

Review of operations

Guinea



Siguiri		2008	2007	2006
Pay limit	(oz/t)	0.03	0.03	0.03
	(g/t)	0.93	0.95	0.94
Recovered grade*	(oz/t)	0.035	0.031	0.032
	(g/t)	1.20	1.05	1.08
Gold production	(000oz) – 100%	392	330	301
	– 85%	333	280	256
Total cash costs	(\$/oz)	466	464	399
Total production costs	(\$/oz)	542	599	552
Capital expenditure	(\$m) – 100%	22	21	16
	– 85%	18	18	14
Total number of employees		2,933	2,917	2,708
Employees		1,489	1,537	1,541
Contractors		1,444	1,380	1,167

* open-pit operations

AngloGold Ashanti has one gold mining operation, Siguiri, in the Republic of Guinea. Siguiri produced 333,000 attributable ounces of gold in 2008, equivalent to 7% of group production.

SIGUIRI

Description

AngloGold Ashanti has an 85% interest in Siguiri and the government of Guinea has a 15% stake. The Siguiri mine is a conventional open-pit operation situated in the Siguiri district in the north-east of the Republic of Guinea, West Africa, about 850 kilometres from the capital city of Conakry. All ore and waste is mined by a mining contractor and the ore is processed using a carbon-in-pulp (CIP) process. Siguiri mines two types of gold deposits, laterite and in situ quartz-vein related mineralisations that have been deeply weathered to form saprolite mineralisation.

Safety

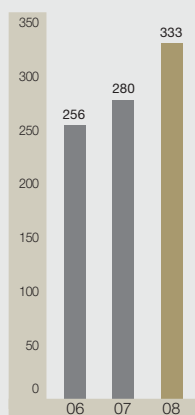
Overall safety standards were maintained at Siguiri with an LTIFR for the year of 0.42 per million hours worked (2007: 0.41). There were no fatalities.

Following a successful certification audit, the process to obtain OHSAS 18001:2007 accreditation was completed in December 2008.

Operating review

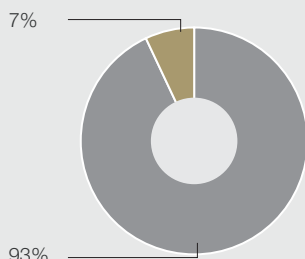
Attributable production increased by 19% to a record of 333,000 ounces in 2008. This increase was a function of improved throughput – the CIP plant performed consistently well throughout the year, with availability of 93%, the processing of 10 million tonnes aided by increased throughput during the wet season and a metallurgical recovery rate of 95.8% for the year – and the mining of higher grade pits early in the year which led to improved yields.

Total cash costs were fractionally higher at \$466/oz (2007: \$464/oz). Cost pressures, resulting from higher unit costs for fuel and reagents were countered by the increased level of production.



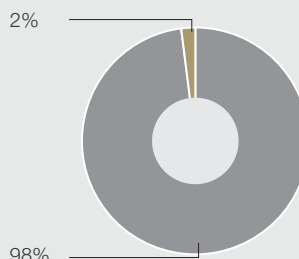
Gold production (000oz)*
Siguiri

*Attributable



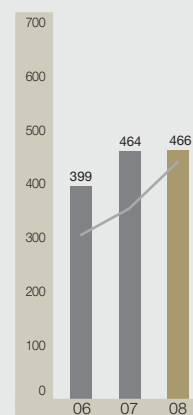
Contribution to attributable
group production in 2008 (%)

■ Siguiri
■ Rest of the world



Capital expenditure

■ Siguiri
■ Group



Total cash costs (\$/oz)
Siguiri

■ Total cash costs
— Group average

Attributable capital expenditure for the year of \$18 million was spent on brownfields exploration \$12 million and stay in business capital \$6 million.

Growth prospects

It is expected, with the exploration at Kintinian and Sintroko nearing completion, that additional ounces will be converted to reserves in early 2009. Regarding the CIP plant, the designs of a second gravity concentrator and de-gritting facilities are being finalised and these will be installed during 2009; they are expected to improve plant recovery and increase throughput. Studies are underway to increase plant throughput from 2010 onwards.

Outlook

Attributable gold production for 2009 is projected to decline to approximately 300,000 ounces with total cash costs ranging from \$495/oz to \$515/oz. Capital expenditure of \$27 million is scheduled for 2009, to be spent on brownfields exploration \$7 million, stay in business capital \$15 million and projects \$5 million.

Madima Camara

Receptionist
Siguiri, Guinea

“To me, labour practices and good healthcare are important in any business. Here at Siguiri in Guinea, I think there is a lot of emphasis on skills and training, without any discrimination and this contributes to the development of our workforce.”

