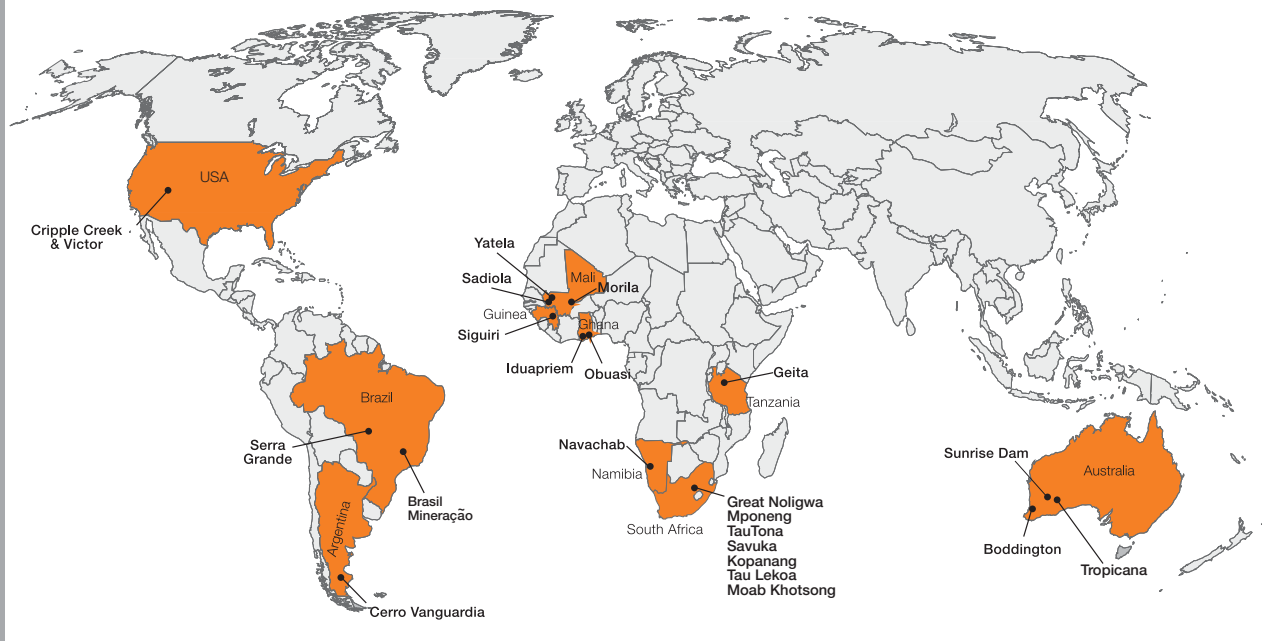


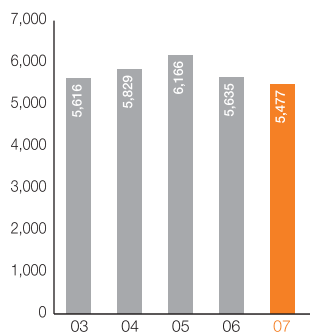
Review of operations

AngloGold Ashanti is in the business of mining and exploring for gold, its major source of revenue. In the process, silver, uranium oxide and sulphuric acid are produced as by-products. As at the end of December 2007, AngloGold Ashanti, a leading global producer of gold, had 20 operations on four continents, a substantial project pipeline and an extensive, worldwide exploration programme.

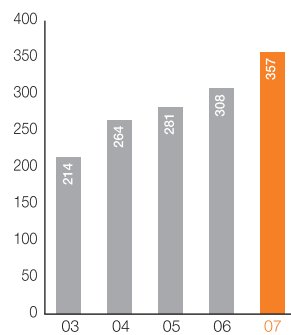
Location of AngloGold Ashanti's operations



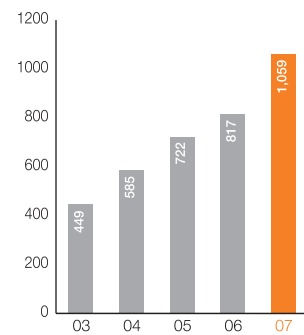
Gold production (000oz)



Total cash costs (\$/oz)



Capital expenditure (\$m)



Safety: Regrettably, 34 AngloGold Ashanti employees were involved in fatal accidents during the course of 2007, as compared with 37 fatalities in 2006. This translates to a fatal injury frequency rate (FIFR) for the group of 0.21 per million hours worked for the year (2006: 0.22 per million hours worked). Of the 34 fatalities, 27 occurred at the South African operations and four at Obuasi in Ghana, two at Morila in Mali and one at Serra Grande in Brazil.

In terms of lost-time injuries, the lost-time injury frequency rate (LTIFR) per million hours worked for the year was 8.24 as compared to 7.70 in 2006, a deterioration of 7%. There were nevertheless operations, Yatela, Morila, Siguiri and Iduapriem where safety performance was excellent.

For AngloGold Ashanti, safety is of paramount importance and the company will continue to strive to improve its safety performance across its global asset base.

Operational review: In 2007, gold production totalled 5.5 million ounces compared to 5.6 million ounces in 2006. This decline in production was largely a result of the reduced volumes mined at the South African operations owing to safety concerns, and at some of the operations in Mali which are nearing the end of their productive lives. Record production was reported at Sunrise Dam in Australia and at Siguiri in Guinea, while at Moab Khotsong in South Africa the ramp-up in production continued. Total cash cost per ounce for the year was \$357 compared to \$308 in 2006.

Capital expenditure amounted to \$1,059 million (2006: \$817 million) of which 29% was stay-in-business expenditure and 25% expenditure on ore reserve development, principally at the South African operations. The remaining 46% was expenditure on new project development.

Major expansion projects in development currently are:

- in South Africa, the build up of production at Moab Khotsong which completed its second 12 months of production (full production is scheduled for 2013) and the expansion projects at TauTona and Mponeng;
- in Brazil, the Cuiabá expansion project at AngloGold Ashanti Mineração which will increase production at this operation by around 40% came into production in 2007; and
- in Australia, the underground expansion at Sunrise Dam, the Boddington expansion project, a joint venture with Newmont Mining Corporation, and the pre-feasibility study on the Tropicana project which began in June 2007 and is scheduled for completion by mid-2008.

Outlook: Gold production for 2008 is forecast to be between 4.8 million and 5.0 million ounces at a total cash cost in a range of \$425/oz and \$435/oz. This is based on the following exchange rate assumptions: R7.75/\$, A\$/0.90, Brazilian real 1.75/\$ and Argentinean peso 3.10/\$.

Capital expenditure of around \$1,207 million is scheduled, of which 33% relates to the Australia region, primarily for the development of Boddington, 27% to South Africa, 14% to Ghana and 9% to Brazil.

