

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

Report on Form 6-K dated February 21, 2017

Commission File Number 1-14846

AngloGold Ashanti Limited

(Name of registrant)

76 Rahima Moosa Street (formerly Jeppe Street)

Newtown, 2001

(P.O. Box 62117, Marshalltown, 2107)

South Africa

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Enclosure: **Report - for the six months and year ended 31 December 2016 and declaration of Dividend No. 118**

Report

for the six months and year ended 31 December 2016 and declaration of Dividend No. 118

FULL YEAR REVIEW

- ❖ Free cash flow \$278m up 97% from 2015 (after once-off bond redemption costs)
- ❖ High yield \$1.25bn bond fully redeemed, reducing interest and improving free cash flow
- ❖ Production of 3.628Moz, within original guidance
- ❖ Total cash costs \$744/oz, all-in sustaining costs (AISC) \$986/oz, within revised guidance
- ❖ Adjusted headline earnings (AHE) of \$143m, up from \$49m in 2015
- ❖ Reduced net debt level \$1.92bn and improved Net debt to Adjusted EBITDA ratio 1.24 times
- ❖ Dividends resume after 3 year hiatus – ZAR 130 cents per share (approximately US 10 cents per share)
- ❖ Proven and probable gold reserves at year end of 50.1Moz, substantially offsets depletion

SECOND HALF YEAR REVIEW

- ❖ Strong safety performance; fatality-free fourth quarter
- ❖ Free cash flow \$170m, up 55% from \$110m in the second-half of 2015
- ❖ Production (from continuing operations) of 1.883Moz, down from 1.953Moz in the second half of 2015
- ❖ Total cash costs at \$780/oz; AISC \$1,058/oz, up from \$699/oz and \$897/oz respectively, in the second half of 2015

		Six months ended Dec 2016	Six months ended Dec 2015	Year ended Dec 2016	Year ended Dec 2015
US dollar / Imperial					
Operating review					
Gold					
Produced from continuing operations	- oz (000)	1,883	1,953	3,628	3,830
Produced from discontinued operations	- oz (000)	-	19	-	117
Produced continuing and discontinued operations	- oz (000)	1,883	1,972	3,628	3,947
Sold from continuing operations	- oz (000)	1,844	1,947	3,590	3,850
Sold from discontinued operations	- oz (000)	-	21	-	115
Sold continuing and discontinued operations	- oz (000)	1,844	1,968	3,590	3,965
Continuing operations					
Financial review					
Gold income	-\$m	2,125	1,970	4,085	4,015
Cost of sales	-\$m	1,763	1,641	3,263	3,294
Total cash costs	-\$m	1,323	1,247	2,435	2,493
Gross profit	-\$m	412	324	841	714
Price received *	-\$/oz	1,274	1,113	1,249	1,158
All-in sustaining costs *	-\$/oz	1,058	897	986	910
All-in costs *	-\$/oz	1,155	991	1,071	1,001
Total cash costs *	-\$/oz	780	699	744	712
Continuing and discontinued operations					
Profit (loss) attributable to equity shareholders	-\$m	11	58	63	(85)
	- cents/share	2	14	15	(20)
Headline earnings (loss)	-\$m	18	55	111	(73)
	- cents/share	4	13	27	(18)
Adjusted headline (loss) earnings *	-\$m	(16)	(12)	143	49
	- cents/share	(4)	(3)	35	12
Net cash flow from operating activities	-\$m	710	626	1,186	1,139
Free cash flow *	-\$m	170	110	278	141
Total borrowings	-\$m	2,178	2,737	2,178	2,737
Net debt *	-\$m	1,916	2,190	1,916	2,190
Capital expenditure	-\$m	493	430	811	857

Notes: * Refer to "Non-GAAP disclosure" for the definition.

\$ represents US dollar, unless otherwise stated.
Rounding of figures may result in computational discrepancies.

Published : 21 February 2017

December 2016

Operations at a glance

for the six months ended 31 December 2016

	Production		Cost of sales		All-in sustaining costs ¹		Total cash costs ²		Gross profit (loss)	
	oz (000)	Year-on-year % Variance ³	\$m	Year-on-year % Variance ³	\$/oz	Year-on-year % Variance ³	\$/oz	Year-on-year % Variance ³	\$m	Year-on-year \$m Variance ³
SOUTH AFRICA	481	(5)	(562)	7	1,205	12	984	13	80	64
Vaal River Operations	198	10	(215)	10	1,086	(2)	903	3	36	32
Kopanang	44	(20)	(79)	13	1,785	42	1,504	45	(22)	(14)
Moab Khotsong	154	23	(137)	9	886	(15)	730	(9)	58	45
West Wits Operations	185	(16)	(244)	3	1,331	24	1,062	25	(10)	(20)
Mponeng	124	7	(140)	12	1,135	2	870	5	16	12
TauTona	61	(42)	(103)	(7)	1,731	68	1,453	68	(26)	(32)
Total Surface Operations	93	(3)	(103)	11	1,169	19	1,002	12	54	52
First Uranium SA	45	-	(49)	14	1,137	22	896	6	46	52
Surface Operations	48	(8)	(54)	6	1,197	16	1,100	16	8	1
Other	5	(29)	-	-	-	-	-	-	-	-
INTERNATIONAL OPERATIONS	1,402	(3)	(1,415)	8	981	22	707	11	352	25
CONTINENTAL AFRICA	702	(2)	(716)	8	958	17	742	9	155	17
DRC										
Kibali - Attr. 45% ⁴	150	6	(156)	10	887	32	693	10	23	8
Ghana										
Iduapriem	115	10	(113)	1	940	(1)	888	(8)	31	32
Obuasi	-	(100)	-	(100)	-	(100)	-	(100)	2	4
Guinea										
Sigiri - Attr. 85%	134	9	(114)	5	1,008	4	857	5	39	15
Mali										
Morila - Attr. 40% ⁴	9	(36)	(17)	(6)	1,702	57	1,330	32	(6)	(4)
Sadiola - Attr. 41% ⁴	34	3	(46)	44	1,264	35	1,166	47	(2)	(7)
Tanzania										
Geita	260	(6)	(250)	23	919	26	562	19	63	(32)
Non-controlling interests, exploration and other			(21)						6	3
AUSTRALASIA	269	(3)	(286)	9	1,115	28	781	11	50	(9)
Australia										
Sunrise Dam	114	12	(130)	13	1,151	3	994	1	12	9
Tropicana - Attr. 70%	155	(12)	(145)	5	999	46	565	11	49	(16)
Exploration and other			(11)						(11)	(2)
AMERICAS	431	(5)	(411)	9	929	25	604	14	147	17
Argentina										
Cerro Vanguardia - Attr. 92.50%	146	2	(126)	6	819	(2)	582	(4)	64	31
Brazil										
AngloGold Ashanti Mineração	219	(9)	(202)	15	948	41	589	29	67	(21)
Serra Grande	67	(6)	(71)	1	1,095	43	681	20	13	4
Non-controlling interests, exploration and other			(12)	(8)					3	3
Continuing operations	1,883	(4)			1,058	18	780	12		
Discontinued operations										
Cripple Creek & Victor	-	(100)								
OTHER			(6)	500					(6)	(6)
Total	1,883	(5)	(1,982)	8					426	84
Equity accounted investments included above			219	15					(14)	5
AngloGold Ashanti			(1,763)	7					412	88

¹ Refer to note C under "Non-GAAP disclosure" for definition

² Refer to note D under "Non-GAAP disclosure" for definition

³ Variance December 2016 six months on December 2015 six months - increase (decrease).

⁴ Equity accounted joint ventures.

Rounding of figures may result in computational discrepancies.

Financial and Operating Report

FINANCIAL AND CORPORATE REVIEW

AngloGold Ashanti's strong production and financial performance for the second-half and year ended 31 December 2016 reflects delivery on its strategy to improve cash flows and returns on a sustainable basis, with an increase in positive annual free cash flow year on year. In addition, through its continued self-help measures, AngloGold Ashanti has again reduced its debt significantly over this period, improved balance-sheet flexibility with good liquidity levels and no material near-dated debt maturities, while continuing to develop optionality within the business.

The improved earnings and free cash flow were achieved through strong ongoing focus on cost and capital discipline, and also a higher gold price.

"Production from our operations delivered a strong turn around in the second half of the year. We have again generated strong cash flows despite a volatile gold price, which has further strengthened our balance sheet and improved flexibility," Chief Executive Officer Srinivasan Venkatakrishnan said. "We will continue to deliver on our strategy through the development of high-return, brownfield projects in order to continue to improve the underlying quality of our portfolio."

The Company's strategy remains on track with a focus on generating free cash flow on a sustainable basis. Having delivered certain production improvements, significant achievements in addressing our cost structures, balance sheet, and portfolio mix of AngloGold Ashanti, management will continue to work to strengthen the foundation of the business by unlocking value at its existing assets. The extraction of value through high return, low capital projects with relatively accelerated payback periods will become the next source of improved cash flows and portfolio quality enhancements. These in turn will assist in sustainable cash generation from the business.

FULL YEAR REVIEW

Free cash flow for 2016 was \$278m, nearly double the \$141m achieved in 2015, after meeting \$30m in once-off costs to redeem the high-yield bond, helped by a strong turn-around in the production performance in the second half of the year, the higher gold price and lower interest payments.

Cash inflow from operating activities for 2016 was \$1,186m, \$47m more than the \$1,139m in 2015, despite a 5% drop in production from continued operations and higher operating costs. The gold price received was up 8% year-on-year.

Production of 3.628Moz, from continuing operations, was within the original guidance for the year ended 31 December 2016 at a total cash cost of \$744/oz, compared to production of 3.830Moz at a cash cost of \$712/oz for the year ended 31 December 2015. Production was negatively impacted by weaker production from the South African operations largely as a result of safety-related stoppages, lower grades from Kibali, a planned decrease in head grades at Tropicana and Geita as noted earlier in the year, and Obuasi being in care and maintenance for all of 2016. However, Mponeng and Moab Khotsong in South Africa delivered increased production for the year together with Iduapriem and Sigiiri in the Continental Africa region, and Sunrise Dam in Australia. Mponeng delivered the best improvement, with a 16% increase in production and a 14% decrease in AISC year-on-year.

AISC came in at \$986/oz, up from \$910/oz in 2015. The AISC reflects continued cost discipline and weaker currencies in some jurisdictions, offset by an increase in capital expenditure, inflation and exploration costs, all against the backdrop of a 15% decline in grade and safety-related stoppages in South Africa, which led to lower year-on-year production levels.

Earnings improved sharply in 2016 from the previous year. Adjusted Headline Earnings were up to \$143m, or 35 cents per share, compared with \$49m, or 12 cents per share in 2015. Net profit attributable to equity shareholders during 2016 was \$63m compared with a net loss from continuing operations of \$85m a year earlier. The increase in earnings was primarily due to the higher gold price received, weaker operating currencies in Argentina, Brazil and South Africa, continued focus on cost control, interest savings and a lower effective tax rate, and was partially offset by reduced income from associates and joint ventures.

Adjusted earnings before interest, tax, depreciation and amortisation (Adjusted EBITDA) of \$1,548m in 2016 increased by \$76m, or 5% from the \$1,472m recorded in 2015. The Adjusted EBITDA margin expanded to 37.9% in 2016, from 36.7% in 2015. The ratio of net debt to Adjusted EBITDA at the end of December 2016 was 1.24 times compared with 1.49 times at the end of December 2015, highlighting the success of AngloGold Ashanti's continued efforts to improve financial flexibility as the current net debt to Adjusted EBITDA ratio falls in well below the covenant ratio of 3.5 times which applies under our revolving credit agreements.

Net debt fell by 13% to \$1.916bn in 2016, from \$2.190bn at the end of 2015. At the end of July 2016, AngloGold Ashanti redeemed the \$503m outstanding on the 8.5% bonds due in 2020 by drawing down \$330m from the US dollar \$1bn revolving credit facility (RCF) and the balance from cash on hand. The redemption was executed with the purpose of eliminating the company's highest-cost debt, and reducing both interest payments and the concentration of debt maturities in 2020, while improving free cash flow and introducing additional balance-sheet flexibility. Management has since focused on paying down existing RCFs at a steady pace.

The balance sheet remains robust, with strong liquidity comprising \$950m available on the \$1bn US dollar RCF at the end of December 2016, A\$265m undrawn on the A\$500m Australian dollar RCF, approximately R2.2bn available from the South African RCF and other facilities and cash and cash equivalents of \$215m as at the end of December 2016.

Capital expenditure (including equity accounted investments) fell within the guidance given earlier in the year at \$811m for the year ended 31 December 2016 compared to \$799m for the year ended 31 December 2015 (from continuing operations). This increase was largely due to increased spend on asset improvements in Australia and Brazil as planned, partially offset by lower spend in South Africa and the Continental Africa region. The capital expenditure in Continental Africa was mainly impacted by the cessation of work on the underground decline access at Obuasi in Ghana and a reduction in spending at Kibali. In the South Africa region, although spending remained relatively stable year-on-year in rand terms, there was lower capital spend than initially planned, mainly due to the impact of safety stoppages and exchange rates.

SECOND HALF YEAR REVIEW

Free cash flow of \$170m was generated in the second half of 2016, after accounting for the once-off \$30m bond redemption cost paid on settlement of the remaining \$1.25bn bonds. The second-half free cash flow improvement was boosted by a receipt of \$28m in cash, from the sale of metal from Argentina which was delayed in the first half of 2016 and received in the first week of the second half of 2016.

The second half of 2016 reflected a steady operating and financial performance, despite safety-related stoppages that impacted production by about 60,000oz in SA, planned lower grades at Geita and Tropicana, and the Obuasi mine having been on care and maintenance for the 2016 year. These negative production factors were offset by continued focus on fundamental cost management, a 14% higher realised gold price, and weaker currencies in some jurisdictions.

AISC for second half of 2016 was \$1,058/oz, higher than the \$897/oz for the second half of 2015 as a result of the lower gold ounces sold, higher overall cash costs, higher brownfields exploration costs, and increased sustaining capital expenditure. AISC were also favourably impacted by weaker currencies in South Africa and Argentina, which was partially offset by the strengthening of the Brazilian Real and the Australian dollar against the US dollar.

Despite the reduction in net finance costs and an increase in the gold price, the second half of 2016 saw an adjusted headline loss of \$16m, compared to a loss of \$12m in the second half of 2015 due to an increase in net income tax and lower earnings from equity accounted investments.

Adjusted EBITDA of \$767m, increased by 13% in the second half of 2016 compared to \$679m in the second half of 2015, due to the increase in the average gold price received, and despite a 5% reduction in ounces sold over this period.

Capital expenditure in the second half of 2016 (including discontinued operations and equity accounted investments) was \$493m compared to \$430m (includes \$10m for discontinued operations) in the same period of 2015. Of the total capital spent, project capital expenditure during the period amounted to \$71m. Total capital expenditure was 55% higher in the second half of 2016 compared to the first half mainly due to normal seasonal spending patterns at our operations.

Summary of six months-on-prior year-six months and year-on-year operating and cost variations:

Particulars	Six months ended Dec 2016	Six months ended Dec 2015	Six months on prior year six months Variance	Year Dec 2016	Year Dec 2015	Year on year Variance
Operating Review						
Gold						
Production from continuing operations (kcozs)	1,883	1,953	-4%	3,628	3,830	-5%
Production from discontinued operations (kcozs)	-	19	-100%	-	117	-100%
Production from continuing and discontinued operations (kcozs)	1,883	1,972	-5%	3,628	3,947	-8%
Continuing Operations						
Gold price received (\$/oz)	1,274	1,113	14%	1,249	1,158	8%
Total cash costs per unit (\$/oz)	780	699	12%	744	712	4%
Corporate & marketing costs (\$m) *	32	33	-3%	61	78	-22%
Exploration & evaluation costs (\$m)	71	72	-1%	133	132	1%
All-in sustaining costs (\$/oz) **	1,058	897	18%	986	910	8%
All-in costs (\$/oz) **	1,155	991	17%	1,071	1,001	7%
Adjusted EBITDA (\$m)	767	679	13%	1,548	1,472	5%
Continuing and discontinued operations						
Cash inflow from operating activities (\$m)	710	626	13%	1,186	1,139	4%
Free cash flow (\$m)	170	110	55%	278	141	97%
Capital expenditure (\$m)	493	430	15%	811	857	-5%
Free cash flow (\$m) excl. tender premium	200	171	17%	308	202	52%

* Includes administration and other expenses.

** World Gold Council standard, excludes stockpiles written off.

SAFETY UPDATE

There is no higher priority for AngloGold Ashanti than the safety of every one of its employees. It is a commitment that the company will continue to demonstrate across its global portfolio, including the world's deepest mines that it operates in South Africa. Over the past decade, AngloGold Ashanti has reduced operating fatalities by more than 80%. Over the same period, it has improved its all injury frequency rate (AIFR), the broadest measure of workplace injuries, by more than two-thirds. We will not relent in our endeavours to prevent harm to employees.

The improvements of the past decade have come through a focus on improved operating and safety systems and technologies, as well as an emphasis on ensuring that every person in the company places a greater focus on identifying and avoiding risk. In an

environment where minor missteps can have catastrophic consequences, it is critical that we not only are relentless in identifying and eliminating hazards, but that we instil a culture that prizes safety above all else. We have made encouraging strides in that regard and will continue to look for ways to improve.

Like in any heavy industry, and especially in a company like ours that employs more than 50,000 people globally, human error remains among our greatest challenges. This is an aspect of the business that we continue to work hard to mitigate in cooperation with a broad group of stakeholders.

As has been reported, six operating fatalities were recorded in South Africa during 2016 and another in Brazil.

There have, however, been important gains. In our efforts to deal with this challenge, the fourth quarter of 2016 passed without a fatality in any business unit, and at year-end the South Africa business unit reached fatality-free 158 days. Whilst this demonstrates some successes in the implementation of our safety strategy, we must remain vigilant to ensure that we continue to make gains in this most important area of the business.

The AIFR improved to 7.02 per million hours worked for the quarter ended 31 December 2016 compared to 7.25 per million hours worked for the quarter ended 31 December 2015. Significant safety milestones recorded during the year include one million fatality free shifts at Mponeng, Kopanang, Moab Khotsong and the Regional Services Department, two-million fatality-free shifts for the Vaal River Region as a whole; Moab Khotsong achieved a full calendar year without a fatality in September and the Surface Operations unit achieved a full year with no lost-time injury. The Savuka gold plant won South Africa's coveted JT Ryan award for operating without a fatality since 1961. In Continental Africa, Sigui and Iduapriem passed the second half of 2016 with no injuries whatsoever, whilst the Americas had 46 injuries of which 15 were lost time injuries and Australia had 18 injuries of which 10 were lost time injuries.

As AngloGold Ashanti has continually demonstrated, we value close cooperation with all role players in this industry, including our employees and our partners in organised labour, and also our regulator in the Department of Mineral Resources (DMR). We believe it is crucial to the wellbeing of every employee that this relationship is not only professional and respectful, but also tightly bound by the laws and regulations that govern the industry.

We continue to seek dialogue with the DMR at every level, with the primary aim of improving safety and ensuring fair and proportional application of applicable safety legislation. Where there is disagreement, we will continue - as we have done - to use the proper appeal mechanisms and legal remedies available under the Mine Health and Safety Act and associated legislation.

We believe that through close cooperation among stakeholders and fair application of regulations with due regard to proportionality, as well as continued vigilance in an unpredictable operating environment, we can further improve on the safety gains made in the past decade.

OPERATING HIGHLIGHTS

The **South African operations** produced 967,000oz at a total cash cost of \$896/oz for the year ended 31 December 2016 compared to 1,004,000oz at a total cash cost of \$881/oz for the year ended 31 December 2015. The decline in production was mainly due to lower underground volumes and grades over the period, with the most significant decrease at TauTona. The operational performance in 2016 was predominantly impacted by a range of safety-related stoppages across all operations resulting in an estimated loss of 104,000oz, with TauTona, Moab Khotsong and Kopanang most affected.

The benefit of the weaker exchange rate compared with the corresponding period a year earlier largely offset the impact of lower production volumes and inflationary pressures on total cash costs, which rose 2%. Inflationary pressures included annual power tariff increases and salary adjustments. AISC at \$1,081/oz for the year ended 31 December 2016 reflected a decline from \$1,088/oz achieved for the year ended 31 December 2015.

For the **six months ended 31 December 2016** the region produced 481,000oz at a total cash cost of \$984/oz compared to the 505,000oz at a total cash cost of \$867/oz for the same period in 2015. AISC were \$1,205/oz for the six months ended 31 December 2016, compared to \$1,079/oz achieved in the second half of 2015. Lower grades and inflationary pressures had a significant impact on unit costs in the second half of 2016.

At the **West Wits**, Mponeng delivered the best performance in the region for the year, with a 16% increase in production and a 14% decrease in AISC year-on-year, mainly through successful implementation of the 'de-risk mine plan' formulated to improve safety at the mine. The subsequent move out of higher grade areas was augmented by high-quality mining practices and an improved mining mix, whilst the mine had fewer safety related disruptions in 2016 compared to the previous year.

At TauTona, production for 2016 decreased due to four main issues:

- early in the first quarter the need for modified secondary support standards for all development ends was identified, delaying some development during implementation;
- a seismic event occurred in the Savuka section in April, leading to the suspension of the majority of mining in that section for safe rehabilitation;
- a fatal underground locomotive accident in third quarter suspended operations whilst remedial actions were taken; and
- lower face-grades, compounded by off-reef mining due to underground geological structures.

At the **Vaal River**, Moab Khotsong delivered a production increase of 10% year-on-year. This was as a result of an increase in volumes mined, with additional face length and a 5% increase in Mine Call Factor, while the underground mined grade increased by 3% given the areas mined.

At Kopanang, production for the year was dampened by lower volumes mined and a 6% drop in mined grade year-on-year as well as plagued by safety related stoppages throughout the year. Lower volumes mined were a result of lower efficiencies brought about by face time constraints due to mining in the extremities. The mining cycle has been changed to mitigate this going forward, allowing for the most efficient use of the limited face time.

Surface Operations for the year ended 31 December 2016 produced 187,000oz at a total cash costs of \$899/oz, compared to 193,000oz at a total cash cost of \$912/oz for the year ended 31 December 2015. At Mine Waste Solutions (MWS), production ended relatively flat year-on-year with a 7% increase in tonnage throughput for 2016, offset by lower feed grades and lower recoveries. The

uranium plant was recommissioned in the second half of 2016 and the first uranium was produced in August. Additionally, the optimisation of the plant circuit continues so as to improve the recoveries going forward.

The **Continental Africa** region delivered 1.321Moz at a total cash cost of \$717/oz for the year ended 31 December 2016 compared to 1.435Moz at a total cash cost of \$678/oz for the year ended 31 December 2015. The region has maintained its record of consistent and solid delivery despite no contribution from Obuasi (currently under care and maintenance) and operational challenges at Kibali encountered during first half of 2016. Production was also impacted by planned lower recovered grades at Geita whilst Morila, in closure phase, is now treating lower grade marginal and tailings grade ore. AISC were \$904/oz for the year ended 31 December 2016 compared to \$815/oz the year ended 31 December 2015.

For the six months ended 31 December 2016 the region produced 702,000oz at a total cash cost of \$742/oz compared to the 716,000oz at a total cash cost of \$681/oz for the same period in 2015. Total cash costs increased due to lower production, grades and inefficiencies. AISC were \$958/oz for the six months ended 31 December 2016, compared to \$822/oz achieved in the same period in 2015.

In **Ghana**, production at Iduapriem increased 11% as a result of mining in deeper, higher-grade areas, and a 9% increase in tonnage treated from higher plant utilisation, compared to the previous year when the plant had an extended major shutdown upgrading the SAG mill. Total cash costs decreased with production uptake partly offset by increased mining activity and associated costs.

In the **Republic of Guinea**, production at Siguri increased as a result of a 3% increase in tonnes treated as the mine plan improved compared to the previous year, partly offset by a planned decrease in recovered grade. Total cash costs decreased by 5%, mostly as a result of increased production due to the improved mine plan.

In **Mali**, Morila has fully transitioned to treat lower grade marginal and tailings ore, although the decrease in recovered grade has been partly offset by a 23% increase in tonnage throughput compared to the previous year as a result of consistent plant availability and treatment of softer ore.

Sadiola delivered the planned 5% year-on-year increase in recovered grade, partly offset by a 3% decrease in tonnage throughput as a result of an increase in the treatment of transitional material.

In the **DRC**, Kibali's attributable production was 264,000oz for 2016, having increased significantly in the second half relative to the first half of 2016 by 32%, due to much improved plant performance and recovery, and increased production from the underground mine.

In **Tanzania**, Geita's 7% decrease in production was due to a planned 12% decrease in recovered grade in line with the mining plan, partly offset by a 5% increase in plant throughput from treatment of softer ore, improved plant availability and consistent operations. Total cash costs increased as a result of the decrease in production year-on-year. The mine has seen a good transition from the Star & Comet pit to underground. Permitting for underground mining at Nyankanga has been granted in full. The mine will now commence the evaluation of additional underground options to increase resource and production, and extend mine life.

The **Americas region** produced 819,000oz for the year ended 31 December 2016 at a total cash cost of \$578/oz compared to 831,000oz at a total cash cost of \$576/oz for the year ended 31 December 2015. AISC were \$875/oz, compared to \$792/oz achieved in the same period in 2015. Production volumes were impacted by lower year-on-year contribution from Brazil.

For the six months ended 31 December 2016 the region produced 431,000oz at a total cash cost of \$604/oz compared to 454,000oz at a total cash cost of \$529/oz for the same period in 2015. Total cash costs increased due to decreased production. AISC were \$929/oz, compared to \$745/oz achieved in the same period in 2015.

In **Argentina**, Cerro Vanguardia achieved the highest annual production for the past 17 years; producing 281,000oz for the year ended 31 December 2016 at a total cash cost of \$563/oz compared to 278,000oz at a total cash cost \$625/oz for the year ended 31 December 2015. The production increase was attributable to the higher tonnes treated at the plant following operational and metallurgical improvements, partially offset by lower grades due to variability in the mining model. Total cash costs were 10% lower mainly due to local currency devaluation, higher by-product income helped by volume and price improvements, partially offset by annual salary increases.

Brazil commenced 2016 facing production challenges caused by geotechnical, licensing and geological modelling issues. The mine plan at Mineração was revised accordingly, delivering improved production which helped offset the shortfall from the first half of 2016. The revised mine plan comprised the treatment of additional ore from lower grade zones, partially compensating the production gap with higher tonnage treated. Serra Grande experienced a delay in receiving permits required for the open pit as well as the geotechnical challenges at the ramp to access high grade areas at underground Mina Nova, in the Pequizao orebody.

AISC were \$923/oz for the year ended 31 December 2016 compared to \$748/oz for same period in 2015, mainly due to higher capital expenditure, inflation pressures, local currency appreciation, and lower gold produced. The higher capital expenditure is attributable to higher ore reserve development and work done to increase mine flexibility at all operations, as well as tailings dam raises and conversion of metallurgical leaching process.

The **Australia region** produced 520,000oz for 2016 at a total cash cost of \$793/oz compared to 560,000oz at a total cash cost of \$702/oz for 2015.

For the six months ended 31 December 2016 the region produced 269,000oz at a total cash cost of \$781/oz compared to 278,000oz at a total cash cost of \$704/oz for the same period in 2015. Total cash costs increased due to a weaker Australian dollar, planned lower production at Tropicana (70%) and increased mining spend at Sunrise Dam, where an extra jumbo was added to the fleet to set up new mining areas and carry out decline development, lifting mined ore tonnes. AISC was \$1,115/oz for the six months ended 31 December 2016, compared to \$873/oz achieved in the same period in 2015.

Production for 2016 in Australia was impacted by lower contribution from Tropicana, mainly due to the first phase of grade streaming coming to an end in December 2015. However, processing plant throughput was 13% higher for the period following completion of the Plant Optimisation Project, and the plant was operating at an annualized rate of more than 7.5 mtpa by the end of H2. Production at

Sunrise Dam increased due to 4% higher mill throughput and a 15% increase in head grade as the large Dolly stope was brought into production.

CORPORATE UPDATES

In December 2016, AngloGold Ashanti reported an improved production outlook at the Tropicana Gold Mine in Western Australia, based on higher mining and processing rates along with a 45% increase in the mine's Ore Reserve estimate. See the Mineral Resource and Ore Reserve report that follows.

Chief Operating Officer - International

Ron Largent, who has had a distinguished career within AngloGold Ashanti since 1994 and more than 30 years' experience in international mining operations and project management, will be retiring with effect from 30 June 2017. During his period of service with AngloGold Ashanti, Ron has filled a number of roles with distinction, ranging from his time as a mining manager and general manager (both at Cripple Creek & Victor), to Executive Vice President of the Americas Region and finally -- since 2013 -- as Chief Operating Officer: International. In this role Ron showed exceptional leadership in driving a range of improvements across our International Portfolio at a critical time for the business. These improvements included, among others, a wide range of advances in safety, development and retention of key personnel, enhancements to our sustainability performance, consistent delivery on production and costs, reinforcement of capital discipline, and continual work necessary to uncover potential and value from our portfolio. Crucially, Ron also oversaw a robust succession plan in anticipation of his retirement.

We thank Ron Largent for the significant contributions he has made to the Group and wish him well in his retirement.

In line with the company's succession plan and to ensure an orderly handover, Ludwig Eybers who has been in the role of Deputy Chief Operating Officer International, has been appointed to succeed Ron as Chief Operating Officer: International. Ludwig has been with the company for five years, and has led the remarkable turnaround across all aspects of our Continental Africa portfolio since 2013. Ludwig, who has had extensive experience working across a number of international jurisdictions over a 25-year career, has overseen an increase in productivity for the Continental Africa region, along with an improvement in safety. He has been working very closely with Ron Largent on budgeting and business planning, as well as on the execution of Operational Excellence initiatives and assumed safety, production, costs and project accountabilities from Ron during 2017. Ludwig will replace Ron on AngloGold Ashanti's group executive committee effective 22 February 2017 and will continue to work with Ron to complete the well advanced transition.

Board of Directors

In accordance with paragraph 3.59 of the Listings Requirements of the JSE Limited, AngloGold Ashanti wishes to inform shareholders of changes to its board of directors ("the Board") and Board committees.

Professor Wiseman Nkuhlu (73) has notified the Board of his intention to retire as an independent non-executive director at the company's forthcoming annual general meeting to be held on 16 May 2017, after eight years of distinguished service, and will thus not stand for re-election on such date.

During his tenure, Professor Nkuhlu, a Chartered Accountant, was the deputy chairman of the Board and an invaluable member of its Audit and Risk, Investment, Nominations, and Remuneration and Human Resources committees.

The Board wishes to thank Professor Nkuhlu for his significant contribution to the Company during his tenure and wishes him all the very best on his retirement from the Board.

"We greatly value the insight, incisiveness and independence that Wiseman has brought to the Board of AngloGold Ashanti for close to a decade," Chairman Siphon Pityana said. "He has added value to the Board and the Company and we wish him well in any and all of his future endeavours."

In addition, on 2 December 2016 AngloGold Ashanti announced the appointment of Sindiswa Zilwa as an Independent Non-Executive Director with effect from 1 April 2017.

Sindiswa Zilwa will be appointed as a member of the Audit and Risk Committee, Remuneration and Human Resources Committee and Investment Committee, and Maria Richter will be appointed as a member of the Nominations Committee from May 2017.

OBUASI UPDATE

In early February 2016, following the incursion of hundreds of illegal miners inside the fenced area of the Obuasi mine site, AngloGold Ashanti was forced to declare force majeure and, in the interests of safety, withdrew all employees performing non-essential functions. At its peak, an estimated 12,000 illegal miners operated across the previously fenced-off area of the site. A directive to clear the site of illegal mining by 10 October 2016 was given by the Minerals Commission which, along with a multi-stakeholder committee it established, prepared alternative sites off the company lease for the miners to relocate to.

On 18 October 2016, the Security Task Force took the first concerted steps to start to restore safety and security at the Obuasi concession.

At each step along the way, AngloGold Ashanti Ghana was at pains to petition authorities to ensure that the process of clearing illegal mining activity from site should be done with the least amount of force and with full deference to the Voluntary Principles on Security and Human Rights.

As of 13 February, 2017, all areas within our fenced operational area have been cleared of illegal miners, and all identified illegal mining holes within the fence have been closed. Following a review of the safety, surface and underground conditions we have notified the Ghanaian authorities that the circumstances that led to the declaration of force majeure no longer exist and as such lifted the force majeure with effect from 13 February 2017.

Note, however, there remains further work to be undertaken in relation to the removal of the illegal mining activities outside of the fenced area but within the Obuasi concession area. Only once that process is complete, and the feasibility study for the redevelopment of the mine has been updated with the relevant information, will the company be in a position to outline its plans for Obuasi.

UPDATE ON CAPITAL PROJECTS

Mponeng project

The Phase 1 project is in the production build up phase. Infrastructure development on 123 level has progressed to schedule with four raise lines holed in total during 2016. The construction of the capital infrastructure, execution of ore reserve development, as well as the

improvement of logistical efficiency ran on schedule during 2016. The ramp up to steady state ore reserve development is expected to commence in the second half of 2017 after the ore handling infrastructure has been commissioned.

On Phase 2, commissioning of the surface sub-station was completed by Eskom at the end of 2016. Other activities continued during the quarter, including the inter-level ice-hole equipping, the construction of the 116 Level sub-station as well as the water handling infrastructure complex on 121 Level.

Siguiri

Following the successful ratification of the Convention by the government of the Republic of Guinea, construction for the expansion and conversion of the processing plant infrastructure will commence, which will facilitate the processing of harder sulphide ore thereby extending mine life, increasing production and lowering unit costs, whilst also improving the exploration potential in the area surrounding the mine. In addition, a further \$43m has been approved for the construction of an owner build power station which will provide cost benefits.

Sadiola

The updated feasibility study for the mining and treatment of harder sulphide ore at Sadiola, that will increase processing plant throughput, lower unit costs and extend mine life, has been completed together with IAMGOLD, our joint venture partner. Further work on the project is subject to achieving requisite government approvals, agreements and permits. Discussions are currently underway with ministries of the government of the Republic of Mali with a view to expeditiously achieve these approvals. Capital costs are now expected to be \$410m (100% of the project).

Kibali

The shaft sinking has reached the shaft bottom at the completed depth of 751.2m and equipping of shaft has been completed. The focus for the quarter was on the off shaft development, with 780m of development achieved. The underground development during the latter part of 2016 totalled 3,503m. First ore from the shaft is expected in the third quarter in 2017.

At the Ambarau hydro power plant, construction continued during the quarter, with first power having been rescheduled to the first quarter of 2017. The Azambi hydro power plant, the third hydro power plant to be constructed, is still on plan to be completed in 2018. The construction work has commenced, with focus on site establishment and soft excavations to allow for the temporary berm work to start.

The project to expand the mine's ultra-fine grinding capacity to improve full sulphide feed recoveries, continued according to schedule, with commissioning planned for the first quarter of 2017.

Technology and Innovation

The progress that the Technology Innovation Consortium made in 2016 and the highlights of the project are set out below:

1. Reef Boring

1.1 Small range:

In 2016 the Sandvik/Cubex machine was commissioned at the Savuka section of the mine but due to challenges faced during the stage gate reviews, the programme had to be discontinued and the machine will be decommissioned.

1.2 Medium Range:

The medium range uses the MKIV Machine and MKIII machines. During the year, the MKIV machine was commissioned in the test site and has drilled 23 holes, with four holes drilled in the fourth quarter of 2016. It was determined that the quality of the holes regressed due to the self-pinning cylinders failing during the drilling cycle. The MKIV is now designated for research and development trials and to ensure that design targets are met on this proto-type machine.

The MK III Machines were used in the Carbon Leader Reef (CLR) and Ventersdorp Contact Reef proto type sites. Drilling continued in the CLR block, totalling 33 holes in the first half of 2016. At the end of the second quarter of 2016, geotechnical concerns resulted in a revised extraction strategy that resulted in the loss of some current mining ground and consequently the reduction of one machine.

Another MK III machine was installed in the VCR site and drilling commenced in third quarter of 2016 after commissioning, ending the year with a total eight holes drilled. The usual teething problems associated with a commissioning process were resolved. Work will continue at both sites in a stage gate approach, with the aim of achieving consistent performance to prove the economic viability of the project.

2. Ore body Knowledge and Exploration

The year started with the aim to improve on the final accuracy trial on the Sandvik/Cubex machine. The analysis indicated that the drilled holes followed a similar trend, implying that a correction factor could be applied to ensure an accurate end point is reached. The drilling trials with the Bohmeister fit-for-purpose drill rig commenced in the fourth quarter of 2016 after it's commissioning at TauTona mine. The first stage gates were met after drilling four holes at the set drilling target rate (8m/hr) and hole depth (100m) at different inclinations.

3. Ultra-High Strength Backfill (UHSB)

To date two plants were successfully commissioned; one plant at the CLR site and the other at the VCR site at TauTona mine. The plants are in full operation and have the capabilities of mixing the dry tailings underground with the other ingredients, thereafter pumping the final product at 4m³/hour over a distance of 600m.

Engineering construction and equipping of the Savuka CLR plant and the TauTona Below 120 plant will commence as soon as the site excavation is completed in the first half of 2017.

Construction of the surface solution plant was completed in the fourth quarter. This plant is expected to allow for pumping the UHSB solution (UHSB product excluding cement) from surface to the Below 120 plant underground. Mponeng extraction ratio improvement project product development is in progress. A range of designs have been tested and the characteristics have been modelled. Final results are pending before a suitable product can be identified.

For more details on work done during the year, see the **Exploration Update document** on the company website: www.anglogoldashanti.com

EXPLORATION UPDATE

Greenfields Exploration

During the second half of 2016, greenfields exploration activities were undertaken in Australia, Colombia, Brazil, Argentina, USA, Guinea, and Tanzania. Greenfields Exploration completed 1,173m of RC/diamond drilling and 39,555m of aircore drilling in Australia. Total expenditure for the second half of 2016 was \$16m.

In Australia, the Butcher Well and Lake Carey farm-in agreement was signed between AngloGold Ashanti and Saracen Mineral Holdings Limited. AngloGold Ashanti has acquired earn-in rights for 340 km² of tenements on and along the western margin of Lake Carey in the Laverton district of Western Australia. The first phase of drilling at Butcher Well is expected to commence in February 2017.

Elsewhere in the Laverton district, AngloGold Ashanti completed aircore drilling over 100% AngloGold Ashanti-held targets with 526 holes drilled for a total of 34,977m. Results were received from drilling at Ahab, Nemo, Poseidon and Pioneer and included several encouraging results from both Ahab and Pioneer. These positive aircore samples from Pioneer were followed-up by six RC holes with three diamond tails (702m/471m) and results of this drilling will be available in the first quarter of 2017.

At the Strawbridge Project, the planned aircore drilling programme was completed with 61 aircore holes drilled for a total of 4,738m in the third quarter. Results from the aircore drilling and geochemical sampling completed in 2016 were disappointing, with no significant results returned. The project is currently under review.

In Colombia, a re-evaluation of the regional geology at Guintar led to identifying subtle multi-element epithermal signatures in gravels associated with N-S trending graben structures to the east. Follow-up on this target, Nuevo Guintar, indicates a potentially preserved, epithermal target. Detailed mapping, soil sampling and ground geophysics is underway delineating the drill target.

In Brazil, work concentrated on the Tromai Project which covers the large tenement package (~2,000km²) covered by the JV Agreement with Luna Gold. Regional mapping and soil sampling programmes are underway, as is a high resolution aeromagnetic and radiometric survey (11,200km completed). This data is being compiled and interpreted to prioritize drill targets. In parallel, considerable effort has also been placed on obtaining environmental permits for planned drilling expected to start in the first quarter of 2017.

In Tanzania, Guinea, Argentina, and the USA early stage Greenfields evaluation and reconnaissance programmes progressed.

Brownfields Exploration

Brownfields exploration activities were undertaken across the globe in the second half of 2016. Brownfields Exploration completed 327 601m of diamond drilling for a total expenditure for the second half of 2016 of \$34m (capital) and \$31m (expensed).

At Mponeng in South Africa, Borehole UD59 was successfully completed and site rehabilitation is complete. Borehole UD60 intersected the VCR at a depth of 3,650m and yielded a significant gold value. The short deflection drilling programme has been completed and a total of six reef intersections obtained. Borehole UD58A intersected moderate grade VCR at a depth of 3,794m. Short deflection drilling is underway. The hole remains on target to complete deflection drilling and demobilisation by May 2017.

At Geita in Tanzania, exploration activities included Mineral Resource conversion drilling at Nyankanga Block 5, Star & Comet Underground drilling (Cut 2 and 3), Mineral Resource delineation at Star & Comet Cut 2 NW, Cut 3 and Matandani as well as reconnaissance exploration drilling at Prospect 30 and completion of a drillhole at Geita Hill East as part of the 3D seismic survey programme. 90 holes totalling 18,200m were completed for both surface and underground exploration drilling programmes. Interpretation and targeting continues on the 3D seismic data.

At Siguri in Guinea, a total of 27,483m were drilled. Exploration activities included infill drilling at Seguelen PB2, Seguelen PB2 East, Silakoro, Tubani and Kami and reconnaissance drilling at Silakoro.

At Iduapriem in Ghana, exploration focused on drilling at Block 7&8, Nueng and Block 1W, as well as concluding of the soil geochemistry programme across the western lease. A total of 6,467m drilling was completed, consisting of 4,497m Diamond Drilling (DD) and 1,970m reverse circulation (RC) drilling.

At Kibali in the DRC, near mine exploration took place at the Rhino-Agbarabo-Kombokolo area, Sessenge Southwest, Pamao, Kanga Sud, Ndala Village and Aerodrome, while regional exploration was focused on the Kalimva-Ikamba targets in the north and Aindi Watsa-Dilolo-Zambula in the south. A total of 15,506m was drilled (14,096m RC and 1,410m DD).

At Sadiola in Mali, a total of 9,667m drilling, comprising 8,955m RC and 712m DD, was completed across SSP North, FNa, FNb-c, Tambali and Voyager East.

In Argentina, drilling continued at Cerro Vanguardia. Most of the drilling meters continuing to be completed at the nearby Claudia JV. During H2, 10,657m were drilled, including 3,889m at the Claudia JV. Other work completed to support target generation included trenching and channel sampling programmes to refine drill targeting and an HLEM geophysical survey at the Claudia JV.

In Brazil, exploration continued at the Cuiaba, Lamego and CdS production centers for AGABM with 74,107m drilled from the combined surface and underground drilling programmes. Targets included ore body extension at Cuiaba and CdS. Follow up infill drilling to support mine planning and Mineral Resource conversion was also completed.

At Serra Grande, 33,177m were drilled as part of the exploration and Mineral Resource conversion programmes. Drilling target generation activities included mapping and soil sampling programmes. A ground magnetic EM geophysical survey was also completed to support drill target generation.

In Colombia, the Gramalote JV completed 4,441m of drilling to support site and infrastructure investigations. The saprolite infill drilling programme continued to better define the thickness and gold mineralisation in the horizon. Work to update and refine the geological model progressed to support the pre-feasibility study, which remains on track for completion by the end of 2017. Drilling started on targets within the JV regional tenements outside the main project area.

At La Colosa, 1,639m were drilled as the site investigation geotechnical and hydrology drilling programmes continued. A geophysical survey to support the site infrastructure designs was completed.

The Quebradona JV programme completed conceptual study work and began field work and a drilling programme to support pre-feasibility study site investigation geotechnical and hydrology data collection.

In Australia, exploration drilling at Sunrise Dam focused on resource extension and infill of the underground resource. Drilling targeted the Vogue South and Vogue Deeps domains, northern extensions to Cosmo and Cosmo East, Cosmo East down-dip, Elle, Midway Shear and Sunrise Shear. A total of 36,778m were drilled.

At Tropicana, the Long Island 100m x 100m drilling programme to test the strike extent and down-dip extensions of the known mineralised system was completed. In the period, additional closer spaced drilling was undertaken at Boston Shaker to deliver an Indicated Mineral Resource, and minor infill drill programmes were completed at Tropicana, Havana and Havana South. A total of 18,948m of RC and 20,821m of DD holes were completed.

See the **Exploration Update document** on the company website: www.anglogoldashanti.com for more details on both Brownfields and Greenfields exploration programmes conducted during the year ended 31 December 2016.

DIVIDENDS

The Board has approved the resumption of the payment of an annual dividend by the Company. The dividend policy now provides for an annual dividend to be based on 10% of the free cash flow generated by the business for that financial year, before growth capital expenditure. The Board will exercise its discretion on an annual basis, taking into consideration the prevailing market conditions, balance sheet flexibility and future capital commitments of the group.

GUIDANCE 2017

		Guidance	Notes
Production (000oz)		3,600 – 3,750	- Obuasi in limited operations phase with no production anticipated in 2017. No provision for any unforeseen operational disruptions, power-related stoppages, or changes to asset portfolio and/or operating mines. - Note that there is, as always, a strong negative impact expected in the first half of the year given the slow start-up in SA following the holiday break, and interruptions around the Easter break.
Costs	All-in sustaining costs (\$/oz)	1,050 – 1,100	Assumptions: ZAR14.25/\$, \$/A\$0.75, BRL3.40/\$, AP16.50/\$; Brent \$58/bl
	Total cash costs (\$/oz)	750 – 800	
Overheads	Corporate costs (\$m)	80 – 90	Inflation and retention of critical skills and skills development
	Expensed exploration and study costs (\$m)	170 – 190	Including equity accounted joint ventures
Capex	Total (\$m)	950 – 1,050	
	Sustaining capex (\$m)	830 – 900	Stay-in-business, ore-reserve development and asset integrity. Increase in sustaining capex at Geita, Mineração and Sunrise Dam
	Non-sustaining capex (\$m)	120 - 150	Includes project capital for projects at Siguiri, Kibali, Sadiola and Mponeng
Depreciation and Amortisation (\$m)		850	
Depreciation and amortisation – included in equity accounted earnings (\$m)		125	Earnings of associates and joint ventures
Interest and finance costs (\$m) – income statement		140	
Interest and finance costs (\$m) – cash flow		135	Affected by timing of coupon payments
Other operating expenses (\$m)		85	Primarily includes the costs of care and maintenance relating to Obuasi

Both production and cost estimates assume neither labour interruptions or power disruptions, nor changes to asset portfolio and/or operating mines and have not been reviewed by our external auditors. Other unknown or unpredictable factors could also have material adverse effects on our future results and no assurance can be given that any expectations expressed by AngloGold Ashanti will prove to have been correct. Please refer to the Risk Factors section in AngloGold Ashanti's annual report on Form 20-F for the year ended 31 December 2015, filed with the United States Securities and Exchange Commission.

MINERAL RESOURCE AND ORE RESERVE

The Mineral Resource and Ore Reserve for AngloGold Ashanti are reported in accordance with the minimum standards described by the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code, 2016 edition), and also conform to the standards set out in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).

The Mineral Resource is inclusive of the Ore Reserve component unless otherwise stated. In complying with revisions to the SAMREC Code the changes to AngloGold Ashanti's Mineral Resource and Ore Reserve have been reviewed and it was concluded that none of the changes are material to the overall valuation of the Company. AngloGold Ashanti has therefore once again resolved not to provide the detailed reporting as defined in Table 1 of the Code. The Company will however continue to provide the high level of detail it has in previous years in order to comply with the transparency requirements of the Code.

AngloGold Ashanti strives to actively create value by growing its major asset – the Mineral Resource and Ore Reserve. This drive is based on active, well-defined brownfields and greenfields exploration programmes, innovation in both geological modelling and mine planning and continual optimisation of the asset portfolio.

GOLD PRICE

The following local prices of gold were used as a basis for estimation in the December 2016 declaration:

	Gold Price US\$/oz	Local prices of gold			
		South Africa ZAR/kg	Australia AUD/oz	Brazil BRL/oz	Argentina ARS/oz
2016 Ore Reserve	1,100	530,000	1,500	4,041	14,969
2016 Mineral Resource	1,400	663,819	1,817	4,414	21,531

The SAMREC and JORC Codes require the use of reasonable economic assumptions. These include long-range commodity price forecasts which are prepared in-house.

MINERAL RESOURCE

The total Mineral Resource increased from 207.8 million ounces (Moz) in December 2015 to 214.7Moz in December 2016. A gross annual increase of 11.3Moz occurred before depletion, while the net increase after allowing for depletion is 6.9Moz. Changes in economic assumptions from December 2015 to December 2016 resulted in a 1.7Moz increase to the Mineral Resource, whilst exploration and modelling resulted in an increase of 10.0Moz. Depletion from the Mineral Resource for the year totalled 4.4Moz. The Mineral Resource has been estimated at a gold price of US\$1,400/oz (2015: US\$1,400/oz).

MINERAL RESOURCE		Moz
Mineral Resource as at 31 December 2015		207.8
Depletions		-4.4
	Sub Total	203.4
Additions		
Obuasi	New geological models, the revalidated database and a revised estimation methodology resulted in the significant increase.	5.5
Mponeng	Surface and underground exploration of the VCR horizon added significant Mineral Resource.	2.2
Tropicana	Exploration additions in Havana South, Tropicana and Boston Shaker and mining cost decrease due to in-pit dumping and lateral waste haulage.	1.5
Sunrise Dam	Increased due to successful exploration drilling, gold price increase and methodology changes.	1.3
AGA Mineração	Mainly the result of open pit gains at Rosalino, some underground additions and the positive results from surface drilling at Carvoaria.	1.2

Siguiri	Attributed to cost reduction, infill drilling at Seguelen, Bidini, Tubani and Kami and the inclusion of mineralised waste.	0.9
Geita	Gains due to updates of the underground Mineral Resource models and a decrease in costs.	0.9
Other	Additions less than 0.5Moz.	0.9
Sub Total		217.8
Reductions		
Moab Khotsong	Changes due to a Mineral Resource clean-up, a value drop and a revised structural interpretation.	-1.0
Kibali	Change due to a revised geological model and the constraining of the underground Mineral Resource into optimised stope shapes.	-0.8
TauTona	Mainly due to value changes and transfers out of Mineral Resource.	-0.6
Kopanang	Resulting from movements out of Mineral Resource and a value drop resulting from a revised estimation approach.	-0.6
Other	Reductions less than 0.5Moz.	-0.1
Mineral Resource as at 31 December 2016		214.7

Rounding of numbers may result in computational discrepancies.

ORE RESERVE

The AngloGold Ashanti Ore Reserve reduced from 51.7Moz in December 2015 to 50.1Moz in December 2016. This gross annual decrease of 1.6Moz includes depletion of 3.9Moz. The balance of 2.3Moz additions in Ore Reserve, results from changes in economic assumptions between 2015 and 2016 of 0.2Moz, whilst exploration and modelling changes resulted in further additions of 2.3Moz. Other factors resulted in a 0.3Moz decrease. The Ore Reserve has been estimated using a gold price of US\$1,100/oz (2015: US\$1,100/oz).

ORE RESERVE		Moz
Ore Reserve as at 31 December 2015		51.7
Depletions		-3.9
Sub Total		47.8
Additions		
Tropicana	Introduction of the Long Island project and the HA04 pit.	1.1
AGA Mineracão	Ore Reserve variation due to change in costs and revenue factor as well as minor mining method and revised estimation techniques changes.	0.6
Siguiri	Mainly due to model changes.	0.5
Sunrise Dam	Increase due to revised drill spacing requirements. Vogue ore body had large increase due to the drill spacing change and additional diamond drilling.	0.4
Other	Additions less than 0.3Moz.	0.9
Sub Total		51.3
Reductions		
Kibali	Decrease is the result of a new geological model.	-0.3
Other	Reductions less than 0.3Moz.	-0.9
Ore Reserve as at 31 December 2016		50.1

Rounding of numbers may result in computational discrepancies.

BY-PRODUCTS

Several by-products will be recovered as a result of processing of the gold Ore Reserve. These include 56.0kt of uranium oxide from the South African operations, 0.42Mt of sulphur from Brazil and 18.2Moz of silver from Argentina.

CORPORATE GOVERNANCE

AngloGold Ashanti has established a Mineral Resource and Ore Reserve Steering Committee (RRSC), which is responsible for setting and overseeing the company's Mineral Resource and Ore Reserve governance framework and for ensuring that it meets the company's goals and objectives while complying with all relevant regularity codes. Its membership and terms of references are mandated under a policy document signed off by the Chief Executive Officer.

Over more than a decade, the company has developed and implemented a rigorous system of internal and external reviews aimed at providing assurance in respect of Ore Reserve and Mineral Resource estimates. The following operations were subject to an external review in line with the policy that each operation project will be reviewed by an independent third party on average once every three years:

- Mineral Resource and Ore Reserve at South African Surface Operations
- Mineral Resource and Ore Reserve at AGA Mineração – Córrego do Sítio
- Mineral Resource and Ore Reserve at Sadiola

The external reviews were conducted by AMEC, Optiro and Snowden respectively. Certificate of competence documentation has been received for the first two audits from the companies conducting the external reviews to state that the Mineral Resource and/or Ore Reserve comply with the SAMREC and JORC Codes. A signed NI 43-101 report was provided in the case of Sadiola.

In addition, numerous internal Mineral Resource and Ore Reserve process reviews were completed by suitably qualified Competent Persons from within AngloGold Ashanti and no significant deficiencies were identified. The Mineral Resource and Ore Reserve are underpinned by appropriate Mineral Resource Management processes and protocols that ensure adequate corporate governance. These procedures have been developed to be compliant with the guiding principles of the Sarbanes-Oxley Act of 2002 (SOX).

AngloGold Ashanti makes use of a web based group reporting database called the Resource and Reserve Reporting System (R3) for the compilation and authorisation of Mineral Resource and Ore Reserve reporting. It is a fully integrated system for the reporting and reconciliation of Mineral Resource and Ore Reserve that supports various regulatory reporting requirements including the SEC and the JSE under SAMREC. AngloGold Ashanti uses R3 to ensure a documented chain of responsibility exists from the competent persons at the operations to the company's RRSC.

AngloGold Ashanti has also developed an enterprise-wide risk management tool that provides consistent and reliable data that allows for visibility of risks and actions across the group. This tool is used to facilitate, control and monitor material risks to the Mineral Resource and Ore Reserve, thus ensuring that the appropriate risk management and mitigation plans are in place.

COMPETENT PERSONS

The information in this report relating to exploration results, Mineral Resources and Ore Reserves is based on information compiled by or under the supervision of the Competent Persons as defined in the SAMREC or JORC Codes. All Competent Persons are employed by AngloGold Ashanti, except for Kibali and Morila, and have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking. The legal tenure of each operation and project has been verified to the satisfaction of the accountable Competent Person and all Ore Reserves have been confirmed to be covered by the required mining permits or there exists a realistic expectation that these permits will be issued. This will be detailed in the 2016 Mineral Resource and Ore Reserve document.

Accordingly, the Chairman of the Mineral Resource and Ore Reserve Steering Committee, VA Chamberlain, MSc (Mining Engineering), BSc (Hons) (Geology), MGSSA, FAusIMM, assumes responsibility for the Mineral

Resource and Ore Reserve processes for AngloGold Ashanti and is satisfied that the Competent Persons have fulfilled their responsibilities. VA Chamberlain has 29 years' experience in exploration and mining and is employed full-time by AngloGold Ashanti and can be contacted at the following address: 76 Rahima Moosa Street, Newtown, 2001, South Africa.

A detailed breakdown of Mineral Resource and Ore Reserve and backup detail will be provided on the AngloGold Ashanti website (www.anglogoldashanti.com) and www.aga-reports.com.

MINERAL RESOURCE BY REGION (ATTRIBUTABLE) INCLUSIVE OF ORE RESERVE

Gold as at 31 December 2016	Category	Tonnes	Grade	Contained gold	
		million	g/t	Tonnes	Moz
South Africa	Measured	151	1.99	301	10
	Indicated	902	1.99	1,794	58
	Inferred	29	15.04	436	14
	Total	1,082	2.34	2,531	81
Continental Africa	Measured	36	1.09	40	1
	Indicated	504	2.77	1,399	45
	Inferred	162	3.36	544	17
	Total	702	2.82	1,983	64
Australasia	Measured	31	1.08	33	1
	Indicated	113	2.02	230	7
	Inferred	49	1.92	95	3
	Total	193	1.85	357	11
Americas	Measured	49	3.41	168	5
	Indicated	1,044	0.96	1,001	32
	Inferred	908	0.70	638	21
	Total	2,002	0.90	1,807	58
AngloGold Ashanti total	Measured	267	2.03	542	17
	Indicated	2,564	1.73	4,424	142
	Inferred	1,148	1.49	1,713	55
	Total	3,980	1.68	6,678	215

Rounding of figures may result in computational discrepancies.

MINERAL RESOURCE BY REGION (ATTRIBUTABLE) EXCLUSIVE OF ORE RESERVE

Gold as at 31 December 2016	Category	Tonnes	Grade	Contained gold	
		million	g/t	Tonnes	Moz
South Africa	Measured	14	14.24	204	7
	Indicated	227	3.64	826	27
	Inferred	12	14.58	175	6
	Total	253	4.76	1,205	39
Continental Africa	Measured	1	3.29	5	0
	Indicated	283	3.07	869	28
	Inferred	161	3.37	544	17
	Total	446	3.18	1,417	46
Australasia	Measured	8	0.67	5	0
	Indicated	72	1.85	133	4
	Inferred	49	1.92	95	3
	Total	129	1.80	233	7
Americas	Measured	36	3.38	121	4
	Indicated	1,032	0.90	925	30
	Inferred	907	0.70	631	20
	Total	1,974	0.85	1,677	54
AngloGold Ashanti total	Measured	59	5.64	335	11
	Indicated	1,613	1.71	2,752	88
	Inferred	1,130	1.28	1,444	46
	Total	2,802	1.62	4,532	146

Rounding of figures may result in computational discrepancies.

ORE RESERVE BY REGION (ATTRIBUTABLE)

Gold as at 31 December 2016	Category	Tonnes million	Grade g/t	Contained gold	
				Tonnes	Moz
South Africa	Proved	139	0.57	79	3
	Probable	689	1.02	703	23
	Total	828	0.94	782	25
Continental Africa	Proved	30	0.73	22	1
	Probable	217	2.45	531	17
	Total	247	2.24	553	18
Australasia	Proved	23	1.23	28	1
	Probable	42	2.32	97	3
	Total	64	1.94	124	4
Americas	Proved	12	2.67	32	1
	Probable	15	4.54	66	2
	Total	27	3.69	98	3
AngloGold Ashanti total	Proved	204	0.79	161	5
	Probable	962	1.45	1,396	45
	Total	1,165	1.34	1,557	50

Rounding of figures may result in computational discrepancies.



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Independent auditor's review report on the Condensed Consolidated Financial Statements for the year ended 31 December 2016 to the Shareholders of AngloGold Ashanti Limited

We have reviewed the condensed consolidated financial statements of AngloGold Ashanti Limited (the company) contained in the accompanying preliminary report on pages 18 to 31, which comprise the accompanying condensed consolidated statement of financial position as at 31 December 2016, the condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and selected explanatory notes.

Directors' Responsibility for the Condensed Consolidated Financial Statements

The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, as set out in note 1 to the financial statements, and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these preliminary financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical information performed by the independent auditor of the entity. This standard requires us to conclude whether anything has come to our attention that causes us to believe that the preliminary financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these preliminary financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of the company for the year ended 31 December 2016 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, as set out in note 1 to the financial statements, and the requirements of the Companies Act of South Africa.

Ernst & Young Inc.
Roger Hillen - Director
Registered Auditor
Chartered Accountant (SA)
102 Rivonia Road, Sandton
Johannesburg, South Africa
20 February 2017

Group income statement

		Six months ended Dec 2016	Six months ended Dec 2015	Year ended Dec 2016	Year ended Dec 2015
US Dollar million	Notes	Unaudited	Unaudited	Reviewed	Audited
Revenue	2	2,213	2,048	4,254	4,174
Gold income	2	2,125	1,970	4,085	4,015
Cost of sales	3	(1,763)	(1,641)	(3,263)	(3,294)
Gain (loss) on non-hedge derivatives and other commodity contracts		50	(5)	19	(7)
Gross profit		412	324	841	714
Corporate administration, marketing and other expenses		(32)	(33)	(61)	(78)
Exploration and evaluation costs		(71)	(72)	(133)	(132)
Other operating expenses	4	(64)	(53)	(110)	(96)
Special items	5	(36)	(76)	(42)	(71)
Operating profit		209	90	495	337
Interest received	2	11	14	22	28
Exchange (loss) gain		(5)	4	(88)	(17)
Finance costs and unwinding of obligations	6	(83)	(114)	(180)	(245)
Fair value adjustment on \$1.25bn bonds		34	132	9	66
Share of associates and joint ventures' (loss) profit	7	(9)	29	11	88
Profit before taxation		157	155	269	257
Taxation	8	(138)	(96)	(189)	(211)
Profit after taxation from continuing operations		19	59	80	46
Discontinued operations					
Profit (loss) from discontinued operations		-	4	-	(116)
Profit (loss) for the period		19	63	80	(70)
Allocated as follows:					
Equity shareholders					
- Continuing operations		11	54	63	31
- Discontinued operations		-	4	-	(116)
Non-controlling interests					
- Continuing operations		8	5	17	15
		19	63	80	(70)
Basic earnings (loss) per ordinary share (cents) ⁽¹⁾					
Earnings per ordinary share from continuing operations		2	13	15	8
Earnings (loss) per ordinary share from discontinued operations		-	1	-	(28)
Basic earnings (loss) per ordinary share (cents)		2	14	15	(20)
Diluted earnings (loss) per ordinary share (cents) ⁽²⁾					
Earnings per ordinary share from continuing operations		2	13	15	8
Earnings (loss) per ordinary share from discontinued operations		-	1	-	(28)
Diluted earnings (loss) per ordinary share (cents)		2	14	15	(20)

⁽¹⁾ Calculated on the basic weighted average number of ordinary shares.

⁽²⁾ Calculated on the diluted weighted average number of ordinary shares.

Rounding of figures may result in computational discrepancies.

The financial statements for the year ended 31 December 2016 have been prepared by the corporate accounting staff of AngloGold Ashanti Limited headed by Ms Meroonisha Kerber (CA (SA)), the Group's Chief Accounting Officer. This process was supervised by Ms Kandimathie Christine Ramon (CA (SA)), the Group's Chief Financial Officer and Mr Srinivasan Venkatakrishnan (BCom; ACA (ICAI)), the Group's Chief Executive Officer. The financial statements for the twelve months ended 31 December 2016 were reviewed, but not audited, by the Group's statutory auditors, Ernst & Young Inc.

Group statement of comprehensive income

	Six months ended Dec 2016	Six months ended Dec 2015	Year ended Dec 2016	Year ended Dec 2015
US Dollar million	Unaudited	Unaudited	Reviewed	Audited
Profit (loss) for the period	19	63	80	(70)
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	58	(281)	180	(371)
Share of associates and joint ventures' other comprehensive income	-	1	-	1
Net (loss) gain on available-for-sale financial assets	(14)	(7)	13	(14)
Release on impairment of available-for-sale financial assets	-	4	-	9
Release on disposal of available-for-sale financial assets	(1)	(1)	(2)	(3)
Deferred taxation thereon	4	-	(2)	1
	(11)	(4)	9	(7)
Items that will not be reclassified subsequently to profit or loss:				
Actuarial gain (loss) recognised	3	12	(2)	17
Deferred taxation thereon	(1)	(2)	-	(3)
	2	10	(2)	14
Other comprehensive income (loss) for the period, net of tax	49	(274)	187	(363)
Total comprehensive income (loss) for the period, net of tax	68	(211)	267	(433)
Allocated as follows:				
Equity shareholders				
- Continuing operations	60	(220)	250	(332)
- Discontinued operations	-	4	-	(116)
Non-controlling interests				
- Continuing operations	8	5	17	15
	68	(211)	267	(433)

Rounding of figures may result in computational discrepancies.

Group statement of financial position

		As at December 2016	As at December 2015
US Dollar million	Notes	Reviewed	Audited
ASSETS			
Non-current assets			
Tangible assets		4,111	4,058
Intangible assets		145	161
Investments in associates and joint ventures		1,448	1,465
Other investments		125	91
Inventories		84	90
Trade and other receivables		34	13
Deferred taxation		4	1
Cash restricted for use		36	37
Other non-current assets		-	18
		5,987	5,934
Current assets			
Other investments		5	1
Inventories		672	646
Trade, other receivables and other assets		255	196
Cash restricted for use		19	23
Cash and cash equivalents		215	484
		1,166	1,350
TOTAL ASSETS		7,153	7,284
EQUITY AND LIABILITIES			
Share capital and premium	11	7,108	7,066
Accumulated losses and other reserves		(4,393)	(4,636)
Shareholders' equity		2,715	2,430
Non-controlling interests		39	37
Total equity		2,754	2,467
Non-current liabilities			
Borrowings		2,144	2,637
Environmental rehabilitation and other provisions		877	847
Provision for pension and post-retirement benefits		118	107
Trade, other payables and deferred income		4	5
Deferred taxation		496	514
		3,639	4,110
Current liabilities			
Borrowings		34	100
Trade, other payables, provisions and deferred income		615	516
Taxation		111	91
		760	707
Total liabilities		4,399	4,817
TOTAL EQUITY AND LIABILITIES		7,153	7,284

Rounding of figures may result in computational discrepancies.

Group statement of cash flows

	Six months ended Dec 2016	Six months ended Dec 2015	Year ended Dec 2016	Year ended Dec 2015
US Dollar million	Unaudited	Unaudited	Reviewed	Audited
Cash flows from operating activities				
Receipts from customers	2,228	2,041	4,231	4,154
Payments to suppliers and employees	(1,524)	(1,406)	(2,929)	(2,904)
Cash generated from operations	704	635	1,302	1,250
Dividends received from joint ventures	32	28	37	57
Taxation refund	9	21	12	21
Taxation paid	(35)	(73)	(165)	(184)
Net cash inflow from operating activities from continuing operations	710	611	1,186	1,144
Net cash outflow from operating activities from discontinued operations	-	15	-	(5)
Net cash inflow from operating activities	710	626	1,186	1,139
Cash flows from investing activities				
Capital expenditure	(430)	(350)	(706)	(664)
Expenditure on intangible assets	(2)	(2)	(5)	(3)
Proceeds from disposal of tangible assets	2	2	4	6
Other investments acquired	(32)	(31)	(73)	(86)
Proceeds from disposal of other investments	28	33	61	81
Investments in associates and joint ventures	(7)	(4)	(11)	(11)
Proceeds from disposal of associates and joint ventures	10	1	10	1
Loans advanced to associates and joint ventures	(2)	(2)	(4)	(5)
Loans repaid by associates and joint ventures	-	1	-	2
Proceeds from disposal of subsidiaries and investments	-	812	-	812
Cash in subsidiary disposed and transfers to held for sale	-	-	-	(2)
Decrease (increase) in cash restricted for use	3	(10)	8	(17)
Interest received	5	12	14	25
Net cash (outflow) inflow from investing activities from continuing operations	(425)	462	(702)	139
Net cash outflow from investing activities from discontinued operations	-	(10)	-	(59)
Net cash (outflow) inflow from investing activities	(425)	452	(702)	80
Cash flows from financing activities				
Proceeds from borrowings	585	231	787	421
Repayment of borrowings	(1,004)	(1,076)	(1,333)	(1,288)
Finance costs paid	(87)	(132)	(172)	(251)
Bond settlement premium, RCF and bond transaction costs	(30)	(61)	(30)	(61)
Dividends paid	(9)	(2)	(15)	(5)
Net cash outflow from financing activities from continuing operations	(545)	(1,040)	(763)	(1,184)
Net cash outflow from financing activities from discontinued operations	-	-	-	(2)
Net cash outflow from financing activities	(545)	(1,040)	(763)	(1,186)
Net (decrease) increase in cash and cash equivalents	(260)	38	(279)	33
Translation	5	(13)	10	(17)
Cash and cash equivalents at beginning of period	470	459	484	468
Cash and cash equivalents at end of period	215	484	215	484
Cash generated from operations				
Profit before taxation	157	155	269	257
Adjusted for:				
Movement on non-hedge derivatives and other commodity contracts	(50)	5	(19)	7
Amortisation of tangible assets	440	387	789	737
Finance costs and unwinding of obligations	83	114	180	245
Environmental, rehabilitation and other expenditure	(15)	(41)	(13)	(56)
Special items	38	74	44	60
Amortisation of intangible assets	5	19	20	40
Fair value adjustment on \$1.25bn bonds	(34)	(132)	(9)	(66)
Interest received	(11)	(14)	(22)	(28)
Share of associates and joint ventures' (loss) profit	9	(29)	(11)	(88)
Other non-cash movements	56	36	150	53
Movements in working capital	26	61	(76)	89
	704	635	1,302	1,250
Movements in working capital				
(Increase) decrease in inventories	(15)	65	(48)	99
(Increase) decrease in trade and other receivables	(82)	36	(131)	108
Decrease (increase) in trade, other payables and deferred income	123	(40)	103	(118)
	26	61	(76)	89

Rounding of figures may result in computational discrepancies.

Group statement of changes in equity

US Dollar million	Equity holders of the parent							Total	Non-controlling interests	Total equity
	Share capital and premium	Other capital reserves	Accumulated losses	Cash flow hedge reserve	Available for sale reserve	Actuarial (losses) gains	Foreign currency translation reserve			
Balance at 31 December 2014	7,041	132	(3,109)	(1)	17	(40)	(1,195)	2,845	26	2,871
Loss for the period			(85)					(85)	15	(70)
Other comprehensive income (loss)		1			(7)	14	(371)	(363)		(363)
Total comprehensive income (loss)	-	1	(85)	-	(7)	14	(371)	(448)	15	(433)
Shares issued	25							25		25
Share-based payment for share awards net of exercised		8						8		8
Dividends of subsidiaries								-	(4)	(4)
Translation		(24)	20		(3)	7		-		-
Balance at 31 December 2015	7,066	117	(3,174)	(1)	7	(19)	(1,566)	2,430	37	2,467
Balance at 31 December 2015	7,066	117	(3,174)	(1)	7	(19)	(1,566)	2,430	37	2,467
Profit for the period			63					63	17	80
Other comprehensive income (loss) ⁽¹⁾					9	(2)	180	187		187
Total comprehensive income (loss)	-	-	63	-	9	(2)	180	250	17	267
Shares issued	42							42		42
Share-based payment for share awards net of exercised		(7)						(7)		(7)
Dividends of subsidiaries								-	(15)	(15)
Transfer to reserves			(2)			2		-		-
Translation		7	(6)		1	(2)		-	-	-
Balance at 31 December 2016	7,108	117	(3,119)	(1)	17	(21)	(1,386)	2,715	39	2,754

⁽¹⁾ Foreign currency translation reserve includes an exchange difference of \$60 million reclassified on the repayment of a loan which was designated as part of the investment in subsidiary and \$53 million arising on preference shares cancelled.

Rounding of figures may result in computational discrepancies.

Segmental reporting

AngloGold Ashanti's operating segments are being reported based on the financial information provided to the Chief Executive Officer and the Executive Committee, collectively identified as the Chief Operating Decision Maker (CODM). Individual members of the Executive Committee are responsible for geographic regions of the business.

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
US Dollar million				
Gold income				
South Africa	593	546	1,173	1,132
Continental Africa	872	805	1,663	1,724
Australasia	336	321	646	666
Americas	558	508	1,036	967
	2,359	2,180	4,518	4,489
Equity-accounted investments included above	(234)	(210)	(433)	(474)
Continuing operations	2,125	1,970	4,085	4,015
Discontinued operations	-	24	-	137
	2,125	1,994	4,085	4,152
US Dollar million				
By-product revenue				
South Africa	10	18	23	38
Continental Africa	2	1	3	3
Australasia	1	1	2	2
Americas	56	42	110	84
	69	62	139	127
Equity-accounted investments included above	-	-	(1)	-
Continuing operations	69	62	138	127
Discontinued operations	-	-	-	1
	69	62	138	128
US Dollar million				
Gross profit				
South Africa	80	16	149	42
Continental Africa	155	138	334	377
Australasia	50	59	106	142
Americas	147	130	283	247
Corporate and other	(6)	-	(4)	2
	426	343	868	810
Equity-accounted investments included above	(14)	(19)	(27)	(96)
Continuing operations	412	324	841	714
Discontinued operations	-	2	-	19
	412	326	841	733
US Dollar million				
Capital expenditure				
South Africa	106	110	182	206
Continental Africa	179	171	291	315
Australasia	71	36	109	78
Americas	135	100	225	196
Corporate and other	2	3	4	4
	493	420	811	799
Continuing operations	493	430	811	857
Discontinued operations	-	10	-	58
Equity-accounted investments included above	(61)	(68)	(100)	(131)
	432	362	711	728
oz (000)				
Gold production				
South Africa	481	505	967	1,004
Continental Africa	702	716	1,321	1,435
Australasia	269	278	520	560
Americas	431	454	820	831
	1,883	1,953	3,628	3,830
Continuing operations	1,883	1,953	3,628	3,830
Discontinued operations	-	19	-	117
	1,883	1,972	3,628	3,947
US Dollar million				
Total assets			As at Dec 2016 Reviewed	As at Dec 2015 Audited
South Africa			1,818	1,629
Continental Africa			3,090	3,121
Australasia			804	837
Americas			1,273	1,341
Corporate and other			168	356
			7,153	7,284

Rounding of figures may result in computational discrepancies.

Notes

for the six months and year ended 31 December 2016

1. Basis of preparation

The financial statements in this report have been prepared in accordance with the historic cost convention except for certain financial instruments which are stated at fair value. The group's accounting policies used in the preparation of these financial statements are in terms of the JSE Listings Requirements and are consistent with those used in the annual financial statements for the year ended 31 December 2016. They are also consistent with those used for the year ended 31 December 2015 as no new standards were adopted during 2016.

The financial statements of AngloGold Ashanti have been prepared in compliance with the framework concepts and the measurement and recognition requirements of IFRS, IAS 34, IFRS as issued by the International Accounting Standards Board, the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, JSE Listings Requirements and in the manner required by the South African Companies Act, 2008 (as amended) for the preparation of financial information of the group for the year ended 31 December 2016. These financial statements should be read in conjunction with the company's audited consolidated financial statements and the notes thereto as at and for the year ended 31 December 2015.

Based on materiality, certain comparatives have been aggregated.

2. Revenue

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
	US Dollar million			
Gold income	2,125	1,970	4,085	4,015
By-products (note 3)	69	62	138	127
Royalties received (note 5)	8	2	9	4
Interest received	11	14	22	28
	2,213	2,048	4,254	4,174

3. Cost of sales

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
	US Dollar million			
Cash operating costs	1,324	1,249	2,444	2,493
By-products revenue (note 2)	(69)	(62)	(138)	(127)
	1,255	1,187	2,306	2,366
Royalties	56	47	105	100
Other cash costs	12	13	24	27
Total cash costs	1,323	1,247	2,435	2,493
Retrenchment costs	9	4	14	11
Rehabilitation and other non-cash costs	15	(19)	43	(10)
Amortisation of tangible assets	440	387	789	737
Amortisation of intangible assets	5	19	20	40
Inventory change	(29)	3	(38)	23
	1,763	1,641	3,263	3,294

Rounding of figures may result in computational discrepancies.

4. Other operating expenses

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
	US Dollar million			
Pension and medical defined benefit provisions	22	13	25	18
Governmental fiscal claims and care and maintenance of old tailings operations	8	5	14	7
Care and maintenance costs	33	32	70	67
Other expenses	1	3	1	4
	64	53	110	96

5. Special items

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
	US Dollar million			
Net impairment and derecognition of assets	2	16	3	20
Net profit on disposal of assets	(4)	(1)	(4)	(1)
Royalties received (note 2)	(8)	(2)	(9)	(4)
Indirect tax recoveries	(5)	(7)	(2)	(20)
Legal fees and other costs (recoveries) related to contract termination and settlement	8	1	11	(1)
Write-down of inventory	12	5	12	11
Retrenchment and related costs	1	2	1	4
Repurchase premium and costs on settlement of the \$1.25bn bonds (note 14)	30	61	30	61
Other	-	1	-	1
	36	76	42	71

6. Finance costs and unwinding of obligations

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
	US Dollar million			
Finance costs	72	103	158	223
Unwinding of obligations and accretion of convertible bonds	11	11	22	22
	83	114	180	245

7. Share of associates and joint ventures' (loss) profit

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
	US Dollar million			
Revenue	235	217	441	489
Operating costs, special items and other expenses	(244)	(213)	(446)	(415)
Net interest (paid) received	(1)	4	3	7
(Loss) profit before taxation	(10)	8	(2)	81
Taxation	5	(3)	7	(17)
(Loss) profit after taxation	(5)	5	5	64
Net (impairment) reversal of investments in associates and joint ventures	(4)	24	6	24
	(9)	29	11	88

Rounding of figures may result in computational discrepancies.

8. Taxation

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
US Dollar million				
South African taxation				
Non-mining tax	1	(12)	1	1
Prior year over provision	(3)	(8)	(3)	(14)
Deferred taxation				
Temporary differences	1	(17)	7	(41)
Prior year under provision	23	-	25	-
Unrealised non-hedge derivatives and other commodity contracts	15	(2)	5	(2)
Impairment and disposal of tangible assets	-	(1)	-	(1)
Change in estimated deferred tax rate	-	(15)	-	(15)
	37	(55)	35	(72)
Foreign taxation				
Normal taxation	137	110	246	214
Prior year over provision	(5)	(9)	(10)	(9)
Deferred taxation				
Temporary differences	(14)	45	(65)	73
Prior year (over) under provision	(17)	5	(17)	5
	101	151	154	283
	138	96	189	211

9. Headline earnings (loss)

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
US Dollar million				
The profit (loss) attributable to equity shareholders has been adjusted by the following to arrive at headline earnings (loss):				
Profit (loss) attributable to equity shareholders	11	58	63	(85)
Net impairment (reversal) and derecognition of assets	1	(3)	(16)	2
Net loss (profit) on disposal of assets	5	(3)	4	9
Special items of associates and joint ventures	-	3	-	3
Exchange loss on foreign currency translation reserve release	-	-	60	-
Taxation	1	-	-	(2)
Headline earnings (loss)	18	55	111	(73)
Headline earnings (loss) per ordinary share (cents) ⁽¹⁾	4	13	27	(18)
Diluted headline earnings (loss) per ordinary share (cents) ⁽²⁾	4	13	27	(18)

⁽¹⁾ Calculated on the basic weighted average number of ordinary shares.

⁽²⁾ Calculated on the diluted weighted average number of ordinary shares.

10. Number of shares

	Six months ended		Year ended	
	Dec 2016	Dec 2015	Dec 2016	Dec 2015
	Unaudited	Unaudited	Reviewed	Audited
Authorised number of shares:				
Ordinary shares of 25 SA cents each	600,000,000	600,000,000	600,000,000	600,000,000
A redeemable preference shares of 50 SA cents each	2,000,000	2,000,000	2,000,000	2,000,000
B redeemable preference shares of 1 SA cent each	5,000,000	5,000,000	5,000,000	5,000,000
C redeemable preference shares at no par value ⁽¹⁾	30,000,000	-	30,000,000	-
Issued and fully paid number of shares:				
Ordinary shares in issue	408,223,760	405,265,315	408,223,760	405,265,315
A redeemable preference shares	2,000,000	2,000,000	2,000,000	2,000,000
B redeemable preference shares	778,896	778,896	778,896	778,896
In calculating the basic and diluted number of ordinary shares outstanding for the period, the following were taken into consideration:				
Ordinary shares	408,169,347	405,061,482	407,519,542	404,747,625
Fully vested options	3,334,117	4,273,313	5,065,500	4,859,233
Weighted average number of shares	411,503,464	409,334,795	412,585,042	409,606,858
Dilutive potential of share options	2,056,495	1,749,651	2,121,358	-
Diluted number of ordinary shares	413,559,959	411,084,446	414,706,400	409,606,858

⁽¹⁾ At the annual general meeting on 4 May 2016, the shareholders approved an increase to the authorised share capital of the company by the creation of 30,000,000 new C redeemable preference shares of no par value. As at 31 December 2016, no C redeemable preference shares have been issued.

Rounding of figures may result in computational discrepancies.

11. Share capital and premium

	As at	
	Dec 2016	Dec 2015
	Reviewed	Audited
	US Dollar Million	
Balance at beginning of period	7,119	7,094
Ordinary shares issued	42	25
Sub-total	7,161	7,119
Redeemable preference shares held within the group	(53)	(53)
Balance at end of period	7,108	7,066

12. Exchange rates

	Dec 2016	Dec 2015
	Unaudited	Unaudited
ZAR/USD average for the year	14.68	12.77
ZAR/USD average for the quarter	13.90	14.22
ZAR/USD average for the half year to date	13.98	13.61
ZAR/USD closing	13.73	15.46
AUD/USD average for the year	1.35	1.33
AUD/USD average for the quarter	1.34	1.39
AUD/USD average for the half year to date	1.33	1.38
AUD/USD closing	1.39	1.37
BRL/USD average for the year	3.48	3.33
BRL/USD average for the quarter	3.29	3.84
BRL/USD average for the half year to date	3.27	3.69
BRL/USD closing	3.26	3.90
ARS/USD average for the year	14.78	9.26
ARS/USD average for the quarter	15.46	10.13
ARS/USD average for the half year to date	15.20	9.69
ARS/USD closing	15.89	12.96

13. Capital commitments

	Dec 2016	Dec 2015
	Reviewed	Audited
	US Dollar Million	
Orders placed and outstanding on capital contracts at the prevailing rate of exchange ⁽¹⁾	58	61

⁽¹⁾ Includes the group's attributable share of capital commitments relating to associates and joint ventures.

Liquidity and capital resources

To service the above capital commitments and other operational requirements, the group is dependent on existing cash resources, cash generated from operations and borrowing facilities.

Cash generated from operations is subject to operational, market and other risks. Distributions from operations may be subject to foreign investment, exchange control laws and regulations and the quantity of foreign exchange available in offshore countries. In addition, distributions from joint ventures are subject to the relevant board approval.

The credit facilities and other finance arrangements contain financial covenants and other similar undertakings. To the extent that external borrowings are required, the group's covenant performance indicates that existing financing facilities will be available to meet the above commitments. To the extent that any of the financing facilities mature in the near future, the group believes that sufficient measures are in place to ensure that these facilities can be refinanced.

14. Financial risk management activities

Borrowings

The rated bonds are carried at amortised cost and their fair values are their closing market values at the reporting date which results in the difference noted in the table below. The interest rate on the remaining borrowings is reset on a short-term floating rate basis and accordingly the carrying amount is considered to approximate the fair value.

	As at	
	Dec 2016	Dec 2015
	Reviewed	Audited
	US Dollar Million	
Carrying amount	2,178	2,737
Fair value	2,203	2,425

Rounding of figures may result in computational discrepancies.

Derivatives

The fair value of derivatives is estimated based on ruling market prices, volatilities, interest rates and credit risk and includes all derivatives carried in the statement of financial position.

Embedded derivatives are included as derivatives on the statement of financial position.

The group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following tables set out the group's financial assets and liabilities measured at fair value by level within the fair value hierarchy:

Type of instrument

	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
US Dollar million	Dec 2016 Reviewed				Dec 2015 Audited			
Assets measured at fair value								
Available-for-sale financial assets								
Equity securities	51	-	-	51	30	-	-	30

On 28 June 2016, AngloGold Ashanti announced that its wholly owned subsidiary, AngloGold Ashanti Holdings plc, was compelling the surrender following the notice to buy back the remaining principal amount of its outstanding 8.5% high-yield bonds that mature in May 2020, as part of its strategy to reduce debt and lower finance charges. On 1 August 2016, the remaining portions of the notes were settled for a total consideration of \$503m consisting of a \$471m principal payment, a surrender premium of \$30m and interest of \$2m.

Environmental obligations

Pursuant to environmental regulations in the countries in which we operate, we are obligated to close our operations and rehabilitate the lands which we mine in accordance with these regulations. As a consequence AngloGold Ashanti is required in some circumstances to provide either reclamations bonds issued by third party entities, establish independent trust funds or provide guarantees issued by the operation, to the respective environmental protection agency or such other government department with responsibility for environmental oversight in the respective country to cover the potential environmental rehabilitation obligation in specified amounts.

In most cases, the environmental obligations will expire on completion of the rehabilitation although in some cases we are required to potentially post bonds for events unknown that may arise after the rehabilitation has been completed.

In South Africa we have established a trust fund which has assets of ZAR 1.36bn and guarantees of ZAR 1.82bn issued by various banks, for a current carrying value of the liability of ZAR 1.29bn. In Australia, since 2014, we have paid into a Mine Rehabilitation Fund an amount of AUD \$3m for a current carrying value of the liability of AUD \$98.9m. At Iduapriem we have provided a bond comprising of a cash component of \$9.8m with a further bond guarantee amounting to \$33.9m issued by Ecobank Ghana Limited and Barclays Ghana Limited for a current carrying value of the liability of \$43.9m. At Obuasi we have provided a bond comprising of a cash component of \$20.2m with a further bank guarantee amounting to \$31.7m issued by Nedbank Limited for a current carrying value of the liability of \$216.2m. In some circumstances we may be required to post further bonds in due course which will have a consequential income statement charge for the fees charged by the providers of the reclamation bonds.

15. Contingencies

AngloGold Ashanti's material contingent liabilities and assets at 31 December 2016 and 31 December 2015 are detailed below:

Contingencies and guarantees

	Dec 2016 Reviewed	Dec 2015 Audited
	US Dollar million	
Contingent liabilities		
ODMWA litigation ⁽¹⁾	-	-
Litigation – Ghana ^{(2) (3)}	97	97
Other tax disputes – AngloGold Ashanti Brasil Mineração Ltda ⁽⁴⁾	24	22
VAT disputes – Mineração Serra Grande S.A. ⁽⁵⁾	13	11
Tax dispute - AngloGold Ashanti Colombia S.A. ⁽⁶⁾	141	128
Tax dispute - Cerro Vanguardia S.A. ⁽⁷⁾	29	32
Groundwater pollution ⁽⁸⁾	-	-
Deep groundwater pollution – Africa ⁽⁹⁾	-	-
Contingent asset		
Indemnity – Kinross Gold Corporation ⁽¹⁰⁾	(8)	(7)
	296	283

Litigation claims

- (1) Occupational Diseases in Mines and Works Act (ODMWA) litigation - On 3 March 2011, in Mankayi vs. AngloGold Ashanti, the Constitutional Court of South Africa held that section 35(1) of the Compensation for Occupational Injuries and Diseases

Act, 1993 does not cover an “employee” who qualifies for compensation in respect of “compensable diseases” under the Occupational Diseases in Mines and Works Act, 1973 (ODMWA). This judgement allows such qualifying employee to pursue a civil claim for damages against the employer. Following the Constitutional Court decision, AngloGold Ashanti and members of the working group (discussed below) have been subject to numerous claims relating to silicosis and other Occupational Lung Diseases (OLD), including several potential class actions and individual claims.

In November 2014, Anglo American South Africa, AngloGold Ashanti, Gold Fields Limited, Harmony Gold Mining Company Limited and Sibanye Gold Limited formed an industry working group on OLD to address issues relating to compensation and medical care for occupational lung disease in the gold mining industry in South Africa. The working group now also includes African Rainbow Minerals (ARM). The working group remains of the view that achieving a comprehensive settlement which is both fair to past, present and future employees, and sustainable for the sector, is preferable to protracted litigation.

The companies are among respondent companies in a number of lawsuits related to OLD. The companies do not believe that they are liable in respect of the claims brought, and they are defending these. They do, however, believe that they should work together to seek a solution to this South African mining industry legacy issue. The working group will continue with its efforts – which have been ongoing for more than two years – to find common ground with all stakeholders, including government, labour and the claimants’ legal representatives.

AngloGold Ashanti, along with other mining companies including Anglo American South Africa, ARM, Gold Fields Limited, Harmony Gold Mining Company Limited, DRDGold Limited, Randgold and Exploration Company Limited, and Sibanye Gold Limited, were served with a consolidated class action application on 21 August 2013. On 13 May, 2016, the South Gauteng High Court of South Africa ruled in favour of the applicants and found that there were sufficient common issues to certify two industry-wide classes: a Silicosis Class and a Tuberculosis Class, each of which cover current and former underground mineworkers who worked in South African mines from 12 March 1965 and who have contracted the respective diseases (or the dependents of mineworkers who died of those diseases). The High Court ordered a two-stage process in the class action. The first stage is to resolve common issues and allow the individuals to opt out. The second stage will allow the individuals to opt in to the class to make their claims against the respondent mining companies. The High Court also decided that claims for general damages (i.e., pain and suffering and loss of amenities of life) will be transferable to the estate or executor of any deceased mineworker who dies after the date of filing of the certification application. On 3 June 2016, AngloGold Ashanti, together with certain of the other mining companies, filed an application with the High Court for leave to appeal to the Supreme Court of Appeal. Arguments in the application for leave to appeal were heard on 23 June 2016. On 24 June 2016, leave to appeal was (i) granted in respect of the issue of the transferability of deceased mineworkers’ claims for general damages but (ii) denied in respect of all other orders of the High Court. On 15 July 2016 AngloGold Ashanti, along with several other respondent companies, filed a petition with the Supreme Court of Appeal (SCA) for leave to appeal such other orders of the High Court, and on 13 September 2016, the SCA granted the mining companies leave to appeal the entire High Court ruling to the SCA.

It is possible that additional class actions and/or individual claims relating to silicosis and/or other OLD will be filed against AngloGold Ashanti in the future. AngloGold Ashanti will defend all current and subsequently filed claims on their merits. Should AngloGold Ashanti be unsuccessful in defending any such claims, or in otherwise favourably resolving perceived deficiencies in the national occupational disease compensation framework that were identified in the earlier decision by the Constitutional Court, such matters would have an adverse effect on its financial position, which could be material. Given the inherent legal and factual uncertainties with respect to the pending claims and other claims not yet filed against the company, no reliable estimate can be made for the obligation.

- (2) Litigation - On 11 October 2011, AngloGold Ashanti (Ghana) Limited (AGAG) terminated Mining and Building Contractors Limited’s (MBC) underground development agreement, construction on bulkheads agreement and diamond drilling agreement at Obuasi mine. The parties reached agreement on the terms of the separation and concluded a separation agreement on 8 November 2012. On 20 February 2014, AGAG was served with a writ issued by MBC claiming a total of \$97m. In December 2015, the proceedings were stayed in the High Court pending arbitration. In February 2016, MBC submitted the matter to arbitration and the parties await the constitution of the tribunal.
- (3) Litigation - AGAG received a summons on 2 April 2013 from Abdul Waliyu and 152 others in which the plaintiffs allege that they were or are residents of the Obuasi municipality or its suburbs and that their health has been adversely affected by emission and/or other environmental impacts arising in connection with the current and/or historical operations of the Pompora Treatment Plant (PTP), which was decommissioned in 2000. The plaintiffs’ alleged injuries include respiratory infections, skin diseases and certain cancers. The plaintiffs subsequently did not timely file their application for directions, but AGAG intends to allow some time to pass prior to applying to have the matter struck out for want of prosecution. On 24 February 2014, executive members of the PTP (AGAG) Smoke Effect Association (PASEA), sued AGAG by themselves and on behalf of their members (undisclosed number) on grounds similar to those discussed above, as well as economic hardships as a result of constant failure of their crops. This matter has been adjourned indefinitely. In view of the limitation of current information for the accurate estimation of a liability, no reliable estimate can be made for AGAG’s obligation in either matter.

Tax claims

- (4) Other tax disputes - In November 2007, the Departamento Nacional de Produção Mineral (DNPM), a Brazilian federal mining authority, issued a tax assessment against AngloGold Ashanti Brazil Mineração Ltda (AABM) relating to the calculation and payment by AABM of the financial contribution on mining exploitation in the period from 1991 to 2006. In 2016, a partial settlement with the Brazilian tax authority reduced this assessment to \$9 million (2015: \$11 million). AngloGold Ashanti Limited’s subsidiaries in Brazil are involved in various other disputes with tax authorities. These disputes involve federal tax assessments including income tax, royalties, social contributions and annual property tax. The amount involved is approximately \$15 million (2015: \$11 million). Management is of the opinion that these taxes are not payable.
- (5) VAT disputes - Mineração Serra Grande S.A. (MSG) received a tax assessment in October 2003 from the State of Minas Gerais related to VAT on gold bullion transfers. The tax administrators rejected the company’s appeal against the assessment. The company is now appealing the dismissal of the case to the State Court of Minas Gerais. The assessment is approximately \$13m (2015: \$11m).
- (6) Tax dispute - In January 2013, AngloGold Ashanti Colombia S.A. (AGAC) received notice from the Colombian Tax Office (DIAN) that it disagreed with the company’s tax treatment of certain items in the 2010 and 2011 income tax returns. On 23

October 2013, AGAC received the official assessments from the DIAN which established that an estimated additional tax of \$21m (2015: \$20m) will be payable if the tax returns are amended. Penalties and interest for the additional taxes are expected to be \$120m (2015: \$108m). The company believes that the DIAN has applied the tax legislation incorrectly. AGAC subsequently challenged the DIAN's ruling by filing lawsuits in March 2015 and April 2015 before the Administrative Tribunal of Cundinamarca (trial court for tax litigation). On 8 July 2016, the tribunal held initial procedural hearings on the 2010 and 2011 tax disputes, and the litigation is proceeding.

- (7) Tax dispute - On 12 July 2013, Cerro Vanguardia S.A. (CVSA) received a notification from the Argentina Tax Authority (AFIP) requesting corrections to the 2007, 2008 and 2009 income tax returns of about \$7m (2015: \$8m) relating to the non-deduction of tax losses previously claimed on hedge contracts. The AFIP is of the view that the financial derivatives could not be considered as hedge contracts, as hedge contract losses could only be offset against gains derived from the same kind of hedging contracts. Penalties and interest on the disputed amounts are estimated at a further \$22m (2015: \$24m). CVSA and AFIP have corresponded on this issue over the past several years and while management is of the opinion that the taxes are not payable, the government continues to assert its position regarding the use of the financial derivatives. CVSA filed an appeal with the Tax Court on 19 June 2015, and the matter is proceeding.

Other

- (8) Groundwater pollution - AngloGold Ashanti has identified groundwater contamination plumes at certain of its operations, which have occurred primarily as a result of seepage from mine residue stockpiles. Numerous scientific, technical and legal studies have been undertaken to assist in determining the magnitude of the contamination and to find sustainable remediation solutions. The group has instituted processes to reduce future potential seepage and it has been demonstrated that Monitored Natural Attenuation (MNA) by the existing environment will contribute to improvements in some instances. Furthermore, literature reviews, field trials and base line modelling techniques suggest, but have not yet proven, that the use of phyto-technologies can address the soil and groundwater contamination. Subject to the completion of trials and the technology being a proven remediation technique, no reliable estimate can be made for the obligation.
- (9) Deep groundwater pollution - The group has identified potential water ingress and future pollution risk posed by deep groundwater in certain underground mines in Africa. Various studies have been undertaken by AngloGold Ashanti since 1999 to understand this potential risk. In South Africa, due to the interconnected nature of mining operations, any proposed solution needs to be a combined one supported by all the mines located in these gold fields. As a result, the Mineral and Petroleum Resources Development Act (MPRDA) requires that the affected mining companies develop a Regional Mine Closure Strategy to be approved by the Department of Mineral Resources. In view of the limitation of current information for the accurate estimation of a liability, no reliable estimate can be made for the obligation.

Contingent asset

- (10) Indemnity - As part of the acquisition by AngloGold Ashanti of the remaining 50% interest in MSG during June 2012, Kinross Gold Corporation (Kinross) has provided an indemnity to a maximum amount of BRL255m against the specific exposures discussed in item 5 above. At 31 December 2016, the company has estimated that the maximum contingent asset is \$8m (2015: \$7m).

16. Borrowings

AngloGold Ashanti's borrowings are interest bearing.

17. Announcements

AngloGold Ashanti Holdings plc announced satisfaction of the conditions for the redemption of all its outstanding 8.500% notes due 2020 – On 27 July 2016 AngloGold Ashanti Holdings plc (the "Company") announced that it had borrowed \$330,000,000 under the Company's \$1,000,000,000 revolving credit facility which, together with available cash, would be used to pay the redemption price of any additional amounts payable on and any accrued and unpaid interest on all of its outstanding 8.500% Notes due 2020.

AngloGold Ashanti announces a change to the Board of Directors – In compliance with paragraph 3.59 of the Listings Requirements of the JSE Limited, on 2 December 2016 AngloGold Ashanti announced the appointment of Sindiswa Zilwa as an Independent Non-Executive Director to its Board of Directors with effect from 1 April 2017.

18. Dividends

The directors of AngloGold Ashanti Limited (Registration Number 1944/017354/06) declared **Dividend No. 118** for the year ended 31 December 2016 as detailed below. In terms of the withholding tax on dividends which became effective on 1 April 2012, the following additional information is disclosed:

Dividends have been declared out of total reserves	
Rate of dividend declared per ordinary share in South African cents (Gross)	130.00
Dividends tax rate applicable to shareholders liable to pay the dividend tax	15%
Rate in South African cents (Net) where dividend tax at 15% is payable on payment date	110.50
The issued ordinary share capital of AngloGold Ashanti at the date of declaration is	408,240,815
AngloGold Ashanti's tax reference number	9640006608

In compliance with the requirements of Strate, given the Company's primary listing on the JSE, the salient dates for payment of the dividend are as follows:

To holders of ordinary shares and to holders of CHESSE Depository Interests (CDIs)

Each CDI represents one-fifth of an ordinary share.

	2017
Currency conversion date for Australian dollars and Ghanaian cedis	Monday, 13 March
Last date to trade ordinary shares cum dividend	Monday, 20 March
Last date to register transfers of certificated securities cum dividend	Monday, 20 March
Ordinary shares trade ex-dividend	Wednesday, 22 March
Record date	Friday, 24 March
Payment date	Friday, 7 April

Dividends in respect of dematerialised shareholdings will be credited to shareholders' accounts with the relevant CSDP or broker.

To comply with further requirements of Strate, share certificates may not be dematerialised or rematerialised between Wednesday, 22 March 2017 and Friday, 24 March 2017, both days inclusive. No transfers between the South African, Australian and Ghana share registers will be permitted between Monday, 13 March 2017 and Friday, 24 March 2017, both days inclusive.

To holders of American Depository Shares

Each American Depository Share (ADS) represents one ordinary share.

	2017
Ex dividend on New York Stock Exchange	Wednesday, 22 March
Record date	Friday, 24 March
Approximate date for currency conversion	Friday, 7 April
Approximate payment date of dividend	Monday, 17 April

Assuming an exchange rate of R13.1000/\$, the gross dividend payable per ADS, which is subject to a 15% South African withholding tax, is equivalent to 10 US cents. However the actual rate of payment will depend on the exchange rate on the date for currency conversion.

To holders of Ghanaian Depository Shares (GhDSs)

100 GhDSs represent one ordinary share.

	2017
Last date to trade and to register GhDSs cum dividend	Friday, 17 March
GhDSs trade ex-dividend	Wednesday, 22 March
Record date	Friday, 24 March
Approximate payment date of dividend	Monday, 10 April

Assuming an exchange rate of R1/c0.33843, the gross dividend payable per share, which is subject to a 15% South African withholding tax, is equivalent to 0.43995 cedis. However, the actual rate of payment will depend on the exchange rate on the date for currency conversion.

By order of the Board

SM PITAYANA
Chairman

S VENKATAKRISHNAN
Chief Executive Officer

KC RAMON
Chief Financial Officer

20 February 2017

Non-GAAP disclosure

From time to time AngloGold Ashanti Limited may publicly disclose certain "Non-GAAP" financial measures in the course of its financial presentations, earnings releases, earnings conference calls and otherwise. Set out below are measures extracted from financial information regularly presented to the Chief Operating Decision Maker (Executive Committee).

The group uses certain Non-GAAP performance measures and ratios in managing the business and may provide users of this financial information with additional meaningful comparisons between current results and results in prior operating periods. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to, the reported operating results or any other measure of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures that other companies use.

A Adjusted headline (loss) earnings

	Six months ended		Year ended	
	Dec	Dec	Dec	Dec
	2016	2015	2016	2015
	Unaudited	Unaudited	Unaudited	Unaudited
US Dollar million				
Headline earnings (loss) (note 9)	18	55	111	(73)
(Loss) gain on unrealised non-hedge derivatives and other commodity contracts	(49)	5	(18)	7
Deferred tax on unrealised non-hedge derivatives and other commodity contracts (note 8)	15	(2)	5	(2)
Impairment of deferred tax assets included in discontinued operations	-	-	-	121
Fair value adjustment on \$1.25bn bonds	(34)	(132)	(9)	(66)
Repurchase premium on settlement of \$1.25bn bonds (note 5)	30	61	30	61
Provision for losses and impairments / reversals in associates	4	1	24	1
Adjusted headline (loss) earnings	(16)	(12)	143	49
Allocated as follows:				
Continuing operations	(16)	(13)	143	34
Discontinued operations	-	1	-	15
Adjusted headline (loss) earnings per ordinary share (cents) ⁽¹⁾				
- Continuing and discontinued operations	(4)	(3)	35	12

⁽¹⁾ Calculated on the basic weighted average number of ordinary shares.

B Price received - continuing operations

	Six months ended		Year ended	
	Dec	Dec	Dec	Dec
	2016	2015	2016	2015
	Unaudited	Unaudited	Unaudited	Unaudited
US Dollar million				
Gold income (note 2)	2,125	1,970	4,085	4,015
Adjusted for non-controlling interests	(42)	(29)	(83)	(61)
	2,083	1,941	4,002	3,954
Realised gain on other commodity contracts	10	8	19	17
Associates and joint ventures' share of gold income including realised non-hedge derivatives	234	210	433	474
Attributable gold income including realised non-hedge derivatives	2,327	2,159	4,454	4,445
Attributable gold sold - oz (000)	1,827	1,940	3,567	3,838
Price received per unit - \$/oz	1,274	1,113	1,249	1,158

Rounding of figures may result in computational discrepancies.

C All-in sustaining costs and All-in costs¹ - continuing operations

	Six months ended		Year ended	
	Dec	Dec	Dec	Dec
	2016	2015	2016	2015
	Unaudited	Unaudited	Unaudited	Unaudited
US Dollar million / Imperial				
Cost of sales (note 3)	1,763	1,641	3,263	3,294
Amortisation of tangible and intangible assets (note 3)	(445)	(406)	(809)	(777)
Adjusted for decommissioning amortisation	5	7	9	13
Corporate administration and marketing related to current operations	31	32	59	78
Associates and joint ventures' share of costs	161	133	295	270
Inventory writedown to net realisable value and other stockpile adjustments	12	6	13	12
Sustaining exploration and study costs	34	34	70	62
Total sustaining capex	421	336	695	629
All-in sustaining costs	1,982	1,783	3,595	3,581
Adjusted for non-controlling interests and non-gold producing companies	(31)	(27)	(58)	(64)
All-in sustaining costs adjusted for non-controlling interests and non-gold producing companies	1,951	1,756	3,537	3,517
Adjusted for stockpile write-offs	(17)	(15)	(18)	(23)
All-in sustaining costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	1,934	1,741	3,519	3,494
All-in sustaining costs	1,982	1,783	3,595	3,581
Non-sustaining project capital expenditure	71	84	116	169
Technology improvements	8	8	14	16
Non-sustaining exploration and study costs	33	35	56	62
Care and maintenance (note 4)	33	32	70	67
Corporate and social responsibility costs not related to current operations	31	18	40	26
All-in costs	2,158	1,960	3,891	3,921
Adjusted for non-controlling interests and non-gold producing companies	(30)	(23)	(53)	(55)
All-in costs adjusted for non-controlling interests and non-gold producing companies	2,128	1,937	3,838	3,866
Adjusted for stockpile write-offs	(17)	(15)	(18)	(23)
All-in costs adjusted for non-controlling interests, non-gold producing companies and stockpile write-offs	2,111	1,922	3,820	3,843
Gold sold - oz (000)	1,827	1,940	3,567	3,838
All-in sustaining cost (excluding stockpile write-offs) per unit - \$/oz	1,058	897	986	910
All-in cost per unit (excluding stockpile write-offs) - \$/oz	1,155	991	1,071	1,001

¹ Refer to the Supplementary report for Summary of Operations by Mine

D Total cash costs² - continuing operations

	Six months ended		Year ended	
	Dec	Dec	Dec	Dec
	2016	2015	2016	2015
	Unaudited	Unaudited	Unaudited	Unaudited
US Dollar million / Imperial				
Total cash costs (note 3)	1,323	1,247	2,435	2,493
Adjusted for non-controlling interests, non-gold producing companies and other	(23)	(18)	(41)	(42)
Associates and joint ventures' share of total cash costs	156	130	289	267
Total cash costs adjusted for non-controlling interests and non-gold producing companies	1,456	1,359	2,683	2,718
Gold produced - oz (000)	1,867	1,946	3,606	3,818
Total cash cost per unit - \$/oz	780	699	744	712

² Refer to the Supplementary report for Summary of Operations by Mine

Rounding of figures may result in computational discrepancies.

E Adjusted EBITDA³ - continuing operations

	Six months ended		Year ended	
	Dec	Dec	Dec	Dec
	2016	2015	2016	2015
	Unaudited	Unaudited	Unaudited	Unaudited
US Dollar million				
Profit before taxation	157	155	269	257
Add back :				
Finance costs and unwinding of obligations	83	114	180	245
Interest received	(11)	(14)	(22)	(28)
Amortisation of tangible and intangible assets	445	406	809	777
Adjustments :				
Exchange loss (gain)	5	(4)	88	17
Fair value adjustment on issued bonds	(34)	(132)	(9)	(66)
Impairment and derecognition of assets	2	9	3	14
Write-down of stockpiles and heap leach to net realisable value and other stockpile adjustments	12	4	12	10
Retrenchments and restructuring costs mainly at Obuasi	43	37	84	81
Net profit on disposal of assets	(4)	(1)	(4)	(1)
(Gain) loss on unrealised non-hedge derivatives and other commodity contracts	(49)	5	(18)	7
Repurchase premium on settlement of \$1.25bn bonds	30	61	30	61
Associates and joint ventures' net exceptional expense	8	(9)	(11)	(9)
Associates and joint ventures' - adjustments for amortisation, interest, taxation and other	80	48	137	107
Adjusted EBITDA	767	679	1,548	1,472

⁽¹⁾ EBITDA (as adjusted) and prepared in terms of the formula set out in the Revolving Credit Agreements.

F Interest cover

	Six months ended		Year ended	
	Dec	Dec	Dec	Dec
	2016	2015	2016	2015
	Unaudited	Unaudited	Unaudited	Unaudited
Adjusted EBITDA (note E)	767	679	1,548	1,472
Finance costs (note 6)	72	103	158	223
Interest cover - times	11	7	10	7

G Free cash flow

	Six months ended		Year ended	
	Dec	Dec	Dec	Dec
	2016	2015	2016	2015
	Unaudited	Unaudited	Unaudited	Unaudited
US Dollar million				
Net cash inflow from operating activities	710	626	1,186	1,139
Net investing activities	(425)	452	(702)	80
Finance costs (note 6)	(72)	(103)	(158)	(223)
Movements in restricted cash	(3)	9	(8)	17
Acquisitions, disposals and other	(40)	(874)	(40)	(872)
Free cash flow	170	110	278	141

H Net asset value - cents per share

	As at	As at
	Dec	Dec
	2016	2015
	Unaudited	Unaudited
US Dollar million		
Total equity	2,754	2,467
Number of ordinary shares in issue - million (note 10)	408	405
Net asset value - cents per share	675	609
Total equity	2,754	2,467
Intangible assets	(145)	(161)
	2,609	2,306
Number of ordinary shares in issue - million (note 10)	408	405
Net tangible asset value - cents per share	639	569

I Net debt

	As at	As at
	Dec	Dec
	2016	2015
	Unaudited	Unaudited
US Dollar million		
Borrowings - long-term portion	2,144	2,637
Borrowings - short-term portion	34	100
Total borrowings	2,178	2,737
Corporate office lease	(15)	(15)
Unamortised portion of the convertible and rated bonds	23	21
Cumulative fair value adjustment on \$1.25bn bonds	-	(9)
Cash restricted for use	(55)	(60)
Cash and cash equivalents	(215)	(484)
Net debt	1,916	2,190

Rounding of figures may result in computational discrepancies.

Administration and corporate information

ANGLOGOLD ASHANTI LIMITED

Registration No. 1944/017354/06
Incorporated in the Republic of South Africa

Share codes:

ISIN:	ZAE000043485
JSE:	ANG
NYSE:	AU
ASX:	AGG
GhSE: (Shares)	AGA
GhSE: (GhDS)	AAD

JSE Sponsor:

Deutsche Securities (SA) Proprietary Limited

Auditors: Ernst & Young Inc.

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KC Ramon[^] (Chief Financial Officer)

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A Garner[#]
R Gasant[^]
DL Hodgson[^]
NP January-Bardill[^]
MJ Kirkwood^{*}
M Richter[#]
RJ Ruston⁻

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 21, 2017

AngloGold Ashanti Limited

By: /s/ M E SANZ PEREZ
Name: M E Sanz Perez
Title: EVP: Group Legal, Commercial & Governance