



SIGUIRI

GUINEA



Drilling for paddock blasting at Kami open pit, SiguiRI



SiguiRI is a multiple open-pit gold mine in the relatively remote district of SiguiRI, around 850km north-east of Guinea’s capital, Conakry. AngloGold Ashanti holds an 85% interest in SiguiRI, with the remaining 15% held in trust for the nation by the government of Guinea.

The gold processing plant is designed to treat 12Mt annually on a 100% basis. A combination plant conversion project was completed, and first material fed through the plant in March 2019. This allows the mine to treat 6Mt of sulphide ore and 6Mt of oxide ore. SiguiRI is contractor-mined using conventional open-pit techniques.

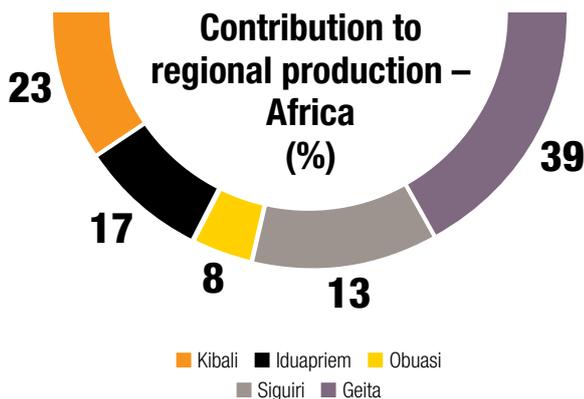
Operating performance

Production

Production increased marginally in 2020 to 214,000oz compared with 213,000oz in 2019. Improvements in hard-rock processing capability resulted in higher plant feed grade which boosted production volumes. Conversion of three leach tanks to CIL and the Mill 1 discharge pump upgrade were successfully completed and commissioned on schedule.

LEGEND: 1 SiguiRI (85%)

Note: All figures are attributable, unless otherwise stated



Contribution to group production*

7%

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

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These will together help to improve overall plant recovery rates. Plant interventions and the effective use of plant run time increased throughput to 11.2Mt during the year. Progressive improvements were already delivered in the second half of the year, up 8% when compared with the previous year.

Costs

The all-in sustaining costs for 2020 rose by 19% to \$1,397/oz, from \$1,176/oz reported for 2019. This increase in costs was largely due to the conversion of the leach tanks and the discharge pump upgrade; as well as higher royalty costs owing to the increase in the gold price received.

Capital expenditure

Attributable capital expenditure for the year of \$25m was 32% higher than in 2019, being largely expended on Ore Reserve development, brownfields exploration and the ramp up of the combination plant project.

Growth and improvement

Sigüiri's combination plant project ramp-up progressed to achieve design throughput rates in the three-stage crushing plant and milling circuit. Recovery rates improved to 83.2% following completion of three additional carbon-in-leach tank conversions and other supplementary projects. Commissioning of the fines screening plant planned for 2021 will increase the hard rock capacity of the crushing plant and improve the potential for high-grade hard rock optimisation. Following approval of the Sigüiri Block 2 feasibility study in 2020, execution is scheduled to begin in 2021.

Sustainability performance

Safety and health

There were no fatalities at Sigüiri during 2020 and the overall safety performance improved. An all injury frequency rate of 0.16 per million hours worked was recorded for the year, an improvement on the 0.45 recorded for 2019.

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

Regarding occupational health, Sigüiri received more modern occupational hygiene equipment to monitor noise and dust.

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 company values and our 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.

At Sigüiri, 94% of employees are unionised. Collective bargaining negotiations for wages, conditions and services will start between July and September 2021. To bolster relations and to

manage potential conflict, regular capacity building for union/management on collective negotiation techniques and mediation are conducted.

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.

Extended delays due to COVID-19 restrictions resulted in some environmental permits expiring before the renewal processes could be completed. Despite the challenges, the Guinean environment regulator undertook a public consultation and site verification for the proposed Sigüiri Block 2 mining project, granting the environmental permit within the anticipated timeframe.

There were three reportable environmental incidents during the year at Sigüiri. For details on these, see <SR>, pages 47 and 48.

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.

During 2020, community engagement at Sigüiri, which included that with the Maleah Sub-prefect and Mayor, the Sigüiri prefecture and Kankan regional authorities, resulted in the signing of the Block 2 memorandum of understanding for the Foulata communities. This memorandum provides an agreement that there will be no ASM in the company's operational areas, all complaints and grievances are lodged and handled through a formal channel with the community leadership and the authorities to Sigüiri, as well as provides commitment from Sigüiri mine to engage regularly with all signatories on the progress of the project. It also provides for social economic development partnerships with the communities for local employment and/or procurement opportunities, among others.

Engagement focused on the revised land acquisition process to access a haul-road from Block 2 took place and compensation payments were made to various stakeholders impacted.

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Significant socio-economic community initiatives underway contribute to poverty reduction, employment creation and food security (SDGs 1; 2; and 8). These initiatives include several farming projects – rice, fish and cashew farming and a market garden – as well as school-related programmes. For details on these and other projects see the <SR> as well as the case studies *Sigiri cashew project: creating sustainable livelihoods* and *Sigiri market garden project empowers local women*.

Other significant social infrastructure development in host communities included the completion and handover of teacher and director accommodation units to the Area 1 community. Non-functioning water points were repaired and a Bouré women's vocational centre in Boukaria and two mosques for the Sigiri Block 2 communities, Foulata and Saraya, were built.

COVID-19 community response

- Donated masks, thermometers and gloves to Sigiri authorities to fight against COVID-19
- Broadcast information programme using local radio station to raise awareness on preventative measures
- Donated \$200,000 to the Government relief fund
- Donated hand washing tanks, sanitary kits and support to local health centres

In addition, we continued to use our malaria spraying platforms to support community COVID-19 environmental hygiene initiatives. These initiatives received financial support from both AngloGold Ashanti and the Global Fund.

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.

At Sigiri, where artisanal small-scale mining is prevalent across our broader c.1,500km² concession – both in remote areas and in others adjacent to our operations – we work with local and regional authorities, community leaders and other stakeholders to assist in mitigating or reducing this risk to communities and our operations. A memorandum of understanding was signed with the community and authorities in late 2019 that helped keep our active working areas clear of illegal mining.

We are working to limit the ASM risk at Sigiri and have initiated a multi-stakeholder process to formalise ASM, the Sigiri Social and Security project. Stakeholders involved include the Guinean government, which is leading the process, traditional leaders, service providers and non-governmental and community-based organisations, among others. The Sigiri Social and Security project aims to address ASM and/or illegal mining, community upliftment and associated activities.

During 2020, Sigiri made positive progress, evidenced by ongoing positive dialogue and minimal business disruptions. This project, due to begin in 2021, is scheduled to have completed the ASM formalisation process and set up the necessary supporting interventions by the end of the first half of 2022. For more information on this, see pages 44 and 59 in the <SR>.



Fish farming project

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Key statistics

Signiri	Units	2020	2019	2018
Operating performance				
Cut-off grade ⁽¹⁾	oz/t	0.020	0.019	0.019
	g/t	0.70	0.65	0.65
Recovered grade	g/t	0.70	0.75	0.85
Tonnes treated/milled	Mt	9.5	8.8	8.9
Gold production	000oz	214	213	242
Total cash costs	\$/oz	1,293	1,091	844
All-in sustaining costs	\$/oz	1,397	1,176	930
Capital expenditure	\$m	25	19	82
Productivity	oz/TEC	14.45	15.30	17.50
Safety performance				
No. of fatalities		0	0	0
All injury frequency rate (AIFR)	per million hours worked	0.16	0.45	0.22
People				
Total average number of employees		3,016	3,056	3,869
– Permanent		1,879	1,856	1,885
– Contractors		1,137	1,200	1,984
Environmental performance				
Water use	ML	7,408	7,083	6,027
Water use efficiency	kL/t	0.66	0.68	0.58
Energy consumption	PJ	3.28	3.02	2.29
Energy intensity	GJ/t	0.29	0.29	0.22
Greenhouse gas (GHG) emissions	000t	222	205	156
GHG emissions intensity	t CO ₂ e/t	20	20	15
Cyanide use	t	6,033	4,979	3,186
No. of reportable environmental incidents		3	1	1
Total rehabilitation liabilities	\$m	59	54	53
Social performance				
Community investment	\$000	2,348	10,164	2,474
Payments to government	\$m	53	33	78

⁽¹⁾ Based on the Ore Reserve. Cut-off grade is based on sulphides.

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