



GEITA

TANZANIA



Production drilling at Nyankanga Block 1 portal

Geita, is located in north-western Tanzania, in the Lake Victoria goldfields of the Mwanza region, about 120km from Mwanza and 4km west of the town of Geita.

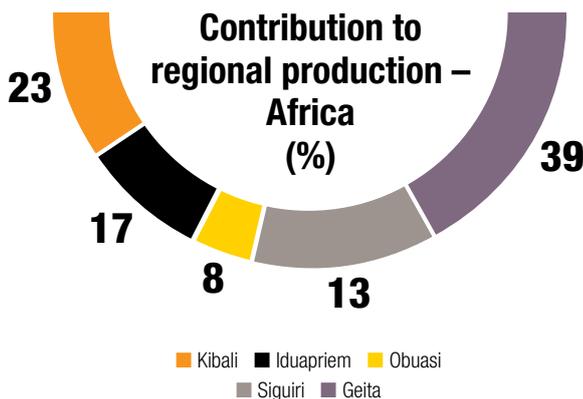
The mine is an underground operation following the completion of open-pit mining in the third quarter of 2020. Further open-pit development will begin during 2021. The mine is serviced by a CIL processing plant with an annual capacity of 5.1Mt.

Operating performance

Production

Production of 623,000oz was the highest annual production level achieved by Geita in 15 years and 3% higher than the preceding year's 604,000oz. The increase was attributed to the greater volumes treated as the underground operations continued to ramp-up, providing finer fragmentation and higher grades to the mill. The processing plant benefited from higher run time, resulting in a 14% increase in underground tonnes mined for the year.

LEGEND: ① Geita



Contribution to group production*

20%

* 2020 group production includes the South African operations to September 2020

PERFORMANCE 2020

Costs

All-in sustaining costs at Geita for 2020 declined by 9% to \$814/oz, largely due to lower open-pit mining costs following the completion of mining in Nyankanga Cut 8 by the end of September 2020. Lower total cash costs were driven by a build-up of ore stockpiles and lower mining costs, boosted by the move to owner mining. Total cash costs also benefitted from a decrease in fuel costs. This was partly offset by higher royalties due to the higher gold price received.

Capital expenditure

Capital investment was challenged by the global COVID-19 pandemic, resulting in delayed deliveries and a difficult execution environment. Despite these challenges, capital expenditure of \$87m was 16% up year-on-year, spent largely on continuing underground Ore Reserve development projects (see below).

Growth and improvement

The focus on Ore Reserve development continued with 7,271m of development completed in 2020 compared to 4,130m in 2019. This provides access to the underground orebody, as well as access to underground exploration platforms.

Geita is progressing various underground projects which include ventilation, electrical supply, pumping and backfill projects to establish infrastructure for the underground operations at the Star & Comet and Nyankanga mining areas. The Geita Hill underground mining area and environmental permits were obtained, and development of the access portal began in late 2020.

The feasibility study for the Nyamulilima open pit project, located 2.4km from the Star & Comet underground operation, is in progress with execution planned for 2021.

A feasibility study and design are underway for a national electric grid project at the mine with connection scheduled for 2021/2022. This project will deliver a significantly reduced GHG emission footprint and a lower unit cost for power.

Sustainability performance

Safety and health

There were no fatalities at Geita in 2020. Overall safety performance improved for the year, with no injuries. The all injury frequency rate was 0.08 per million hours worked in 2019.

The baseline occupational hygiene assessments for Geita have been expanded to include a comprehensive ergonomics technical assessment by independent specialists from Muhimbili University in Tanzania.

Geita is OHSAS 18001:2007 certified and has also migrated to ISO 45001:2018.

Employee relations

AngloGold Ashanti's approach to employee relations is predicated on a relationship-based model. We strive to establish constructive relations with our employees and their union representatives based on our values and determination to embed interest-based collective bargaining. Working closely with our sites, we are also at the forefront of ensuring that we comply with local legislation and regulatory obligations.

Around 86% of employees are unionised and in the bargaining unit. Wage negotiations with the unions were successfully concluded without strike action and/or operational disruption. A process was started to renegotiate the compressed working-week agreement following the termination of the existing agreement by the trade union (TAMICO).

Environment

Our environmental stewardship activities are focused on managing the impact of our operations on land, water, air and energy resources.

Environmental management processes are governed by our Group Environment Policy, Standards and Guidelines. The combined assurance audits to assess conformance with our Environmental Standards were impacted by COVID-19 related restrictions, resulting in remote reviews. These reviews will be augmented once the restrictions are lifted.

During 2020, Geita mine's closure plan was approved by the National Mine Closure Committee with a condition for the Geological Survey of Tanzania and the State Mining Corporation to carry out feasibility studies for processing the old TSF. The geochemical, geotechnical and hydrogeological risk assessments of the old TSF, which predates the current Geita mine, were initiated.

Geita made good progress with implementing its 2020 rehabilitation plan, with 184 hectares of land reprofiled and revegetation started.

Proof of concept trials for in-situ groundwater remediation were undertaken downstream of the Geita mine's TSF. These proved to be successful and full implementation of this *in-situ* sulphate remediation methodology is planned – for details on this see page 50 of the <SR>.

Communities

Our ability to operate successfully is premised on our engagement with communities in an atmosphere of mutual respect. We remain committed to sharing value with communities through training and supplier development programmes and the localisation of employment and procurement opportunities.

We recognise the complexity and diversity of the cultural, economic and social landscapes in which we operate; and aim to balance our ethical responsibilities, regulatory obligations and business objectives. Our host and local communities face intricate socio-economic challenges – especially poverty, high unemployment rates, low economic growth, inadequate infrastructure and access to basic services.

The 2020 Memorandum of Understanding listing corporate social responsibility projects to be implemented in 2020/21 was signed with the Geita District and Town Councils.

An assessment and evaluation of life-of-mine land requirements are underway to establish a sustainable land-use plan for Geita. A strategy for co-existence with the host community is being developed.

Construction of the Kasota Sunflower factory and the Saragurwa rice paddy project were completed as part of the Geita Economic Development Programme. A milling machine, that combines milling, grading and packaging processes, was successfully

PERFORMANCE 2020

installed at the Saragurwa warehouse. As part of its 2020 corporate social responsibility plan, Geita completed roofing of 118 classrooms, renovation of the Geita Secondary School dormitory, construction of the Open University phase 1 for Geita Town Council and a prison dispensary at Geita Hospital. Other community development projects were the construction of an administration block for the Special Economic Zone and stalls in the Katoro market in the Geita District Council.

COVID-19 community response

- Invested in various health projects in the Geita region to facilitate efforts to fight the disease
- Donated \$200,000 to the Tanzanian government
- Donated ten 1,000 litres water tanks for public handwashing campaigns
- Constructed a COVID-19 Isolation centre
- Donated essential personal protective equipment (PPE)

Security

The community policing initiative conducted in conjunction with the Tanzanian Police Services continues to yield positive results.

We have seen fewer intrusions and a reduction in potential conflict on the mine site.

We continue to focus our efforts on the review of our security management practices. This includes working closely with community leadership and public security agencies. This work has meant we have seen a drop in the incidences of harm to our employees and the wider community.

Ensuring the security of people and assets through evolving strategies remains a priority as we proactively work to mitigate risk.

Artisanal and small-scale mining

We have long advocated for increased efforts in the formalisation of artisanal and small-scale mining (ASM), helping to educate and provide safer work environments and alternative avenues for the people around our mines to secure a living.

In Tanzania, we are part of ongoing multi-stakeholder initiatives to advance co-existence and formalisation. Our approach is aligned to the Intergovernmental Forum (IGF) on Mining, Minerals, Metals and Sustainable Development 2013 policy framework, and its 2017 guidance document to help governments implement strategies to regulate ASM.



Portal entrance within the Star and Comet open pit at Geita

PERFORMANCE 2020

Key statistics

Geita	Units	2020	2019	2018
Operating performance				
Cut-off grade ⁽¹⁾	oz/t	0.032	0.036	0.042
	g/t	1.10	1.25	1.45
Average recovered grade	g/t	3.57	3.61	3.28
Tonnes treated/milled	Mt	5.4	5.2	5.3
Gold production	000oz	623	604	564
Total cash costs	\$/oz	641	695	804
All-in sustaining costs	\$/oz	814	894	940
Capital expenditure	\$m	87	75	59
Productivity	oz/TEC	23.03	22.16	21.84
Safety performance				
No. of fatalities		0	0	0
All injury frequency rate (AIFR)	per million hours worked	–	0.08	0.60
People				
Total average no. of employees		5,496	5,066	4,567
– Permanent		2,066	1,957	1,828
– Contractors		3,430	3,109	2,739
Environmental performance				
Water use	ML	3,165	3,229	3,711
Water use efficiency	kL/t	0.58	0.62	0.69
Energy consumption	PJ	3.34	3.69	3.92
Energy intensity	GJ/t	0.62	0.71	0.73
Greenhouse gas (GHG) emissions	000t	227	251	266
GHG emissions intensity	t CO ₂ e/t	42	48	50
Cyanide use	t	1,768	1,632	1,519
No. of reportable environmental incidents		0	0	0
Total rehabilitation liabilities	\$m	71	68	62
Social performance				
Community investment	\$000	4,778	5,851	4,119
Payments to government ⁽²⁾	\$m	326	190	168

⁽¹⁾ Based on the Ore Reserve.

⁽²⁾ Increase in 2020 due mainly to higher earnings which resulted in higher tax, royalties and withholding tax on dividends being paid in comparison with 2019.

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