

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions commencing on page 5 of this circular have been used on this front cover.



**ANGLOGOLD ASHANTI
ANGLOGOLD ASHANTI LIMITED**

(Incorporated in the Republic of South Africa)
(Registration number 1944/017354/06)
ISIN: ZAE000043485 JSE share code: ANG
("AngloGold Ashanti" or "the Company")

CIRCULAR TO SHAREHOLDERS

regarding proposed amendments to the Black Economic Empowerment transaction in which the Bokamoso ESOP and Izingwe Holdings (Proprietary) Limited acquired shares in AngloGold Ashanti in 2006 and including:

- a notice of general meeting of shareholders; and
 - a form of proxy (for use by certificated shareholders and dematerialised "own name" shareholders only); or
 - a CDI voting instruction form (for use by Australian holders of CHESS Depository Interests); or
 - a GhDS voting instruction form (for use by holders of Ghanaian Depository Shares).
-

Merchant bank and
transaction sponsor



Reporting accountant



Corporate law advisers

T A B A C K S

Independent professional expert



Date of issue: 14 April 2011

This circular is available in English only. Copies are available from the registered office of AngloGold Ashanti and the share registrars at the addresses indicated on pages 3 and 4 of this circular.

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ACTION REQUIRED BY SHAREHOLDER

A general meeting of shareholders will be held at 12:00 South African time on Wednesday, 11 May 2011, in the Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa (or so soon thereafter as the annual general meeting of AngloGold Ashanti convened for 11:00 on the same day and at the same venue shall have been concluded or adjourned).

A. If you have dematerialised your ordinary shares without “own name” registration:

- **Voting at the general meeting**

- If you have not been contacted by your CSDP or broker, it would be advisable for you to contact your CSDP/broker and furnish them with your voting instructions.
- If your CSDP/broker does not obtain voting instructions from you, they will be obliged to vote in accordance with the instructions contained in the agreement concluded between you and your CSDP/broker.
- You must **not** complete the attached form of proxy.

- **Attendance and representation at the general meeting**

In accordance with the agreement between you and your CSDP/broker, you must advise your CSDP/broker if you wish to attend the general meeting in person, or if you wish to send a proxy to represent you at the general meeting and your CSDP/broker will issue the necessary letter of representation for you or your proxy to attend the general meeting.

B. If you have not dematerialised your ordinary shares or have dematerialised your ordinary shares with “own name” registration:

- **Voting, attendance and representation at the general meeting**

- You may attend and vote at the general meeting in person.
- Alternatively, you may appoint a proxy to represent you at the general meeting by completing the attached form of proxy in accordance with the instructions it contains, which form must be lodged with or posted to the share registrars to be received by no later than 12:00 South African time on Monday, 9 May 2011.

If you wish to dematerialise your ordinary shares, please contact your broker.

Forward-looking statements

Certain statements contained in this circular, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices, production, cash costs and other operating results, growth prospects and outlook of AngloGold Ashanti's operations, individually or in the aggregate, including the completion and commencement of commercial operations of certain of AngloGold Ashanti's exploration and production projects and completion of acquisitions and dispositions, AngloGold Ashanti's liquidity and capital resources and capital expenditure, and the outcome and consequence of any pending litigation proceedings, contain certain forward-looking statements regarding AngloGold Ashanti's operations, economic performance and financial condition. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, amongst other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other Government actions, fluctuations in gold prices and exchange rates, and business and operational risk management. For a discussion of such risk factors, refer to the section titled “Risk management and internal controls” in the annual financial statements available on the company's website (www.anglogoldashanti.com). AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of the annual reports or to reflect the occurrence of unanticipated events. All subsequent written or oral forward-looking statements attributable to AngloGold Ashanti or any person acting on its behalf are qualified by the cautionary statements herein.

SALIENT DATES AND TIMES

The definitions commencing on page 5 of this circular have been used in this section.

2011

Last day to lodge forms of proxy for the general meeting by 12:00 ⁽¹⁾ on	Monday, 9 May
General meeting to be held at 12:00 ⁽²⁾ on	Wednesday, 11 May
Results of general meeting	
– released on SENS on	Wednesday, 11 May
– published in the South African press on	Thursday, 12 May
Special resolution lodged with the Companies Office on or about	Friday, 20 May

Notes:

(1) *All times shown are South African time, unless otherwise stated.*

(2) *The general meeting will commence at 12:00 or so soon thereafter as the annual general meeting shall have been concluded or adjourned.*

Shareholders are reminded that shares in companies listed on the JSE can no longer be bought or sold on that exchange unless they have been dematerialised onto the Strate system. It is therefore suggested that certificated shareholders on AngloGold Ashanti's South African share register should consider dematerialising their shares and replacing them with electronic records of ownership. In this regard, shareholders may contact either their own broker or a preferred CSDP, details of which are available from Strate at queries@strate.co.za or telephone +27 11 759 5300 or fax +27 11 759 5505.

The dates and times in this circular are subject to change and any changes will be announced in the South African press and through SENS and other stock exchanges' news services. All times in this circular are South African local times unless otherwise stated.

CORPORATE INFORMATION

ANGLOGOLD ASHANTI LIMITED

Registration number 1944/017354/06

Place of incorporation: Republic of South Africa

Date of incorporation: 29 May 1944

DIRECTORS

Executive

M Cutifani ~ (*Chief Executive Officer*)

S Venkatakrisnan * (*Chief Financial Officer*)

Non-Executive

T T Mboweni ^ (*Chairman*)

F B Arisman #

R Gasant ^

W A Nairn ^

Prof L W Nkuhlu ^

F Ohene-Kena +

S M Pityana ^

American ~ *Australian* * *British*

^ *South African* + *Ghanaian*

COMPANY SECRETARY

Ms L Eatwell

OFFICES

Registered and Corporate

South Africa

76 Jeppe Street
Newtown 2001
(PO Box 62117, Marshalltown 2107)
South Africa
Telephone: +27 11 637 6000
Fax: +27 11 637 6624

Australia

Level 13, St Martins Tower
44 St George's Terrace
Perth, WA 6000
(PO Box Z5046, Perth WA 6831)
Australia
Telephone: +61 8 9425 4602
Fax: +61 8 9425 4662

Ghana

Gold House
Patrice Lumumba Road
(PO Box 2665)
Accra
Ghana
Telephone: +233 303 772190
Fax: +233 303 778155

UNITED KINGDOM SECRETARIES

St James's Corporate Services Limited
6 St James's Place
London SW1A 1NP
England
Telephone: +44 20 7499 3916
Fax: +44 20 7491 1989
E-mail: jane.kirton@corpserv.co.uk

JSE SPONSOR

UBS South Africa (Pty) Limited
64 Wierda Road East
Wierda Valley
Sandton 2196
(PO Box 652863, Benmore 2010)
South Africa
Telephone: +27 11 322 7000
Fax: +27 11 784 8280

REPORTING ACCOUNTANT

Ernst & Young Inc.
Registered Auditor
Wanderers Office Park
52 Corlett Drive
Illovo
Johannesburg 2196
(Private Bag X14, Northlands 2116)
South Africa
Telephone: +27 11 772 3000
Fax: +27 11 772 4000

SHARE REGISTRARS

South Africa

Computershare Investor Services (Pty) Limited
Ground Floor, 70 Marshall Street
Johannesburg 2001
(PO Box 61051, Marshalltown 2107)
South Africa
Telephone: 0861 100 950 (in SA)
Fax: +27 11 688 5218
web.queries@computershare.co.za

United Kingdom

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 7NH
England
Telephone: +44 870 702 0000
Fax: +44 870 703 6119

Australia

Computershare Investor Services (Pty) Limited
Level 2, 45 St George's Terrace
Perth, WA 6000
(GPO Box D182 Perth, WA 6840)
Australia
Telephone: +61 8 9323 2000
Telephone: 1300 55 2949 (in Australia)
Fax: +61 8 9323 2033

Ghana (and GhDS Depositary)

NTHC Limited
Martco House
Off Kwame Nkrumah Avenue
PO Box K1A 9563 Airport
Accra
Ghana
Telephone: +233 303 229664
Fax: +233 303 229975

ADR DEPOSITARY

The Bank of New York Mellon
BNY Shareowner Services
PO Box 358016
Pittsburgh, PA 15252-8016
United States of America
Telephone: +1 800 522 6645 (Toll free in USA)
or +1 201 680 6578 (outside USA)
E-mail: shrrelations@mellon.com
Website: www.bnymellon.com.com/shareowner

MERCHANT BANK AND TRANSACTION SPONSOR

Rand Merchant Bank
a division of FirstRand Bank Limited
1 Merchant Place
Fredman Drive
Sandton 2196
(PO Box 786273, Sandton 2146)
South Africa
Tel: +27 11 282 8000
Fax: +27 11 282 8215

INDEPENDENT PROFESSIONAL EXPERT

The Standard Bank of South Africa Limited
3 Simmonds Street
Johannesburg 2001
(PO Box 61344, Marshalltown 2107)
South Africa
Tel: +27 11 636 9115
Fax: +27 11 636 4212

CORPORATE LAW ADVISERS

South Africa
Taback and Associates (Pty) Limited
13 Eton Road
Parktown
Johannesburg 2196
(PO Box 3334, Houghton 2041)
South Africa
Telephone: +27 11 358 7700

AngloGold Ashanti website:
www.AngloGoldAshanti.com

STOCK EXCHANGE LISTINGS

ISIN: ZAE000043485

<i>Stock Exchange</i>	<i>Type</i>	<i>Share code</i>
JSE	Shares	ANG
LSE	Shares	AGD
NYSE`	ADSs	AU
ASX	CDIs	AGG
GhSE	Shares	AGA
GhSE	GhDSs	AAD
Euronext Paris	Shares	VA
Euronext Brussels	IDRs	ANG

GENERAL

AngloGold Ashanti posts information that is important to investors on the main page of its website at www.anglogoldashanti.com and under the "Investors & Media" tab on the main page. This information is updated regularly. Investors should visit this website to obtain important information about AngloGold Ashanti.

DEFINITIONS

In this circular and the documents attached hereto, unless the context indicates otherwise:

- the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and *vice versa*, words importing the masculine include the other gender, and words incorporating persons include juristic persons and associations of persons; and
- all times referred to are South African times unless otherwise stated.

“ADSs”	American Depositary Shares of AngloGold Ashanti deposited with the Bank of New York Mellon, each of which represents one AngloGold Ashanti ordinary share;
“AngloGold Ashanti” or “the Company”	AngloGold Ashanti Limited, registration number 1944/017354/06, a company duly registered and incorporated with limited liability under the laws of South Africa;
“A preference shares”	A redeemable preference shares having a par value of R0.50 each in the issued share capital of AngloGold Ashanti;
“B preference shares”	B redeemable preference shares having a par value of R0.01 each in the issued share capital of AngloGold Ashanti;
“AngloGold Ashanti Group”	AngloGold Ashanti and its subsidiary companies from time to time;
“articles”	the articles of association of AngloGold Ashanti, as amended;
“Assumption of Liability Agreement”	the agreement concluded between AngloGold Ashanti and the trust on 1 November 2006, in terms of which AngloGold Ashanti would make funds available to the trust to subscribe for the ESOP shares;
“BEE”	black economic empowerment;
“BEE transaction”	collectively, the Bokamoso ESOP and the empowerment transaction, in terms of which the trust and Izingwe collectively acquired approximately 1.91% of the issued share capital of AngloGold Ashanti in 2006;
“board” or “directors”	AngloGold Ashanti’s board of directors, as constituted from time to time;
“Bokamoso ESOP”	a broad-based employee share ownership plan established by AngloGold Ashanti for the benefit of ESOP members;
“business day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“cancellation formula”	the formula set out in the rights attaching to the E shares contained in Article 147 of the articles in terms of which AngloGold Ashanti will cancel the E shares, or a portion of them, on each vesting date, as amended;
“cancellations”	the cancellation by AngloGold Ashanti of E shares or a proportion thereof, held by the trust and Izingwe, respectively in accordance with the rights attaching to the E shares, as amended;
“cents”	South African cents, the lawful currency of South Africa;
“CDIs”	AngloGold Ashanti Clearing House Electronic Sub-register System (or CHESS) Depositary Interests, five of which represent one AngloGold Ashanti ordinary share;
“certificated shareholders”	holders of certificated shares;

“certificated shares”	ordinary shares which are evidenced by a certificate or other physical document of title and which have not been surrendered for dematerialisation;
“Charter Scorecard”	the scorecard for the Mining Charter published pursuant to section 100(2)(a) of the MPRDA under Government Gazette (number 26661 of 13 August 2004) as amended or replaced from time to time;
“circular”	this bound document, to be posted to shareholders on or about 14 April 2011, including the notice of general meeting, annexures and forms;
“Companies Act”	the South African Companies Act, No. 61 of 1973, as amended, or the South African Companies Act, No. 71 of 2008, as amended, whichever is in force at the relevant time;
“company laws”	the Companies Act, whichever Companies Act is in force at the relevant time;
“Companies Office”	the Companies and Intellectual Property Commission, established in terms of the South African Companies Act, No. 71 of 2008, as amended, or the Companies and Intellectual Property Registration Office, established in terms of the South African Companies Act, No. 61 of 1973, as amended, whichever is applicable in terms of the company laws;
“corporate law advisers”	Taback and Associates (Pty) Limited;
“CSDP”	Central Securities Depository Participant, a participant as defined in section 1 of the Securities Services Act;
“custody agreement”	the custody mandate agreement between a dematerialised shareholder and a CSDP or broker covering their relationship in respect of dematerialised shares held by the CSDP or broker;
“dematerialised”, “dematerialisation” or “dematerialising”	the process by which certificated shares are or are to be converted into electronic form under Strate for trading on the JSE;
“dematerialised “own name” shareholders”	shareholders who have dematerialised their ordinary shares and which shares are recorded in their own name in the sub-registers maintained by their CSDP/broker;
“dematerialised shareholders”	holders of dematerialised shares;
“dematerialised shares”	ordinary shares which have been dematerialised;
“directors”	the directors of AngloGold Ashanti from time to time;
“effective date”	11 December 2006, being the date that the last of the conditions precedent to the BEE transaction were fulfilled;
“empowerment transaction”	the black economic empowerment transaction concluded between AngloGold Ashanti and Izingwe;
“E shares”	E ordinary shares having a par value of R0.25 each in the share capital of AngloGold Ashanti created to facilitate the BEE transaction;
“E specific issue”	the proposed specific issues of E shares to the trust and Izingwe, being the reinstatement of the two tranches which have been cancelled prior to the date of the general meeting;
“ESOP member”	any employee who falls within Paterson employment bands A, B or C on the effective date and any person who becomes an employee within Paterson employment bands A, B or C after the effective date but no later than the fourth anniversary of the effective date;

“ESOP rules”	the rules governing ESOP members’ entitlement to ESOP shares and related matters;
“ESOP shares”	collectively, the Free shares and the E shares for the purposes of the Bokamoso ESOP issued to the trust;
“Free shares”	960,000 ordinary shares issued by AngloGold Ashanti to the trust in terms of the Trust Subscription Agreement as well as the additional 48,923 ordinary shares proposed to be issued to the trust in terms of the ordinary shares specific issue;
“Further Assumption of Liability Agreement”	the agreement concluded between AngloGold Ashanti and the trust on 5 April 2011, in terms of which AngloGold Ashanti will make funds available to the trust to subscribe for the ESOP shares;
“general meeting”	the general meeting of shareholders to be held at 12:00 on Wednesday, 11 May 2011, in the Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa (or so soon thereafter as the annual general meeting of AngloGold Ashanti convened for 11:00 on the same day and at the same venue shall have been concluded or adjourned);
“GhDSs”	Ghanaian Depositary Shares of AngloGold Ashanti, deposited with NTHC Limited, as depositary, 100 of which represent one AngloGold Ashanti ordinary share;
“GhSE”	the Ghana Stock Exchange;
“HDSA”	a historically disadvantaged South African, being any natural person disadvantaged in law by unfair discrimination before the Constitution of the Republic of South Africa Act, No. 200 of 1993, came into operation;
“IFRS”	International Financial Reporting Standards;
“implementation date”	five business days following the fulfilment of all conditions precedent;
“Income Tax Act”	Income Tax Act, No. 58 of 1962, as amended;
“independent professional expert”	The Standard Bank of South Africa Limited, registration number 1962/000738/06, a company incorporated with limited liability under the laws of South Africa and registered as a bank in South Africa;
“Izingwe”	Izingwe Holdings (Proprietary) Limited, registration number 2005/039358/07, a company incorporated with limited liability under the laws of South Africa;
“Izingwe Subscription Agreement”	the Izingwe subscription and related issues agreement entered into between AngloGold Ashanti and Izingwe on 1 November 2006 in terms of which, <i>inter alia</i> , Izingwe subscribed for and AngloGold Ashanti, issued E shares to Izingwe;
“Izingwe transaction notice”	the written notice delivered by Izingwe to AngloGold Ashanti, in respect of the vesting of the transaction notice shares, stipulating, <i>inter alia</i> , the transaction notice date(s) and the transaction notice shares;
“JSE”	the JSE Limited, registration number 2005/022939/06, a company incorporated with limited liability under the laws of South Africa and licensed as an exchange under the Securities Services Act;
“King Code”	the South African King Code III on Corporate Governance, 2009;
“last practicable date”	7 April 2011, being the last practicable date for inclusion of information prior to the finalisation of this circular;

“Listings Requirements”	the Listings Requirements of the JSE from time to time, as amended to reflect the applicable company laws;
“LSE”	the London Stock Exchange plc, a public company incorporated with limited liability under the laws of England and Wales, registration number 02075721;
“maturity date”	1 November 2014;
“Mining Charter”	the broad-based socio-economic empowerment charter for the South African mining industry, developed under section 100 of the MPRDA together with the Charter Scorecard, and any amended or replacement Mining Charter and/or Charter Scorecard from time to time;
“MPRDA”	the Mineral and Petroleum Resources Development Act, No. 28 of 2002, as amended;
“nacm”	nominal annual compounded monthly in arrears;
“new ESOP member”	an ESOP member whose membership of the Bokamoso ESOP shall have commenced after the effective date;
“notice of general meeting”	the notice of the general meeting of shareholders to be held at 12:00 (South African time) on Wednesday, 11 May 2011, in the Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa or so soon thereafter as the annual general meeting of AngloGold Ashanti, convened for 11:00 on the same day and at the same venue, shall have been concluded or adjourned;
“NYSE”	the NYSE Group, Inc, a company incorporated with limited liability under the laws of the State of Delaware under the I.R.S Employer Identification number 20-2786071, commonly known as “the New York Stock Exchange”;
“ordinary shares”	ordinary shares having a par value of R0.25 each in the share capital of AngloGold Ashanti;
“ordinary shareholders”	registered holders of ordinary shares;
“ordinary shares specific issue”	proposed specific issue of 48,923 ordinary shares to the trust;
“oz”	ounces;
“Project ONE”	the all-encompassing change model designed to modernise and improve operating practices and reduce volatility at the AngloGold Ashanti operations;
“proposed transaction”	collectively, the specific issues and amendments to the articles, as detailed in this circular;
“Rand” or “R”	South African Rand, the lawful currency of South Africa;
“Rand Merchant Bank”	Rand Merchant Bank, a division of FirstRand Bank Limited, registration number 1929/001225/06, a company incorporated with limited liability under the laws of South Africa;
“Sarbanes-Oxley Act”	the US Sarbanes-Oxley Act of 2002;
“SEC”	the US Securities and Exchange Commission;
“Securities Act”	the US Securities Act of 1933, as amended;
“Securities Exchange Act”	the US Securities Exchange Act of 1934, as amended;
“Securities Services Act”	the Securities Services Act, 2004, as amended;
“SENS”	the Securities Exchange News Service of the JSE;
“shareholders”	registered holders of ordinary shares, E shares and A preference shares and/or B preference shares, as the context requires, as reflected on the register;

“share registrars”	Computershare Investor Services (Pty) Limited in South Africa; Computershare Investor Services PLC in the United Kingdom; Computershare Investor Services Pty Limited in Australia and NTHC Limited in Ghana;
“specific issues”	collectively, the E specific issue and the ordinary shares specific issue;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Limited, registration number 1998/022242/06, a company incorporated under the laws of South Africa which operates an electronic settlement environment for transactions to be settled and transfer of ownership to be recorded electronically;
“strike price”	the agreed strike price of R320.00 in respect of the E shares held by the Bokamoso Trust and R330.00 in respect of the E shares held by Izingwe;
“trade unions”	the registered trade unions with whom AngloGold Ashanti currently has a recognition agreement namely, the National Union of Mineworkers, Solidarity and the United Association of South Africa;
“tranche”	a tranche of Free shares and E shares which vests on a vesting date;
“transaction notice date”	the date on which the Izingwe transaction notice will have been given;
“transaction notice shares”	the number of E shares stipulated in the Izingwe transaction notice;
“trust” or “Bokamoso Trust”	the Bokamoso Trust, an empowerment entity established for the purpose of acquiring and managing the ESOP shares for the benefit of the ESOP members;
“trust deed”	the trust deed establishing the trust and setting out, <i>inter alia</i> , governance related matters pertaining to the trust and trustees;
“Trust Subscription Agreement”	the trust subscription and related issues agreement entered into between AngloGold Ashanti and the trust on 1 November 2006 in terms of which, <i>inter alia</i> , the trust would subscribe for and AngloGold Ashanti would allot and issue ESOP shares to the trust;
“trustees”	the person/s appointed from time to time as trustees of the trust;
“US”	United States of America;
“US\$”	US dollar, the lawful currency of the US;
“vesting date”	in respect of each ESOP member, the dates on which ESOP shares vest in the ESOP member, the first of such dates being the third anniversary of the date of first allocation to such ESOP member of ESOP shares, and each subsequent anniversary thereof up to and including 1 November 2013, other than in respect of the reinstated tranches of E shares which are the subject matter of this circular, in relation to which the final vesting date of ESOP shares will be the maturity date;
“VAT”	Value Added Tax, payable in terms of the Value-Added Tax Act, No. 91 of 1991, as amended; and
“VWAP”	volume weighted average price, being the total value of the securities traded for the period divided by the total number of securities traded for the period.



ANGLOGOLD ASHANTI ANGLOGOLD ASHANTI LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1944/017354/06)

ISIN: ZAE000043485 JSE share code: ANG

("AngloGold Ashanti" or "the Company")

CIRCULAR TO SHAREHOLDERS

The definitions commencing on page 5 of this circular apply throughout this circular including the annexures hereto.

1. INTRODUCTION AND PURPOSE

In 2006, AngloGold Ashanti concluded the BEE transaction as part of its commitment to the then Department of Minerals and Energy of the Government of South Africa for the purpose of the conversion of its "old order" mineral rights to "new order" mineral rights. The BEE transaction was concluded in the form of an equity ownership transaction through:

- the issue to the Bokamoso Trust (a trust established to implement a broad-based employee share ownership plan for the benefit of certain AngloGold Ashanti employees, of which the majority qualify as HDSAs as defined in the Mining Charter), of 960,000 ordinary shares and 2,880,000 E shares and the subsequent conversion into ordinary shares and cancellation of a variable number of such E shares by AngloGold Ashanti; and
- the issue to Izingwe (a black controlled investment company) of 1,400,000 E shares and the subsequent conversion into ordinary shares and cancellation of a variable number of such E shares by AngloGold Ashanti.

Due to the market and economic circumstances which prevailed since the launch of the BEE transaction, including specific issues that have impacted upon AngloGold Ashanti and the market price of its ordinary shares in Rand terms, the economics and benefits of the BEE transaction have not materialised as were originally anticipated when the BEE transaction was originally structured and approved. This has resulted in the first tranche of the E shares vesting with only limited value to both the ESOP members and Izingwe and it is similarly anticipated that the second tranche of the E shares, which vests shortly prior to the general meeting, will similarly vest with limited value to both ESOP members and Izingwe. Given the current levels of the strike prices in terms of the cancellation formula applicable to the E shares, economic and market uncertainties and the performance of the AngloGold Ashanti share price, particularly in Rand terms, it is uncertain whether any real value may vest in the BEE transaction at maturity. The board therefore, proposes to make certain amendments to the terms of the BEE transaction in order to improve the economics thereof to the beneficiaries of the BEE transaction with a view to achieving the objectives of the BEE transaction as was originally intended, at limited additional cost when compared to the cost of the BEE transaction when it was originally approved.

The purpose of this circular is to provide shareholders with relevant information relating to the proposed amendments to the BEE transaction. This information will enable shareholders to make an informed decision as to whether or not they should vote in favour of the ordinary and special resolutions to be proposed at the general meeting in order to give effect to the proposed amendments. These resolutions are set out in the notice of general meeting included with this circular.

2. OVERVIEW OF THE BEE TRANSACTION

The following is a brief overview of the BEE transaction concluded by AngloGold Ashanti in 2006 which information has been provided to enable shareholders to understand the proposed amendments which are set out in more detail in this circular:

2.1 The Bokamoso ESOP transaction

The Bokamoso ESOP subscribed for:

- 960,000 ordinary shares at a subscription price equal to the opening price of such ordinary shares on the JSE at the effective date, which price was R320.00; and
- 2,880,000 E shares at an amount per E share equal to 38.88% of an ordinary share on the JSE at the effective date, which 30-day VWAP was R326.13 and consequently which subscription amount per E share was R126.80. The issue price of the E shares was determined based on the option value of such shares in accordance with their terms. The E shares were divided into five equal tranches of 576,000 shares each.

The cost of such subscriptions was facilitated through contributions made to the Bokamoso ESOP by South African employer companies within the AngloGold Ashanti Group in terms of the Assumption of Liability Agreement.

ESOP members are entitled to receive the full benefit of the vested ordinary shares on each vesting date.

With regards to each E share, the closing price of an ordinary share on the JSE on the last trading day prior to each relevant cancellation date (“the cancellation price”) is compared to the amount required to provide AngloGold Ashanti with a notional return of 7% nacm on the notional value of an E share (being 90% of the opening price of an ordinary share at the effective date), less the E share adjustment as defined in paragraph 2.2 below (“the Bokamoso cancellation amount”).

Where, on any relevant cancellation date, the cancellation price exceeds the value of the Bokamoso cancellation amount, AngloGold Ashanti will cancel as many E shares from the relevant tranche as are required to settle in full, the aggregate Bokamoso cancellation amount in respect of that tranche, valuing each E share cancelled at a price equivalent to the cancellation price. E shares in each tranche that are not cancelled in this manner convert to ordinary shares, are listed on the JSE within five business days of the relevant cancellation date and vest in the relevant ESOP members.

If the cancellation price of a tranche is below the value of the Bokamoso cancellation amount, ESOP members do not benefit nor will they incur any loss. In this circumstance, however, the Bokamoso ESOP rules provide for a six-month extension of the vesting date in anticipation that share price increases by the end of that period may provide a benefit for such ESOP members.

If the cancellation price of a tranche is below the value of the Bokamoso cancellation amount at the end of any such six-month extension period, AngloGold Ashanti is entitled and obliged to cancel that tranche of E shares in full and final settlement of the Bokamoso cancellation amount. In this case, none of the E shares convert to ordinary shares and therefore, such E shares are cancelled with no benefit to the ESOP members.

The fair value (accounting cost) of the Bokamoso ESOP transaction was R465 million at the date of its implementation which cost was to be amortised over the life of the BEE transaction.

Shareholders are referred to the circular to shareholders dated 13 November 2006 for full details of the BEE transaction.

2.2 The empowerment transaction

Izingwe subscribed for 1,400,000 E shares at the par value of R0.25 per E share for a total subscription price of R350,000, funded by Izingwe. The E shares were divided into five equal tranches of 280,000 E shares each.

The closing price of an ordinary share on the JSE on the last trading day prior to each transaction notice date (“the transaction notice price”) is compared to the amount required to provide AngloGold Ashanti with a notional return of 8% nacm on the notional value of an E share (being 90% of the opening price of an ordinary share at the effective date, less the subscription price of R0.25 per E share) less the E share adjustment as defined below (“the Izingwe cancellation amount”).

Where, on any transaction notice date, the transaction notice price exceeds the value of the Izingwe cancellation amount, AngloGold Ashanti cancels so many E shares from the relevant portion of the relevant tranche as are required to settle the aggregate Izingwe cancellation amount in respect of that portion of that tranche in full, valuing each E share at the closing price of an ordinary share on the JSE on the last trading day prior to the relevant transaction notice date. E shares from each portion of each tranche that are not cancelled in this manner convert into ordinary shares, are listed on the JSE within five business days of the transaction notice date and vest in Izingwe.

Izingwe is entitled to delay the vesting date and the cancellation of the E shares in any tranche until any date between the respective vesting date of the tranche and six months thereafter.

If the transaction notice price of a tranche on such transaction notice date is below the Izingwe cancellation amount, AngloGold Ashanti is entitled and obliged to cancel that entire tranche of E shares on that transaction notice date and consequently, no E shares convert to ordinary shares and therefore such E shares are cancelled with no benefit to Izingwe.

Izingwe is entitled, by not later than five business days after the relevant transaction notice date, to subscribe for a number of ordinary shares equal to the number of E shares that are not cancelled in any tranche and therefore convert into ordinary shares at a price per ordinary share equal to the transaction notice price on the relevant transaction notice date.

In the case of the Bokamoso ESOP, the E shares issued in terms of the BEE transaction are unlisted until, each relevant cancellation date and, in the case of the empowerment transaction, until each transaction notice date. On each relevant cancellation date (in the case of the Bokamoso ESOP) and on each transaction notice date (in the case of empowerment transaction), subject to certain conditions as set out in summary below, the E shares in the relevant tranche are either cancelled or convert into ordinary shares, with all the rights attaching to existing ordinary shares. Each E share is entitled to the same number of votes in general meeting as an ordinary share, subject to certain restrictions. Prior to cancellation or conversion, each E share receives a cash dividend equal to 50% of the dividends declared on each ordinary share ("E share cash dividend"), which is paid to the holder of the E share. In respect of each E share, a notional amount equal to the remaining 50% of the dividends declared on an ordinary share is applied as an input in determining whether such E share is cancelled or converted into an ordinary share ("E share adjustment").

The fair value (accounting cost) of the empowerment transaction was R131 million at the date of its implementation which cost was fully accounted for as a charge to AngloGold Ashanti's income statement at the time of shareholder approval for the BEE transaction.

Shareholders are referred to the circular to shareholders dated 13 November 2006 for full details of the BEE transaction.

3. RATIONALE FOR THE PROPOSED AMENDMENTS TO THE BEE TRANSACTION

AngloGold Ashanti has committed itself to participating in the transformation and development of South Africa for the future benefit of all South Africans. AngloGold Ashanti fully embraces the Mining Charter and wishes to ensure that AngloGold Ashanti in South Africa is transformed in accordance with the requirements thereof.

In pursuit of this goal, in respect of BEE ownership and before the advent of the Mining Charter in 2004, AngloGold Ashanti entered into a number of transactions with African Rainbow Minerals between 1998 and 2001 involving the sale of various of AngloGold Ashanti's Vaal River and Free State assets.

In 2006, in further pursuit of this goal, and to fulfil the conditions set out in notarial agreements related to the granting of AngloGold Ashanti's Vaal River and West Wits mining rights in 2005, AngloGold Ashanti concluded two further BEE transactions. These were, firstly, the establishment of the Bokamoso ESOP, an Employee Share Ownership Plan involving all South Africa-based employees who were not eligible for participation in the management share schemes at the time and, secondly, the empowerment transaction with Izingwe, a BEE company.

The E shares operate essentially as share options, with the strike price currently increasing subject to a notional interest rate (7% nacm for the Bokamoso ESOP and 8% nacm for Izingwe), with 50% of the value of dividends paid to ordinary shareholders being applied to retire the notional debt. The current transaction rules determine that the E shares vest in five equal annual tranches from 1 November 2009 to 1 November 2013, with each vesting date being extended by six months in certain circumstances, resulting in a final vesting date of 1 May 2014.

At the last practicable date, the strike prices were R387.86 and R405.21 for the Bokamoso ESOP and Izingwe, respectively. BEE beneficiaries have to date received some value through partial dividend streams and the rights issue undertaken by AngloGold Ashanti in 2008. However, due to share price performance since the onset of the 2008 global financial crisis, including specific issues that have impacted upon AngloGold Ashanti and the strength of the Rand relative to the US dollar, which, in particular, has impacted the prevailing market price of its ordinary shares in Rand terms, combined with the effect of the notional interest which has been added to the original strike price as outlined above, the first tranche of E shares, despite the original vesting date of 1 November 2009 having been extended by six months in terms of the ESOP rules, vested in May 2010 without any value for the BEE beneficiaries. The second tranche of E shares, which was due to vest on 1 November 2010 but which vesting date has similarly been extended to May 2011, is also expected to vest without realising any value for the BEE beneficiaries.

Ordinarily, this would be accepted as a normal risk of share ownership. However, it should be borne in mind that the Bokamoso ESOP was established to create an opportunity for AngloGold Ashanti and the trade unions to ensure a closer alignment of the interests between employees and AngloGold Ashanti, and the seeking of shared growth solutions to build partnerships in areas of shared interest. The BEE transaction was designed to enable AngloGold Ashanti to further play its part in ameliorating South Africa's historical legacy and enhance entrepreneurship (in addition to the transactions that AngloGold Ashanti entered into with African Rainbow Minerals in 1998 and 2001).

The board believes that pro-actively implementing the amendments proposed in this circular will be recognised by Government, AngloGold Ashanti's employees and their representatives, Izingwe and society as a whole, as reinforcing AngloGold Ashanti's continued commitment to the spirit of transformation and empowerment as contained in the Mining Charter. Management believes that a failure to do so could have negative consequences in respect of labour relations within AngloGold Ashanti's South African operations, and, more broadly, would be a missed opportunity for reinforcing AngloGold Ashanti's reputation as a good corporate citizen in South Africa.

In this light, the board has taken the view that it is appropriate that as far as possible the E shares, on vesting, should see the transfer of an element of value.

Following a period of consultation with representatives of employees and Izingwe, the board believes a solution to this dilemma has been found, at a reasonable incremental cost to shareholders. The financial impact of the proposed amendments to the BEE transaction is set out in paragraphs 4.1.3 and 4.2.3 below. The board has appointed the independent professional expert, who has advised that the proposed transaction is fair to the shareholders. The opinions of the independent professional expert and the board, together with the recommendation of the board, regarding the proposed transaction are included in paragraph 12 below.

The proposed amendments to the BEE transaction primarily relate to the E shares (being option type instruments). Ordinary shares (designated Free shares) issued in terms of the Bokamoso ESOP will continue to vest as originally planned and no amendments to the BEE transaction in respect of these shares are proposed.

4. PROPOSED AMENDMENTS TO THE BEE TRANSACTION

4.1 The Bokamoso ESOP

4.1.1 Resetting of the strike price

As at the last practicable date the strike price was R387.86. The board proposes to amend the strike price in respect of all of the E shares issued to the Bokamoso Trust to a base price of R320.00, as well as to reset the notional interest rate at 0%, effective from implementation date going forward, in order to improve the economic position of the Bokamoso ESOP. As a result of these amendments, the strike price of the E shares will, in determining the Bokamoso cancellation amount, in effect be the base price adjusted by 50% of the value of any dividend declared and paid to ordinary shareholders.

The proposed resetting of the base price will require an amendment to the rights attaching to the E shares. See paragraph 4.3 below for the details of the proposed amendments.

An ordinary resolution approving the proposed amendments to the BEE transaction is contained in the notice of general meeting, as well as a special resolution to amend article 147 of the Company's Articles of Association to amend the rights attaching to the E shares.

4.1.2 Reinstating lapsed shares

Due to the cancellation price of the first tranche of E shares being below the value of the Bokamoso cancellation amount six months after the vesting date of that tranche, the first tranche of 576,000 E shares, which finally vested in May 2010, was cancelled in full without any value accruing to the Bokamoso ESOP. The second tranche of 576,000 E shares which is due to vest in May 2011 is also expected to be cancelled in full without any value for the Bokamoso ESOP.

The board proposes that these two tranches of E shares be re-instated, but only to the extent that those ESOP members who had an entitlement to these tranches are still in the employ of AngloGold Ashanti on the date of the general meeting. The first tranche which has already been cancelled, as well as the second tranche due to vest in May 2011, will be reinstated such that the vesting of all of the E shares allocated to the affected ESOP members, including the reinstated E shares, will thereafter be spread equally over the next four years until the maturity date on 1 November 2014, thereby extending the original seven-year term of the Bokamoso ESOP by a further year. Given the proposed resetting of the base price, it will no longer be necessary to provide for extension of any vesting dates by up to six months after 1 November of each year, as is currently provided for in terms of the ESOP rules.

The reinstatement of the two tranches of E shares affects continuing employees who became ESOP members on 1 November 2006 and 1 November 2007, respectively. The practical effect for them of such reinstatement is that the benefits accruing to them under the scheme will now vest in them in four successive equal annual tranches with effect from 1 November 2011 onwards.

In terms of the dispensation granted by the JSE for the issue of the E shares, once the E shares have been cancelled they cannot be re-issued without the prior written consent of the JSE and subject to the approval of shareholders. AngloGold Ashanti has, in this regard, approached the JSE which has granted approval, subject to the approval of shareholders to allow the cancelled E shares to be reissued.

AngloGold Ashanti will make a specific issue for cash of 810,634 E shares to the Bokamoso Trust at a subscription price per E share calculated as the fair value thereof on date of issue by reference to the closing price per share traded on the JSE on the last trading day immediately preceding the issue date, subject to a maximum subscription price of R90.00 per E share. Based on prevailing market share price, volatility and other assumptions as at 22 March 2011 of R315.00 per share, the indicative fair value is 15.943% thereof, yielding an anticipated subscription price of approximately R50.22 per E share. The aggregate subscription price of R40.7 million for the E shares will be funded by the Bokamoso Trust utilising funds obtained under the Further Assumption of Liability Agreement. In terms of the Further Assumption of Liability Agreement, AngloGold Ashanti has agreed to make available to the Bokamoso Trust the funds required to discharge the subscription prices payable for the additional E shares and ordinary shares which it proposes will be issued to the trust for purposes of the Bokamoso ESOP, the subject matter of this circular, on identical terms and conditions as the funding provided to the trust during December 2006 to subscribe for the original allotment of ESOP shares.

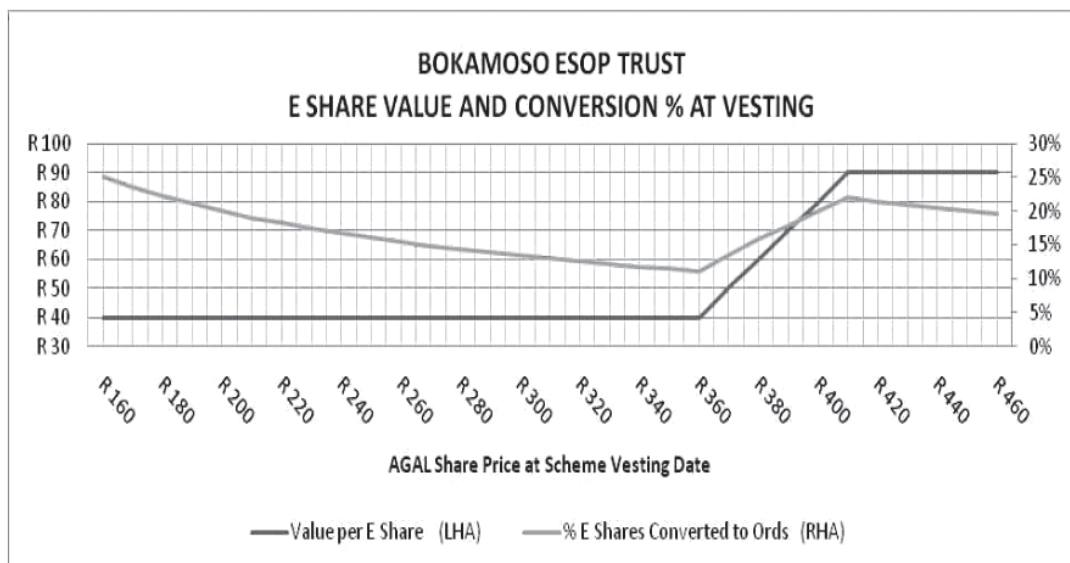
4.1.3 Introduction of a minimum payout and maximum payout ("floor" and "cap")

In order to ensure that a reasonable minimum value is realised going forward, the board proposes to provide for a minimum payout of R40.00 per E share at each vesting date ("floor"). This amount will be taken into account in the formula determining the cancellation amount accruing to an ESOP member upon cancellation of his or her vested E shares and the consequent number of ordinary shares into which E shares will be converted on each vesting date (i.e. the formula will be amended to provide for a minimum aggregate value of R40.00 per E ordinary share).

In order to reduce the cost of the above amendments to an acceptable level, the board proposes to introduce a maximum price per E share ("cap") of R410.00. Whilst the Bokamoso ESOP currently provides for unlimited upside, the proposed amendments will provide a cap on the potential upside that the Bokamoso ESOP could earn in respect of the E shares.

All the above amendments will result in an indicative incremental IFRS 2 cost to AngloGold Ashanti of R64.1 million (approximately US\$9.6 million) in respect of the E shares. These costs will be amortised over the life of the transaction. These cost estimates are based on the prevailing market share price, volatility and other assumptions at 22 March 2011, and may change due to the prevailing market parameters at the time of implementation.

The chart below indicates, for a range of ordinary share prices, and per each E share, the value that will be derived for a member of the Bokamoso Trust and the percentage of E shares as issued to the Bokamoso Trust that will convert to ordinary shares:



4.2 The empowerment transaction

4.2.1 Resetting of the strike price

At the last practicable date the strike price was R405.21 for Izingwe. The board proposes to amend the strike price to R330.00 for Izingwe in order to improve the economic position of Izingwe. In addition to resetting the strike price, the notional interest rate will be set at 0%, effective from the implementation date going forward which will result in the base price remaining constant for the remaining period of the empowerment transaction. As a result of these amendments the strike price of the E shares will, in determining the Izingwe cancellation amount, be the base price adjusted by 50% of the value of any dividend declared and paid to ordinary shareholders.

Resetting of the strike price will require an amendment to the rights attaching to the E shares. See paragraph 4.3 below for the details of the proposed amendments.

An ordinary resolution approving the proposed amendments to the BEE transaction is contained in the notice of general meeting, as well as a special resolution to amend article 147 of the Company's Articles of Association to amend the rights attaching to the E shares.

4.2.2 Reinstating lapsed shares

Due to the transaction notice price of the first tranche of E shares being below the value of the Izingwe cancellation amount six months after the vesting date, the first tranche of E shares, being 280,000 E shares in total, which vested in May 2010 was cancelled in full without any value accruing to Izingwe. The second tranche of 280,000 E shares which is due to vest in May is also expected to be cancelled in full without value for Izingwe.

The board proposes that these two tranches of E shares be re-instated. The first tranche which has already been cancelled, as well as the second tranche due to vest in May 2011, will be reinstated such that the vesting of all of the E shares issued to Izingwe (including the reinstated E shares) will be spread equally over four years from 1 November 2011 to 1 November 2014.

AngloGold Ashanti will make a specific issue of 560,000 E shares to Izingwe at a subscription price of R0.25 per share for an aggregate subscription price of R140,000. Izingwe will fund the subscription price utilising its own resources.

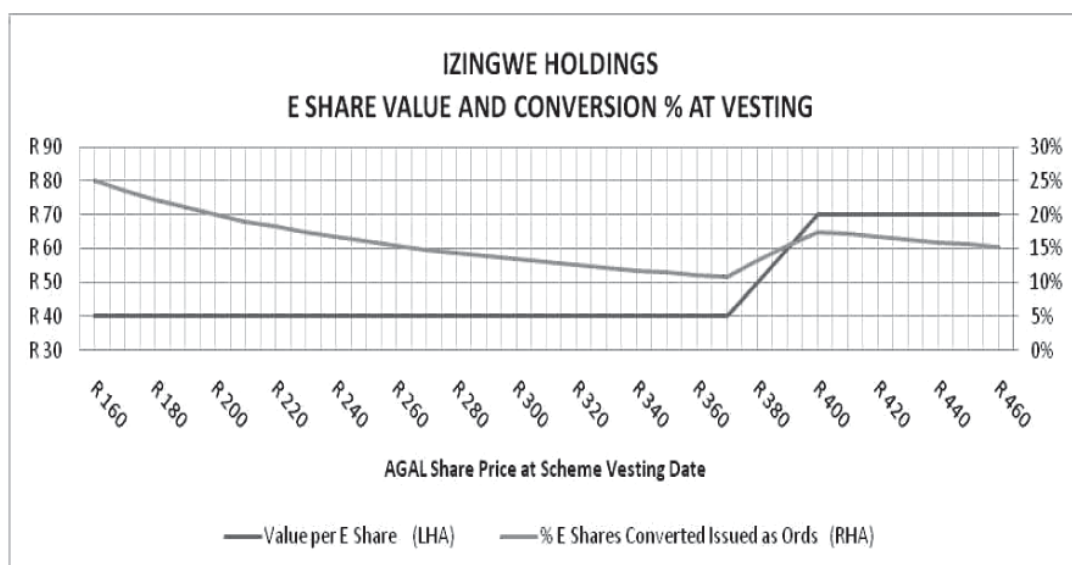
4.2.3 Introduction of a minimum payout and maximum payout (“floor” and “cap”)

In order to protect Izingwe against the risk of not realising any value, the board proposes to provide for a minimum payout of R40.00 per E share at each vesting date (“floor”). This amount will be taken into account in the formula determining the number of ordinary shares into which the E shares will be converted on each vesting date (i.e. the formula will be amended to provide for a minimum aggregate value of R40.00 per E ordinary share).

In order to reduce the cost of the above amendments to acceptable levels, the board proposes to introduce a maximum price per E share (“cap”) of R400.00. Whilst the empowerment transaction currently provides for unlimited upside, the proposed amendments will provide a cap on the potential upside that Izingwe could enjoy in respect of the E shares.

The above amendments will result in an incremental IFRS 2 cost of R41.0 million (approximately US\$6 million) to AngloGold Ashanti, which cost will be charged to AngloGold Ashanti’s income statement upon approval by shareholders of the transaction. This cost is based on the prevailing market share price, volatility and other assumptions at 22 March 2011, and may change due to the prevailing market parameters at the time of implementation.

The chart below indicates, for a range of share prices, and per each E share, the value that will be derived for Izingwe and percentage of E shares as issued to Izingwe that will convert to ordinary shares:



4.3 Amendments to the rights attaching to the E shares

The rights attaching to the E shares include formulae to determine the number of, and price for the cancellation, and conversion to ordinary shares, of the E shares by AngloGold Ashanti. The proposed amendments to the BEE transaction will require an amendment to these rights in order to give effect to the BEE transaction as amended. Details of the revised formula are contained in the special resolution set out in the notice of general meeting.

4.4 Specific issue of additional ordinary shares to the trust

The trust deed provides for a certain qualification criteria for employees to be eligible beneficiaries. The trust deed provides for 1 November 2010 to be the cut-off date for participation in the Bokamoso

ESOP. As at this cut-off date there are number of employees who qualified to receive ESOP shares but were not granted any shares as there were insufficient shares available for allocation. The board proposes to allocate a further 48,923 ordinary shares (Free shares) to the trust for this purpose.

The trust will pay a subscription price per share equal to the lower of R315.00 and the closing price per share traded on the JSE on the last trading day immediately preceding the date of issue, totalling an indicative aggregate subscription price of R15,410,745. The trust will fund the subscription utilising funds obtained under the further assumption of liability agreement. This issue of shares will result in an indicative IFRS 2 cost of R15.4 million (approximately US\$2.2 million) which cost will be amortised over the life of the transaction.

The issue of ordinary shares to the trust constitutes a specific issue of shares for cash in terms of the Listings Requirements. Such issue requires the approval of an ordinary resolution by a 75% majority vote of shareholders in general meeting present in person or by proxy.

5. NATURE OF ANGLOGOLD ASHANTI'S BUSINESS, STRATEGY AND PROSPECTS

AngloGold Ashanti, headquartered in Johannesburg, South Africa, is a global gold company with a diversified portfolio of assets in many key gold producing regions. At 31 December 2010, AngloGold Ashanti had gold reserves of 71.2Moz. For the year ended 31 December 2010, AngloGold Ashanti had total consolidated revenues, in accordance with International Financial Reporting Standards, of US\$5.3 billion (which excludes revenue from by-products and interest earned) and gold production of 4.52Moz, produced at a total cash cost of US\$638/oz.

AngloGold Ashanti was incorporated in South Africa in 1944 under the name of Vaal Reefs Exploration and Mining Company Limited and in South Africa, is subject to the Companies Act. AngloGold Ashanti was formed through the consolidation of the gold interests of Anglo American Corporation of South Africa Limited and its associated companies into a single focused, independent gold company in 1998. At the time AngloGold Ashanti's production and reserve base were primarily located in South Africa (96.6% of 1997 production and 99% of reserves at 31 December 1997), and one of AngloGold Ashanti's primary objectives was to achieve greater geographic and orebody diversity. Through a combination of merger, acquisition and disposal initiatives as well as organic growth activities, AngloGold Ashanti has developed a high quality, well-diversified asset portfolio resulting in:

- gold production from 20 operations in ten countries – Argentina, Australia, Brazil, Ghana, Guinea, Mali, Namibia, South Africa, Tanzania and the US;
- 60.5% of gold production and 57.3% of gold reserves for the year ended 31 December 2010 being from operations outside of South Africa; and
- gold production from a broad variety of orebody types as well as a variety of open-pit and heap-leach underground, surface and dump reclamation operations, with open-pit and underground mines.

AngloGold Ashanti's business strategy is reviewed regularly to determine progress in its implementation against the backdrop of a dynamic operating and regulatory environment. These evaluations allow for tactical adjustments necessary to achieve the ultimate goal of becoming "the leading mining company".

AngloGold Ashanti has defined its strategic focus in five parts:

- **Recognise that "People are the business"** – organisational development is a strategic value driver for the group;
- **Maximise margins** – manage both revenue and costs to ensure delivery and protection of returns throughout the economic cycle;
- **Manage the business as an asset portfolio** – use capital deployment optimisation approaches to support delivery of return targets;
- **Grow the business** – have a definite strategy for both organic growth and growth by acquisition and opportunistic in seeking value accretive targets; and
- **Embrace sustainability principles** – understand and focus on creating value for both business and social partners to manage risk and opportunity.

The key components of each of the strategy points are as follows:

5.1 People are the business

AngloGold Ashanti recognises that “People are the Business” and through its:

- **Mission**, defines a clear view of the organisation;
- **Vision**, reflects a clear and consistent view of the organisation’s future;
- **Values**, recognises that the process used to achieve results is as important as the results themselves;
- **Business Process Framework**, defines the policy, standards and operating framework necessary to establish a flexible and responsive work model within which people have the opportunity to be creative and realise their potential; and
- **Organisational model**, ensures that the right person, does the right work, in the right way and at the right time.

5.2 Maximise margins

AngloGold Ashanti seeks to ensure sustainable value and maximise returns by:

- **Managing revenues** to ensure that full value is realised from its products by:
 - managing product sales to realise premiums for the delivery of a superior quality product and by exploring other value adding initiatives;
 - delivering products of a consistent quality, on time; and
 - offering exposure to spot prices;
- **Managing costs** to protect margins and returns on capital employed by:
 - applying resource development strategies to maintain operating margins over the life cycle of the assets;
 - protecting critical margins where appropriate;
 - maintaining costs below the industry’s mean in order to minimise risks to cashflow and returns in a volatile price environment; and
 - optimising capital deployment by investing only in assets and growth opportunities which offer superior returns.

5.3 Manage the business

Meeting commitments is a critical objective and includes:

- ensuring safe work practices and a healthy workforce;
- generating returns on capital of more than 15% through the cycle;
- meeting production and cost targets;
- managing costs to maximise margins and return on capital employed over the life cycle of all operations and projects; and
- maximising revenues.

Implementing Project ONE to standardise all operating procedures and achieve key five-year goals. The five-year goals agreed in 2008 were:

- a 70% reduction in accidental rates;
- a 30% improvement in overall productivity (in terms of ounces of gold produced per employee);
- a 60% reduction in reportable environmental incidents;
- a 20% increase in gold production;
- a 25% reduction in real IFRS total cash costs per ounce; and
- to deliver an average return on capital to above 15%.

Given the progress achieved to date, the Board reviewed and amended the following key five-year goals in late 2010 for the period 2011 to 2015, as follows:

- Safety – an all injury frequency rate of less than 9 per million hours worked by 2015;
- Productivity – 20% improvement in oz/TEC by 2015;
- Environment – 30% reduction in reportable incidents by 2015;

- Production (attributable ounces produced) – between 5.4Moz and 5.6Moz, an improvement of 20% on base;
- Total cash cost per ounce – a 20% improvement in real unit costs by 2015 (as adjusted for mining inflation); and
- Return on shareholders' equity (%) – 15% through the cycle to 2015.

5.4 Manage the business as an “asset portfolio”

AngloGold Ashanti regularly reviews and ranks each asset and project as part of its annual business planning process. This ranking is both absolute and relative to its peer group, with the aim of:

- ensuring that individual assets and projects meet or exceed specified risk-adjusted rates of return;
- identifying the strengths and weaknesses of the portfolio, with particular focus on portfolio risk;
- implementing strategies to identify optimal ore body capability;
- applying methods and design to ensure optimal operating performance;
- ensuring the application of detailed planning and scheduling, together with the use of best-practise operating methods associated with each asset;
- optimising returns from existing assets and growth opportunities; and
- selling those assets that no longer meet the Company's criteria at attractive valuations.

5.5 Grow the business

AngloGold Ashanti seeks to further enhance shareholder value through:

- **Exploration** – leveraging its asset portfolio and landholdings through greenfield and brownfield exploration and development while targeting new opportunities;
- **Brownfield development** – the development portfolio comprises board approved projects including: the Tropicana gold project in Australia; the Córrego do Sítio and Lamego projects in Brazil; the Mine Life Extension project at Cripple Creek & Victor in the United States; the Ventersdorp Contact Reef project at the Mponeng mine in South Africa; and others undergoing feasibility studies in Argentina, Brazil, Colombia, the Democratic Republic of the Congo, Mali, Namibia, South Africa and the United States;
- **New projects** – by promoting organic growth and leveraging current positions;
- **Mergers and acquisitions** – by selectively pursuing value accretive merger and acquisition opportunities; and
- **Logical incrementalism** – by maximising the value of other commodities within an existing and developing asset portfolio.

5.6 Embrace sustainability principles

AngloGold Ashanti seeks to embrace sustainability principles to create business and social partnerships based on mutual value creation. This approach includes:

- **Safety and health** – by ensuring the commitment to the welfare of people remains the Company's most important value;
- **Environment** – by managing the impact on the environment, meeting commitments made to host communities and ensuring AngloGold Ashanti is the preferred development partner for mining projects;
- **Community relations** – establishing relationships and developing strategies that support the creation of unique value for various community partners;
- **Institutional relations** – working through the respective government and other local institutions, while respecting the values and traditions of each jurisdiction; and
- **Political relationships** – managing relationships consistent with the Company's values.

AngloGold Ashanti's production and total cash cost guidance for the full year 2011 is expected to be 4.55Moz to 4.75Moz at a total cash cost of between US\$660 per ounce to US\$685 per ounce. This assumes an average exchange rate of R7.11/US\$, Brazilian real 1.70/US\$, Australian dollar/US\$0.98, Argentinean peso 4.12/US\$ and a Brent Crude oil price of US\$95 per barrel.

6. DIRECTORS AND SENIOR MANAGEMENT

The full names, positions and business addresses of the directors and senior management are set out in Annexure 5.

6.1 Directors' remuneration

The remuneration receivable by directors will not be varied as a consequence of the proposed transaction.

6.2 Directors' interests in ordinary shares

At the last practicable date, the directors' direct and indirect beneficial interests in AngloGold Ashanti's issued ordinary share capital, which interests do not individually exceed 0.1%, are as follows:

	Beneficial Direct	Beneficial Indirect
Executive directors		
M Cutifani	10,000	–
S Venkatakrishnan	10,351	–
Non-executive director		
F B Arisman	–	4,984
W L Nkuhlu	–	800
	20,351	5,784

Other than as listed above, the directors do not have any interest in the share capital of AngloGold Ashanti.

6.3 Directors' interests in transactions

The directors had no material beneficial interests, directly or indirectly, in transactions effected by AngloGold Ashanti during the current or immediately preceding financial year or any transaction during any financial year which remains in any respect, outstanding or unperformed.

Other than S M Pityana in his capacity as shareholder in Izingwe and his interest insofar as the E specific issue contemplated in this circular is concerned, none of the other directors will benefit from the implementation of the proposed transaction. Mr Pityana, his spouse and children, through a family trust, holds 44% of Izingwe and thus indirectly holds 616,000 E shares (inclusive of the cancelled shares).

Other than the relationship that exists between AngloGold Ashanti, the trust and Izingwe (as stated above) pertaining to the BEE transaction, there are no related party concerns.

7. INFORMATION ON THE SHARE CAPITAL OF ANGLOGOLD ASHANTI

7.1 Authorised and issued share capital

The authorised and issued share capital of AngloGold Ashanti, at the last practicable date, before the proposed amendments, is set out below:

	Ordinary shares	A redeemable preference shares	B redeemable preference shares	E shares
Authorised:				
– number	600,000,000	2,000,000	5,000,000	4,280,000
– amount	ZAR150,000,000	ZAR1,000,000	ZAR50,000	ZAR1,070,000
Issued:				
– number	381,444,341	2,000,000	778,896	2,766,098
– nominal amount	ZAR95,361,085	ZAR1,000,000	ZAR7,789	ZAR691,525
– share premium amount	ZAR45,794,907,623	ZAR117,456,000	ZAR194,716,211	ZAR208,313,702
– total share capital	ZAR45,890,268,708	ZAR118,456,000	ZAR194,724,000	ZAR209,005,227

The authorised and issued share capital of AngloGold Ashanti, at the last practicable date, after the proposed amendments is set out below:

	Ordinary shares	A redeemable preference shares	B redeemable preference shares	E shares
Authorised:				
– number	600,000,000	2,000,000	5,000,000	4,280,000
– amount	ZAR150,000,000	ZAR1,000,000	ZAR50,000	ZAR1,070,000
Issued:				
– number	381,493,264 ⁽¹⁾	2,000,000	778,896	4,136,732 ⁽²⁾
– nominal amount	ZAR95,373,316	ZAR1,000,000	ZAR7,789	ZAR1,034,183
– share premium amount	ZAR45,810,306,137	ZAR117,456,000	ZAR194,716,211	ZAR281,068,104
– total share capital	ZAR45,905,679,453	ZAR118,456,000	ZAR194,724,000	ZAR282,102,287

(1) A total of 48,923 ordinary shares are to be issued to the Bokamoso ESOP.

(2) A total of 1,370,634 E shares are to be issued, 810,634 to the Bokamoso ESOP and 560,000 to Izingwe.

(3) The total additional shares to be issued in respect of (1) and (2) above, is equivalent to some 0.36% of total issued ordinary share capital.

The ordinary shares, the E shares and the A redeemable preference shares have voting rights, while the B redeemable preference shares have voting rights only under certain circumstances and, in respect of each of these classes of shares, there is no provision in the articles for cumulative voting.

The A and B redeemable preference shares, all of which are held by a wholly-owned subsidiary, Eastvaal Gold Holdings Limited, may not be transferred and are redeemable from the realisation of the assets relating to the Moab lease area after the cessation of mining operations in the area. The shares carry the right to receive dividends equivalent to the profits (net of royalty, ongoing capital expenditure and taxation) from operations in the area. No further A and B redeemable preference shares will be issued.

All of the issued ordinary shares, E shares, A redeemable preference shares and B redeemable preference shares are fully paid and are not subject to further calls or assessment by AngloGold Ashanti.

Votes of unlisted securities will not be taken into account in determining a quorum.

7.2 Alterations in share capital

7.2.1 The summarised changes to AngloGold Ashanti's issued ordinary share capital during the financial years ended 31 December 2010, 2009 and 2008 are set out below:

Details	2010		2009		2008	
	Number of shares	Rand	Number of shares	Rand	Number of shares	Rand
At 1 January	362,240,669	90,560,167	353,483,410	88,370,853	277,457,471	69,364,368
Issued during the year:						
– Rights Offer	–	–	–	–	69,470,442	17,367,611
– Golden Cycle acquisition	–	–	–	–	3,181,198	795,299
– Sao Bento acquisition	–	–	–	–	2,701,660	675,415
– Equity offering to fund the initial 35% interest in the Kibali gold project	–	–	7,624,162	1,906,041	–	–
– Equity raising – proceeds used to part fund the hedge book elimination	18,140,000	4,535,000	–	–	–	–
– Bokamoso ESOP on conversion of E ordinary shares ⁽¹⁾	–	–	1,181	295	94	24
– Exercise of options by participants to the AngloGold Share Incentive Scheme	823,411	205,853	1,131,916	282,979	672,545	168,136
At 31 December	381,204,080	95,301,020	362,240,669	90,560,167	353,483,410	88,370,853

(1) The share capital in respect of the E shares which were cancelled without benefit and for which no ordinary shares were issued, was transferred to ordinary share premium. E shares do not convert to ordinary shares in the instance when the market price of an AngloGold Ashanti ordinary share on the JSE is less than the value of the E shares as calculated in accordance with the cancellation formula.

7.2.2 The summarised changes to AngloGold Ashanti's issued E ordinary share capital during the financial years ended 31 December 2010, 2009 and 2008 are set out below:

Details	2010		2009		2008	
	Number of E shares	Rand	Number of shares	Rand	Number of shares	Rand
At 1 January	3,794,998	948,749	3,966,941	991,735	4,140,230	1,035,057
– Cancelled in exchange for ordinary shares in terms of the cancellation formula, with or without benefit	(988,872)	(247,218)	(171,943)	(42,986)	(173,289)	(43,322)
At 31 December	2,806,126	701,531	3,794,998	948,749	3,966,941	991,735

8. ESTIMATED EXPENSES

It is estimated that the total amount of the expenses incurred by AngloGold Ashanti in the implementation of the proposed transaction is approximately R6.9 million excluding VAT. These expenses will be paid from available cash resources and comprise the following:

Name	Capacity	R'000
Rand Merchant Bank	Merchant bank and transaction sponsor	3,000
Ernst & Young Inc.	Reporting accountant	500
Taback & Associates (Proprietary) Limited	Corporate lawyers	1,300
Standard Bank	Independent professional expert	750
Ince (Proprietary) Limited and other	Printers and integrated communications agencies	950
JSE and other stock exchanges	Documentation and listing fees	400
Total estimated transaction costs		6,900

Over the past three years, AngloGold Ashanti has undertaken the following equity transactions, against which the total expenses incurred by AngloGold Ashanti, excluding underwriting commissions are reflected:

Transaction	Total expenses incurred
2008 – Rights issue for which 69,470,442 shares were issued	US\$16.3 million
2008 – Acquisition of Golden Cycle for which 3,181,198 shares were issued	US\$0.8 million
2008 – Acquisition of Sao Bento for which 2,701,660 shares were issued	US\$0.5 million
2009 – Issue of 7,624,162 to fund the initial 35% interest in the Kibali gold project	US\$1.1 million
2010 – Issue of 18,140,000 shares to part fund the hedge book elimination	US\$3.5 million

9. UNAUDITED *PRO FORMA* FINANCIAL INFORMATION RELATING TO ANGLOGOLD ASHANTI

The unaudited *pro forma* financial information of AngloGold Ashanti was prepared in order to show the effects of the proposed transaction, assuming that the proposed transaction took place to its full extent on 1 January 2010 for purposes of the income statement for the twelve-month period ended and as at 31 December 2010 for purposes of the statement of financial position. The unaudited *pro forma* financial effects have been prepared using accounting policies that are consistent with IFRS and with the basis in terms of the accounting policies adopted by AngloGold Ashanti. The unaudited *pro forma* financial information has been prepared for illustrative purposes only and, because of its nature, may not fairly present the Company's financial position, changes in equity, results of operations or cash flows. Please refer to Annexure 1 for the details of the impact of the proposed transaction.

10. CORPORATE GOVERNANCE

AngloGold Ashanti is committed to best practice in corporate governance, ensuring compliance with legislation, regulations and requirements in the jurisdictions in which the Company operates and adhering to the principles of sustainable business.

The Audit and Corporate Governance Committee of AngloGold Ashanti is tasked with ensuring effective governance and international best practice as directed by the committee's terms of reference, which is reviewed on an annual basis.

The Company is committed to ensuring that changes in legislation and best practice are embraced. Following the launch of the South African Code on Corporate Governance 2009 (King III) on 1 March 2010, a detailed analysis of the extent to which the Company's governance practices meet these requirements was completed. Where compliance with the recommendations is not being met to the extent required, processes and timeframes have been agreed for full compliance (to the extent practical) by end 2011.

In order to comply with AngloGold Ashanti's obligations in terms of the Sarbanes-Oxley Act and the King Code, and in the interests of good governance, AngloGold Ashanti adopted a new Code of Business Principles and Ethics during 2010. A whistle-blowing policy is also in place that encourages employees and other stakeholders to confidentially report acts of an unethical or illegal nature affecting AngloGold Ashanti's interests. Both the code and the whistle-blowing policy are available on the AngloGold Ashanti website.

10.1 The board

The articles require the board to be composed of a minimum of four directors. AngloGold Ashanti is governed by a unitary board, comprising two executive directors: the Chief Executive Officer and the Chief Financial Officer and seven independent non-executive directors, all of whom meet the board's independence criteria.

There is no mandatory retirement age for non-executive directors; however, in line with best practice in corporate governance and in accordance with the Sarbanes-Oxley Act, directors are required to step down from the board after nine consecutive years of service. At its meeting in February 2011, the board evaluated the independence of Mr Arisman (who joined the board in 1998) and Mr W A Nairn (who joined the board in 2000) and concluded that the performance of both Messrs Arisman and Nairn, their skills and knowledge and their contribution to the board's performance are of a high standard and that their independence of character and judgement are not in any way affected or impaired by the length of their service as a director.

During the year up to 31 December 2010, a number of changes to the board membership occurred: Mr T T Mboweni was appointed to the board and as chairman with effect from 1 June 2010 and Mr F Ohene-Kena joined the board on the same date. Mr R Gasant was appointed to the board and the Audit and Corporate Governance Committee with effect from 12 August 2010. On 17 February 2011, Dr T J Motlatsi retired from the board.

Non-executive directors provide the board with advice and experience that is independent of management and the executive. The presence of independent directors on the board, and the critical role they play as board representatives on key committees such as the Audit and Corporate Governance, Nominations, Remuneration and Party Political Donations, ensures that the Company's interests are served by impartial and independent views that are separate from those of management and shareholders.

The board's charter sets out the powers, responsibilities, functions and delegation of authority, and the areas of responsibility expressly reserved for the board. The board is authorised by the Company's Articles of Association to appoint new directors, based on the recommendations of the Nominations Committee, provided such appointees retire at the next annual general meeting and stand for election by shareholders. Retirement of non-executive directors by rotation follows a staggered process with one-third of non-executive directors retiring at least every three years at the annual general meeting. Executive directors are not subject to the retirement by rotation process as they oversee the day-to-day running of the Company and are held accountable for the operational and management performance of the Company by regularly reporting to the board.

The determination of independence of directors is guided by King III, the Companies Act and best practice. Where the board, exercising its discretion and having considered all relevant facts, determines that a director is independent despite not meeting the set criteria, the board will fully and publicly disclose its reasoning.

An annual self-evaluation is undertaken by the directors to determine that the board and its committees are effective in the performance of their duties and to facilitate board development. The evaluation for the 2010 financial year is being done as a self-evaluation and will be finalised by end-May 2011. The evaluation process for the 2011 financial year will be facilitated by an independent third party.

During 2010, the board held six scheduled meetings and three special meetings to consider the appointment of a new board chairman and to approve various financial transactions that were undertaken by the Company. In addition, two sub-committee meetings were held to approve various corporate reports including the 2009 annual financial statements and the annual report on Form 20-F (US-GAAP report for 2009).

Non-executive directors are precluded from participation in the Company's Share Incentive Scheme.

10.2 Board committees

The board has established and delegated specific roles and responsibilities to nine standing committees and one management committee (the Executive Committee) to assist it in the execution of its mandate. All standing committees are chaired by independent non-executive directors and

the following committees are composed of only independent non-executive directors – Audit and Corporate Governance, Remuneration, Nominations, Party Political Donations and Financial Analysis. During 2010, a new committee, the Risk and Information Integrity Committee was established. The Executive Committee is chaired by the Chief Executive Officer.

Each committee's role and responsibilities and membership are spelt out in its terms of reference, approved by the board and reviewed regularly to ensure that they remain in line with relevant regulations, the Company's needs and business climate and with best practice in corporate governance.

The Audit and Corporate Governance Committee, the Investment Committee, the Safety, Health and Sustainable Development Committee, the Transformation and Human Resource Development Committee, the Risk and Information Integrity Committee and the Remuneration Committee meet at least quarterly, while the Nominations Committee, the Financial Analysis Committee and the Party Political Donations Committee meet as and when required.

In order to keep the board abreast with activities of the committees, the chairman of each committee reports on a quarterly basis to the board on the committee's deliberations, including decisions taken on behalf of the board. In addition, approved minutes of committee meetings are included in the board's meeting packs for information.

The board encourages and has put in place a procedure to enable directors to attend the meetings of committees of which they are not members to enable them to gain information and achieve a better understanding of the Company's operations.

The Audit and Corporate Governance Committee approves all non-audit services provided by the external auditors.

10.3 Disclosures policy

AngloGold Ashanti subscribes to a policy of full, accurate and consistent communication in respect of both its financial and operating affairs. To this end, AngloGold Ashanti has adopted a Disclosures Policy, the object of which is to ensure compliance with the rules of the various exchanges on which it is listed and provide timely, accurate and reliable information fairly to all stakeholders including investors (and potential investors), regulators and analysts. The policy is publicly available from the AngloGold Ashanti website.

10.4 Access to information

AngloGold Ashanti has complied with its obligations in terms of the South African Promotion of Access to Information Act, No. 2 of 2000. AngloGold Ashanti's access to information manual is available from its website and the Company secretarial department.

For further information, refer to the Company's website, www.AngloGoldAshanti.com

11. LITIGATION STATEMENT

There are no legal or arbitration proceedings in which any member of the AngloGold Ashanti Group is or has been engaged, including any such proceedings which are pending or threatened of which AngloGold Ashanti is aware, which may have, or have had during the 12 months preceding the date of this circular, a material effect on the financial position of the AngloGold Ashanti Group. For further details regarding the risks and contingent liabilities that could affect AngloGold Ashanti refer to pages 195 to 211 and 321 to 322, respectively, of the 2010 Annual Financial Statements which is available on the Company's website at www.anglogoldashanti.com

12. INDEPENDENT PROFESSIONAL EXPERT'S OPINION

When the E shares were first created, the JSE, in its discretion, required a fairness opinion because the E shares issued comprised unlisted voting securities which are now being issued to a related party. The JSE has again requested that a fairness opinion be obtained from an independent professional expert because of the proposed amendments to the terms and conditions of the unlisted voting instruments in terms of the special dispensation granted by the JSE to waive the restrictions outlined in paragraph 4.24 of its Listings Requirements.

Mr Siphon Pityana, a non-executive director of AngloGold Ashanti and Chairman of Izingwe holds indirectly through a family trust, 44% of Izingwe and, therefore, in this context Izingwe is regarded as a related party to AngloGold Ashanti in terms of the Listings Requirements.

In this context, the Board has appointed The Standard Bank of South Africa Limited, acting through its Mergers and Acquisitions Division, to advise it as to the fairness of the financial terms and conditions of the proposed transaction.

Having considered the financial terms and conditions of the proposed transaction, Standard Bank is of the opinion that the proposed transaction is fair, from a financial point of view, both in relation to the fairness opinion as required by the JSE's general discretion for the issue of unlisted voting securities and the fairness opinion in relation to the issue of convertible securities to a related party.

The independent professional expert's report is included as Annexure 3.

The directors, excluding Mr Pityana who recused himself from all deliberations relating to the proposed transaction, have considered the terms and conditions of the proposed transaction together with the opinion of the independent professional expert and are of the opinion that such terms and conditions are in the best interests of AngloGold Ashanti and its shareholders. These directors accordingly recommend that shareholders vote in favour of the ordinary and special resolutions necessary to implement the proposed transaction. All the directors who hold shares (see paragraph 6 above) will vote in favour of such resolutions necessary to implement the proposed transaction.

13. DIRECTORS' RESPONSIBILITY

The directors, whose names are given in Annexure 5, collectively and individually, accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this circular contains all information required by the Listings Requirements.

14. CONDITIONS PRECEDENT

The proposed transaction is subject to the fulfilment of the following conditions precedent:

- the passing of all necessary resolutions by the requisite majority of shareholders at the general meeting;
- registration (insofar as required) of the special resolution with the Companies Office; and
- the entering into of the agreements referred to in paragraph 17 below and such agreements becoming unconditional in accordance with their respective terms.

15. GENERAL MEETING

Attached to and forming part of this circular is a notice convening a general meeting to be held at 12:00 on Wednesday, 11 May 2011 in the Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa or so soon thereafter as the annual general meeting of AngloGold Ashanti, convened for 11:00 on the same day and at the same venue, shall have been concluded or adjourned, in order to consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions necessary for the approval and implementation by AngloGold Ashanti of the proposed transaction, details of which are contained in such notice.

Certificated shareholders and dematerialised "own name" shareholders whose names appear on the sub-register maintained by their CSDP or broker, who are unable to attend the general meeting and wish to be represented thereat, must complete and return the attached form of proxy in accordance with the instructions contained therein, so as to reach the share registrars in South Africa, the United Kingdom, Australia or Ghana by no later than 12:00 on Monday, 9 May 2011. The addresses of the share registrars are set out on page 4 of this circular.

Dematerialised shareholders (other than dematerialised "own name" shareholders) must advise their CSDP/broker of their voting instructions should they wish to be represented at the general meeting. If, however, such shareholders wish to attend the general meeting in person, they will need to request their CSDP/broker to provide them with the necessary letter of representation in terms of the custody agreement.

16. CONSENTS

The merchant bank and transaction sponsor, independent professional expert, corporate law advisers, reporting accountant, sponsor, share registrars and ADR depository to AngloGold Ashanti have consented in writing to act in the capacity stated and to their reports, if any, and their names being included in this circular and have not withdrawn their consents prior to publication of this circular.

17. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by shareholders from the date of this circular, 14 April 2011, up to and including 10 May 2011, during normal business hours on weekdays (excluding official South African public holidays) from the company's registered corporate offices:

- circular to shareholders dated 13 November 2006 related to the BEE transaction;
- the signed agreement for the amendment of the Collective Agreement, the Bokamoso ESOP rules, the Bokamoso ESOP Trust Deed and the Trust Subscription Agreement, together with the schedules thereto;
- the conditional subscription agreement dated 5 April 2011 entered into between AngloGold Ashanti and the Bokamoso ESOP Trust providing for the subscription by the trust for the additional E shares and ordinary shares, the subject matter of this circular;
- the conditional subscription agreement dated 5 April 2011 entered into between AngloGold Ashanti and Izingwe providing for the subscription by Izingwe for the additional E shares, the subject matter of this circular, and the consequential amendment of the Izingwe Subscription Agreement annexed as schedule 1 thereto;
- the Further Assumption of Liability Agreement;
- the AngloGold Ashanti Memorandum and Articles of Association;
- the reporting accountant's report on the *pro forma* financial information;
- the independent professional expert's report referred to in paragraph 12 above;
- the audited annual financial statements of AngloGold Ashanti for each of the last three financial years ended 31 December 2010; and
- the consent letters referred to in paragraph 16 above.

By order of the board

Ms L Eatwell
Company Secretary

Johannesburg
South Africa

14 April 2011

PRO FORMA FINANCIAL INFORMATION

The unaudited *pro forma* financial information of AngloGold Ashanti was prepared in order to show the effects of the proposed transaction, assuming that the proposed transaction took place to its full extent on 1 January 2010 for purposes of the income statement for the twelve-month period ended and at 31 December 2010 for purposes of the statement of financial position. The unaudited *pro forma* financial effects have been prepared using accounting policies that are consistent with IFRS and with the basis in terms of the accounting policies adopted by AngloGold Ashanti.

The information has been prepared for illustrative purposes only and may not, because of its nature, fairly present the issuer's financial position, changes in equity, results of operations or cash flows. It does not purport to be indicative of what the results or financial results would have been if the proposed transaction had actually occurred at an earlier date.

The directors are responsible for the compilation, contents and presentation of the unaudited *pro forma* financial effects and for the financial information from which it has been prepared. Their responsibility includes determining that:

- the unaudited *pro forma* financial effects have been properly compiled on the basis stated;
- the basis is consistent with the accounting policies adopted by AngloGold Ashanti; and
- the *pro forma* adjustments are appropriate for the purposes of the unaudited *pro forma* financial information disclosed in terms of the Listings Requirements.

The unaudited *pro forma* financial information of AngloGold Ashanti should be read in conjunction with the notes thereto and the report of Ernst & Young Inc. contained in Annexures 1 and 2.

The *pro forma* statement of financial position and income statement, which are the responsibility of the directors, have been prepared for illustrative purposes only and may not, because of their nature, fairly present the issuer's financial position, changes in equity, results of operations or cash flows. The reporting accountant's report on the *pro forma* financial information is included in Annexure 2 to this circular.

Unaudited *pro forma* per share information for the twelve-month period ended 31 December 2010

US\$ (cents)	Before the proposed transaction	After the proposed transaction	Movement
Net asset value per share ¹	1,071	1,069	(0.2)%
Net tangible asset value per share ¹	1,021	1,018	(0.3)%
Basic earnings per share ²	20	17	(15.0)%
Diluted earnings per share ³	20	17	(15.0)%
Headline earnings per share ⁴	33	30	(9.1)%
Headline earnings adjusted for the effect of unrealised non-hedge derivatives, fair value adjustment on convertible bonds and interest rate swap per share ⁵	(473)	(475)	(0.4)%
Weighted average number of shares in issue ⁶	371,870,821	372,730,378	0.2%
Weighted average diluted number of shares in issue ⁷	373,440,427	374,299,984	0.2%
Number of shares in issue ⁸	384,010,206	384,869,763	0.2%
Net debt to net capital employed ⁹	31%	31%	

In these *pro formas*, shares refers to AngloGold Ashanti ordinary shares.

Notes:

1. Net asset value per share is computed by dividing total equity of \$4,113 million by the number of shares in issue, being 384,010,206 before the transaction and 384,869,763 after the transaction. Net tangible asset value per share is computed by dividing total equity (excluding intangible assets) of \$3,919 million by the number of shares in issue, being 384,010,206 before the proposed transaction and 384,869,763 after the proposed transaction.
2. Basic earnings per share is computed by dividing net earnings by the weighted average number of shares in issue.

3. The diluted earnings per share is computed by dividing net earnings by the weighted average diluted number of shares in issue.
4. Headline earnings removes items of a capital nature from the calculation of earnings per share. Headline earnings per share is computed by dividing headline earnings by the weighted average number of shares in issue.
5. Headline earnings adjusted for the effect of unrealised non-hedge derivatives, fair value adjustment on convertible bonds and interest rate swaps divided by the weighted average number of shares in issue.
6. The weighted average number of shares in issue was 371,870,821 for the period ended 31 December 2010 and as a result of the issuance of 859,557 shares, the weighted average number of shares in issue for that period would have been 372,730,378.
7. The weighted average diluted number of shares in issue was 373,440,427 for the period ended 31 December 2010 and as a result of the issuance of 859,557 shares, the weighted average diluted number of shares in issue for that period would have been 374,299,984. The weighted average diluted number of shares in issue for the period ended 31 December 2010 does not assume the effect of 33,524,625 shares issuable upon the conversion of the convertible bonds, as their effects are anti-dilutive.
8. The number of shares in issue at 31 December 2010 was 384,010,206 and, as a result of the issue, the number of shares in issue at that date would have been 384,869,763. This assumes that all E shares will convert into ordinary shares.
9. Net debt includes both long-term and short-term debt and is net of cash. Net capital employed is calculated as shareholders' equity adjusted for other comprehensive income and deferred taxation, plus minority interests, interest-bearing debt, less cash.

Pro forma consolidated income statement

The *pro forma* consolidated income statement for AngloGold Ashanti incorporating the issue is presented below for the year ended 31 December 2010:

US\$ (millions)	AngloGold Ashanti Year ended 31 December 2010	Impact of transaction	Note reference	Pro forma Year ended 31 December 2010
Revenue	5,514			5,514
Gold income	5,334			5,334
Cost of sales	(3,550)	(1)	1.1	(3,551)
Loss on non-hedge derivatives and other commodity contracts	(702)			(702)
Gross profit	1,082	(1)		1,081
Corporate administration, marketing and other expenses	(220)	(5)	1.2	(225)
Exploration costs	(198)			(198)
Other operating expenses	(20)			(20)
Special items	(126)	(6)	1.3	(132)
Operating profit	518	(12)		506
Interest received	43			43
Exchange gain	3			3
Fair value adjustment on option component of convertible bond	(1)			(1)
Fair value loss on mandatory convertible bonds	(55)			(55)
Finance costs and unwinding of obligations	(166)			(166)
Share of equity accounted investments' profit	63			63
Profit before taxation	405	(12)		393
Taxation	(276)	–		(276)
Profit for the year	129	(12)		117
Allocated as follows:				
Equity shareholders	76	(12)		64
Non-controlling interest	53			53
	129	(12)		117

US\$ (millions)	AngloGold Ashanti Year ended 31 December 2010	Impact of transaction	Note reference	<i>Pro forma</i> Year ended 31 December 2010
Headline earnings				
Profit attributable to equity shareholders has been adjusted by the following to arrive at headline earnings:				
Profit attributable to equity shareholders	76	(12)		64
Net impairment of tangible assets	91			91
Net loss on disposal and derecognition of land, mineral rights, tangible assets and exploration properties	25			25
Impairment of investment	2			2
Impairment of investment in associate and joint ventures	24			24
Reversal of impairment in associates	(19)			(19)
Profit on disposal of investment	(43)			(43)
Special items of associates	(1)			(1)
Taxation on items above – deferred portion	(33)			(33)
Headline earnings	122	(12)		110
Gain on unrealised non-hedge derivatives and other commodity contracts	(2,273)			(2,273)
Deferred tax on unrealised non-hedge derivatives and other commodity contracts	337			337
Fair value adjustment on option component of convertible bond	1			1
Fair value loss on mandatory convertible bond	55			55
Adjusted headline earnings	(1,758)	(12)		(1,770)

1. NOTES OF THE ADJUSTMENTS TO THE *PRO FORMA* CONSOLIDATED INCOME STATEMENT

1.1 Cost of sales

This adjustment represents the amortised costs calculated in accordance with IFRS 2 of the award shares. The cost of the award shares is directly related to the mining operation employment cost and forms part of cost of sales. The total cost approximates US\$2.2 million, and will be amortised over the life of the plan, being approximately US\$0.7 million – 2011; US\$1.0 million – 2012; and US\$0.5 million – 2013. The plan will cease in November 2014.

1.2 Corporate administration, marketing and other expenses

This adjustment represents the anticipated amortised option costs calculated in accordance with IFRS 2 of the special class of shares issued to employees. The total cost of the award shares issued to employees approximates US\$9.6 million, and will be amortised over the life of the plan, being approximately US\$4.8 million – 2011; US\$2.8 million – 2012; US\$1.3 million – 2013 and US\$0.7 million – 2014. The plan will cease in November 2014.

1.3 Special items

This adjustment represents the anticipated option costs calculated in accordance with IFRS 2 of the special class of shares issued to the BEE partner. The cost of the shares allocated to the BEE partner at US\$6 million is not amortised, but recognised in full during the six months ended 30 June 2011.

Pro forma consolidated statement of financial position

The *pro forma* consolidated statement of financial position of AngloGold Ashanti incorporating the issue as at 31 December 2010:

US\$ (millions)	AngloGold Ashanti at 31 December 2010	Impact of transaction	Note reference	Pro forma at 31 December 2010
ASSETS				
Non-current assets				
Tangible assets	6,180			6,180
Intangible assets	194			194
Investments in associates and equity accounted joint ventures	622			622
Other investments	237			237
Inventories	345			345
Trade and other receivables	152			152
Deferred taxation	20			20
Cash restricted for use	33			33
Other non-current assets	9			9
	7,792			7,792
Current assets				
Inventories	890			890
Trade and other receivables	247			247
Derivatives	1			1
Current portion of non-current assets	1			1
Cash restricted for use	10			10
Cash and cash equivalents	575	–	2.1	575
	1,724			1,724
Non-current assets held for sale	16			16
	1,740			1,740
Total assets	9,532			9,532

US\$ (millions)	AngloGold Ashanti at 31 December 2010	Impact of transaction	Note reference	Pro forma at 31 December 2010
EQUITY AND LIABILITIES				
Share capital and premium	6,627	–	2.2	6,627
Retained earnings and other reserves	(2,638)	–	2.3	(2,638)
Shareholders' equity	3,989			3,989
Non-controlling interest	124			124
	4,113			4,113
Non-current liabilities				
Borrowings	2,569			2,569
Environmental rehabilitation and other provisions	589			589
Provisions for pension and post-retirement benefits	191			191
Trade, other payables and deferred income	17			17
Derivatives	176			176
Deferred taxation	900			900
	4,442			4,442
Current liabilities				
Current portion of borrowings	135			135
Trade and other payables	705			705
Taxation	134			134
	974			974
Non-current liabilities held for sale	3			3
	977			977
Total liabilities	5,419			5,419
Total equity and liabilities	9,532			9,532

2. NOTES OF THE ADJUSTMENTS TO THE *PRO FORMA* CONSOLIDATED STATEMENT OF FINANCIAL POSITION

2.1 Cash and cash equivalents

The proceeds from the issue of the shares, less the transaction costs paid, constitute less than US\$1 million and therefore no effect is shown.

2.2 Ordinary share capital and premium

The increase in the share capital and share premium less the transaction costs which will be offset against shareholders' equity, are less than net US\$1 million.

2.3 Retained earnings and other reserves

No effect is presented as the IFRS 2 accounting requires the charge to be included in retained income and offsetting credit to be recorded in "Other comprehensive income".

3. ACCOUNTING POLICIES

The financial information and *pro forma* adjustments and effects are consistent with the reporting formats and group accounting policies as presented in the annual financial statements.

INDEPENDENT REPORTING ACCOUNTANT'S REPORT

"The Directors
AngloGold Ashanti Limited
76 Jeppe Street
Newton
Johannesburg
2001

12 April 2011

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE UNAUDITED *PRO FORMA* CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED INCOME STATEMENT AND THE UNAUDITED *PRO FORMA* FINANCIAL EFFECTS ("the *pro forma* financial information") OF ANGLOGOLD ASHANTI LIMITED ("AngloGold Ashanti") INCLUDED IN THE CIRCULAR TO SHAREHOLDERS, DATED ON OR ABOUT 14 APRIL 2011

We have performed our limited assurance engagement in respect of the *pro forma* financial information set out on pages 28 to 32 of the circular dated on or about 14 April 2011 issued in connection with the proposed amendments to the Black Economic Empowerment transaction ("BEE transaction") in which the Bokamoso ESOP and Izingwe Holdings (Proprietary) Limited acquired shares in AngloGold Ashanti in 2006. The *pro forma* financial information has been prepared in accordance with the JSE Limited ("JSE") Listings Requirements, for illustrative purposes only, to provide information about the amendments to the BEE transaction and the effect thereof, had the corporate action been undertaken at the commencement of the period or at the date of the unaudited *pro forma* consolidated statement of financial position.

Directors' responsibility

The directors are solely responsible for the compilation, contents and presentation of the *pro forma* financial information contained in the circular and for the financial information from which it has been prepared. Their responsibility includes determining that: the *pro forma* financial information has been properly compiled on the basis stated; the basis is consistent with the accounting policies of AngloGold Ashanti; and the unaudited *pro forma* adjustments are appropriate for the purposes of the *pro forma* financial information disclosed in terms of the JSE Listings Requirements.

Reporting accountant's responsibility

Our responsibility is to express our limited assurance conclusion on the *pro forma* financial information included in the circular to AngloGold Ashanti shareholders. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information – ISAE 3000 and the Guide on *Pro Forma* Financial Information issued by the South African Institute of Chartered Accountants.

The standard requires us to obtain sufficient appropriate audit evidence on which to base our conclusion.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the *pro forma* financial information, beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Sources of information and work performed

Our procedures consisted primarily of comparing the unadjusted financial information with the source documents, considering the unaudited *pro forma* adjustments in light of the accounting policies of AngloGold Ashanti, considering the evidence supporting the unaudited *pro forma* adjustments and discussing the adjusted *pro forma* financial information with the directors of the company in respect of the corporate actions that are the subject of the circular.

In arriving at our conclusion, we have relied upon financial information prepared by the directors of AngloGold Ashanti and other information from various public, financial and industry sources.

While our work performed has involved an analysis of the historical published audited financial information and other information provided to us, our limited assurance engagement does not constitute an audit or review of any of the underlying financial information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and, accordingly, we do not express an audit or review opinion.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention, which causes us to believe that, in terms of Sections 8.17 and 8.30 of the JSE Listings Requirements:

- the *pro forma* financial information has not been properly compiled on the basis stated;
- such basis is inconsistent with the accounting policies of the issuer; and
- the adjustments are not appropriate for the purposes of the *pro forma* financial information as disclosed.

Ernst & Young Inc.

Director – Lance Ian Neame Tomlinson

Registered Auditors

Chartered Accountant (SA)

Reporting Accountant Specialist

Wanderers Office Park

52 Corlett Drive

Illovo, Johannesburg

South Africa”

INDEPENDENT PROFESSIONAL EXPERT'S REPORT

"The Board of Directors
AngloGold Ashanti Limited
76 Jeppe Street
Newtown
Johannesburg
2001

13 April 2011

Dear Sirs

INDEPENDENT PROFESSIONAL EXPERT OPINION ON ANGLOGOLD ASHANTI LIMITED'S ("ANGLOGOLD ASHANTI" OR "THE COMPANY") PROPOSED RESTRUCTURING OF ITS BROAD-BASED EMPLOYEE SHARE OWNERSHIP PLAN ("BOKAMOSO ESOP") AND THE BLACK ECONOMIC EMPOWERMENT TRANSACTION (THE "PROPOSED TRANSACTION") CONCLUDED BETWEEN ANGLOGOLD ASHANTI AND IZINGWE HOLDINGS (PROPRIETARY) LIMITED ("IZINGWE") ("THE EMPOWERMENT TRANSACTION") (COLLECTIVELY, THE "BEE TRANSACTIONS")

1. INTRODUCTION

Save as expressly set out herein the definitions outlined in the "Definitions" section of the circular, to which this opinion is attached, have been used throughout this opinion.

In November 2006, AngloGold Ashanti implemented the BEE Transactions in terms of which approximately 1.9% of the Company's enlarged share capital was issued to the Bokamoso ESOP and Izingwe to give effect, in part, to the undertakings made by AngloGold Ashanti to the then Department of Minerals and Energy of the Government of South Africa, at the time that it gained conversion of its "old order" mining rights to "new order" mining rights. The BEE Transactions followed those transactions concluded with African Rainbow Minerals Gold Limited involving various of the Company's Vaal River and Free State assets. The implementation of the BEE Transactions was aimed at finalising AngloGold Ashanti's obligation in terms of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry (the "Mining Charter").

The BEE Transactions comprised:

- (i) the issue to the Bokamoso Trust of 960,000 ordinary shares and 2,880,000 E shares, as well as the subsequent conversion into ordinary shares and cancellation of a variable number of E shares by AngloGold Ashanti; and
- (ii) the issue to Izingwe of 1,400,000 E shares and the subsequent conversion into ordinary shares and cancellation of a variable number of E shares by AngloGold Ashanti.

The Standard Bank of South Africa Limited ("Standard Bank") understands that the Board of Directors of AngloGold Ashanti ("the Board") does not consider the anticipated economics and benefits of the BEE Transactions to have materialised as originally anticipated. The Board, therefore, proposes to make certain amendments to the terms of the BEE Transactions with a view to achieving the objectives of the BEE Transactions as originally intended. The Board believes that pro-actively implementing the Proposed Transaction will be recognised by Government, AngloGold Ashanti's employees and their representatives, Izingwe and society as a whole, as reinforcing AngloGold Ashanti's continued commitment to the spirit of transformation and empowerment as contained in the Mining Charter.

Mr Siphon Pityana, a non-executive director of AngloGold Ashanti and Chairman of Izingwe, has an indirect 44% interest in Izingwe and, therefore, in this context, Izingwe is regarded as a related party to AngloGold Ashanti in terms of the Listings Requirements ("Listings Requirements") of the JSE Limited ("JSE").

2. PURPOSE AND SCOPE OF OPINION

The Proposed Transaction, as contemplated by the Board, involves the amendment of a previously approved transaction which entails the issue of unlisted voting shares (the E shares in this instance) to Bokamoso ESOP and Izingwe. In this regard, the JSE has exercised its general discretion that a fairness opinion be provided in respect of the Proposed Transaction. Further, in terms of Section 5.53(b)(i) of the Listings Requirements, the Proposed Transaction, as regards Izingwe, includes the issue of a convertible security to a related party. This requires a statement from the Board confirming whether the issue is fair insofar as the shareholders of the Company are concerned and that the Board has been so advised by an independent expert acceptable to the JSE. The Board must obtain a fairness opinion prepared in accordance with Schedule 5 of the Listings Requirements before making this statement.

In this context, the Board has appointed Standard Bank, acting through its Mergers and Acquisitions Division, to advise it as to the fairness of the terms of the Proposed Transaction. This opinion (“the Opinion”) does not comment on the relative merits of the Proposed Transaction in comparison with alternative strategies that may be available to AngloGold Ashanti.

In terms of Schedule 5 of the Listing Requirements, fairness is based on quantitative issues. In expressing this Opinion, Standard Bank has only expressed an opinion on the fairness of the financial terms and conditions of the Proposed Transaction as required in terms of the Listings Requirements. In this context, the financial terms and conditions of the Proposed Transaction will be considered fair if:

- the economic cost of the Proposed Transaction compares favourably to other BEE transactions involving staff, as well as BEE transactions involving strategic partners and staff participation, undertaken by listed companies in the South African market;
- the economic cost of the Proposed Transaction is lower than AngloGold Ashanti’s management’s (“Management”) quantification of the financial benefits that may be derived by the Company from concluding the Proposed Transaction; and
- the aggregated voting rights attached to the E shares as a result of the Proposed Transaction, are equal to or lower than such aggregated voting rights following the implementation of the BEE Transactions.

3. SOURCES OF INFORMATION

In arriving at this Opinion, Standard Bank has relied upon the following principal sources of information:

- audited annual financial statements of the Company for the year ended 31 December 2010;
- publicly available information relating to the Company that Standard Bank deemed to be relevant, including Company announcements, analysts reports and media articles;
- the Circular relating to the BEE Transactions;
- the Circular relating to the Proposed Transaction;
- the Agreement for the Amendment of the Collective Agreement, the Bokamoso ESOP Rules, the Bokamoso ESOP Trust Deed and the Trust Subscription and Related Issues Agreement amongst AngloGold Ashanti, National Union of Mineworkers, Solidarity, UASA – The Union and the Trustees of the Bokamoso ESOP Trust;
- the Subscription Agreement between AngloGold Ashanti and the Trustees of the Bokamoso ESOP Trust;
- the Further Assumption of Liability Agreement between AngloGold Ashanti and the Bokamoso ESOP Trust;
- the Trust Subscription and Related Issues Agreement between AngloGold Ashanti and the Bokamoso ESOP Trust;
- the Subscription Agreement between AngloGold Ashanti and Izingwe; and
- discussions with, and representations made by, Management with particular reference to the financial benefits that may be derived by the Company from concluding the Proposed Transaction in the form of, *inter alia*, enhancing the constructive relationships that exist between the Company, employees and unions.

4. PROCEDURES PERFORMED

In arriving at its Opinion, Standard Bank has undertaken the following procedures:

- reviewed the information outlined in paragraph 3 above;
- performed a valuation of the various options embedded in the different tranches of E shares issued to the Bokamoso ESOP and Izingwe, using the Black-Scholes option pricing valuation methodology, the key value drivers of which are:
 - an appropriate spot price for AngloGold Ashanti ordinary shares;
 - the expected future volatility of AngloGold Ashanti ordinary shares over the life of the E shares;
 - the expected future dividends to be paid to AngloGold Ashanti ordinary shareholders and E shareholders over the life of the E shares;
 - AngloGold Ashanti's anticipated dividend yield; and
 - risk-free interest rates in South Africa;

the economic cost of the Proposed Transaction is the aggregated incremental value of the various embedded options as described above;

- performed sensitivity analyses on these option valuations in respect of changes in the key value drivers thereof, being the long-term share price volatility and the dividend yield of the Company's ordinary shares;
- valued each tranche of E shares issued to the Bokamoso ESOP and Izingwe, being the aggregate of the embedded option value and the expected dividends to be paid on each such tranche;
- compared the economic cost of the Proposed Transaction to the economic cost to shareholders of other BEE transactions involving staff participation undertaken by large, listed companies in the South African market;
- assessed Management's quantification of the financial benefit that may be derived by the Company from concluding the Proposed Transaction;
- compared the economic cost of the Proposed Transaction to the financial benefits that may be derived from entering into it as quantified by Management;
- compared the aggregate voting rights attached to the E shares as a result of the Proposed Transaction to show the aggregated voting rights following the implementation of the BEE Transactions; and
- evaluated any information received from AngloGold Ashanti through comparison with Standard Bank analyses and market data.

5. LIMITING CONDITIONS

There are certain limiting conditions, which do not invalidate any work that has been performed in terms of paragraph 4 above, that are described and set out below.

Standard Bank has not considered and cannot comment on the effects of the previous BEE transactions entered into by AngloGold Ashanti and in respect of which AngloGold Ashanti has received empowerment credits from the Department of Mineral Resources ("DMR"), or AngloGold Ashanti's ongoing compliance with BEE requirements.

Forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the relevant period. Standard Bank expresses no opinion as to how closely actual results will compare to the projections of financial or other information used in arriving at this Opinion.

The forecast information and key assumptions used in arriving at this Opinion have been compiled and derived with due care and consideration on the basis that they have been sourced from and/or checked against independent third party sources and have been considered carefully and corroborated with the Company and its advisers so that Standard Bank was able to satisfy itself as to such information and assumptions being reasonable and appropriate.

Whilst Standard Bank's work has involved an analysis of, *inter alia*, the annual financial statements, interim results and other information provided to it, its appointment does not constitute or include an audit conducted in accordance with generally accepted auditing standards. Accordingly, Standard Bank cannot express an audit opinion on the financial data or other information used in arriving at this Opinion.

Standard Bank has also assumed that the Proposed Transaction will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to it by, advisers of AngloGold Ashanti and Standard Bank express no opinion on such consequences. This Opinion does not include any consideration of these matters.

6. INDEPENDENCE

Standard Bank has been retained by AngloGold Ashanti as an independent professional expert to the Board in connection with the Proposed Transaction and will receive a fixed fee for the services provided in connection herewith, which fee is payable in cash upon delivery of this Opinion.

AngloGold Ashanti has also agreed to indemnify Standard Bank for certain liabilities arising out of its appointment. The terms of engagement provide a number of limitations on the potential liability in respect of this engagement. Neither the fee nor any other benefit payable to Standard Bank is contingent upon the outcome of the Proposed Transaction.

Standard Bank provides AngloGold Ashanti with general banking facilities and lends money to AngloGold Ashanti in terms of commercial transactions. In addition, companies that form part of the group of companies to which Standard Bank belongs may hold AngloGold Ashanti ordinary shares, which shares would be held in the ordinary course of such companies' businesses as asset managers or life insurers. All such holdings are kept and managed entirely separately from the business of Standard Bank's Mergers and Acquisitions Division.

Standard Bank has no financial interest in either the Bokamoso ESOP or Izingwe.

7. THE OPINION

In arriving at this Opinion, Standard Bank has considered the following significant factors:

- the economic cost of the Proposed Transaction compares favourably to other BEE transactions involving staff, as well as BEE transactions involving strategic partners and staff participation, undertaken by listed companies in the South African market;
- the economic cost of the Proposed Transaction is lower than Management's quantification of the financial benefits that may be derived by the Company from concluding the Proposed Transaction; and
- the aggregated voting rights attached to the E shares as a result of the Proposed Transaction, are equal to or lower than such aggregated voting rights following the implementation of the BEE Transactions.

Having considered the financial terms and conditions of the Proposed Transaction, Standard Bank is of the opinion that, based upon and subject to the analysis and procedures outlined in this letter, and as at the date of this letter, the Proposed Transactions is fair, from a financial point of view, both in relation to the fairness opinion as required by the JSE's general discretion for the issue of unlisted voting securities and the fairness opinion in relation to the issue of shares to a related party.

This Opinion does not purport to cater for each ordinary shareholder's circumstances but rather those of the general body of ordinary shareholders taken as a whole. Each ordinary shareholder's decision will be influenced by such ordinary shareholder's particular circumstances and, accordingly, ordinary shareholders should consult with an independent adviser if they are in any doubt as to the merits or otherwise of the Proposed Transaction.

8. USE OF THIS OPINION

This Opinion is provided solely for the benefit of the Board, for the purpose of their consideration of the Proposed Transaction and may not, save for the disclosure in the Circular relating to the Proposed Transaction, to which this Opinion is attached, be disclosed or used or relied upon, in whole or in part, by any other person or for any other purpose without the prior written consent of Standard Bank.

Yours faithfully

Corporate and Investment Banking
A division of The Standard Bank of South Africa Limited

3 Simmonds Street
Marshalltown
Johannesburg
2001"

SHARE PRICE INFORMATION

The high, low and closing prices of ordinary shares on the JSE and the volumes traded were as follows:

	High (cents)	Low (cents)	Closing (cents)	Volume (shares)	Value (R'm)
Quarter ended					
2009					
First quarter	36,900	23,206	34,500	141,566,376	43.428
Second quarter	35,789	25,950	28,302	76,076,462	22.966
Third quarter	33,990	27,150	30,150	78,691,815	23.842
Fourth quarter	34,679	28,630	30,629	80,255,723	25.562
2010					
First quarter	33,000	26,640	27,795	68,490,163	19.658
Second quarter	34,150	27,649	33,195	64,965,834	22.208
Third quarter	33,946	28,650	32,335	77,540,902	24.163
Fourth quarter	36,631	31,165	32,690	59,655,522	19.802
Month ended					
December 2009	34,679	29,800	30,629	20,080,020	6.392
January 2010	33,000	27,605	27,895	22,736,167	6.843
February 2010	30,328	26,640	27,699	23,769,860	6.665
March 2010	28,899	27,256	27,795	21,984,136	6.150
April 2010	31,225	27,649	31,149	13,465,858	3.969
May 2010	33,699	30,125	32,799	31,099,751	9.964
June 2010	34,150	31,161	33,195	20,400,225	8.276
July 2010	33,946	28,650	29,480	23,717,117	7.209
August 2010	32,000	29,329	31,640	21,749,118	6.743
September 2010	33,220	30,665	32,335	32,074,667	10.212
October 2010	32,950	31,165	32,649	22,007,350	7.086
November 2010	36,631	31,986	32,837	20,757,134	7.052
December 2010	34,786	32,230	32,690	16,891,038	5.664
January 2011	33,199	30,226	30,637	25,996,170	8.081
February 2011	35,240	30,810	33,949	20,053,686	6.666
March 2011	34,320	30,695	32,450	22,702,917	7.329
Daily					
1 April 2011	33,428	32,571	33,050	1,659,489	547.529
4 April 2011	33,335	32,750	32,870	570,842	188.335
5 April 2011	33,124	32,525	33,124	810,790	267.160
6 April 2011	34,096	33,681	33,800	991,672	335.984
7 April 2011	33,850	33,125	33,210	1,392,603	465.779

Source: I-Net Bridge

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT OF ANGLOGOLD ASHANTI

Executive directors

Mr M Cutifani (52) (Australian), BE (Min. Eng)

Chief executive officer

Mark Cutifani was appointed to the board of AngloGold Ashanti on 17 September 2007 and as chief executive officer on 1 October 2007. He is chairman of the Executive Committee and a member of the Transformation and Human Resources Development, Safety, Health and Sustainable Development, Investment, Party Political Donations, Risk and Information Integrity Committees. He attends Audit and Corporate Governance Committee meetings as an invitee.

Mark has considerable experience across several mining sectors and operating jurisdictions, having worked extensively in the gold, coal and base metals industries since 1976 in the Americas, Africa, Australia and the Asia Pacific regions. Prior to joining AngloGold Ashanti, he held the position of chief operating officer at CVRD Inco, a Toronto-based company, where he was responsible for Inco's global nickel business. He is currently Vice-President of the South African Chamber of Mines.

Mr S Venkatakrishnan (Venkat) (45) (British), BCom, ACA (ICAI)

Chief financial officer

Venkat joined AngloGold Ashanti on 1 July 2004 from Ashanti Goldfields Company Limited (Ashanti) where he was Chief Financial Officer until that company's merger with AngloGold Limited in May 2004. He was appointed to the board on 1 August 2005, is a member of the Executive, Investment and Risk and Information Integrity Committees and is invited to attend meetings of the Audit and Corporate Governance Committee.

Venkat has extensive financial experience, having been a director in the reorganisation services division of Deloitte & Touche in London prior to joining Ashanti in 2000.

Non-executive directors

Mr T T Mboweni (51) (South African), BA, MA (Development Economics)

Chairman and independent non-executive

Tito Mboweni was appointed to the board and as chairman of AngloGold Ashanti on 1 June 2010. Mr Mboweni has a long and outstanding record of public service. As Labour Minister from 1994 to 1998, he was the architect of South Africa's post-apartheid labour legislation which today continues to provide the basis for the mutually respectful labour relationships central to AngloGold Ashanti's operational approach in South Africa. The past ten years have cemented his reputation as one of the world's foremost and highly respected Central Bank governors. He is chairman of the Nominations Committee and is a member of the Investment, Financial Analysis and Party Political Donations Committees.

Mr F B Arisman (66) (American), MSc (Finance)

Independent non-executive

Frank Arisman joined the board of AngloGold Ashanti on 1 April 1998. He serves on six board committees: Audit and Corporate Governance, Safety, Health and Sustainable Development, Nominations, Remuneration, Risk and Information Integrity Committees and chairs the Investment and the Financial Analysis Committees.

Frank, who resides in the USA, has a rich background in management and finance through his experiences at JP Morgan where he held various positions prior to his retirement.

Mr R Gasant (51) (South African), CA(SA), ACIMA

Independent non-executive

Rhidwaan Gasant was appointed to the board of AngloGold Ashanti on 12 August 2010 and is chairman of the Risk and Information Integrity Committee, as well as a member of the Audit and Corporate Governance, Nominations and Financial Analysis Committees. He is the former Chief Executive Officer of Energy Africa Limited and a former finance director of Engen Limited and sits on the board of South African and international non-public companies in the MTN Group.

Mr W A Nairn (66) (South African), BSc (Mining Engineering)

Independent non-executive

Bill Nairn has been a member of the board of AngloGold Ashanti since 1 January 2000 and chairs the Safety, Health and Sustainable Development Committee. He is a member of five other committees: Transformation and Human Resources Development, Investment, Party Political Donations, Nominations and Risk and Information Integrity Committees. Bill, a mining engineer, has considerable technical experience, having been the group technical director of Anglo American plc until 2004 when he retired from the Company.

Prof L W Nkuhlu (66) (South African), BCom, CA(SA), MBA (New York University)

Independent non-executive

Wiseman Nkuhlu was appointed to the board on 4 August 2006. He has been the chairman of the Audit and Corporate Governance Committee since 5 May 2007, having served as deputy chairman of the committee from 4 August 2006. He also serves as a member of the Nominations, Party Political Donations, Remuneration, Safety, Health and Sustainable Development and Risk and Information Integrity, and the Financial Analysis Committees.

Wiseman, a respected South African academic, educationist, professional and business leader, served as Economic Adviser to the former President of South Africa, Mr Thabo Mbeki, and as Chief Executive of the Secretariat of the New Partnership for Africa's Development (NEPAD) from 2000 to 2005. From 1989 to 2000, he served as a director on a number of major South African companies, including Standard Bank, South African Breweries, Old Mutual, Tongaat Hulett, BMW and JCI. Wiseman was President of the South African Institute of Chartered Accountants from 1998 to 2000 and Principal and Vice Chancellor of the University of Transkei from 1987 to 1991. He is also a member of the board of Datatec Limited. He was elected President of the Geneva-based International Organisation of Employers (IOE) in May 2008 for a period of two years. He is a member of the Financial Crisis Advisory Group of the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB).

Mr F Ohene-Kena (74) (Ghanaian), MSc Engineering, DIC, ACSM

Independent non-executive

Ferdinand (Fred) Ohene-Kena was appointed to the board of AngloGold Ashanti on 1 June 2010. He is the former Ghanaian Minister of Mines and Energy and is currently a member of the Ghana Judicial Council. He is the Chairman of the Ghana Minerals Commission and is a member of the President's Economic Advisory Council. Mr Ohene-Kena is a member of the Safety, Health and Sustainable Development, Transformation and Human Resources Development and Nominations Committees.

Mr S M Pityana (51) (South African), BA (Hons) (Essex), MSc (London), Dtech (Honoris) (Vaal University of Technology)

Independent non-executive

Sipho Pityana joined the board of AngloGold Ashanti on 13 February 2007 and assumed the chairmanship of the Remuneration Committee on 1 August 2008. He is a member of the Safety, Health and Sustainable Development, Party Political Donations, Investment, Nominations, Transformation and Human Resources Development, Risk and Information Integrity and the Financial Analysis Committees. Sipho has extensive experience in management and finance, and has occupied strategic roles in both the public and private sectors, including that of Director General of the national departments of both labour and foreign affairs. He was formerly a senior executive of Nedbank Limited and is currently the executive chairman of Izingwe Holdings (Proprietary) Limited, a local empowerment group and a significant investor in mining, engineering, infrastructure and logistics, and AngloGold Ashanti's BEE partner. He serves as a non-executive director on the boards of several other South African companies.

Executive management

In addition to Mr M Cutifani and Mr S Venkatakrisnan, the two executive directors, the following make up the Executive Committee:

Dr C E Carter (48), BA (Hons), DPhil, EDP

Executive Vice President – Business Strategy and Organisational Effectiveness

Charles Carter has worked in the mining industry in South Africa and the US since 1991, in a range of corporate roles with Anglo American Corporation, RFC Corporate Finance and AngloGold Ashanti. He was appointed Executive Vice President – Business Strategy, in December 2007 and is responsible for corporate strategy and business planning, risk management and investor relations. In late 2009, he assumed additional responsibility for the group's Human Resources function and now also has oversight of Project ONE's ongoing implementation and integration into the business.

Mr R N Duffy (47), BCom, MBA

Executive Vice President – Continental Africa

Richard Duffy joined Anglo American in 1987 and in 1998 was appointed executive officer and managing secretary of AngloGold. In November 2000, he was appointed head of business planning and in 2004 assumed responsibility for all new business opportunities globally. In April 2005, this role was expanded to include Greenfield exploration. He was appointed to the Executive Committee in August 2005. Richard was appointed as Executive Vice President – Continental Africa, in July 2008.

Mr G J Ehm (54), BSc Hons, MAusIMM, MAICD

Executive Vice President – Australasia

Graham Ehm has, since 1979, gained diverse experience in mine operations and project management, covering the nickel, phosphate, copper, uranium and gold sectors. He was appointed General Manager Sunrise Dam Gold Mine in 2000, Regional Head – Australia, in 2006 and Executive Vice President – Australasia, in December 2007. He assumed the role of Executive Vice President – Tanzania, on 1 June 2009 where he led a successful implementation of a turnaround strategy for the Geita mine. In August 2010 he resumed the position of Executive Vice President – Australasia.

Mr R W Largent (50), BSc (Min. Eng), MBA

Executive Vice President – Americas

Ron Largent has been with AngloGold Ashanti since 1994. He has served on the board of directors for the Colorado Mining Association, California Mining Association and Nevada Mining Board Association. In 2001, he was appointed general manager of the Cripple Creek & Victor Gold Mine and took up his current role as Executive Vice President – Americas, in December 2007.

Mr R L Lazare (54), BA, HED, DPLR, SMP

Executive Vice President – South Africa

Robbie Lazare joined Anglo American Gold and Uranium Division in 1982, working in a variety of management posts until 1999 when he was appointed general manager of TauTona. In December 2004, he was appointed an executive officer with responsibility for South African operations and in July 2008, Executive Vice President – Human Resources. From 17 November 2009, Robbie was assigned to lead a strategy review of the South African operations and is now responsible for the South Africa region as Executive Vice President – South Africa Region.

Mr A M O'Neill (53), BSc (Mining Engineering), MBA

Executive Vice President – Business and Technical Development

Tony O'Neill joined AngloGold Ashanti in July 2008 as Executive Vice President – Business and Technical Development, having consulted to the Company prior to this on its asset portfolio strategy. His extensive career in mining since 1978 included the roles of executive – operations, at Newcrest Mining Limited and executive general manager for gold at Western Mining Corporation.

Mr T M L Setiloane (51), FAE, BSc (Mech Eng)

Executive Vice President – Business Sustainability

Thero Setiloane joined AngloGold in May 2003 from Real Africa Holdings, where he had been an executive director. He was appointed an executive officer and a member of AngloGold Ashanti's Executive Committee in February 2006 and as Executive Vice President – Sustainability, in December 2007.

Ms Y Z Simelane (45), BA LLB, FILPA, MAP

Senior Vice President – Corporate Affairs

Yedwa Simelane joined AngloGold in November 2000 from the Mineworkers' Provident Fund where she was the senior manager of the Fund. She was appointed an executive officer in May 2004 and Vice President – Government Relations, in July 2008. In November 2009, she was appointed Senior Vice President – Corporate Affairs.

Company secretary

Ms L Eatwell (56), FCIS, FCIBM

Lynda Eatwell joined AngloGold in 2000 as assistant Company Secretary and was appointed Company Secretary in December 2006. She is responsible for ensuring compliance with statutory and corporate governance requirements and the regulations of the stock exchanges on which AngloGold Ashanti is listed. She also advises members of the board on their duties and responsibilities as directors.



ANGLOGOLD ASHANTI ANGLOGOLD ASHANTI LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1944/017354/06)
ISIN: ZAE000043485 JSE share code: ANG
("AngloGold Ashanti" or "the Company")

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of shareholders of AngloGold Ashanti will be held at 12:00 (South African time) on Wednesday, 11 May 2011, in the Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa (or so soon thereafter as the annual general meeting of AngloGold Ashanti, convened for 11:00 on the same day and at the same venue, shall have been concluded or adjourned), for the purpose of considering and, if deemed fit, passing, with or without modification, the following ordinary and special resolutions.

CONDITIONS PRECEDENT

The conditions precedent to each of the undermentioned resolutions becoming effective and being implemented is that:

1. all of the undermentioned resolutions are passed and, in the case of the special resolution, such special resolution has been lodged with and registered or accepted, as the case may be, by the Companies Office; and
2. the holders of the E Ordinary Shares of R0.25 each in the issued share capital of the Company shall have consented in writing to the amendments to the rights attaching to such shares in terms of the special resolution set out below in this Notice.

ORDINARY RESOLUTION NUMBER 1

"Resolved as an ordinary resolution that, subject to the fulfilment of the conditions precedent stipulated in the notice convening the general meeting at which this resolution will be considered ("Notice"), the amendments to the Bokamoso Employee Share Ownership Plan adopted by the Company and the empowerment transaction entered into between the Company and Izingwe Holdings (Proprietary) Limited in 2006, as detailed in the circular to shareholders of which the Notice forms part, be and they are hereby approved."

SPECIAL RESOLUTION

Resolved as a special resolution that Article 147 of the Company's articles of association be and it is hereby deleted and the following article substituted therefor:

"147. Rights Attaching to E Ordinary Shares

For purposes of this Article 147, the expressions set forth below shall bear the following meanings:

"Base Price" means, in relation to the E Ordinary Shares allotted and issued by the Company to the Bokamoso ESOP Trust, the sum of R320.00 (three hundred and twenty Rand), and in relation to the E Ordinary Shares allotted and issued by the Company to Izingwe, the sum of R330.00 (three hundred and thirty Rand);

"Bokamoso ESOP Trust" means the trust established by the Company in terms of the Bokamoso Trust Deed dated 18 October 2006 (as amended) and registered under Master's Ref No. IT12639/06;

"Izingwe" means Izingwe Holdings (Proprietary) Limited (registration number 2005/039358/07) and includes its permitted assignee/s in terms of any written subscription agreement (as amended) entered into by and between the Company and Izingwe;

“Subscription Date” means, in relation to each E Ordinary Share, the date on which the E Holder shall have subscribed for and the Company shall have allotted and issued such E Ordinary Share to the E Holder in terms of the relevant subscription agreement (as amended).

The E Ordinary Shares shall confer on the holders thereof from time to time (“the E Holders”) the following rights, privileges and obligations:

- 147.1 Each E Ordinary Share shall confer on the E Holder the right to receive a dividend ranking *pari passu* with all of the dividends that may from time to time be declared to the holders of the Ordinary Shares, equal to one-half of the dividend per Ordinary Share declared by the Company from time to time.
- 147.2 The Company shall be entitled and obliged to cancel the E Ordinary Shares, or any portion of the E Ordinary Shares, on the delivery to the Company by the E Holder from time to time of a written notice (“the Transaction Notice”) delivered at such times and in such manner as the Company shall agree from time to time with each relevant E Holder. In the event that the relevant E Holder shall fail, for whatsoever reason, to deliver a Transaction Notice at the time or times and in the manner as agreed from time to time between the Company and such relevant E Holder, the Company shall be entitled and obliged to cancel of the E Ordinary Shares, or such portion of them as shall have been agreed between the Company and such relevant E Holder, at such times and in such manner as shall so have been agreed.
- 147.3 On the delivery by the E Holder of a Transaction Notice, or (in the absence of the delivery of such Transaction Notice) at such time as the Company shall be entitled and obliged to cancel the E Ordinary Shares, or any portion of them, as agreed from time to time between the Company and each relevant E Holder (it being recorded that, for the purposes of this Article 147, the E Holder shall be deemed to have given a Transaction Notice to the Company at such time or times) the Company shall:
 - 147.3.1 determine the volume weighted average price per Ordinary Share traded on the JSE as at close of business (“the Opening Market Price”) on the trading day immediately preceding the day (“the Transaction Notice Date”) on which the Transaction Notice shall have been given, or shall be deemed to have been given;
 - 147.3.2 calculate, on the basis described in Article 147.4, a notional cash amount (“Cancellation Amount”) that would be derived from cancellation of all of the E Ordinary Shares which are the subject matter of the Transaction Notice (collectively, “the Vested E Shares”), on the Transaction Notice Date;
 - 147.3.3 calculate by reference to the Cancellation Amount, on the basis described in Article 147.4, the number of Ordinary Shares into which the Vested E Shares shall convert on the Transaction Notice Date (“the Conversion Shares”);
 - 147.3.4 determine pursuant to Article 147.3.3 the number of Vested E Shares which the Company shall be entitled and obliged to cancel in respect of the Transaction Notice (“the Cancellation Shares”), which number of Cancellation Shares shall not be greater than the number of E Ordinary Shares constituting the Vested E Shares;
 - 147.3.5 cancel the Cancellation Shares;
 - 147.3.6 procure the conversion of the Vested E Shares which shall not have been cancelled (i.e. the Conversion Shares), into Ordinary Shares, by not later than 5 Business Days after the date on which the Transaction Notice shall have been given, or shall be deemed to have been given (“Transaction Notice Closing Date”);
 - 147.3.7 procure that the Conversion Shares, after their conversion into Ordinary Shares, shall be listed on the JSE by no later than 5 Business Days after the Transaction Notice Closing Date; and
 - 147.3.8 by not later than 5 Business Days after the Transaction Notice Closing Date, instruct the Central Securities Depository Participant of the Company irrevocably and in writing to credit the account of the E Holder held with its Central Securities Depository Participant with the Ordinary Shares into which the Conversion Shares shall have been converted.
- 147.4 The Company shall on the relevant Transaction Notice Date calculate:
 - (a) the Cancellation Amount referred to in Article 147.3.2; and
 - (b) the Conversion Shares referred to in Article 147.3.3,by reference to the following formula:

$$A = \frac{n \times B}{C}$$

Where:

A is the number of Ordinary Shares (rounded down to the nearest whole number) into which the Vested E Shares shall convert on the Transaction Notice Date (i.e. the Conversion Shares);

B is an agreed value, per Vested E Share, determined by reference to the following formula:

$$(C - D) + E$$

where:

C is the Opening Market Price;

D is the Base Price;

E is an amount (per Vested E Share) equal to 50% of the aggregate dividends per Ordinary Share paid by the Company during the period commencing on the applicable Subscription Date and terminating on the Transaction Notice Date ("the Relevant Period");

Provided that:

- If the value of "B" is less than R40.00 or a negative amount, then "B" shall be R40.00;
- In relation to participants in the Bokamoso ESOP, if the value of "C-D" is greater than R90.00, then "B" shall be R90.00 + the value of "E";
- In relation to Izingwe, if the value of "C - D" is greater than R70.00, then "B" shall be R70.00 + the value of "E";

n is the number of Vested E Shares.

147.5 The provisions of Articles 147.2, 147.3 and 147.4 shall apply *mutatis mutandis* (and the Company shall be entitled and obliged to convert a portion of the E Ordinary Shares held by the E Holder into Ordinary Shares and to cancel the balance of such E Ordinary Shares, *mutatis mutandis* on the basis described in those Articles) in the event that:

147.5.1 any person shall have acquired the entire ordinary issued share capital of the Company in terms of, pursuant to and/or by the operation of either section 311 or section 440K of the Companies Act, No. 61 of 1973 (as amended) (or any analogous provisions of the Companies Act, No. 71 of 2008, as amended) (collectively "the Take-out Transaction"); and

147.5.2 any person shall have made a written offer in respect of a Take-out Transaction and the Company shall have delivered, at its election, a written notice ("the Take-out Conversion Notice") to the E Holder, advising the E Holder that the Company intends to and shall apply the provisions of Articles 147.2, 147.3 and 147.4 to all, but not a portion only, of the E Ordinary Shares then held by such E Holder,

provided that the Transaction Notice Date shall be deemed, for such purposes, to be the date on which such party shall so acquire the entire issued ordinary share capital of the Company or, in the event that the Company shall have delivered a Take-out Conversion Notice to the E Holder, the date specified in such notice.

147.6 Save as set out in this Article 147, the E Ordinary Shares shall rank *pari passu* in all respects with the Ordinary Shares, it being recorded, for the avoidance of doubt, that in the event that, save as required by operation of law, the Company shall take any action of whatsoever nature in relation to and/or in connection with the amendment of any of the rights attaching to the Ordinary Shares (including, without limitation, by the sub-division and/or consolidation of the Ordinary Shares, or any of them) the Company shall take the same action *mutatis mutandis* in relation to the E Ordinary Shares.

ORDINARY RESOLUTION NUMBER 2

"Resolved as an ordinary resolution that, subject to the fulfilment of the conditions precedent stipulated in the notice convening the general meeting at which this resolution will be proposed and considered, 48,923 ordinary shares of R0.25 each and 1,370,634 E ordinary shares of R0.25 each in the authorised but unissued share capital of the Company be and are placed under the control of the directors of the Company as a specific authority:

1. to allot and issue for cash up to 48,923 ordinary shares of R0.25 each to the Bokamoso ESOP Trust at a subscription price per ordinary equal to the lower of R315.00 and the closing price per share traded on the JSE on the last trading day immediately preceding the subscription date ("the market price"), for the purposes of the Bokamoso Employee Share Ownership Plan;

2. to allot and issue for cash up to 810,634 E ordinary shares of R0.25 each to the Bokamoso ESOP Trust at a subscription price per E Ordinary Share equal to the indicative fair value of 15.943% of the market price, subject to a maximum subscription price of R90.00 per E Ordinary Share; and
3. to allot and issue for cash up to 560,000 E ordinary shares of R0.25 each at R0.25 per share for a total consideration of R140,000 to Izingwe Holdings (Proprietary) Limited.”

ORDINARY RESOLUTION NUMBER 3

“**Resolved as an ordinary resolution that** the Company Secretary and failing the Company Secretary, any one director of the Company be and is hereby authorised, on behalf of the Company, to do or cause all such things to be done, to sign or cause all such documentation to be signed as may be necessary to give effect to and implement all of the resolutions to be considered at the general meeting at which this resolution will be proposed and considered.”

REASONS FOR AND THE EFFECT OF THE SPECIAL RESOLUTION

The reason for and the effect of the special resolution, if passed, is to amend the rights attaching to the E ordinary shares of R0.25 each in the authorised share capital of the Company by deleting the existing Article 147 of the Company’s articles of association and substituting therefor a revised Article 147 in order to give effect to proposed amendments to the empowerment transaction undertaken by the Company in 2006.

VOTING AND PROXIES

In terms of the Listings Requirements of the JSE Limited, the issue of the ordinary shares in terms of the specific authority and approval granted in terms of ordinary resolution number 2 will constitute an issue of shares for cash and, accordingly, the ordinary resolution is, in terms of such Listings Requirements, required to be passed by a majority of 75% of votes exercisable by shareholders present or represented at the general meeting.

A shareholder entitled to attend and vote at the general meeting may appoint one or more proxies to attend, speak and, on a poll, vote in his/her stead. A proxy need not be a shareholder of the Company.

Certificated shareholders and dematerialised “own name” shareholders (whose name appears on the sub-register maintained by their CSDP/broker), who are unable to attend the general meeting and wish to be represented thereat, must complete and return the attached form of proxy in accordance with the instructions contained therein, so as to reach the Company’s share registrars in South Africa, the United Kingdom, Australia or Ghana by no later than 12:00 (South African time) on Tuesday, 10 May 2011. The addresses of the share registrars are on page 4 of the circular of which this notice forms part.

Duly completed CDI voting instruction forms must be received by the share registrars in Perth, Australia, by 12:00 (Perth time) on Monday, 9 May 2011.

In accordance with the AngloGold Ashanti Ghanaian Depositary Shares (“GhDSs”) Agreement dated 26 April 2004, the Ghanaian Depositary will mail all appropriate notices, together with a voting instruction form, to holders of GhDSs. Holders of GhDSs may direct the Depositary, via the voting instruction form, to vote on their behalf in the manner such holders may direct.

Dematerialised shareholders (other than dematerialised “own name” shareholders) must advise their CSDP/broker of their voting instructions should they wish to be represented at the general meeting. If, however, such shareholders wish to attend the general meeting in person, they will need to request their CSDP/broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between the dematerialised shareholder and the CSDP/broker.

By order of the board

Lynda Eatwell
Company Secretary

Johannesburg
South Africa

14 April 2011



ANGLOGOLD ASHANTI ANGLOGOLD ASHANTI LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1944/017354/06)
ISIN: ZAE000043485 JSE share code: ANG
("AngloGold Ashanti" or "the Company")

FORM OF PROXY

FOR USE ONLY BY ANGLOGOLD ASHANTI SHAREHOLDERS HOLDING ORDINARY SHARES, E ORDINARY SHARES AND A PREFERENCE SHARES IN CERTIFICATED FORM ("CERTIFICATED SHAREHOLDERS") AND ANGLOGOLD ASHANTI SHAREHOLDERS WHO HAVE DEMATERIALISED THEIR ORDINARY SHARES AND WHOSE SHAREHOLDING IS RECORDED IN THEIR OWN NAME IN THE SUB-REGISTER MAINTAINED BY THEIR CENTRAL SECURITIES DEPOSITORY PARTICIPANT ("CSDP") OR BROKER ("DEMATERIALISED "OWN NAME" SHAREHOLDERS") IN RESPECT OF THE GENERAL MEETING OF SHAREHOLDERS TO BE HELD AT 12:00 (SOUTH AFRICAN TIME) ON WEDNESDAY, 11 MAY 2011 IN THE AUDITORIUM, 76 JEPPE STREET, NEWTOWN, JOHANNESBURG, SOUTH AFRICA OR SO SOON THEREAFTER AS THE ANNUAL GENERAL MEETING OF ANGLOGOLD ASHANTI, CONVENED FOR 11:00 ON THE SAME DAY AND AT THE SAME VENUE, SHALL HAVE BEEN CONCLUDED OR ADJOURNED AND AT ANY ADJOURNMENT THEREOF ("GENERAL MEETING")

THIS FORM OF PROXY IS NOT FOR USE BY SHAREHOLDERS WHO HAVE DEMATERIALISED THEIR ORDINARY SHARES (AND WHOSE SHAREHOLDING IS NOT RECORDED IN THEIR OWN NAME IN THE SUB-REGISTER MAINTAINED BY THEIR CSDP OR BROKER).

I/We

(full name in BLOCK LETTERS)

of

(Address in BLOCK LETTERS)

being a shareholder(s) of the Company, holding ordinary shares/E ordinary shares/A preference shares
(delete whichever is not applicable)

in the Company, do hereby appoint:

1. _____ or, failing him/her,

2. _____ or, failing him/her,

3. the chairman of the general meeting,

as my/our proxy to attend, speak and, on a poll, vote on my/our behalf at the general meeting to be held in the Auditorium, 76 Jeppe Street, Newtown, Johannesburg, on Wednesday, 11 May 2011, at 12:00 (South African time) or so soon thereafter as the annual general meeting of AngloGold Ashanti, convened for 11:00 on the same day and at the same venue, shall have been concluded or adjourned and at any adjournment thereof, and to vote or abstain from voting as follows on the ordinary and special resolutions to be proposed at such meeting, as follows:

Please indicate with an "X" in the appropriate spaces how votes are to be cast:

	For	Against	Abstain
Ordinary resolution number 1: Approval of the proposed amendments to the BEE transaction			
Special resolution: Amendments to the Company's Articles			
Ordinary resolution number 2: Specific issue of E ordinary shares and ordinary shares to the Bokamoso ESOP and Izingwe			
Ordinary resolution number 3: Appointment of Company Secretary or director to do all such things necessary to effect the implementation of the proposed amendments			

A certificated shareholder or dematerialised "own name" shareholder entitled to attend and vote at the general meeting may appoint a proxy or proxies to attend, speak and, on a poll, vote in his/her stead. A proxy need not be a shareholder of the Company.

Every person present and entitled to vote at the general meeting shall on a show of hands have one vote only, irrespective of the number of shares such person holds or represents, and on a poll, shall have one vote for each share held or represented.

Signed at

2011

Name in BLOCK LETTERS

Signature

(Initials and surname of joint holders, if any)

This form of proxy is *not* for use by holders of AngloGold Ashanti American Depositary Shares, CHESSE Depositary Interests and Ghanaian Depositary Shares

Please read the notes on the reverse side hereof.

NOTES:

1. A signatory to this form of proxy may insert the name of a proxy or the name of an alternative proxy of the signatory's choice in the blank spaces provided with or without deleting "the chairman of the general meeting", but any such deletion must be signed in full by the signatory. Any insertion or deletion not complying with the foregoing will be deemed not to have been validly effected. The person present at the general meeting whose name appears first on the list of names overleaf, shall be the validly appointed proxy for the shareholder at the general meeting.
2. A shareholder's instructions to the proxy must be indicated in the appropriate spaces provided. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy, or to cast all those votes in the same way, but the total of votes cast, and in respect whereof abstention is directed, may not exceed the total of the votes exercisable by the shareholder or the proxy. Failure to comply with the above or to provide voting instructions or the giving of contradictory instructions will be deemed to authorise the proxy, if he is the chairman of the general meeting, to vote in favour of all resolutions at the general meeting in respect of all the shareholder's votes exercisable at the general meeting or if he or she is not the chairman of the general meeting, to vote or abstain from voting at the general meeting as he or she deems fit in respect of all the shareholder's votes exercisable at the general meeting.
3. Any alteration or correction made to this form of proxy must be signed in full and not initialled by the signatory.
4. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the share registrars of the Company in South Africa, the United Kingdom, Australia or Ghana.
5. When there are joint holders of shares, any one holder may sign this form of proxy.
6. The completion and lodging of this form of proxy will not preclude the shareholder who grants the proxy from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such shareholder wish to do so.
7. The chairman of the general meeting may reject or accept any form of proxy which is completed and/or received. otherwise than in accordance with these notes, provided that the chairman is satisfied as to the manner in which the shareholder concerned wishes to vote.
8. Completed forms of proxy should be returned to one of the undermentioned addresses so as to be received by no later than **12:00** (South African time) on **Tuesday, 10 May 2011**:

**Computershare Investor Services
(Proprietary) Limited**

Ground Floor, 70 Marshall Street, Johannesburg 2001
(PO Box 61051, Marshalltown 2107)
South Africa

Computershare Investor Services PLC

PO Box 82, The Pavilions, Bridgwater Road
Bristol BS99 7NH, England, United Kingdom

Computershare Investor Services Pty Limited

Level 2, 45 St George's Terrace, Perth, WA 6000
(GPO Box D182, Perth, WA 6840)
Australia

NTHC Limited

Martco House, Off Kwame Nkrumah Avenue
PO Box K1A 9563 Airport, Accra
Ghana



ANGLOGOLD ASHANTI ANGLOGOLD ASHANTI LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1944/017354/06)
ISIN: ZAE000043485 JSE share code: ANG
("AngloGold Ashanti" or "the Company")

CDI VOTING INSTRUCTION FORM

FOR COMPLETION BY AUSTRALIAN HOLDERS OF CHESSE DEPOSITARY INTERESTS IN THE COMPANY

Holders of CHESSE Depository Interests (CDIs) should use this form to direct CHESSE Depository Nominees Pty Limited how to vote on the resolutions to be considered at the general meeting of the Company to be held on **Wednesday, 11 May 2011** as detailed below. This Voting Instruction Form gives your voting instructions to CHESSE Depository Nominees Pty Limited to enable them to vote the underlying ordinary shares on your behalf. Please Note: Every 5 CDIs carries the right to one vote.

I/We

being a holder of CDIs direct CHESSE Depository Nominees Pty Limited to vote for me in respect of all the CDIs held in my/our name at the general meeting of the Company to be held in the Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa, on **Wednesday, 11 May 2011 at 12:00** (South African time) or so soon thereafter as the annual general meeting of AngloGold Ashanti, convened for 11:00 on the same day and at the same venue, shall have been concluded or adjourned and at any adjournment thereof, as follows:

VOTING INSTRUCTION:

Please indicate with an "X" in the appropriate spaces how votes are to be cast	For	Against	Abstain
Ordinary resolution number 1: Approval of the proposed amendments to the BEE transaction			
Special resolution: Amendments to the Company's Articles			
Ordinary resolution number 2: Specific issue of E ordinary shares and ordinary shares to the Bokamoso ESOP and Izingwe			
Ordinary resolution number 3: Appointment of Company Secretary or director to do all such things necessary to effect the implementation of the proposed amendments			

Notes:

- All the votes need not be exercised, neither need all votes be cast in the same way but the total of the votes cast and in respect of which abstention is directed may not exceed the total of the votes exercisable.
- Any alteration or correction made to this Voting Instruction Form must be signed in full and not initialled by the signatory.
- When there are joint holders of CDIs, any one holder may sign the Voting Instruction Form.
- Documentary evidence establishing the authority of a person signing the Voting Instruction Form in the capacity as Power of Attorney must be attached, unless previously recorded by the share registrars.
- Signature of this Voting Instruction Form on behalf of a company must be in accordance with that company's constitution and the signatory must state his/her office in the company concerned.
- Completed Voting Instruction Forms should be returned to Computershare Investor Services Pty Limited, Level 2, 45 St George's Terrace, Perth WA 6000 or GPO Box D182, Perth WA 6840 by no later than **12:00** Perth, Australia, time on **Monday, 9 May 2011**.

Signed at

2011

Name in BLOCK LETTERS

Signature

(Initials and surname of joint holders, if any)



ANGLOGOLD ASHANTI ANGLOGOLD ASHANTI LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1944/017354/06)
ISIN: ZAE000043485 JSE share code: ANG
("AngloGold Ashanti" or "the Company")

GHDS VOTING INSTRUCTION FORM

FOR COMPLETION BY HOLDERS OF GHANA DEPOSITARY SHARES IN THE COMPANY (GhDSs)

This Voting Instruction Form is to enable you to instruct NTHC Limited, as Depositary, how to vote on the resolutions to be considered at the general meeting of the Company to be held on **Wednesday, 11 May 2011** as detailed below on your behalf. Please note: every 100 GhDSs has one underlying AngloGold Ashanti ordinary share and carries the right to one vote.

I/We, _____ being the

registered holder(s) of _____ GhDSs direct NTHC Limited to vote for me/us in respect of all the GhDSs held in my/our name at the general meeting of the Company to be held in the Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa or so soon thereafter as the annual general meeting of AngloGold Ashanti, convened for 11:00 on the same day and at the same venue, shall have been concluded or adjourned, on **Wednesday, 11 May 2011 at 12:00** (South African Time) and at any adjournment thereof, as follows:

Please indicate with an "X" in the appropriate spaces how votes are to be cast	For	Against	Abstain
Ordinary resolution number 1: Approval of the proposed amendments to the BEE transaction			
Special resolution: Amendments to the Company's Articles			
Ordinary resolution number 2: Specific issue of E ordinary shares and ordinary shares to the Bokamoso ESOP and Izingwe			
Ordinary resolution number 3: Appointment of Company Secretary or director to do all such things necessary to effect the implementation of the proposed amendments			

Notes:

- The right to vote on the resolutions need not be exercised, neither need all the votes be cast in the same way.
- Any alteration or correction made to this Voting Instruction Form must be signed in full and not initialled by the signatory.
- In the case of joint holders of GhDSs, any one holder may sign the Voting Instruction Form.
- Documentary evidence establishing the authority of a person signing the Voting Instruction Form in the capacity as Power of Attorney must be attached, unless previously recorded by the Depositary.
- Signature of this Voting Instruction Form on behalf of a company must be in accordance with that company's constitution and the signatory must state his/her office in the company concerned.
- Completed Voting Instruction Forms should be returned to NTHC Limited, Martco House, off Kwame Nkrumah Avenue (PO Box KIA 9563 Airport, Accra, Ghana by no later than **12:00** Ghana time on Monday, **9 May 2011**.

Signed at _____ on _____ 2011

Name in BLOCK LETTERS _____

Signature _____

(Initials and surname of joint holders, if any)

It is understood that, if this form is not signed and returned, the Depositary will not vote for the resolutions.

