



AngloGold Ashanti Limited
(Incorporated in the Republic of South Africa)
Reg. No. 1944/017354/06
ISIN: ZAE000043485 – JSE share code: ANG
CUSIP: 035128206 – NYSE share code: AU
("AngloGold Ashanti" or "AGA" or the "Company")

Report

for the three months ended 31 March 2021

Johannesburg, 10 May 2021 - AngloGold Ashanti is pleased to provide its financial and operational update for the three-month period ended 31 March 2021.

- Production of 588,000oz in Q1 2021, supported by solid production performances at AGA Mineração, Serra Grande, Obuasi and Siguiri
- All-in sustaining costs increased from \$1,021/oz in Q1 2020 to \$1,287/oz in Q1 2021
- Costs increased due to planned reinvestment and tailings compliance programme, COVID-19 impacts, drawdowns from low-grade stockpiles and inflation
- Guidance remains unchanged
- Obuasi production increased by 53% to 46,000oz in Q1 2021 from 30,000oz in Q4 2020 and total cash costs at Obuasi decreased by 15% to \$968/oz in Q1 2021 from \$1,145oz in Q4 2020 ; Phase 1 and 2 of the Obuasi Redevelopment Project at 97% completion
- Profit before taxation increased by 21% year-on-year to \$279m in Q1 2021 from \$231m in Q1 2020
- Adjusted EBITDA increased by 3% year-on-year to \$449m in Q1 2021 from \$434m in Q1 2020
- Adjusted EBITDA margin of 47% in Q1 2021 compared to 49% achieved in Q1 2020
- Adjusted net debt declined by 43% year-on-year from \$1,606m in Q1 2020 to \$908m in Q1 2021
- Adjusted net debt to Adjusted EBITDA ratio improved from 0.93 times at 31 March 2020 to 0.37 times at 31 March 2021
- Basic earnings for Q1 2021 were \$203m, or 48 US cents per share, compared to \$134m, or 32 US cents per share, in Q1 2020
- Headline earnings for Q1 2021 were \$203m, or 48 US cents per share, compared to \$143m, or 34 US cents per share in Q1 2020
- One fatality during Q1 2021 involving a fall-of-ground incident at Serra Grande

		Quarter ended Mar 2021	Quarter ended Mar 2020	% Variance	Year ended Dec 2020
US Dollar / Imperial					
Operating review					
Gold					
Produced	- oz (000)	588	630	(7)	2,806
Sold	- oz (000)	608	651	(7)	2,834
Financial review					
Price received per ounce	- \$/oz	1,788	1,584	13	1,778
Total cash costs per ounce	- \$/oz	999	773	29	790
All-in sustaining costs per ounce	- \$/oz	1,287	1,021	26	1,037
All-in costs per ounce	- \$/oz	1,446	1,214	19	1,185
Gold income	- \$m	956	882	8	4,322
Cost of sales	- \$m	677	636	6	2,699
Total cash costs	- \$m	562	455	24	2,074
Gross profit	- \$m	302	256	18	1,709
Profit (loss) attributable to equity shareholders	- \$m	203	134	51	946
	- US cents/share	48	32	50	225
Headline earnings	- \$m	203	143	42	1,000
	- US cents/share	48	34	41	238
Profit before taxation	- \$m	279	231	21	1,589
Adjusted EBITDA	- \$m	449	434	3	2,470
Net cash inflow from operating activities	- \$m	149	174	(14)	1,545
Free cash inflow (outflow)	- \$m	(92)	4	(2,400)	743
Total borrowings	- \$m	2,071	3,624	(43)	2,084
Adjusted net debt	- \$m	908	1,606	(43)	597
Capital expenditure	- \$m	210	186	13	757

\$ represents US Dollar, unless otherwise stated.

Rounding of figures may result in computational discrepancies.

The information on this page and in the Market update with Financial information for the three months ended 31 March 2021 relates to the continuing operations of the AngloGold Ashanti group, unless otherwise indicated. The South African producing assets and related liabilities, which were sold on 30 September 2020, are recorded as a discontinued operation.

AngloGold Ashanti reported first quarter headline earnings of \$203m, driven by the higher gold price, as the Company continued its reinvestment programme aimed at completing the redevelopment of the Obuasi gold mine and adding new gold reserves across its portfolio.

Headline earnings of \$203m, or 48 cents a share in the three months to the end of March 2021, compare to \$143m, or 34 US cents per share, in the first quarter of 2020. Adjusted net debt declined by 43% year-on-year to \$908m in the first quarter of 2021 from \$1,606m in the first quarter of 2020.

"We continue to make progress in delivering on our strategy," Interim Chief Executive Officer Christine Ramon said. "Our balance sheet remains in a solid position and Obuasi is making steady progress to completion."

This year and next will be key investment years for AngloGold Ashanti as it increases production from brownfields projects and builds on strong reserve additions from exploration in 2020, to increase its overall reserve base and the life of its mines. The Company currently expects to meet its guidance for 2021.

Construction at the Obuasi Redevelopment Project, which will transform the 20Moz high-grade gold ore body, initially placed on care and maintenance in 2016, into a top-tier gold producer, achieved 97% completion by the end of March this year. Production from the mine rose 53% to 46,000oz in the first quarter of 2021, from 30,000oz the prior quarter.

Production for the first quarter of 2021 was 588,000oz at a total cash cost of \$999/oz, compared with 630,000oz at a total cash cost of \$773/oz from continuing operations in the same period in 2020. Solid production performances at AGA Mineração, Serra Grande, Siguiri and Obuasi were offset by declines at other mines in the portfolio.

In the first quarter of 2021, COVID-19 accounted for an estimated 4,000oz of lost production and an estimated \$29/oz of all-in sustaining costs. The Brazilian operations and Obuasi mine were most affected by the pandemic during the first quarter, with high rates of absenteeism affecting productivity in Brazil and ongoing challenges encountered in the rotation of expatriate workers from Australia to Ghana.

In the first quarter of 2021, total cash costs increased mainly as a result of lower grades and the drawing down on ore stockpiles at some of the operations while waste stripping and underground development progressed, as well as inflationary pressures recorded across most of the portfolio. This increase was partly offset by operating efficiencies. AISC rose by 26%, or \$266/oz, to \$1,287/oz in the first quarter of 2021, compared to \$1,021/oz from continuing operations in the first quarter of 2020.

The primary driver of production growth over the next two years are Obuasi operating at steady state, Tropicana reverting to normalised production levels following the current reinvestment in its life extension, and planned production gains from AGA Mineração, Siguiri and Sunrise Dam.

Adjusted EBITDA increased by 3% year-on-year from \$434m in the first quarter of 2020 to \$449m in the first quarter of 2021, giving a strong Adjusted EBITDA margin of 47% in the first quarter of the year. The Adjusted net debt to Adjusted EBITDA ratio improved from 0.93 times at 31 March 2020 to 0.37 times at 31 March 2021.

The Company is steadily progressing its new climate strategy, including the implementation of the recommendations of the Task Force on Climate- Related Financial Disclosures which was created by the Financial Stability Board. This process is currently expected to be completed later this year, along with new emission reduction targets and strategies to further reduce emissions and its carbon footprint.

SAFETY

Regrettably, one fatality occurred in February 2021 when a miner at the Serra Grande mine in Brazil was fatally injured in a fall-of-ground related incident during blasting preparation activities. We extend our heartfelt condolences to the family and loved ones. This incident is a stark reminder to remain diligent in our work towards our goal of zero harm.

The Company has been implementing a revitalised safety strategy across the business, with particular focus on the critical controls needed to eliminate what are called 'high consequence, low frequency' events.

This short form announcement (the "Announcement") is the responsibility of the board of directors of the Company, who certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make the information false, misleading or inaccurate, and that all reasonable enquiries to ascertain such facts have been made.

The details contained in this Announcement are only a summary of the information in the full announcement containing the detailed unaudited quarterly results and therefore do not contain full details of the Company's financial position and results of operations or other relevant information about the business for the period under review. Investors and/or shareholders are therefore directed to the full announcement available for viewing via the JSE SENS link, provided below, and available on the Company's website at www.anglogoldashanti.com. The full announcement may be requested by emailing CompanySecretary@Anglogoldashanti.com or by phoning Fundisa Mgidu on +27 11 637 6763.

The JSE link is as follows:

<https://senspdf.jse.co.za/documents/2021/jse/isse/anano/QMar21.pdf>

**Johannesburg, South Africa
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JSE Sponsor: The Standard Bank of South Africa Limited

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This communication may contain certain "Non-GAAP" financial measures. AngloGold Ashanti utilises certain Non-GAAP performance measures and ratios in managing its business. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the reported operating results or cash flow from operations or any other measures of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures other companies may use.

Website: www.anglogoldashanti.com

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