-on-year

Waste stripping continued at Teberebie Cut 1 with full grade mining to begin in 2019

Mineral Resource* of 5.56Moz (inclusive)

Ore Reserve* of 1.63Moz

* At 31 December 2018

Operating performance

Production

Iduapriem's production increased 11% year-on-year to 254,000oz, the mine's highest production since its acquisition in 2004. The production increase was driven by the 6% increase in tonnage treated and a 5% improvement in recovered grades, a result of improved grinding and plant efficiency. These improvements resulted from the mining of deeper, higher-grade areas in the Teberebie pit. The increase in tonnes treated was derived on the back of Operational Excellence initiatives which led to improved plant use and throughput rates. Total tonnes mined increased 8% year-on-year to 38Mt, the highest tonnage ever mined at Iduapriem. This helped in meeting the grade improvement targets and the continuation of the extensive waste-stripping programme at Blocks 7 and 8, which will provide the foundation for sustainable production over the future life-of-mine.

Costs

All-in sustaining costs improved by more than 5% year-on-year. Total cash costs dropped 2% over the year due to the increased production despite inflation effects related to higher fuel prices and mining costs particularly in the second half of the year.

Growth and improvement

Waste stripping at Iduapriem's Teberebie Cut 1 continued during the year and is expected to be completed in the first half in 2019 when full grade mining should begin. Once completed, waste stripping will provide access to the ore body until 2021. Brownfields drilling continued at the Ajopa pit and open pit mining will continue into 2019 to supplement ore from the larger Teberebie pit. Iduapriem's plant expansion concept study has been completed on the plant de-bottlenecking. The next focus area will be to find a solution for an additional tailings storage facility.

Sustainability performance

Security and human rights

No human rights violations were recorded during the year. The Human Rights Working Group (HRWG) representatives at corporate, regional and operational levels continued to implement the Human Rights Framework across the region. See the <IR> and <SDR> for more work done on human rights.

The Voluntary Principles on Security and Human Rights (VPSHR) are the key driver for our security management practices.

Employees and labour relations

Following commitment made in 2017 to develop a salary adjustment framework,

Iduapriem successfully concluded a two-year salary adjustment framework with the Ghana Mineworkers Union in mid-2018. The industrial climate was very peaceful, and no adverse labour incidents were recorded during the year.

One occupational disease was diagnosed in the Continental Africa region. This was a noise-induced hearing loss case at Iduapriem. The employee was provided with the necessary medical support and compensated in line with national labour regulations.

Community development

During 2018, Iduapriem initiated and implemented various developmental interventions in host communities to advance AngloGold Ashanti's participation and contribution to sustainable long-term socio-economic development.

Malaria programme: One of the key community programmes in Ghana is the malaria programme. A report from the outpatient department of Iduapriem's Sam Jonah Hospital indicated that malaria incidence among employees, registered dependants and contractors increased from about 250 confirmed cases in 2015, to 500 in 2016 and declined to 319 cases in 2018. This contributed to a doubling of absenteeism on the mine from 63 to 116 days. In the mine's host communities, available statistics show a high incidence of

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malaria and its effect on community health and people's quality of life. According to a community baseline survey conducted by the Khana group in 2016, malaria constitutes about 58% of household illnesses in host communities.

Iduapriem launched its malaria control programme, "End malaria for good in our communities," in 2017. The overall goal is to contribute to a reduced malaria burden on the mine and in host communities by 75% by 2020 through integrated interventions including the distribution of long-lasting insecticidal nets, community sensitisation and training. The programme covers employees, contractors, host communities and three senior high schools. In all, 6,947 insecticide-treated nets were distributed in 2018. An estimated 15,000 people within the Tarkwa-Nsuaem municipality benefit from this programme.

The success of Iduapriem's community-based malaria programme and its contribution to malaria control was recognised with the award of second place received by the operation in the 17th edition of the Ghana Club 100 Corporate Social Responsibility (CSR) Awards.

Integrated water, sanitation and health

infrastructure: A needs assessment conducted in communities within the

catchment area brought to light issues involving liquid and solid waste disposal, and access to health facilities and potable water. Most communities do not have ablution facilities and this poses a significant health risk. It was also revealed that most communities rely on wells as their major source of water for domestic use. The wells do not dispense potable water, and therefore communities are exposed to waterborne diseases. To ensure that communities enjoy good health, Iduapriem has contributed towards improved access to water and sanitation facilities, by increasing access to waste disposal facilities, improving access to and the availability of potable water and facilitating the training of water and sanitation committees and pump mechanics.

The lack of health facilities in certain areas also makes it very difficult for community members and children to receive prompt medical treatment within the locality. Since 2013, Iduapriem has implemented several interventions aimed at improving the health status of community members.

In addition to these health interventions, periodic medical outreach initiatives and screenings are conducted in host communities. The focus area for these screenings in 2018 was on malaria, hypertension, diabetes and breast cancer.

An estimated 8,000 community members within the beneficiary communities are benefitting directly from these interventions.

Basic education improvement project:

A needs assessment conducted in communities within the catchment area indicated that education infrastructure was a limiting factor in improving education and ultimately socio-economic development in host communities. The basic education improvement project (BEIP) was designed by Iduapriem to improve academic performance in local schools so as to increase opportunities for further career development for host community members. Its focus is on improving three major areas in education delivery, namely, education infrastructure development; quality teaching and learning; and community participation in education delivery and management.

The BEIP has improved access to education for children, especially the most vulnerable in the programme's impact area, through the construction of school blocks and teachers' accommodation; scholarships; and by providing teaching and learning materials for schools in the project area.

During the year, the mine worked with the municipal education office and the AngloGold Ashanti Iduapriem Community

Trust Fund to train 65 teachers from its host communities in information and communication technology (ICT) and provided 55 desktop computers to beneficiary schools. This intervention was aimed at improving ICT development in schools.

During the year, the BEIP directly benefited 2,000 school pupils who now have access to improved quality education, and indirectly benefited 8,000 community members.

Vegetable farming: To provide jobs and ultimately improve incomes in the catchment area, 60 vegetable farmers have been provided with support. This support included training, the provision of vegetable seeds suitable for the type of ground and local environment, an irrigation facility and other farm inputs to facilitate production in the first phase of the project.

Twenty farmers are also being supported to establish a piggery. In collaboration with the Animal Science Department of the University of Cape Coast, Iduapriem set up training for the farmers in piggery and business management practices. This was aimed at building their capacity to enable them to sustain their businesses after their initial start-up support. Seven out of the 20 beneficiaries are being set up as phase

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one, while the remaining 13 will receive their start up in the 2019 project cycle.

A market facility to boost economic activities in Teberebie was completed and handed over to the community through the municipal assembly. This facility not only serves the 40 direct occupants but has also created a platform for the sale of vegetables harvested from the vegetable farming initiative.

Of total procurement by Iduapriem in 2018, 89% was spent locally within Ghana.

Environment

Iduapriem was successfully audited and certified to the ISO 14001:2015 standard during the year. There were no environmental incidents during the year.

For further information on AngloGold Ashanti and its work and performance, as a group and in the Continental Africa region, see the <IR> and <SDR> which are available online at www.aga-reports.com.

Key statistics

IDUAPRIEM	Units	2018	2017	2016
Operating performance				
Cut-off grade ⁽¹⁾	oz/t	0.025	0.024	0.022
	g/t	0.85	0.82	0.77
Average recovered grade	oz/t	0.043	0.041	0.038
	g/t	1.47	1.40	1.30
Tonnes treated/milled	Mt	5.3	5.1	5.1
Gold production	000oz	254	228	214
Total cash costs	\$/oz	804	823	908
All-in sustaining costs	\$/oz	977	1,033	950
Capital expenditure	\$m	43	51	8
Productivity	oz/TEC	19.43	18.34	17.36
Safety performance				
No. of fatalities		0	0	0
All injury frequency rate (AIFR)	per million hours worked	0.75	0.39	0.42
People				
Total average no. of employees		1,733	1,598	1,576
– Permanent		622	628	621
– Contractors		1,111	970	955
Environmental performance				
Water use	ML	1,636	2,137	936
Water use efficiency	kL/t	0.31	0.42	0.18
Energy consumption	PJ	1.56	1.46	1.02
Energy intensity	GJ/t	0.30	0.29	0.20
Greenhouse gas (GHG) emissions	000t	132	124	108
GHG emissions intensity	t CO ₂ e/t	25	25	21
Cyanide use	t	1,590	1,440	1,340
No. of reportable environmental incidents		0	0	0
Total rehabilitation liabilities	\$m	43	44	44
Social performance				
Community investment	\$000	198	415	202

⁽¹⁾Based on the Ore Reserve.