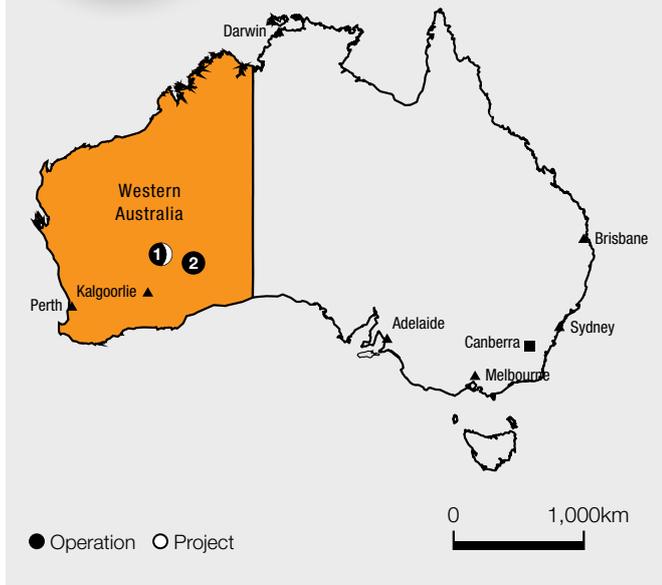




TROPICANA

AUSTRALIA



Crushing circuit at sunset

Tropicana, a joint venture in which AngloGold Ashanti has a 70% holding, is located 200km east of Sunrise Dam and 330km east-northeast of Kalgoorlie. At December 2020, Independence Gold Corporation (IGO) held the remaining 30%. The operation, which is managed by AngloGold Ashanti, is a large open-pit operation with mining carried out by a contractor.

Tropicana is one of two AngloGold Ashanti operations in the north-eastern goldfields of the state of Western Australia.

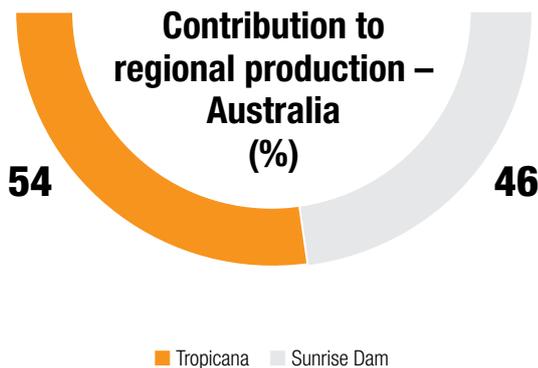
Post year-end update

In April 2021, IGO announced it had entered into a binding agreement with Regis Resources for the sale of IGO's 30% interest in the Tropicana joint venture. AngloGold Ashanti, after careful consideration, waived its pre-emptive right over the 30% stake in Tropicana, paving the way for Regis Resources to acquire this stake from former joint venture partner IGO. The transaction was finalised on 31 May 2021.

LEGEND:

- ① Sunrise Dam
- ② Tropicana (70%)

(Note: All figures are attributable unless otherwise stated.)



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

PERFORMANCE 2020

Operating performance

Production

Tropicana produced 298,000oz for the year compared to 360,000oz in 2019. Production was lower year-on-year as planned. Up until June 2020, ore production from the open pits exceeded plant capacity, allowing higher-grade ore to be preferentially treated, while lower-grade ore was accumulated on stockpiles (grade streaming). With the completion of the Tropicana pit and stage one of the Havana pit (Havana cutbacks 1, 2 and 3) mid-way through the year, this grade streaming process ceased, in line with the mine plan.

The Boston Shaker underground mine achieved commercial production on time and on budget in September 2020. When the underground mine reaches its full production rate of 1.1Mtpa in the second half of 2021, it will contribute 100,000oz annually to gold production.

Waste stripping for stage 2 of the Havana pit began in the second half of 2020 and while waste stripping is underway, mill feed will be made up of ore from the Boston Shaker underground mine, the Boston Shaker open pit and stockpiles.

The Tropicana processing plant continued to perform well in 2020, with throughput and metallurgical recoveries higher than in the previous year. Further efficiency improvements are planned for 2021 to increase throughput from 8.8Mtpa to 9Mtpa on a 100% basis in the second half of the year.

Costs

The all-in sustaining costs at Tropicana increased by 40% due to planned lower production and unfavourable inventory movements. Costs were also impacted by additional unbudgeted COVID-19 expenditure.

Capital expenditure

Total capital expenditure of \$90m was spent at Tropicana, including growth capital of \$25m to complete the Boston Shaker underground project on time and on budget. Approximately 52% of total capital expenditure in 2020 was focused on deferred waste and capitalised pre-stripping.

Growth and improvement

There is significant potential to unlock known extensions of mineralisation beneath the Tropicana and Havana open pits as well as extensions at depth in the Boston Shaker underground. A study to look at the trade-off between mining deeper Havana mineralisation via a third cutback or by underground methods was initiated in 2020. This study will be completed in the first half of 2021.

Development of a 500-metre underground drill drive from the Boston Shaker decline to test beneath the Tropicana open pit was completed in 2020 and diamond drilling started early in 2021. The drill drive is well-positioned to provide production access to Tropicana underground mineralisation, should an Ore Reserve be defined. This drive could also be extended to cost-effectively explore the mineralised system beneath the open pits to the south and ultimately access the Havana underground mineralisation in the future.

Near-mine exploration continues to focus on understanding the geology to the north and south of Tropicana, seeking strike extensions and offsets to the Tropicana orebody. Satellite open pit opportunities are being assessed along the mineralised corridor to the north of the mine at Springbok and Angel Eyes, to the south at Rusty Nail, and further south at Madras and New Zebra.

Sustainability performance

Employee safety

Tropicana's all injury frequency rate for 2020 was 3.75 injuries per million hours worked compared to 3.14 for 2019. Tropicana had three restricted work case injuries for two years and no lost time injuries for three years.

In 2020, AngloGold Ashanti rolled out a \$6 million autonomous drill fleet, an industry first for hard rock mining. The new drill fleet will make working practices safer and increase operating efficiencies. See the case study entitled *Autonomous drill improves safety at Tropicana*.

In addition to its OHSAS 18001:2007 certification, Tropicana has also migrated to ISO 45001:2018 with the necessary audits having been completed in 2020.

Employee and community health

During 2020, the Wellbeing@AGAA strategy – an AngloGold Ashanti Australia (AGAA) initiative – was rolled out to support mental and physical wellbeing of personnel working at mine sites, in the field and in the Perth regional office. The strategy is aligned with the Western Australia Department of Mines, Industry Regulation and Safety Code of Practice for mentally healthy workplaces for fly-in, fly-out workers.

Specific health-related programmes included the Earbus Foundation, which, with funding assistance from AngloGold Ashanti, was able to purchase new equipment to better diagnose potential ear health issues and hearing problems. The new equipment means Earbus' indigenous health worker in Kalgoorlie-Boulder can more effectively provide weekly ear monitoring and screening for at-risk children in between monthly visits by the Earbus Mobile Clinic.

Several remote communities in the area in which the Company operates were closed to outside visitors by the Western Australia government, which deemed them to be particularly vulnerable to COVID-19. AngloGold Ashanti Australia adjusted its approach to enable continued support for communities in the goldfields, maintaining contact via virtual means. Although there was no official national lockdown in Australia, shift arrangements and the fly-in-fly-out roster were impacted by national travel restrictions. The impact on production was minimal.

In Australia in response to COVID-19, we were able to contribute significant funds to the Royal Flying Doctor Service, Foodbank and Lifeline (a free mental health service) through our membership of the gold industry group in Western Australia to support vulnerable community members. Other immediate needs for communities in Laverton and Kalgoorlie were met through the provision of hand sanitiser stations, soap and community hand washing machines.

PERFORMANCE 2020

Other COVID-19-related activities were:

- Participation in the COVID-19 Community Support Initiative established by the Chamber of Minerals and Energy in Western Australia
- Conducting awareness campaigns and regular contact with key stakeholders
- Introduced an expanded e-mentoring Teach Learn Grow programme for one-on-one support to primary school students

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 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.

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.

There were no reportable environmental incidents in 2020 and all regulatory reporting obligations were met during the year.

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.

AngloGold Ashanti Australia is actively involved in communities across the West Australian goldfields, from Laverton to Kalgoorlie-Boulder and beyond, including Aboriginal communities such as Tjuntjuntjara.

Our community projects support youth, education, health, and community development, along with employment and business participation opportunities. For further details on these projects, see [Contributing to resilient, self-sustaining communities](#) in the <SR>.

AngloGold Ashanti Australia is actively involved in communities across the West Australian goldfields, from Laverton to Kalgoorlie-Boulder and beyond, including Aboriginal communities such as Tjuntjuntjara. Our community projects support youth, education, health, and community development, along with employment and business participation opportunities.

Key initiatives supported in 2020 included:

- The ongoing Get into Mining indigenous traineeship programme in partnership with Aboriginal mining contractor, Carey Mining, and Tropicana mining alliance partner Macmahon Holdings
- The Dandoo Darbalung Programme to support Aboriginal students who need to relocate to Perth to complete university or vocational training. We have committed to a three-year sponsorship of this programme to provide support for Aboriginal students with their tertiary studies while encouraging and nurturing their cultural identity
- The Teach Learn Grow Programme to provide one-on-one support for students in the goldfields identified as being most at risk of not successfully completing science and maths subjects

Cultural heritage and sacred sites

Respect for the culture and traditions of our host communities is essential to good community relations. Our commitment to legal obligations, adherence to international standards of good practice, and our management standard remains a priority in cultural and heritage management processes.

An ethnographic heritage survey was completed during 2020 for the Turing Project and associated Laverton district areas in Western Australia. A draft report has been received with the final report pending.

The rights of Indigenous Peoples

We engage and align with communities, including Indigenous Peoples.

Embedded in our values is understanding and respect for the values, traditions, and cultures of the local and indigenous communities in which we operate. Although only our operations in Australia are close to indigenous communities, AngloGold Ashanti seeks to ensure that our interactions with Indigenous Peoples are in keeping with basic human rights and social, economic and environmental interests. We are guided by our human rights framework and Indigenous Peoples Management Standard which aligns with international standards and conventions including the ICMM Position Statement on Indigenous Peoples and the International Finance Corporation's Performance Standard 7 on Indigenous Peoples.

The principles of free, prior, informed consent are therefore largely applied in all our interactions with host communities and Indigenous Peoples, focusing on good faith negotiation. In addition, our Cultural Heritage and Sacred Sites Management Standard supports our focus on the rights of Indigenous Peoples. We contribute through various programmes and initiatives aimed at providing opportunities for participation in employment, education, gender equality and inclusive procurement.

PERFORMANCE 2020

Key statistics

Tropicana	Units	2020	2019	2018
Operating performance				
Cut-off grade ⁽¹⁾	oz/t	0.020	0.020	0.020
	g/t	0.70	0.70	0.70
Average recovered grade	g/t	1.50	1.85	1.91
Tonnes treated/milled	Mt	6.2	6.0	5.5
Gold production	000oz	298	360	336
Total cash costs	\$/oz	807	504	594
All-in sustaining costs	\$/oz	1,061	757	843
Capital expenditure	\$m	90	106	76
Productivity	oz/TEC	40.76	52.54	58.91
Safety performance				
No. of fatalities		0	0	0
All injury frequency rate (AIFR)	per million hours worked	3.75	3.14	7.34
People				
Total average number of employees		608	570	475
– Permanent		145	134	130
– Contractors		463	463	345
Environmental performance				
Water use	ML	7,071	6,801	5,926
Water use efficiency	kL/t	0.81	0.79	0.76
Energy consumption	PJ	4.97	5.01	4.23
Energy intensity	GJ/t	0.56	0.58	0.54
Greenhouse gas (GHG) emissions	000t	297	303	255
GHG emissions intensity	t CO ₂ e/t	34	35	33
Cyanide use	t	713	773	2,619
No. of reportable environmental incidents		0	0	0
Total rehabilitation liabilities	\$m	58	51	48
Social performance				
Community investment ⁽²⁾	\$000	812	701	742
Payments to government ⁽³⁾	\$m	129	95	82

⁽¹⁾ Based on the Ore Reserve.

⁽²⁾ Total community investment for both Sunrise Dam and Tropicana.

⁽³⁾ Total paid to the Australian government for both Sunrise Dam and Tropicana.

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