

ANGLOGOLD ASHANTI LTD

Form 6-K

March 15, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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

MARCH 15, 2006

AngloGold Ashanti Limited

—
(Name of Registrant)

11 Diagonal Street

Johannesburg, 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:

Enclosures: ANGLOGOLD ASHANTI SUMMARY REPORT – EXTRACTED FROM THE 2005 ANNUAL REPORT PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

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Summary

Report

The AngloGold Ashanti Summary Report 2005 presents a summary of the operating and financial results for the period 1 January 2005 to 31 December 2005. This summary is based on the Annual Report 2005, which has been prepared in accordance with the International Financial Reporting Standards, the South African Companies Act No. 61 of 1973 and the Listings Requirements of the JSE Limited (JSE). The guidelines of the King Report on Corporate Governance, 2002 have also been taken into account. The annual report is submitted to the JSE as well as to the London, New York, Ghana and Australian stock exchanges and the Paris and Brussels bourses. It is also submitted to the US Securities and Exchange Commission (SEC) on a Form 6-K.

Mineral Resources and Ore Reserves are reported in line with the South African Code for Reporting of Mineral Reserves and Resources (SAMREC 2000) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2004). Competent persons in terms of all these codes have prepared, reviewed and confirmed the Mineral Resources and Ore Reserves as reported in this publication. The Annual Report 2005 contains a summary of the Mineral Resources and Ore Reserves while a more detailed breakdown that includes tables and graphs is available in a separate supplementary document.

AngloGold Ashanti has for the third consecutive year produced a Report to Society in conjunction with the Annual Report to ensure a comprehensive understanding of all aspects of the group. The Report to Society seeks to explain and assess the economic, social and environmental aspects of AngloGold Ashanti's business.

Both the Annual Report 2005 and the Report to Society 2005 are available online on the corporate website at www.AngloGoldAshanti.com, as is the supplementary document on group Mineral Resources and Ore Reserves. These documents are also available on CD and in a printed version, and can be requested from the contacts listed at the end of this report.

In addition, AngloGold Ashanti prepares an annual report on Form 20-F which complies with generally accepted accounting principles in the United States. The Form 20-F must be filed with

the Securities and Exchange Commission in the United States by no later than 30 June 2006 and will be available on the corporate website. It can be requested from the contacts listed at the end of this report.

Scope of the report

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Forward-looking statements

Certain statements contained in this document
including, without limitation, those concerning the
economic outlook for the gold mining industry,

expectations regarding gold prices, production, cash costs and other operating results, growth prospects and outlook of AngloGold Ashanti's operations, including the completion and commencement of commercial operations of certain of AngloGold Ashanti's exploration and production projects, its liquidity and capital resources and expenditure, contain certain forward-looking statements regarding AngloGold Ashanti's operations, economic performance and financial condition. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in gold prices and exchange rates, and business and operational risk management. For a discussion on such factors, refer to the risk management section of The Annual Report 2005.

AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of the annual report to reflect the occurrence of unanticipated events. All subsequent written or oral forward-looking statements attributable to AngloGold Ashanti or any person acting on its behalf are qualified by the cautionary statements herein.

Through this document, dollar or \$ refers to US dollar unless otherwise stated.

- 2005 average dollar gold spot price of \$445 per ounce, 9% higher than 2004.

- 2005 received gold price increased by 11% to \$439 per ounce.

- Adjusted gross profit up by 6% to \$469 million.

- Capital expenditure up by 23% to \$722 million.

- Adjusted headline earnings down by 26% to \$200 million.

- Total dividend for the year of R2.32 per share, or \$0.36 per ADS.

KEY FEATURES 2005

Financial

KEY FEATURES 2005

Operational

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-

Gold production up 6% to 6.2 million ounces reflecting the inclusion of the full year's production from the former Ashanti mines.

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Total cash costs rose 6% to \$281 per ounce mainly due to inflation and strong operating currencies.

-

Ore Reserves down 20% to 63 million ounces and Mineral Resources 19% lower at 176 million ounces as at the end of December 2005.

The year ended 31 December 2005 saw a 6% production increase to 6.2 million ounces. This was largely attributable to the inclusion of a full year's production from the former Ashanti assets, in addition to an outstanding performance from Sunrise Dam in Australia in the first half of the year, and significant improvements at Morila in Mali and Mponeng in South Africa. Certain key assets, namely Obuasi in Ghana, Geita in Tanzania and Sunrise Dam in Australia, finished the year with anticipated lower grades. Plans are in place to move these operations toward optimal operational and cost levels, which should begin to be evident by the middle of 2006.

Earlier in the year, AngloGold Ashanti responded to the ongoing cost pressures associated with the rising costs of key mining inputs and the strength of our local operating currencies by implementing a stringent savings programme designed to eliminate \$110 million in costs by the end of 2005. Pleasingly, the total savings realised from these initiatives was \$160 million, well in excess of our target, which helped to limit cash cost escalation and resulted in a year-end total cash cost for the group of \$281 per ounce.

AngloGold Ashanti endorses the need for the stringent accounting requirements imposed by various accounting authorities responsible for setting standards with the aim of transparency and international comparability. However, for observers not familiar with complex accounting detail, these requirements often have the result of potentially distorting reported performance. The table on pages 16 to 20 of the full Annual Report is presented to assist shareholders to better understand our results. Thus the substantial decline in operating profit from \$102 million in 2004 to a loss of \$36 million and a net loss of \$160 million for 2005 must be seen in the light of the accounting treatment of hedging and the convertible bond. Adjusted headline earnings for 2005 amounted to \$200 million.

A dividend of 62 South African cents (10 US cents) per share has been declared for the six months ended 31 December 2005. This represents a similar percentage payout to adjusted headline earnings, as was announced at the mid-year declaration, resulting in a total dividend for the year of 232 South African cents (36 US cents) per share. Given that the group is in a very high capital expenditure phase, we will continue to manage our

approach to the dividend and capital allocation on the basis of prudent financial management.

Investor and speculator interest in gold led to the price reaching a 25-year high of \$567 per ounce in January this year, with an annual average for 2005 of \$445 per ounce, 9% higher than in 2004.

The price continued to hold later in the year, despite a stronger dollar. AngloGold Ashanti continues to take a positive view of the gold price and, consequently, will continue to deliver into maturing forward sales contracts and to increase the proportion of our production which is exposed to the higher price for our product.

On 2 August, the company received notice from the South African Department of Minerals and Energy that it had been granted its application for new order mining rights in terms of the Mineral and Petroleum Resources Development Act. This development represented the culmination of a long but constructive engagement with government, in which AngloGold Ashanti sought to ensure that both the spirit and letter of the Mining Charter was fulfilled, bringing certainty to shareholders and offering employees and the communities in which we operate new opportunities for sharing in the wealth creation of our group. The creation of an Employee Share Ownership Programme is under consideration and is being discussed with employee groups. We deeply regret that 25 employees lost their lives in workplace accidents during 2005. The safety of employees on all of our operations remains a very significant focus of management attention and resources on all of AngloGold Ashanti's operations and particularly in the more hazardous deep-level mines in South Africa. We are pleased to note, however, that the group's fatal injury frequency rate (FIFR) improved by 26% to 0.14 per million man hours worked, a 64% improvement since the group was established in its current form in 1998. It is noteworthy that AngloGold Ashanti's FIFR now compares

Letter from the chairman and chief executive officer

favourably to those recorded in the mining industries of the United States, Canada and Australia. Management continues both to explore technical solutions to mining risks and to promote employee behaviour designed to improve workplace safety.

The group's South Africa region continues to make good progress in the campaign against HIV and AIDS, in respect of both prevention and treatment. During the year, health care staff conducted more than 10,000 voluntary counselling sessions with employees – 32% of our South African employees attended voluntary counselling clinics during the year, compared to 10% in 2004. This improvement is ascribed, at least in part, to the success of the mines' peer educator programme, which produced 265 new peer trainers during 2005. Some 3,200 patients are currently enrolled in treatment programmes and there are 934 who are currently on anti-retroviral therapy. More than 80% of patients who have been part of a treatment programme have returned to work.

Shareholders will be aware of the announcement in October 2005 by Anglo American plc and confirmed in a subsequent statement in February this year that it intended to reduce its shareholding in AngloGold Ashanti, retaining a significant shareholding in the medium term, in order to give this group greater flexibility to pursue its strategic agenda. This agenda is focused on improving the efficiency of existing operations, seeking new orebodies in under-explored gold regions of the world and seeking value-adding merger and acquisition opportunities. The group's growth strategy is particularly crucial at a time in the gold industry when the search for new gold production and access to additional ounces is paramount for all producers, as witnessed in the recent further consolidation in the gold industry. Despite this growth imperative, however, AngloGold Ashanti will not pursue the acquisition of ounces at the expense of shareholder value.

In this regard, our participation in the Boddington Expansion Project in Western Australia has received the approval of the board. Boddington, on a 100% basis, has project resources of 24.5 million ounces of gold and 1,040kt of copper, with reserves of 17.1 million ounces of gold and 658kt of copper. In respect of our 33.33% interest, we are looking at a current project life of more than 15 years with gold production of approximately 330,000 ounces per year and at a projected real cash cost of \$209 per ounce for the first five years.

Looking ahead to the rest of 2006, we are expecting a modest production decline to between 5.9 million ounces and 6.1 million ounces, partly as a consequence of reduced production at Bibiani in Ghana and Savuka in South Africa. However, production is forecast to increase by six to eight per cent in 2007, as new projects, expansion programmes and anticipated grade improvements begin to have their expected effects.

We are pleased to welcome Reginald Bannerman who has joined the board recently. A Ghanaian lawyer who has spent more than 48 years in law practice, Reginald has a wealth of experience from which we can benefit.

Finally, we must note that Kelvin Williams retires from the board in May this year, after a long and distinguished career with AngloGold Ashanti and the Anglo American group of companies. Kelvin is widely regarded as a global authority on the gold market and gold hedging. His contribution to the company and the group is appreciated and will be missed. Kelvin's hedging responsibilities will be assumed by Mark Lynam, the AngloGold Ashanti treasurer, and his marketing activities by Thero Setiloane, who is presently also the chairman of Rand Refinery.

Russell Edey

Bobby Godsell

Chairman

Chief executive officer

28 February 2006

LETTER FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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PERFORMANCE REVIEW

for the year ended 31 December

6

REST OF AFRICA

USA

SOUTH AMERICA

AUSTRALIA

SOUTH AFRICA

Attributable

production (000 oz)

Gold income

(\$m)

Capital expenditure

(\$m)

PERFORMANCE REVIEW

for the year ended 31 December

7

•

The operations here are divided into two regions, West Wits and Vaal River, which together have seven mines, namely Great Noligwa, Kopanang, Moab Khotsoeng, Mponeng, Savuka, Tau Lekoa and TauTona.

•

As at 31 December 2005, Ore Reserves for these operations totalled 26.8 million ounces of gold – 42% of group reserves.

•

Combined, these mines employed some 42,500 people and produced 2,676,000 ounces of gold in 2005, equivalent to 43% of total group output.

•

The South African operations contributed \$230 million – 49% – to group adjusted gross profit.

•

Capital expenditure for the year totalled \$347 million.

•

This region includes the mining operations in Ghana (Obuasi, Bibiani, Iduapriem), Guinea (Siguiri), Mali (Morila, Sadiola, Yatela), Namibia (Navachab) and Tanzania (Geita).

•

As at 31 December 2005, Ore Reserves for all these operations totalled 23.2 million ounces of gold – 37% of group reserves.

•

Combined, these mines employed some 16,200 people and produced 2,148,000 ounces of gold in 2005, equivalent to 35% of total group output.

•

The operations in Africa (outside of South Africa) contributed \$74 million – 16% – to group adjusted gross profit.

•

Capital expenditure for the year totalled \$221 million.

•

The one mining operation here is Cripple Creek & Victor (CC&V) in the state of Colorado.

•

As at 31 December 2005, Ore Reserves at CC&V totalled 3.3 million ounces of gold – 5% of group reserves.

•

This operation employed some 390 people and produced 330,000 ounces of gold in 2005, equivalent to 5% of total group output.

•

This operation contributed \$17 million – 5% – to group adjusted gross profit.

•

Capital expenditure for the year totalled \$8 million.

•

The mining operations here are located in Brazil (AngloGold Ashanti Mineração and Serra Grande) and Argentina (Cerro Vanguardia).

•

As at 31 December 2005, Ore Reserves in Brazil and Argentina totalled 4.2 million ounces of gold – 7% of group reserves.

•

Combined, these mines employed some 4,400 people and produced 557,000 ounces of gold in 2005, equivalent to 9% of total group output.

•

The operations together contributed \$118 million – 25% – to group adjusted gross profit.

•

Capital expenditure for the year totalled \$100 million.

•

The mining operation here is Sunrise Dam in the state of Western Australia; another operation, Boddington also in Western Australia, is currently on care and maintenance.

•

As at 31 December 2005, Ore Reserves totalled 5.6 million ounces of gold – 9% of group reserves.

•

Sunrise Dam employed some 375 people and produced 455,000 ounces of gold in 2005, equivalent to 8% of total group output.

•

This operation contributed \$46 million – 10% – to group adjusted gross profit.

•

Capital expenditure, at both Sunrise Dam and Boddington for the year totalled \$38 million.

Annual production

(000oz)

Business overview – 2005

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AngloGold Ashanti, one of the world's leading gold mining companies, has 21 operations in 10 countries on four continents. Its portfolio includes long-life, relatively low-cost assets and differing orebody types in key gold-producing regions around the globe. Activities range from deep-level hard-rock mining to open-pit mining, and include exploration, both brownfields and greenfields, as well as research and development. AngloGold Ashanti was established in April 2004 following the business combination of AngloGold Limited, a South African gold mining company, and Ashanti Goldfields Company Limited, a Ghanaian gold mining company. The combined Proved and Probable Ore Reserves of the group amounted to 63.3 million ounces as at 31 December 2005.

AngloGold Ashanti's main product is gold with a small portion of its revenue being derived from the sales of silver, uranium oxide and sulphuric acid. These products are sold on world markets.

The primary listing of the group's ordinary shares is on the JSE Limited (JSE) in South Africa. Its ordinary shares are also listed on stock exchanges in London, Paris and Ghana, as well as being quoted in Brussels in the form of International Depositary Receipts (IDRs), in New York in the form of American Depositary Shares (ADSs), in Australia, in the form of Clearing House Electronic Subregister System Depositary Interests (CDIs) and in Ghana, in the form of Ghanaian Depositary Shares (GhDSs).

Review of operations

Countries in which AngloGold Ashanti has operations are: South Africa, Argentina, Australia, Brazil, Ghana, Guinea, Mali, Namibia, Tanzania and the USA. The group conducts extensive exploration activities in areas as diverse as Alaska in North America and Colombia in South America, the Democratic Republic of Congo (DRC) in Africa, and Mongolia, Russia and China in Asia. In 2005, total gold production increased by 6% to 6.2 million ounces, of which 2.7 million ounces (43%) came from the deep-level hard-rock operations in South Africa and the balance of 3.5 million ounces (57%) from shallower and surface operations. No new operations came into production in 2005, while in South Africa the Ergo facility was closed and the Savuka mine, also in

South Africa, is in closure mode.

Strong operating currencies against the dollar – particularly the South African rand and the Brazilian real – contributed to the rising cost of inputs, as well as inflationary pressures (including a new two-year wage settlement) in South Africa. This was mitigated by large-scale cost-saving initiatives, once again primarily at the South African operations. Consequently, total cash costs rose by 6% to \$281 per ounce.

Capital expenditure, at \$722 million, rose by 23% from the previous year – of this, 63% was stay-in-business expenditure and the balance of 37% was on new projects. In January 2005, the board approved the Cuibá expansion project at AngloGold Ashanti Mineração, Brazil.

Corporate highlights – 2005

-

Production of 6.2 million ounces of gold in 2005 – an increase of 6% on production in 2004.

-

Capital expenditure of \$722 million, primarily in South Africa, at Mponeng and TauTona and on the development of Moab Khotson, at Obuasi in Ghana, at AngloGold Ashanti Mineração in Brazil, Geita in Tanzania and at the Australian operation, Sunrise Dam.

-

As at 31 December 2005, Proved and Probable Ore Reserves totalled 63 million ounces and total Mineral Resources inclusive of Ore Reserves 176 million ounces.

-

More than 60,000 people, including contractors, employed around the globe.

BUSINESS OVERVIEW – 2005

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Safety and health

Regrettably, 25 employees lost their lives in work-related accidents at AngloGold Ashanti in 2005 (2004: 31) in 22 separate accidents. Of the fatalities, 17 were at the South African operations, seven at Obuasi in Ghana and one at AngloGold Ashanti Mineração in Brazil. This performance, while short of the group's stated objective of achieving a fatality-free work environment, reflects a continued improvement both year-on-year and in the longer term. The group's fatal injury frequency rate (FIFR) for 2005 was 0.14 per million man-hours worked, which is a 26% improvement on the 2004 rate of 0.19. This is an improvement of 64% on the FIFR of 0.39 achieved seven years ago in 1998.

Review of the gold market

New levels of investor and speculative interest in gold led to the gold price reaching 25-year highs in 2005 – the fifth year of the current rally. Despite a lull early in the year, investor interest in gold resumed and significantly exceeded those of 2004, particularly towards the end of the year.

The average gold price for the year was \$445 per ounce, an increase of 9% on 2004. In January 2006, the gold price reached a 25-year high of \$567 per ounce.

Interest in gold was also encouraged by developments in the oil market, and supply disruptions caused by hurricane damage in the USA pushed the spot oil price to record levels of \$70/barrel in early September. Speculation over the likely impact of increases in the oil price on inflation and on global economic growth led to increased buying interest in gold. The impact of higher oil prices has introduced a sense of uncertainty about the health of the global economy, which continues to encourage interest in gold among both investors and speculators.

The resurgence in the dollar during 2005 contributed to a shift in the local currency and the rand weakened against the US dollar for most of the year. The rand, however, strengthened towards the end of the year and recouped most of its intra-year losses to average R6.35/\$1 for the year. This compares to an average exchange rate of R6.42/\$1 for 2004.

The relative weakness of the rand during the second half of the year, together with the strong spot price of gold in US dollars, resulted in sharply higher rand gold prices which peaked at R111,000 per kilogram in December, providing some relief for South African gold producers.

Speculative demand

A good indication of the extent of investor interest in the metal is the open position on the New York Comex, and the holdings of gold exchange traded funds (ETFs). The net open position on the Comex peaked in October 2005 at a little over the previous record level set in April 2004 and this sustained long position on Comex helped to keep the gold price firm and rising. Aggregate investor holdings in gold ETFs amounted to some 13 million ounces or 400 tons of gold by January 2006. The combined Comex and ETF holdings today exceed 30 million ounces, or almost 950

tons of gold in net investment and speculative positions in developed markets.

Looking to the future, there appears to be sufficient uncertainty in financial markets and in the global economy to sustain current levels of interest in gold.

Supply and demand

Physical offtake of gold continued to improve during the year. Demand fell back under the weight of the rising gold price but overall fabrication offtake for the year remained positive. Consumption of gold in jewellery increased by 5% for the year, largely on the back of strong growth in India and the Middle East.

The market was in oversupply during the second half of 2005, but with investment demand still positive for gold, the final balance of supply and demand will remain of secondary importance.

Investor and speculative purchases on the margin will continue to be the price-determining force in the gold market. However, in the longer term it is important that physical demand is healthy given the ability of the physical market to provide offtake and floor price support at times when investor or speculator interest weakens.

Hedging

As at 31 December 2005, the net delta hedge position of AngloGold Ashanti was 10.84 million ounces or 337 tons, valued at the spot price of gold on that date of \$517 per ounce. The marked-to-market value of the hedge position at the date was negative \$1.941 billion. The increase in the size and negative value of the hedge in the latter half of the year was due entirely to the increase in the spot price of gold against which the hedge is valued, which was 19% higher at the end of 2005 than the spot price of \$435 per ounce at which the hedge had been valued at 31 December 2004.

Financial review

AngloGold Ashanti, with the exception of the operations in Ghana, reported a sound operating performance for the 2005 financial year; this did not, however, translate into an improved financial performance. This was despite an 11% increase in the received price of gold to \$439 per ounce.

BUSINESS OVERVIEW – 2005

BUSINESS OVERVIEW – 2005

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Summary of results:

- Adjusted gross profit up by 6% to \$469 million.
- Adjusted headline earnings decreased by 26% to \$200 million or 76 US cents per share, from \$271 million or 108 US cents per share in 2004.
- A final dividend of 62 South African cents per share or approximately 10 US cents per share was declared, resulting in a total dividend for 2005 of 232 South African cents or approximately 36 US cents per share.
- Return on net capital employed decreased from 8% to 5%.
- Return on equity decreased from 7% to 4%.
- Gold production from continuing operations was 6% higher at 6.2 million ounces, largely owing to increased production from the Australia, Ghana and Guinea operations. Their contribution was partially offset, however, by planned reductions in production at the South African operations.
- Total cash costs increased by 6% to \$281 per ounce, largely owing to the impact of stronger operating currencies, inflation and lower grades mined in the year. The average exchange rate for 2005 was R6.37:\$1 compared with R6.44:\$1 in 2004. The average value of the Australian dollar versus the US dollar for 2005 was A\$1:\$0.76 compared with A\$1:\$0.74 in 2004.

Outlook

AngloGold Ashanti expects production to decline marginally to within a range of 5.9 million ounces to 6.1 million ounces, as Bibiani phases into a tailings-only operation in combination with the forecast closure of Savuka. Total cash costs are anticipated to be between \$285 per ounce and \$293 per ounce, based on the following exchange rate assumptions: \$/R6.50, A\$/0.76, BRL/\$2.40 and ARS/\$2.96.

Capital expenditure for the year is estimated to be

between \$786m and \$818m and will be managed in line with profitability and cash flow. The depreciation and amortisation charge for 2006 is estimated to be approximately \$577 million.

Non-executive directors

Mr RP Edey (63)

FCA

Chairman

Russell Edey was appointed to the AngloGold board in April 1998 and as deputy chairman in December 2000. In May 2003 he was appointed chairman when Bobby Godsell relinquished this office. Based in the United Kingdom, he is deputy chairman of N M Rothschild Corporate Finance and a director of a number of other companies.

Dr TJ Motlatsi (54)

Hon DSoc Sc (Lesotho)

Deputy Chairman

James Motlatsi was appointed to the AngloGold board in April 1998 and as deputy chairman in May 2002 upon Russell Edey being appointed chairman. He has been associated with the South African mining industry since 1970, and is a past president of the National Union of Mineworkers. He is chief executive officer of TEBA Limited.

Mr FB Arisman (61)

MSc (Finance)

Frank Arisman was appointed to the AngloGold board in April 1998. He resides in New York and retired, after 32 years of service, from JP Morgan Chase, where he held the position of managing director.

Mr RE Bannerman (71)

MA (Oxon), LL.M (Yale)

Reginald Bannerman has been in law practice since 1958 and is currently the principal partner at Messrs Bruce-Lyle, Bannerman & Thompson Attorneys in Ghana. He is a member of the General Legal Council of Ghana and a member of the board of the Valco Trust Fund, the largest privately-run trust in Ghana. A former lecturer in law at the Ahmadu Bello University in Nigeria, Reginald was also formerly the Mayor of Accra, the capital city of Ghana. He was appointed to the board in February 2006.

Mrs E le R Bradley (67)

BSc, MSc

Elisabeth Bradley was appointed to the AngloGold board in April 1998. She is non-executive chairman of Wesco Investments Limited and Toyota South Africa (Proprietary) Limited and a director of a number of other companies. She is deputy chairman of the South African Institute of International Affairs.

Mr CB Brayshaw (70)

CA (SA), FCA

Colin Brayshaw was appointed to the AngloGold board in April 1998. He is a retired managing partner and chairman of Deloitte & Touche and is a non-executive director of a number of companies including Anglo Platinum and Datatec.

Dr SE Jonah KBE (56)

Hon DSc (Exeter), MSc (Mineral Production Management)

President

Sam Jonah worked in various positions, including underground, with Ashanti Goldfields and was appointed to the position of CEO of Ashanti in 1986. He has been decorated with many awards and honours and in 2003 an Honorary Knighthood was conferred on him by Her Majesty, Queen Elizabeth II of Great Britain, in recognition of his exceptional achievements as an African businessman. Sam Jonah was appointed an executive director to the board of AngloGold Ashanti in 2004, which position he relinquished in 2005 but retained his appointment as a non-executive director.

Mr R Médori (48)

Doctorate Economics, Grad (Fin)

René Médori was appointed to the AngloGold Ashanti

board in August 2005. He is the finance director of Anglo American plc.

Mr WA Nairn (61)

BSc (Min. Eng)

Bill Nairn has been a member of the AngloGold board since January 2000. He was re-appointed to the board in May 2001, having previously been alternate director to Tony Trahar. He was group technical director of Anglo American plc, prior to his retirement in 2004.

Mr SR Thompson (46)

MA (Geology)

Simon Thompson is a director of Anglo American plc and chairman of the Base Metals Division, the Industrial Minerals Division and the Exploration Division. Simon was appointed to the AngloGold Ashanti board in 2004.

Mr AJ Trahar (56)

BCom, CA (SA)

Tony Trahar was appointed to the AngloGold board in October 2000. He is chief executive officer of Anglo American plc.

Mr PL Zim (45)

MCom

Lazarus Zim is chief executive officer of Anglo American South Africa Limited and is chairman of Anglo Operations Limited and serves on a number of boards in the Anglo American group, including Anglo Platinum. Lazarus was appointed to the AngloGold Ashanti board in 2004.

Executive directors

Mr RM Godsell (53)

BA, MA

Chief Executive Officer

Bobby Godsell was appointed to the AngloGold board as chief executive officer in April 1998 and as chairman in December 2000. He relinquished his role as chairman of AngloGold in May 2002. He has 29 years of service with companies associated with the mining industry, and has served as a non-executive director of Anglo American plc since March 1999. He is also the immediate past chairman of the World Gold Council.

Mr R Carvalho Silva (54)

BAcc, BCorp Admin

Chief Operating Officer – International

Roberto Carvalho Silva joined the Anglo American group in Brazil in 1973 and was appointed president and CEO of AngloGold South America in January 1999. He became executive officer, South America for AngloGold in 2000 and was appointed to the board of AngloGold Ashanti in May 2005 in his current capacity.

Mr NF Nicolau (46)

B Tech (Min. Eng), MBA

Chief Operating Officer – Africa

Neville Nicolau was appointed the executive officer responsible for AngloGold's South Africa region in November

2001 and was appointed to the board of AngloGold Ashanti in May 2005 in his current capacity. He has 27 years of experience in the mining industry.

Mr S Venkatakrishnan (Venkat) (40)

BCom, ACA (ICAI)

Executive Director: Finance (Chief Financial Officer)

Venkat was the finance director of Ashanti Goldfields Company Limited from 2002 until the merger with AngloGold in 2004. Prior to joining Ashanti, Venkat was a director in the Reorganisation Services Division of Deloitte & Touche in London. He was appointed to the board of AngloGold Ashanti in August 2005.

Mr KH Williams (57)

BA (Hons)

Executive Director: Marketing

Kelvin Williams was appointed marketing director of AngloGold in April 1998. He has 30 years of service in the gold mining industry. He is a past chairman of Rand Refinery and a director of the World Gold Council.

Alternate directors

Mr DD Barber (53)

FCA, AMP (Harvard)

David Barber was appointed alternate director to Julian Ogilvie Thompson in April 2002 and following the latter's retirement from the board in April 2004, he was appointed as alternate to Lazarus Zim. He is finance director of Anglo American South Africa Limited.

Mr AH Calver (58)

BSc (Hons) Engineering, MDP (UNISA), PMD (Harvard)

Harry Calver was appointed alternate director to Bill Nairn in May 2001. He is head of engineering at Anglo American plc.

DIRECTORS AND EXECUTIVE MANAGEMENT

Alternate directors (continued)

Mr PG Whitcutt (40)

BCom (Hons), CA (SA), MBA

Peter Whitcutt who is head of finance at Anglo American plc, has been an alternate director since October 2001, firstly to Tony Lea, and then to René Médori who replaced the former on the board of AngloGold Ashanti.

Executive officers

Dr CE Carter (43)

BA (Hons) (UCT), DPhil (Oxford), EDP (Northwest University – Kellogg School of Management)

Executive Officer – Investor Relations

Charles Carter joined Anglo American in 1991 and moved to the Gold and Uranium Division in 1996. In May 2005, he was appointed an executive officer, with responsibility for overseeing the company's global investor relations programme.

Mr DH Diering (54)

BSc, AMP

Executive Officer – Business Planning : Africa

Dave Diering joined the Anglo American Gold and Uranium Division in 1975 and worked at several South African operations as well as for Zimbabwe Nickel Corporation until 2001, when he joined AngloGold as head of mining and mineral resources. In 2005 he was appointed an executive officer.

Mr RN Duffy (42)

BCom, MBA

Executive Officer – Business Development

Richard Duffy joined Anglo American in 1987 and in 1998 was appointed executive officer and managing secretary of AngloGold. In November 2000 he was appointed head of business planning and in 2004 assumed responsibility for all new business opportunities globally. In April 2005 this role was expanded to include greenfields exploration. He was appointed to the executive committee in August 2005.

Mrs D Earp (44)

BCom, BAcc, CA (SA)

Executive Officer – Finance

Dawn Earp joined AngloGold in July 2000 from Anglo American, where she was vice president, Central Finance. Dawn was appointed an executive officer in May 2004.

Mr DC Ewgleben (52)

BSc, DJur

Executive Officer – Law, Safety, Health and Environment

Don Ewgleben joined the group in 2000 as vice president, general counsel and corporate secretary of AngloGold Ashanti's North American operations. In 2003 he was promoted to the position of president and chief administrative officer for North America a position which was changed in 2005 to CEO. He was appointed an executive officer in January 2006. Prior to joining the group he served in various executive positions for Echo Bay Mines (Canada) and AMAX Gold (US). He also held legal, safety

and environmental positions with AMAX Coal Industries (US).

Mr BW Guenther (53)

BS (Min. Eng)

Executive Officer – International Technical

Ben Guenther joined AngloGold as senior vice president general manager of Jerritt Canyon mine in Nevada, USA and in 2000 was seconded to AngloGold's corporate office in Johannesburg as head of mining. In 2001, he assumed some responsibilities for safety and health, as well as heading up the corporate technical group. He was appointed an executive officer in May 2004 and was appointed to his current position in December 2005.

Ms HH Hickey (52)

BCompt (Hons), CA(SA)

Executive Officer – Head of Risk

Hester Hickey joined AngloGold in 1999 as Group Internal Audit Manager. She was appointed an executive officer in November 2005.

Mr RL Lazare (49)

BA, HED (University of Free State), DPLR (UNISA), SMP (Henley Management College)

Executive Officer – Africa: Underground Mining

Robbie Lazare joined Anglo American Gold and Uranium Division in 1982 where he worked in a variety of management posts until 1999 when he was appointed general manager of TauTona mine. In December 2004 he was appointed an executive officer with responsibility for South African operations and was appointed to his current position in July 2005.

Executive officers (continued)

Mr SJ Lenahan (50)

BSoc Sc, MSc

Executive Officer – Corporate Affairs

Steve Lenahan has been working in the mining industry since 1978 when he started his career at De Beers. He was appointed an executive officer of AngloGold in 1998, responsible for investor relations and assumed responsibility for corporate affairs in 2001.

Mr MP Lynam (44)

BEng (Mech)

Executive Officer – Treasury

Mark Lynam joined the Anglo American group in 1983 and has been involved in the hedging and treasury area since 1990. In 1998 he joined AngloGold as treasurer and was appointed an executive officer in May 2004.

Mr FRL Neethling (53)

BSc (Mech. Eng)

Executive Officer – Africa : Open-Pit Mining

Fritz Neethling joined the Anglo American group in 1997 and in 1999 joined AngloGold as general manager of the Ergo operation. He was appointed an executive officer in July 2005.

Mr DMA Owiredu (48)

BSc (Hons)(Mech. Eng), MBA

Deputy Chief Operating Officer – Africa

Daniel Owiredu joined Ashanti Goldfields Company Limited in 1984 and served in various engineering capacities. He has also served as Managing Director for the Obuasi, Bibiani and Siguiri mines. In March 2004, he was appointed Chief Operating Officer – West Africa following the Ashanti/AngloGold merger until his new position as Deputy Chief Operating Officer – Africa in October 2005.

Mr PW Rowe (56)

BSc (Chem. Eng)

Executive Officer – Corporate Technical Group

Peter Rowe joined AngloGold Ashanti in June 2004 as head of AngloGold Ashanti Australia. Following twenty years with Anglo American and De Beers, he moved to Australia in the early 1990s where he held a number of senior managerial positions including project director of the Fimiston expansion, general manager of the Boddington Gold Mine and managing director and CEO of Bulong Nickel. He was appointed executive officer with responsibility for the corporate technical group on 1 January 2006.

Ms YZ Simelane (40)

BA LLB, FILPA, MAP

Executive Officer and Managing Secretary

Yedwa Simelane joined AngloGold in November 2000 from the Mineworkers' Provident Fund where she was the senior manager of the Fund. She was appointed an executive officer in May 2004.

Mr TML Setiloane (46)

FAE, BSc (Mech. Eng)

Executive Officer – Marketing

Thero Setiloane joined AngloGold in May 2003 from Real Africa Holdings, where he was an executive director. He is the chairman of Rand Refinery and was appointed an executive officer and a member of AngloGold Ashanti's executive committee in February 2006.

Mr NW Unwin (53)

BA

Executive Officer – Human Resources and Information Technology

Nigel Unwin has many years experience in the field of human resources. He was appointed an executive officer in 1999.

Company secretary

Mr CR Bull (59)

BCom

Chris Bull has been employed by the Anglo American group since 1965 in various company secretarial positions. He was appointed company secretary of AngloGold in 1998 and is responsible for ensuring compliance with statutory and corporate governance requirements and the regulations of

the stock exchanges on which AngloGold Ashanti is listed.

DIRECTORS AND EXECUTIVE MANAGEMENT

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Details of the company's corporate governance practices are available in the full Annual Report 2005, which is available in print, on CD and in electronic format on the company website, www.AngloGoldAshanti.com

AngloGold Ashanti is a controlled company with its parent company, Anglo American plc, holding more than 50% of the company's issued share capital. The board comprises a unitary board structure of 17 directors who assume complete responsibility for group activities, including its total risk management framework. Of these 17 directors, there is an independent chairman and deputy chairman, six independent non-executive directors, six non-executive, non-independent directors and five executive directors. The board, which has a written charter that governs its powers, functions and responsibilities, contains the mix of skills, experience and knowledge required of a multinational gold company.

Non-executive directors provide the board with invaluable and balanced advice and experience that is independent of management and the executive.

The presence of independent directors on the board, and the critical role they play on key committees such as the Audit and Corporate Governance, Nominations, Political Donations and Remuneration committees, together with their calibre, experience and standing within the company, ensures that the company's interests are served by impartial views that are separate of management and shareholders. The independent directors are: Mr Russell Edey (Board Chairman), Dr James Motlatsi (Deputy Board Chairman), Mr Frank Arisman, Mr Reginald Bannerman, Mrs Elisabeth Bradley and Mr Colin Brayshaw.

Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee, inclusive of its chairman, comprises four independent non-executive directors. The committee comprises: Mr Colin Brayshaw (Committee Chairman), Mr Frank Arisman, Mrs Elisabeth Bradley and Mr Russell Edey. The board has determined the chairman, Mr Brayshaw, to be a financial expert as required by the Sarbanes-Oxley Act. All members of the committee have considerable financial knowledge and experience to help oversee and guide the board and the company regarding the disciplines of audit and corporate governance.

The group internal audit manager has unrestricted access to both the chief executive officer and the chief financial officer, the board chairman and the chairman of the committee, and is invited to attend and report on his department's activities at all committee meetings. The board is confident that the unfettered access of the group internal audit manager to key board members, and the direct and regular reporting to the committee, together with his calibre, experience and integrity, enable him to discharge his duties as required by law and in fulfillment of his obligations to the company. The duties and powers of the internal audit function, for which the group internal audit manager is responsible, are governed by a formal internal audit charter that has been approved by the committee. The committee meets regularly with the external audit partner, the group's internal audit manager and the executive officer: finance, to review the audit plans of the internal and external auditors, to ascertain the scope of the audits and to review the half-yearly financial results, significant legal matters affecting the company, the preliminary announcement of the annual results and the annual financial statements, as well as all statutory submissions of a financial nature, prior to approval by the board.

The committee is, furthermore, responsible for:

- the appointment and dismissal of the external auditors; determining and approving external auditors' fees; overseeing the work of the external auditors; determining all non-audit work of the external auditors including consulting work, and approving non-audit fees to be paid to the external auditors; and ensuring that the external auditors report regularly to the committee;
- overseeing the internal audit function; receiving regular report-backs from the group internal audit manager; and appointment and dismissal of the group internal audit manager;
- assessing and reviewing the company's risk management framework; and
- monitoring the group's corporate governance practices in relation to regulatory requirements and guidelines.

The external auditors also meet with committee members in the absence of management.

The New York Stock Exchange (NYSE) rules require that the board determine whether a committee member's simultaneous service on more than three public companies' audit committees impairs the ability of such a member to effectively serve on a listed company's audit committee. This applies to Mr Brayshaw, the chairman of the committee, and Mrs Bradley. The board is confident that the experience, calibre and integrity of both Mr Brayshaw and Mrs Bradley, together with their regular Corporate governance

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attendance and active contribution at meetings of the committee, demonstrate their commitment to the company.

The Nominations Committee

The appointment of directors is a matter for the board as a whole but the committee is responsible for determining and recommending suitable candidates to the board. The fit and proper standards policy for directors guides the process. The committee is also responsible for establishing and reviewing succession plans for members of the board, and particularly that of the chief executive officer and board chairman. The committee comprises six members, five of whom are independent, and is chaired by the board chairman.

The members are: Mr Russell Edey (Committee chairman), Mr Frank Arisman, Mrs Elisabeth Bradley, Mr Colin Brayshaw, Dr James Motlatsi and Mr Tony Trahar.

The Remuneration Committee

The Remuneration Committee is responsible for evaluating the performance of the executive directors and executive officers, and setting appropriate remuneration for such officers of the company. Full details of the company's remuneration philosophy, the committee's deliberations during 2004, the remuneration payments for all directors and information on the Share Incentive Scheme are available in the Remuneration Report on page 113 of the full Annual Report 2005 which is available electronically on the company website or in printed form on request. The performances of the executive directors are considered relative to the prevailing business climate. Bonuses paid to executive directors are a reflection of the performance of each of the directors and the company as a whole.

Executive directors have elected to receive no remuneration as directors of the company. The fees of non-executive directors are fixed by shareholders at the annual general meeting, and other than the fees they receive for their participation on board committees and an allowance for travelling internationally to attend board meetings, non-executive directors receive no further payments from the company. The committee comprises three members, two of whom are independent and is chaired by the board chairman. The members are: Mr Russell Edey (Committee chairman), Mr Colin Brayshaw and Mr Tony Trahar.

Disclosures Policy

AngloGold Ashanti subscribes to a policy of full accurate and consistent communication in respect of

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

Compliance with Section 303A.11 of the NYSE Rules

Section 303A.11 of the NYSE Rules requires a foreign-listed company on the exchange to identify significant differences between its corporate governance practices and those of a domestic company listed on the NYSE. The board does not comprise a majority of independent directors as the company is a controlled company and has adopted a different standard of director independence as compared with the NYSE standard. The JSE Listings Requirements, only require a sufficient number of independent directors. The NYSE rules require fully independent nominations and remuneration committees. In compliance with JSE Listings Requirements, the company has a Nominations Committee and a Remuneration Committee. Both committees comprise solely of non-executive directors, the majority of whom are independent and are chaired by the independent board chairman.

Codes of ethics and whistle-blowing policy

In order to comply with the company's obligations in terms of the United States' Sarbanes-Oxley Act and the South African King Code on Corporate Governance, and in the interests of good governance, the company has adopted a code of ethics for employees, a code of ethics for senior financial officers, and a whistle-blowing policy that encourages employees and other stakeholders to confidentially and anonymously report acts of an unethical or illegal nature affecting the company's interests. Both codes and the whistle-blowing policy are available on the company website.

Risk management and risk factors

The board of directors assume responsibility for the total risk management framework of the group and management reports regularly to the various board sub-committees on significant risk factors affecting the group. Full details of the group's risk management practices, internal controls and a complete list of the risk factors affecting the group is available in the risk management section of the full

Annual Report 2005.

CORPORATE GOVERNANCE

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Dollar million

2005

2004

(1)

2003

2002

2001

Income statement

Gold income

2,629

2,309 2,029 1,761 2,041

Cost of sales

(2,311)

(1,924)

(1,526)

(1,203)

(1,519)

Non-hedge derivative (loss) gain

(135)

(142)

119 92 (5)

Gross profit

183

243

622

650

517

Corporate administration and other expenses

(64)

(51)

(36)

(25)

(22)

Market development costs

(13)

(15)

(19)

(17)

(16)

Exploration costs

(45)

(44)

(38)

(28)

(26)

Amortisation of intangible assets

—

(31)

(29)

(28)

(29)

Other net operating expenses

(20)

(12)

(14)

(8)

(10)

Operating special items

(77)

12 (8)

(23)

1

Operating (loss) profit

(36)

102 478 521 415

Interest received

25

49 42 39 25

Exchange (loss) gain

(5)

4 (3) (4)

(2)

Fair value adjustment on option component of convertible bond

(32)

27

—

—

—

Finance costs and unwinding of decommissioning and restoration obligations

(108)

(87)

(53)

(48)

(75)

Fair value (loss) gain on interest rate swaps

(1)

2

6 — —

Share of associates (loss) profit

(3)

—

2

4

1

(Loss) profit before taxation

(160)

97 472 512 364

Taxation

36

41 (142)

(165)

(111)
(Loss) profit after taxation from continuing operations

(124)

138

330 347 253

Discontinued operations

Loss for the year from discontinued operations

(36)

(11)

—

—

—

(Loss) profit for the year

(160)

127

330

347

253

Allocated as follows

Equity shareholders of the parent

(183)

108 312 332 245

Minority interest

23

19 18 15 8

(160)

127 330 347 253

Other financial data

Adjusted gross profit

\$m

469

441

559 638 527

Cash gross profit

\$m

954

793

791 883 747

Headline (loss) earnings

\$m

(98)

141

318 376 281

Adjusted headline earnings

\$m

200

271

282 368 286

Adjusted gross margin

%

17

19		
27	35	26
Cash gross margin		
%		
34		
34		
38	48	37
EBITDA \$m		
818		
700		
667		
802		
684		
EBITDA margin		
%		
29		
30		
32	44	33
Interest cover		
times		
7		
7		
13	17	9
(Loss) earnings per ordinary share (cents)		
Basic		
US cents		
(69)		
43		
140	150	114
Diluted		
US cents		
(69)		
43		
139	149	114
Headline US		
cents		
(37)		
56		
143	169	131
Headline earnings adjusted for the effect		
of unrealised non-hedge derivatives, fair		
value gain (loss) on convertible bond		
and interest rate swap		
US cents		
76		
108		
127	166	133
Dividends declared per ordinary share		
US cents		
36		
56		

101	146	87
Weighted average number of shares (million)		

265

251

223	222	214
-----	-----	-----

Issued shares at year-end (million)

265

264

223	223	215
-----	-----	-----

(1)

2004 Comparatives restated to comply with current year disclosures.

SUMMARISED GROUP FINANCIAL RESULTS

for the year ended 31 December

Financial results

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SUMMARISED GROUP FINANCIAL RESULTS

for the year ended 31 December

Financial results

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Dollar million

2005

2004

(1)

2003

2002

2001

Balance sheet

Assets

Tangible and intangible assets

6,304

6,323

3,176 2,654 2,446

Cash and cash equivalents

209

289

505 413 191

Other assets

1,781

1,590

1,176 897 662

Total assets

8,294

8,202

4,857 3,964 3,299

Equity and liabilities

Shareholders equity and minority interests

2,673

3,209

1,681 1,483 1,147

Borrowings

1,894

1,605

1,158 926 987

Deferred taxation

1,159

1,356

598 402 286

Other liabilities

2,568

2,032

1,420 1,153 879

Total equity and liabilities

8,294

8,202

4,857 3,964 3,299

Other financial data

Equity		
4,252		
4,708		
2,568	2,082	1,559
Net capital employed		
5,996		
6,082		
3,274	2,635	2,385
Net debt		
1,685		
1,316		
653	513	796
Net asset value – US cents per share		
1,009		
1,214		
754	665	
533		
Net tangible asset value – US cents per share		
858		
1,049		
569	497	
352		
Financial ratios		
Return on equity		
%		
4		
7		
12	21	
16		
Return on net capital		
%		
5		
8		
11	17	
13		
Net debt to net capital employed		
%		
28		
22		
20	19	
33		
Net debt to equity		
%		
40		
28		
25	25	
51		
(1)		

2004 Comparatives restated to comply with current-year disclosures.

SUMMARISED GROUP FINANCIAL RESULTS

for the year ended 31 December

Financial results

18

Dollar million

2005

2004

(1)

2003

2002

2001

Cash flow statement

Cash flows from operating activities

Cash generated from operations

699

588

592 758 673

Cash utilised by discontinued operations

(31)

(2)

—

—

—

Environmental, rehabilitation and other net expenditure

(26)

(18)

(30) (14) (10)

Taxation paid

(30)

(34)

(102) (131) (111)

Net cash inflow from operating activities

612

534

460 613 552

Cash flows from investing activities

Capital expenditure

(722)

(585)

(363) (271) (298)

Net proceeds from acquisition and disposal of
mines and subsidiaries

4

(171)

10 51

109

Net proceeds from acquisition and disposal of investments
and other

(18)

(20)

61 117

2		
Interest received		
18		
37		
33		
32		
20		
Net loans (repaid) advanced		
(1)		
83		
(15)	12	39
Cash restricted for use		
17		
(6)		
—		
—		
—		
Utilised in hedge restructure		
(69)		
(123)		
—		
—		
—		
Net cash outflow from investing activities		
(771)		
(785)		
(274)	(59)	
(128)		
Cash flows from financing activities		
Net proceeds from share issues		
9		
3		
10	7	7
Net borrowings proceeds (repaid)		
316		
259		
197	(114)	(138)
Finance costs		
(74)		
(72)		
(40)		
(40)		
(72)		
Dividends paid		
(169)		
(198)		
(314)	(260)	(167)
Proceeds from hedge restructure		
—		
40		
—		

—
—
Net cash inflow (outflow) from financing activities

82

32

(147) (407) (370)

Net (decrease) increase in cash and cash equivalents

(77)

(219)

39 147 54

Translation

(3)

13

53 75

(58)

Opening cash and cash equivalents

289

495

413 191 195

Closing cash and cash equivalents

209

289

505 413 191

Other financial data

Free cash flow

160

205

311

518

473

(1)

2004 Comparatives restated to comply with current year disclosures.

SUMMARISED GROUP OPERATING RESULTS

for the year ended 31 December

Operating results

19

2005

2004

(5)

2003

2002

2001

Operating results

Underground operations

Metric tonnes milled

000

13,806

13,554

13,047

13,426

17,954

Yield

g/t

7.31

7.50

8.03

8.27

8.20

Produced

oz 000

3,243

3,270

3,367

3,569

4,734

Productivity

g/employee

target

286

270

236

247

219

actual

257

254

228

238

214

Surface and dump reclamation

Metric tonnes treated

000

8,061

7,102
 36,822
 38,366
 50,355
 Yield
 g/t
 0.52
 0.60
 0.27
 0.30
 0.32
 Produced
 oz 000
 136
 138
 320
 365
 514
 Open-pit operations
 Metric tonnes mined
 000
 168,904
 135,171
 125,529
 97,030
 51,667
 Stripping ratio
 (1)
 5.02
 6.34
 8.95
 6.18
 6.93
 Metric tonnes treated
 000
 25,541
 18,236
 13,967
 13,682
 15,294
 Yield
 g/t
 2.74
 3.21
 3.43
 3.80
 2.99
 Produced
 oz 000
 2,246
 1,883

1,540
 1,673
 1,469
 Heap-leach operations
 Metric tonnes mined
 000
 61,091
 71,837
 59,507
 51,192
 34,123
 Metric tonnes placed
 (2)
 000
 22,227
 22,120
 18,265
 13,504
 11,748
 Stripping ratio
 (1)
 1.97
 2.08
 2.59
 2.63
 1.73
 Recoverable gold placed
 (3)
 kg
 18,401
 18,534
 14,782
 14,228
 10,668
 Yield
 (4)
 g/t
 0.83
 0.84
 0.81
 1.05
 0.91
 Produced
 oz 000
 541
 538
 389
 332
 266
 Total gold produced
 oz 000

6,166
5,829
5,616
5,939
6,983
– South Africa
oz 000
2,676
2,857
3,281
3,412
4,670
– Argentina
oz 000
211
211
209
179
136
– Australia
oz 000
455
410
432
502
508
– Brazil
oz 000
346
334
323
299
305
– Ghana
oz 000
680
485
–
–
–
– Guinea
oz 000
246
83
–
–
–
– Mali
oz 000
528
475

577
 710
 508
 – Namibia
 oz 000
 81
 66
 73
 85
 87
 – Tanzania
 oz 000
 613
 570
 331
 290
 273
 – USA
 oz 000
 330
 329
 390
 462
 496
 – Zimbabwe
 oz 000
 –
 9
 –
 –
 –
 Price received
 \$/oz sold
 439
 394
 363
 303
 287
 Total cash costs
 \$/oz produced
 281
 264
 214
 150
 166
 Total production costs
 \$/oz produced
 374
 332
 263
 197

205
 Capital expenditure
 \$m
 722
 585
 449
 337
 382
 Monthly average number of employees
 63,993
 65,400
 55,439
 54,042
 70,380
 LTIFR
 6.75
 6.56
 8.83
 8.86
 10.55
 FIFR
 0.14
 0.19
 0.29
 0.31
 0.25
 Rand/dollar average exchange rate
 6.37
 6.44
 7.55
 10.48
 8.62
 Rand/dollar closing exchange rate
 6.35
 5.65
 6.67
 8.58
 11.96
 Australian dollar/dollar average exchange rate
 1.31
 1.36
 1.54
 1.84
 1.93
 Australian dollar/dollar closing exchange rate
 1.36
 1.28
 1.33
 1.79
 1.96
 (1)

Stripping ratio = (total tonnes mined – ore tonnes mined)/ore tonnes mined.

(2)

Tonnes placed onto leach pad.

(3)

Recoverable gold placed into leach pad inventory.

(4)

Recoverable gold placed/tonnes placed.

(5)

2004 Comparatives restated to comply with current year disclosures.

ORE RESERVES STATEMENT

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Gold

AngloGold Ashanti's attributable Proved and Probable Ore Reserves amounted to 78.9Moz as at 31 December 2004 based on the preferred position of the United States Securities and Exchange Commission (SEC). In accordance with this preferred position, the company's Ore Reserves were estimated using the three-year historical average of gold prices of \$375/oz, A\$536/oz and R94,765/kg respectively. AngloGold Ashanti reviews and updates its estimates of Ore Reserves annually and publishes them in the first quarter of each year. In accordance with the preferred position of the SEC, based on the estimated average gold price and exchange rates for the three years ended 31 December 2005, which yields gold prices of around \$400/oz, A\$556/oz and R86,808/kg, AngloGold Ashanti's Proved and Probable Ore Reserves have been determined to be 63.3Moz as at 31 December 2005. The reduction in the group's Ore Reserves, as compared to those at 31 December 2004, amounted to 15.6Moz, 7.0Moz of which is due to depletion, 6.4Moz is due to the use of the lower rand gold price of R86,808/kg and the remaining 2.2Moz reduction is due to geological model and scope changes. These reductions in Proved and Probable Ore Reserves are primarily at three of the South African mines, namely Moab Khotsong, Mponeng and Tau Lekoa, for reasons detailed below:

- in the case of Moab Khotsong, the reduction of 5.4Moz is due to:
 - the removal of 1.3Moz from the existing project as a result of a decline in the mine call factor, and
 - the removal of the Moab Khotsong Phase 2 Project (4.1Moz) following the use of the lower rand gold price;

- in the case of Mponeng, the decrease of 1.7Moz is due to:
 - the removal of 0.4Moz with a decline in the mine call factor used, and
 - the removal of the Mponeng below 120 level Ventersdorp Contact Reef Project (1.3Moz) following the use of the lower rand gold price; and

•

in the case of Tau Lekoa, the decline of 1.6Moz is primarily due to the lower rand gold price used.

A sensitivity analysis has been carried out on the company's Ore Reserves, using gold prices that reflect more recent spot prices (\$530/oz, A\$700/oz and R105,000/kg). This analysis, together with the anticipated reserve ounces expected to be generated by the 2006 exploration programmes, indicates that the current Ore Reserve position could be increased by some 9Moz, thereby more than replacing the depletion occurring in 2006.

By-products

A number of by-products will be recovered as a result of processing the Gold Ore Reserves. These include 13,920 tonnes of uranium from the South African operations, 0.16 million tonnes of copper from Australia, 0.11 million tonnes of sulphur from Brazil and 22.66 million ounces of silver from Argentina. The details of the by-product Mineral Resources and Ore Reserves are shown in the supplementary statistics document.

* Assumes that the Boddington Expansion Project is approved by the Joint Venture partners.

ONE-YEAR FORECAST – 2006

21

Attributable gold

Total cash

Capital

produced

cost

expenditure

oz 000

\$/oz

\$m

South Africa

2,457 – 2,555

293 – 305

307 – 319

Vaal River

Great Noligwa

651 – 677

258 – 268

47 – 49

Kopanang

457 – 475

294 – 306

36 – 38

Tau Lekoa

207 – 215

382 – 398

12

Surface Operations

93 – 97

325 – 339

11 – 12

Moab Khotsong

48 – 50

654 – 680

82 – 85

West Wits

Mponeng

495 – 515

278 – 290

46 – 48

Savuka

14 – 15

613 – 639

–

TauTona

491 – 511

267 – 277

73 – 75

Argentina

207 – 215

184 – 192
 14 – 16
 Cerro Vanguardia
 207 – 215
 181 – 189
 14 – 16
 Australia
 451 – 469
 276 – 288
 108 – 112
 Sunrise Dam
 451 – 469
 268 – 278
 27 – 28
 Boddington
 (1)
 –
 –
 81 – 84
 Brazil
 327 – 341
 179 – 187
 110 – 115
 AngloGold Ashanti Mineração
 234 – 244
 164 – 170
 98 – 103
 Serra Grande
 93 – 97
 179 – 187
 12
 Ghana
 647 – 672
 313 – 325
 103 – 108
 Bibiani
 54 – 56
 297 – 309
 1
 Iduapriem
 185 – 193
 302 – 314
 14 – 15
 Obuasi
 407 – 423
 319 – 332
 88 – 92
 Guinea
 250 – 260
 308 – 320
 21 – 22

Siguiri
 250 – 260
 308 – 320
 21 – 22
 Mali
 518 – 539
 269 – 279
 8
 Morila – Attributable 40%
 215 – 223
 274 – 286
 1
 Sadiola – Attributable 38%
 185 – 193
 302 – 314
 7
 Yatela – Attributable 40%
 118 – 122
 249 – 259
 –
 Namibia
 81 – 85
 301 – 313
 1
 Navachab
 81 – 85
 301 – 313
 1
 Tanzania
 562 – 585
 291 – 303
 86 – 89
 Geita
 562 – 585
 297 – 309
 86 – 89
 North America
 323 – 337
 244 – 254
 12
 Cripple Creek & Victor
 323 – 337
 238 – 248
 12
 Other
 –
 –
 16
 AngloGold Ashanti
 5,823 – 6,058
 285 – 293

786 – 818

(1)

Subject to approval by the partners of the Boddington Joint Venture project.

Rates of exchange:

R/\$

6.50:1

A\$/

0.76:1

BRL/\$

2.40:1

ARS/\$

2.96:1

Dollar million

%

2005

%

2004

Value added

Gold income

2,629

2,309

Less: Purchases of goods and services in order to operate mines
and produce refined metal, including market development costs
net of other income

(1,089)

(873)

Value-added by operations

80

1,540

86

1,436

Fair value (loss) gain on interest rate swaps and option component of
convertible bond

(2)

(33)

2

29

Exchange (loss) gain

—

(5)

—

4

Profit on disposal of assets and subsidiaries

—

5

1

13

Income from investments and interest received

1

22

3

49

Government

Deferred taxation

6

118

6

107

Utilised in the group

Retained income

15

278

2

40
 Total value added
 100
 1,925
 100
 1,678
 Value distributed
 Employees
 Salaries, wages and other benefits
 46
 877
 49
 823
 Government
 – Current taxation
 4
 82
 4
 66
 Providers of capital
 – Finance costs and unwinding of the decommissioning obligation
 6
 108
 5
 87
 – Dividends declared
 5
 95
 9
 148
 – Minorities
 1
 23
 1
 19
 Other
 – Impairment of tangible assets
 3
 64
 –
 1
 – Loss from discontinued operations
 2
 36
 1
 11
 – Non-hedge derivatives
 7
 135
 8
 142

Total value distributed

74

1,420

77

1,297

Re-invested in the group

– Amortisation and depreciation

26

505

23

381

100

1,925

100

1,678

GROUP VALUE-ADDED STATEMENT

for the year ended 31 December

22

Directors' approval
FINANCIAL STATEMENTS
for the year ended 31 December
23

The annual financial statements and group annual financial statements for the year ended 31 December 2005 which appear in the full

Annual Report 2005 were approved by the board of directors on 28 February 2006 and signed on its behalf by:
Directors

RP Edey, Chairman

RM Godsell, Chief Executive Officer

S Venkatakrishnan, Executive Director: Finance

CB Brayshaw, Chairman, Audit and Corporate Governance Committee

Managing secretary

Ms YZ Simelane

Secretary's certificate

In terms of Section 268G(d) of the Companies Act, 1973, I certify that the company has lodged with the Registrar of Companies all

such returns as are required of a public company in terms of the Act, and that all such returns are true, correct and up to date.

Ms YZ Simelane

Managing Secretary

Johannesburg

28 February 2006

The summarised group financial statements of AngloGold Ashanti Limited set out on pages 24 to 27 of this report have been derived

from the annual financial statements of the group for the year ended 31 December 2005 which have been audited without qualification.

The full Annual Report 2005, which includes the annual financial statements of the group and the auditors' report, is available

electronically on the website, www.AngloGoldAshanti.com. It may also be requested, either in print or CD format, from the contacts

whose details are given on page 35 of this report.

GROUP FINANCIAL STATEMENTS

for the year ended 31 December

Income statement

24

15,592

17,388

Revenue

2,730

2,434

14,788

16,750

Gold income

2,629

2,309

(12,305)

(14,713)

Cost of sales

(2,311)

(1,924)

(786)

(949)

Non-hedge derivative loss

(135)

(142)

1,697

1,088

Gross profit

183

243

(331)

(410)

Corporate administration and other expenses

(64)

(51)

(100)

(84)

Market development costs

(13)

(15)

(283)

(288)

Exploration costs

(45)

(44)

(200)

—

Amortisation of goodwill

—

(31)

(69)

(127)

Other net operating expenses

(20)

(12)

80

(499)

Operating special items

(77)

12

794

(320)

Operating (loss) profit

(36)

102

318

155

Interest received

25

49

25

(29)

Exchange (loss) gain

(5)

4

160

(211)

Fair value adjustment on option component of convertible bond

(32)

27

Finance costs and unwinding of decommissioning and

(563)

(690)

restoration obligations

(108)

(87)

10

(5)

Fair value (loss) gain on interest rate swaps

(1)

2

1

(17)

Share of associates (loss) profit

(3)

—

745

(1,117)

(Loss) profit before taxation

(160)

97

179

220

Taxation

36

41

924

(897)

(Loss) profit after taxation from continuing operations

(124)

138

Discontinued operations

(73)

(219)

Loss for the year from discontinued operations

(36)

(11)

851

(1,116)

(Loss) profit for the year

(160)

127

Allocated as follows

728

(1,262)

Equity shareholders of the parent

(183)

108

123

146

Minority interest

23

19

851

(1,116)

(160)

127

Basic (loss) earnings per ordinary share (cents)

319

(394)

(Loss) profit from continuing operations

(1)

(56)

47

(29)