ANGLOGOLD ASHANTI LTD
Form 6-K
November 02, 2009

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 November 2, 2009
Commission File Number 1-14846
AngloGold Ashanti Limited
(Name of registrant)
76 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 X 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 X

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 X

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 X

Enclosure: Press release **ANGLOGOLD ASHANTI LIMITED REPORT FOR THE QUARTER AND NINE MONTHS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS**

Quarter 3 2009
Report
for the quarter and nine months ended 30 September 2009
Group results for the quarter….

º Adjusted headlines earnings, normalised to exclude hedge buybacks, at $163m.
º Gold production rises 5% to 1.187Moz, following fewer safety interruptions.
º Uranium production rises 10% to 366,000 pounds.
º Total cash costs of $534/oz provide solid operating margin despite sharply stronger operating currencies.
º Vaal River operations improve following management intervention.
º Geita and Ghana operations continue to deliver on turnaround strategy.
º South America delivers 9% growth in production, limits cost increases, despite currency strength.
º Major hedge restructuring completed before recent gold price rally; committed ounces now less than annual production at 4.3Moz.

Events post quarter-end….

º Annual guidance reviewed to 4.55Moz - 4.6Moz to factor in lower South African production, following shaft incident at TauTona.
º Joint venture formed with De Beers to explore for marine gold deposits.
º Acquisition concluded for the purchase of 35% stake in Moto Gold Project.

Quarter
Nine months
Quarter
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
Sep
Jun
Sep
Sep
Sep
Jun
Sep
Sep
2009
2009
2009
2008
2009
2009
2009
2008
SA rand / Metric
US dollar / Imperial
Operating review

Gold
Produced
- kg / oz(000)
36,925
35,050
106,282
115,530
1,187
1,127
3,417
3,714
Price received
1
- R/kg / $/oz
61,095
241,505
185,498
100,660
261
897
653
416
Price received excluding hedge
buyback costs
1
- R/kg / $/oz
225,388
241,505
245,364
174,646
906
897
888
707
Total cash costs
- R/kg / $/oz
133,274
127,956
134,192
111,540
534
472
485
451
Total production costs
- R/kg / $/oz
166,355
161,909
169,536
142,586
667

598
612
576
Financial review
Gross (loss) profit
- Rm / $m
(8,872)
3,051
(4,718)
(1,248)
(1,116)
387
(618)
204
Gross (loss) profit adjusted for the
(loss) gain on unrealised non-hedge
derivatives and other commodity
contracts
2
- Rm / $m
(4,110)
2,511
1,165
(4,187)
(510)
305
74
(509)
Adjusted gross profit excluding hedge
buyback costs
2
- Rm / $m
2,205
2,511
7,480
3,831
287
305
871
501
(Loss) profit attributable to equity
shareholders
- Rm / $m
(8,245)
2,304
(5,940)
(4,236)
(1,042)
299
(743)
(179)

Headline (loss) earnings
3
- Rm / $m
(8,068)
1,631
(6,437)
(4,891)
(1,018)
215
(803)
(263)
Headline (loss) earnings adjusted for
the (loss) gain on unrealised non-hedge
derivatives and other commodity
contracts and fair value adjustments on
convertible bond
4
- Rm / $m
(4,757)
1,359
(1,917)
(7,019)
(596)
167
(279)
(880)
Capital expenditure
- Rm / $m
1,842
2,228
6,451
6,911
232
261
734
899
(Loss) profit per ordinary share
- cents/share
Basic
(2,286)
642
(1,653)
(1,393)
(289)
83
(207)
(59)
Diluted
(2,286)
641
(1,653)

(1,393)
(289)
83
(207)
(59)
Headline
3
(2,237)
455
(1,791)
(1,609)
(282)
60
(223)
(87)
Headline (loss) earnings adjusted for
the (loss) gain on unrealised non-hedge
derivatives and other commodity
contracts and fair value adjustments on
convertible bond
4
-
cents/share
(1,319)
379
(533)
(2,309)
(165)
47
(78)
(289)
Notes:
1. Refer to note C "Non-GAAP disclosure" for the definition.
2. Refer to note B "Non-GAAP disclosure" for the definition.
3. Refer to note 8 "Notes" for the definition.
4. Refer to note A "Non-GAAP disclosure" for the definition.
$ represents US dollar, unless otherwise stated.
Rounding of figures may result in computational discrepancies.

Global Footprint

AngloGold Ashanti is a global company…

…with an extensive portfolio of new and emerging opportunities.

China

DRC

Russia

Operations **at a glance**
for the quarter ended 30 September 2009
Production
Total cash costs
Adjusted gross profit (loss)
excluding hedge buyback
costs
1
%
%
$m
oz (000)
Variance
2
$/oz
Variance
2
$m
Variance
2
SOUTHERN AFRICA
483
7
525
18
118
(25)
South Africa
Great Noligwa
42
8
916
29
(7)
(6)
Kopanang
92
39
442
(1)
27
12
Moab Khotsong
62
32
478
10
8
3
Tau Lekoa
31

11
797
6
3
-
Surface Operations
40
(5)
406
27
21
(3)
Mponeng
125
(11)
375
23
60
(19)
Savuka
1
(92)
9,847
1,342
(11)
(11)
TauTona
74
21
501
14
15
(2)
Namibia
Navachab
16
23
615
(15)
3
1
CONTINENTAL AFRICA
391
1
615
9
82
4
Ghana
Iduapriem
52

11
493
(7)
16
1
Obuasi
92
(9)
671
14
8
(2)
Guinea
Siguiri - Attributable 85%
79
(1)
500
11
26
11
Mali
Morila - Attributable 40%
3
32
(6)
559
9
11
(2)
Sadiola - Attributable 38%
3
32
(9)
532
9
10
(6)
Yatela - Attributable 40%
3
22
(12)
219
(43)
14
1
Tanzania
Geita
83
32
883
1

(8)
-
Minorities, exploration and other
5
1
AUSTRALIA
102
9
655
28
11
(17)
Sunrise Dam
102
9
647
29
12
(17)
Exploration and other
(1)
-
SOUTH AMERICA
157
9
349
7
87
20
Argentina
Cerro Vanguardia - Attributable 92.50%
47
(8)
336
(2)
29
11
Brazil
AngloGold Ashanti Brasil Mineração
90
23
333
16
41
6
Serra Grande - Attributable 50%
20
-
445
9
7

-
Minorities, exploration and other
10
3
NORTH AMERICA
54
4
406
12
21
(2)
United States
Cripple Creek & Victor
54
4
394
12
22
(2)
Other
(1)
-
OTHER
2
(6)
Sub-total
1,187
5
534
13
321
(26)
Less equity accounted investments
(35)
7
AngloGold Ashanti
287
(18)
1 Refer to note B "Non-GAAP disclosure" for the definition.
2 Variance September 2009 quarter on June 2009 quarter - increase (decrease).
3 Equity accounted investments.
Rounding of figures may result in computational discrepancies.

Financial and **Operating Report**

OVERVIEW FOR THE QUARTER

SAFETY

Safety remained AngloGold Ashanti's highest priority, with management's efforts focused on recovering from a poor performance in the second quarter. Four miners tragically lost their lives during the quarter in two separate accidents at Mponeng and one each at TauTona and Great Noligwa. The rigorous implementation of existing safety protocols and targeted interventions at the Vaal River operations helped lower the number of fatalities by half. However, much work still needs to be done to eliminate these accidents altogether. The 12% decline in the lost time injury frequency rate in the first nine months of this year is an encouraging achievement and testament to our drive toward continued improvements to safety on our operations.

The strategy of analysing and providing intensive support to teams with the poorest safety performance on the company's South African operations is continuing. In addition to this short-term intervention, AngloGold Ashanti remains committed to the implementation early next year of its Safety Transformation blueprint, which is aimed at achieving the next quantum improvement in safety performance. Sadiola, Yatela, Geita and Navachab reported no lost-time injuries during the quarter.

Thirty full and eighteen partial production shifts were lost at the company's South African mines during the quarter due to safety related stoppages. Government inspectors and AngloGold Ashanti's mine managers continue to apply safety regulations more aggressively than in the past, with a commensurate impact on gold production. Post quarter-end, AngloGold Ashanti's management initiated a stoppage at TauTona to conduct a shaft inspection after a length of steel fell down a shaft at the mine. A decision was subsequently taken to suspend all operations at the mine pending a thorough inspection of all steelwork along the full length of the shaft systems, to prevent a recurrence of this incident. TauTona could potentially be closed until the end of this year while this remedial action is completed. The impact of this interruption will affect full-year production and has resulted in a revision of our annual guidance.

OPERATING REVIEW

Production rose 5% from the previous quarter to 1.187Moz, broadly in line with the guidance of 1.2Moz. Total cash costs rose 13% to $534/oz. Given the average exchange rate of R7.77/$, this is within AngloGold Ashanti's quarterly guidance issued in July.

Stronger operating currencies in key regions continued to erode the benefit of a stronger bullion price. The Brazilian real gained 10% on average against the US dollar during the quarter compared with a 9% strengthening in both the Australian dollar and South African rand. This lowered the gold price in those currencies and pushed dollar-denominated costs higher, placing pressure on operating margins.

The third quarter also saw winter power tariffs compounded by the introduction of a 31.3% annual power-price increase in South Africa. Eskom Holdings Limited, the state-owned utility, has announced that it will petition the National Energy Regulator to raise prices annually by a further 45% until 2012 to fund the construction of new power generation capacity. Should Eskom's request be granted, pressure will be placed on the cost structure of AngloGold Ashanti's South African operations which currently account for 40% of annual production.

Southern African operations produced 483,000oz in the three months ending September at a total cash cost of $525/oz, compared with 450,000oz at $444/oz in the previous quarter. Fewer safety stoppages helped increase production from the Vaal River region. Costs were impacted by the higher electricity prices, the stronger rand and the introduction of higher labour costs following the wage settlement reached during the previous quarter. Among the West Wits operations, Mponeng's output declined after stoppages related to the two accidents at the mine, while Savuka's production was halted as work continued to repair underground infrastructure damaged by the seismic event that occurred in May.

Continental Africa's production was largely unchanged at 391,000oz, while total cash costs rose 9% to $615/oz. The operational turnaround at Geita continued under the new management team where production increased by 32%, mainly as a result of higher grades. Costs at the operation were in line with the planned increase in fleet maintenance and the initial costs related to the rollout of AngloGold Ashanti's business improvement initiatives.

In Ghana, operational improvements continued with Iduapriem registering an 11% increase in gold production after last quarter's mill maintenance. Improved grade management at Obuasi limited the production decline caused by heavy rains and flooding, to 9%. Lower grades at Sadiola and fewer tons processed at Yatela, lowered production from Mali, which was in line with mine plans.

The **South American** operations continued to build on their turnaround success of the past year. Production rose by 9% to 157,000oz at a total cash cost of $349/oz. In Argentina, Cerro Vanguardia mitigated the impact of a planned drop in gold production with higher realised prices for its silver by-product. Higher tonnes treated and improved grades helped boost output at AngloGold Ashanti Brasil Mineração.

In the **United States**, Cripple Creek & Victor reported a 4% increase in production due to pad phase timing while total costs rose 12%. In Australia, production rose by 9% from the previous quarter due to increased tonnage and yield.

FINANCIAL AND CORPORATE REVIEW

Adjusted headline earnings, excluding the cost of the hedge buybacks concluded during the quarter, were US$163m, which was broadly in line with last quarter's record adjusted headline earnings of $167m. The adjusted headline loss for the quarter, after taking into account the cost of the hedge buybacks, was $596m, or 165 US cents per share.

The realised gold price for the quarter was $261/oz, following the restructuring of the hedge book which was done at a cost of $797m. The realised price would have been $906/oz, a 6% discount to the average spot price for the period, were it not for this cost. Management has targeted an average 7% discount to spot gold prices over the remainder of the life of the hedge book at a gold price of $950/oz in real terms and assumed production profile of 5Moz a year.

The accelerated buyback of certain gold derivative positions, along with normal deliveries into contracts, reduced the total committed ounces in the hedge book to 4.3Moz at the end of the quarter, from 5.19Moz at the end of June and is expected to reach 4.1Moz at year end. Thereafter, the hedge book is expected to diminish by about 800,000oz per year through to 2014, by which time it will be largely depleted. Following the recent buybacks, the fair value of the entire hedge book is now included in the financial statements.

During the quarter, AngloGold Ashanti raised equity, to fund its 50% stake in Moto Goldmines Limited. This share sale was part of the company's strategy to pay for a large gold resource with long-term development potential, with longer-term financing, while maintaining balance-sheet flexibility.

EXPLORATION

Total exploration spending during the quarter was $55m, an increase of 28% over the previous quarter. Expenditure increased in Colombia, where activity is gearing up in anticipation of the conclusion of public appeals related to exploration permits awarded during the previous quarter. Regional exploration in Canada and Australia, as well as the initiation of the feasibility study on the Tropicana project also contributed to the increase in spending. Subsequent to the end of the third quarter, AngloGold Ashanti concluded an agreement to cooperate with De Beers, one of the world's largest marine miners, in the search for gold ore bodies on the ocean floor.

OUTLOOK

AngloGold Ashanti has revised its annual guidance to 4.55 to 4.6Moz, reflecting the lower South African production. Full-year 2009 total cash costs are expected to be between $515/oz and $530/oz assuming an average exchange rate of between R7.00/$ and R7.50/$ during the fourth quarter. Production in the fourth quarter is estimated at 1.160Moz at a total cash cost of $590/oz assuming an exchange rate of R7.50/$. Fourth quarter adjusted headline earnings could be, as in previous years, distorted by year-end accounting adjustments (these could include amongst others, the reassessment of asset useful lives, rehabilitation, current and deferred tax and inventory provisions).

OPERATING RESULTS FOR THE QUARTER
SOUTHERN AFRICA
SOUTH AFRICA

Great Noligwa's gold production improved by 5% from the previous quarter to 1,292kg (42,000oz), mainly due to an increase in area mined and tonnage treated. The previous quarter had been impacted by production interruptions. Total cash costs rose 19% to R228,066/kg ($916/oz), primarily due to annual labour increases and winter power tariff adjustments. Adjusted gross loss was R57m ($7m), excluding the effect of the hedge restructuring, compared with the loss of R8m ($1m) in the prior quarter.

The LTIFR increased to 13.88 (8.02). The mine had one fatality during the quarter.

Kopanang's gold production increased by 40% to 2,857kg (92,000oz), mainly because of fewer safety stoppages compared to the previous quarter and higher yield. As a result, total cash costs decreased by 9% to R110,280/kg ($442/oz). The benefits of higher production were partially offset by the annual labour increase and winter electricity tariffs. Adjusted gross profit excluding hedge buybacks improved to R210m ($27m), against R124m ($15m) in the prior quarter.

The LTIFR increased to 12.29 (8.26).

Moab Khotsong's production increased by 30% to 1,922kg (62,000oz), mainly due to fewer safety related stoppages and an 8% increase in yield. Total cash costs were on par with the previous quarter at R119,083/kg ($478/oz). The higher gold production was offset by annual labour increases and higher winter power tariffs. Adjusted gross profit excluding hedge buybacks increased by 54% to R60m ($8m), compared with R39m ($5m) in the previous quarter.

The LTIFR increased to 16.17 (9.29).

Tau Lekoa's production rose 11% to 971kg (31,000oz), due to the release of gold lock-up from the plant, higher volumes from new panels and the improved efficiencies of work crews. Yield was 7% higher mainly due to reduced dilution. Total cash costs decreased marginally by 2% to R198,952/kg ($797/oz) with higher volumes and grade partially offset by wage increases and the winter power tariff. Adjusted gross profit excluding hedge buybacks was R23m ($3m), compared with R28m ($3m) in the previous quarter.

The LTIFR was marginally higher 14.61 (14.20).

Vaal River Surface Operations' production decreased 7% to 1,229kg (40,000oz), mainly due to a decline in tons treated. Total cash costs increased 17% to R101,339/kg ($406/oz), due to annual labour increases and power-cost escalation. Adjusted gross profit excluding hedge buyback costs was down 19% to R160m ($21m), compared with R198m ($24m) in the previous quarter.

The LTIFR fell to 0.55 (2.88).

Mponeng's production dropped 11% to 3,892kg (125,000oz), primarily due to a 4% decrease in volumes mined caused by safety related stoppages and a 7% lower yield. Total cash costs increased by 14% to R93,380/kg ($375/oz) as a result of the lower volumes and annual wage and power increases. Adjusted gross profit excluding hedge buybacks was R461m ($60m), compared with R652m ($79m) in the previous quarter.

LTIFR improved to 9.32 (12.87). The mine reported two fatalities during the quarter.

Savuka's production dropped significantly to 31kg (1,000oz) as mining operations were limited to the VCR horizon following a series of seismic events that occurred close to the shaft infrastructure on 22 May, 2009. The mine is currently being rehabilitated and normal production is not anticipated until the second quarter of next year. Adjusted gross loss excluding hedge buybacks was R87m ($11m), compared with R4m ($0.3m) in the previous quarter.

The LTIFR increased to 12.76 (6.85).

TauTona's production improved by 21% to 2,309kg (74,000oz) following a 6% rise in grade on the resumption of mining from panels that was halted last quarter on the recommendation of rock engineers. Total cash costs rose 5% to R125,198/kg ($501/oz) because of inflationary pressures and additional expenditure on shaft maintenance and support, following a fatal accident. Adjusted gross profit excluding hedge buybacks was R112m ($15m), from R137m ($17m) in the previous quarter.

The LTIFR was marginally higher at 16.06 (15.92). The mine reported one fatality for the quarter.

NAMIBIA

Navachab's production improved by 23% to 16,000oz, due mainly to greater volumes mined from the higher-grade Grid A. Total cash costs decreased by 15% to $615/oz, following the 34% improvement in yield. Adjusted gross profit excluding hedge buybacks was $3m compared with $2m in the previous quarter.

The LTIFR fell to 0.00 (5.44).

CONTINENTAL AFRICA

GHANA

Iduapriem's gold production increased by 11% to 52,000oz because of a 31% increase in tonnage throughput. This was partly offset by lower feed-grade material. Total cash costs fell by 7% to $493/oz. Adjusted gross profit excluding hedge buybacks rose 7% to $16m, compared with $15m the previous quarter.

The LTIFR was marginally up at 0.78 (0.73).

Obuasi's gold production declined 9% to 92,000oz compared to previous quarter. Underground flooding was responsible for the decline in tonnage throughput which was partly offset by better grade-control management. Total cash costs increased 14% to $671/oz due to an increase in labour costs and other once off items. Adjusted gross profit excluding hedge buybacks declined slightly to $8m, from $10m in the prior period.

The LTIFR was 2.46 (2.79).

REPUBLIC OF GUINEA

Siguiri's (85% attributable) production was maintained at 79,000oz. Total cash costs increased by 11% to $500/oz, due mainly to higher royalty expenditure resulting from government-imposed export restrictions in the previous quarter which delayed sale of June's production. Adjusted gross profit excluding hedge buybacks increased by 73% to $26m due to higher received price and marginal revenue from the delayed sale of June's production.

LTIFR was 0.66 (0.65).

MALI

Morila's (40% attributable), production was 6% lower at 32,000oz due to lower-grade ore feed from the stockpile into the mill. Total cash costs rose 9% to $559/oz due to lower grades. Adjusted gross profit excluding hedge buybacks declined to $11m from $13m in the prior quarter.

LTIFR was 0.00 (0.00).

Sadiola's (38% attributable), production was 9% lower at 32,000oz as planned, due to a decrease in recovered grade. Total cash costs increased by 9% to $532/oz mainly due to the lower production. Adjusted gross profit excluding hedge buybacks declined to $10m from $16m in the prior quarter.

The LTIFR was 0.00 (0.00).

Yatela's (40% attributable), production decreased by 12% to 22,000oz because of rainy weather which slowed the stacking rate of wet material onto the leach pads. Total cash costs decreased by 43% to $219/oz as a result of an increase in the tonnes and value of the stockpile, following an independent survey. Adjusted gross profit increased marginally to $14m from $13m in the prior quarter.

The LTIFR was 0.00 (0.00).

TANZANIA

Geita's gold production increased by 32% to 83,000oz. This was mainly due to improvements in mining production which enabled timely access to higher grade ore and resulted in a 31% rise in recovered grade. Total cash costs increased marginally by 1% to $883/oz following adjustments to the carrying value of the remaining ore stockpile and also expenditure on fleet maintenance and the rollout of business improvement initiatives. Adjusted gross loss remained unchanged at $8m.

The LTIFR was 0.00 (0.00).

AUSTRALIA

Sunrise Dam's gold production increased by 9% to 102,000oz due to increases in tonnage and yield. Total cash costs increased 17% to A$774/oz ($647/oz), largely because of inventory movements. Adjusted gross profit was A$15m, ($12m) compared with A$38m ($29m) in the previous quarter due to a lower realised price and the drawdown of inventory.

With one LTI in the quarter, the LTIFR was 2.28 (0.00).

SOUTH AMERICA

At **Cerro Vanguardia** (92.5% attributable) production declined 8% lower to 47,000oz due to a planned decrease in plant feed and recovered grade. Total cash costs declined by 2% to $336/oz, because higher silver sales and received prices boosted by-product credits. The devaluation of the Argentinean peso also aided costs. Adjusted gross profit excluding hedge buybacks was 61% higher at $29m, as a result of an increase in silver production and an increase in gold sold.

The LTIFR was 3.88 (0.00).

AngloGold Ashanti Brasil Mineração's production rose 23% to 90,000oz due to a planned increase in tonnage throughput and grade. Total cash costs rose 16% to $333/oz, primarily reflecting appreciation of the Brazilian real, lower acid by-product prices and an increase in labour costs. Adjusted gross profit excluding hedge buyback costs was $41m, compared to $35m of previous quarter.

The LTIFR was 2.37 (0.61).

At **Serra Grande** (50% attributable), gold production was unchanged at 20,000oz. Total cash costs rose 9% to $445/oz, reflecting appreciation of local currency, lower grades mined and an increase in labour costs. These negative impacts were mitigated somewhat by operational efficiencies, lower fuel and maintenance costs and electricity consumption. Adjusted gross profit excluding hedge buyback costs remained unchanged at $7m.

The LTIFR was 1.32 (1.57).

NORTH AMERICA

At **Cripple Creek & Victor,** gold production increased 4% to 54,000oz due to pad phase timing and the pH balance of the pad. Total cash costs rose by 12% to $394/oz, primarily due to increased lime and cyanide applications and a higher stripping ratio. Adjusted gross profit excluding hedge buybacks was $22m compared to $24m in the previous quarter.

With two LTIs in the quarter, the LTIFR was 6.15 (3.04).

Notes:

- All references to price received includes realised non-hedge derivatives.
- In the case of joint venture and operations with minority holdings, all production and financial results are attributable to AngloGold Ashanti.
- Rounding of figures may result in computational discrepancies.

Review of the **Gold Market**

GOLD PRICE MOVEMENT AND INVESTMENT MARKETS

Gold price data

The third quarter continued the trend of strong gold prices experienced throughout the year, averaging $959/oz, or 4% higher than the average for the prior three-month period. Gold traded above the psychological $1,000/oz level for seven consecutive days and averaged $997/oz for the final month of the quarter.

Bullion's fortunes once again closely tracked those of the US dollar, with both range bound during the period. This is a typical feature of financial markets during the third quarter due to the summer holiday period in North America and Europe. However, the general theme of accumulation of risk assets continued through this quiet period as global stock markets continued their rally.

During July and August, investment demand as demonstrated by major ETF holdings saw a net sale of 0.77Moz. The COMEX position was stable at around 21Moz net long for the same period. This all changed abruptly at the beginning of September, however, with a $50/oz rally despite little change in the US dollar. The surge attracted a flurry of speculative investors as the COMEX net long position leapt to an unprecedented level of 29Moz, eclipsing the previous record of 27Moz. The subsequent increase to 31Moz helped sustain the period of successive closes above $1,000/oz.

The quarter concluded with another G20 meeting. The statement from the Pittsburgh meeting was reassuring as delegates concluded that recovery efforts of various governments are proving effective and that recovery has taken hold. The market, however, requires clarity on how governments are planning to neutralize liquidity provided through various quantitative easing programmes. Until there is clarity, confidence will remain fragile.

Official sector activity

The third Central Bank Agreement, signed on 7 August, was implemented on 27 September and stipulated a reduced annual sales quota from 500 to 400 tonnes a year. Analysts are sceptical that the full allotment will be sold given that 1,883 tonnes were sold under the second agreement, which is 117 tonnes less than the volume sold under the first agreement.

The IMF Executive Board in September approved the sale of 403 tonnes of gold, which it had initially flagged to the market in the first quarter of this year. The IMF is not a signatory to the third Central Bank agreement, but has stressed that the sale will not disrupt the market. It would not be surprising to see an off-market transaction concluded as part of the process.

Producer hedging

Gold producers were once again actively de-hedging during the quarter. After AngloGold Ashanti announced its own restructuring programme at the end of July, Gold Fields unwound the royalty agreement on its Australian operation in early September. In the same month, Barrick announced its intention to unwind its project sales hedge book.

Currencies

The Rand continued to strengthen against the US dollar particularly during September. The strength coincided with the increase in the price of gold and other commodity producing currencies and heightened optimism of a major telecommunications deal and the resulting inflow of hard currency to South Africa. The Rand strengthened on average by 8% against the US dollar over the quarter, but gave up some of these gains when talks around the mobile phone deal were abandoned.

The Australian dollar averaged 8% stronger against the dollar over this quarter on the back of higher gold and commodity prices, but also as a consequence of the effective manner in which the Australian government is perceived to have managed its economy throughout the financial crisis. Swift action in cutting interest rates at the start of the crisis has seen Australia weather the storm relatively well and the outlook for its economy looks robust.

The Brazilian real has been one of the best performing emerging market currencies against the US dollar, strengthening 24% since the start of the year. In the quarter under review, it strengthened 10%.

PHYSICAL DEMAND

Jewellery sales

Almost all of the world's key markets for physical gold continue to be depressed by the effects of the global financial crisis. China is the only major market to buck the trend.

India's gold market remains under pressure after 20% gains over the past year in the Rupee-denominated gold price. Between June and September, gold jewellery consumption fell 22% compared with the same period a year earlier. Spurred by the financial crisis, urban consumers are entrusting cash to bank deposits, which are up 32% over 2008 levels. News is somewhat more positive in most rural areas where gold demand remains relatively stable and in some regions shows modest growth. Thus far, scrap activity during the third quarter has been slight as the market appears to be anticipating further gold price increases.

The impact of the global recession on China's gold market remains milder than in all other major economies. Domestic consumption is resilient and the psychological reaction to the crisis remains markedly more bullish than in other markets. Demand for traditional 24 carat gold jewellery continues to grow year on year, albeit it at a modest level while offtake of 18 carat gold jewellery remains flat. This shows the investment case for pure gold jewellery continues to hold sway with the Chinese consumer.

The US gold jewellery market has continued its quarter-on-quarter decline as jewellery still leads the list of discretionary spend items to be cut during the recession. Primary value gold jewellery sales in the first half were down 12% year-on-year. While the rate of decline is decreasing, the second half of last year was particularly weak as the crisis unfolded in the US. Major players through the retail value chain continue to close outlets or file for bankruptcy protection. Closures and forced consolidation may help the jewellery industry recover more quickly and remain stronger once the recession ends.

The jewellery sector in the Middle East remains under pressure in the third quarter. Egypt, which had been bucking negative trends in the first half of the year saw an 8-10% decrease in third-quarter jewellery sales compared with a particularly strong quarter a year earlier. Matters are worse in the Kingdom of Saudi Arabia (KSA) with a 25-30% drop in demand in the third quarter. Gold price volatility caused consumers who tend to time their purchases on their view of the price, to delay purchases. In the United Arab Emirates, an anticipated third quarter recovery did not materialise with jewellery tonnage down 20-23%. With its heavy reliance on tourism and local expatriate consumption, the UAE continues to bear the full brunt of the financial crisis in the Middle East. The gold market in Turkey shows a glimmer of hope with exchange rates stabilizing and the stock market posting gains.

Investment market

The negative data on gold jewellery consumption have been mitigated somewhat by further good news on investment demand. Global investment activity for gold remains strong and the market has stayed buoyant despite rising prices. In India, investment purchases are on the rise in major cities, while in the Middle East bar and coin sales in the gulf, excluding UAE and KSA, are up 7%. In Turkey, new-coin minting is up to 11 tonnes in July and August and the third quarter will show growth quarter on quarter, though levels will not match those of the same period last year. The US market continues to experience robust investment demand with bar, coin and ETF demand still rising.

Hedge position

As at 30 September 2009, the net delta hedge position was 3.93Moz or 122t (at 30 June 2009: 4.41Moz or 137t), representing a further reduction of 0.48Moz for the quarter. The total commitments of the hedge book as at 30 September 2009 was 4.3Moz or 134t, a reduction of 0.89Moz from the position as at 30 June 2009. The marked-to-market value of all hedge transactions making up the hedge positions was a negative $1.84bn (negative R13.83bn), decreasing by $0.47bn (R4.01bn) over the quarter. This value was based on a gold price of $1,006/oz, exchange rates of R7.51/$ and A$/$0.88 and the prevailing market interest rates and volatilities at that date.

As at 28 October 2009, the marked-to-market value of the hedge book was a negative $1.94bn (negative R15bn), based on a gold price of $1,036.80/oz and exchange rates of R7.73/$ and A$/$0.91 and the prevailing market interest rates and volatilities at the time.

These marked-to-market valuations are in no way predictive of the future value of the hedge position, nor of future impact on the revenue of the company. The valuation represents the theoretical cost of buying all hedge contracts at the time of valuation, at market prices and rates available at the time.

During the quarter, deals to the value of $797m were accelerated and closed out in July 2009 which included deals that were designated as normal sale exempted and previously held off balance sheet. Of these, $580m was cash settled and a further $217m was also incurred in accelerating the cash settlement of existing non-hedge derivative contracts. The cash settlement of the former resulted in the remaining normal sale exempted designated contracts having to be re-designated as non-hedge derivatives and recorded on the balance sheet at fair value with changes in fair value accounted for in the income statement. During July 2009 the impact of the related re-designation of normal sales exempted contracts after the buyback of $797m on the financial statements is an increase in non-hedge derivative liabilities of $558m.

The following table indicates the group's **commodity hedge position** at 30 September 2009

Year
2009
2010
2011
2012
2013
2014-2015
Total
US DOLLAR GOLD
Forward contracts
Amount (oz)
7,963
*(245,142)
60,000
122,500
119,500
91,500
156,321
US$/oz
**($5,228) $753 $227 $418 $477
$510
$370
Put options sold
Amount (oz)
150,000
235,860
148,000
85,500

60,500
60,500
740,360
US$/oz
$762
$747
$623
$538
$440
$450
$652
Call options sold
Amount (oz)
250,000
1,025,380
776,800
811,420
574,120
709,470
4,147,190
US$/oz
$888
$602
$554
$635
$601
$606
$617
A DOLLAR GOLD
Forward contracts
Amount (oz)
40,000
100,000
140,000
A$/oz
A$595
A$706
A$674
Call options purchased
Amount (oz)
40,000
100,000
140,000
A$/oz
A$694
A$712
A$707
*** Total net gold:
Delta (oz)
(234,658)
(701,340)

(769,538)
(843,700)
(642,021)
(734,171) (3,925,428)
Committed
(oz)
(257,963)
(780,238)
(836,800)
(933,920)
(693,620)
(800,970)
(4,303,511)

*

Represents a net long position resulting from both forward sales and purchases.

**

Represents a net short position and net short US Dollars resulting from both forward sales and purchases for the period.

***

The Delta of the hedge position indicated above is the equivalent gold position that would have the same marked-to-market sensitivity for a small change in the gold price. This is calculated using the Black-Scholes option formula with the ruling market prices, interest rates and volatilities as at 30 September 2009.

Rounding of figures may result in computational discrepancies.

The following table indicates the group's **currency hedge position** at 30 September 2009

Year
2009
2010
2011
2012
2013 2014-2015
Total
RAND DOLLAR (000)
Put options purchased
Amount ($)
40,000
40,000
US$/R
R11.35
R11.35
Put options sold
Amount ($)
40,000
40,000
US$/R
R9.59
R9.59
Call options sold
Amount ($)
40,000
40,000
US$/R
R12.94
R12.94
A DOLLAR (000)
Forward contracts
Amount ($)
20,000
20,000
A$/US$
A$0.64
A$0.64
BRAZILIAN REAL (000)
Forward contracts
Amount ($)
19,500
19,500
US$/BRL
BRL 2.07
BRL 2.07

Fair value of derivative analysis by accounting designation at 30 September 2009
Figures in millions
Cash flow hedge
accounted
Non-hedge

accounted
Total
US Dollar
Commodity option contracts
–
(1,613)
(1,613)
Foreign exchange option contracts
–
9
9
Forward sale commodity contracts
(47)
(213)
(260)
Forward foreign exchange contracts
–
11
11
Interest rate swaps
– (17) (17)
Total hedging contracts
(47)
(1,823)
(1,870)
Option component of convertible bond
–
(166)
(166)
Total derivatives
(47)
(1,989) (2,036)
Credit risk adjustment
– (145) (145)
Total derivatives - before credit risk adjustment
(47)
(2,134)
(2,181)
Rounding of figures may result in computational discrepancies.

Exploration

Total exploration expenditure during the third quarter, inclusive of expenditure at equity accounted joint ventures, was $55m ($24m brownfields, $31m greenfields), compared with $43m ($23m brownfields, $20m greenfields) the previous quarter.

GREENFIELD EXPLORATION

Greenfield exploration was undertaken in Australia, the Americas, China, Southeast Asia, Sub-Saharan Africa, Russia, the DRC and the Middle East & North Africa. A total of 56,970 metres of diamond, reverse circulation (RC) and aircore (AC) drilling was completed at existing priority targets and was used to delineate new targets in Australia and Canada.

In **Australia,** on the Tropicana Joint Venture, (AngloGold Ashanti 70%, Independence Group 30%) the commencement of the feasibility study was approved by the partners in July.

RC and diamond drilling was focused around the Tropicana-Havana resource area. Significant results were returned from RC drilling on the near surface, western edge of the project including 23m @ 4.1g/t Au from 62m and 19m @ 11.6g/t Au from 39m. These results are consistent with previous drilling in the area and improve the confidence in the resource estimate.

At Havana South, drilling identified extensions to the existing resource with intercepts including 16m @ 5.57g/t from 204m, 22m @ 12.5g/t Au from 176m and 13m @ 5.86g/t Au from 255m. Drilling in this area has now been completed with a resource estimate in progress.

To the east of Havana, a single diamond drill hole, 450m down-plunge from the resource, intersected 21m @ 2.67g/t Au from 535m. This hole demonstrates the continuation of the mineralisation down dip. Further drilling will be required to define the continuity of higher-grade mineralized shoots that may be amenable to underground mining.

The Public Environmental Review (PER) environmental impact assessment document was released to the public on 28 September for an eight-week review period. The project team has an active stakeholder engagement approach to address areas of potential public concern.

During the quarter: 925 AC holes were drilled for 36,035m; 140 RC holes for 15,547m; and 22 diamond holes for 3,161m. Auger sampling continued with 9,360 samples collected across areas along the Tropicana–Havana trend.

Surface geochemical sampling and an airborne magnetic-radiometric survey over the 10,600km^2 Viking project, located southwest of the Tropicana JV, commenced in September.

AngloGold Ashanti completed the purchase of the interests and rights of Anglo American Exploration Australia in the 830km^2 Saxby JV with Falcon Minerals Limited in northwest Queensland. Gravity and airborne magnetic-radiometric surveying were completed and infill SQUID electromagnetic surveying commenced in the September quarter.

In **Colombia,** Phase I and Phase II Greenfield exploration was completed by AngloGold Ashanti and by joint venture partners B2Gold Corporation, Mineros S.A. and Glencore International. No drilling was undertaken by AngloGold Ashanti or its JV partners during the quarter. At the wholly owned La Colosa project, drill preparation work is in progress and further resource and step-out drilling, as part of ongoing pre-feasibility study, will commence in 2010.

A total of 2,843 surface samples were collected during the quarter over the Colombian tenements. The total area under exploration in Colombia at the end of the quarter was 24,862km
2
.
Work in the remainder of the **Americas** focused on target-generation opportunities, reviews and the negotiation of potential strategic alliances and joint ventures in Brazil, the US and Canada. An exploration alliance was signed with Horizonte Minerals for exploration in specific areas of Brazil. In Canada, two diamond holes were drilled at the Kinskuch Lake Project near Stewart B.C. In north-eastern Canada, the company entered into a joint venture agreement with Commander Resources. Under the agreement, AngloGold Ashanti can earn a 51% participating interest in Commander's Baffin Island Gold Project by funding $20m in exploration expenditures and by completing a $1.2m private placement in the shares of Commander. Exploration in areas covered under the terms of the Laurentian Goldfields joint venture was undertaken with a number of areas identified for Phase 1 follow-up.

In **China**, a limited trenching programme at the Jinchanggou Project in Gansu was completed to confirm the strike extent of a new zone of gold mineralisation. An infill soil programme across the Jinchanggou tenements was designed to identify similar high-grade zones and is scheduled to start in mid October.

In **Southeast Asia**, project generation activities and evaluation of opportunities are ongoing in a number of areas in the region, where specific opportunities are under negotiation.

In **Russia**, AngloGold Ashanti and Polymetal are in the process of divesting a number of properties held by the jointly owned Zoloto Taigi JV Company.

In **Sub-Saharan Africa,** project generation work has identified a number of specific exploration opportunities that are currently under negotiation. In the **Democratic Republic of the Congo**, all drill holes from the Mongbwalu resource have been re-logged and the resource re-modelled in preparation for a pre-feasibility study based on an underground mining scenario. Infill drilling will commence early in the fourth quarter.

In the **Middle East & North Africa**, the strategic alliance between AngloGold Ashanti and Thani Investments has continued to generate exploration targets over specific regions of the highly prospective Arabian Nubian Shield.

BROWNFIELDS EXPLORATION

In **South Africa**, surface drilling continued in the Project Zaaiplaats area. MMB5 is continuing to drill deflection 5, which is designed to intersect the Vaal Reef along the Jersey Fault cut-off. Progress was slowed in weak rock formations, but by the end of the quarter drilling had advanced from 2,874m to 3,295m. MZA9 continued drilling a long deflection but technical issues have hampered progress and the first reef intersection is only expected in December 2009. A long deflection has commenced from MGR6 and the hole is currently at a depth of 1,856m. The Vaal Reef is expected to be intersected in May 2010. Progress on MGR8 was also slow due to weak rock formations. The hole is currently at 3,071m and a reef intersection is anticipated in November 2009.

At Obuasi in **Ghana**, exploration drilling below 50L has been halted due to flooding. Pumping is underway and drilling is scheduled to recommence in November 2009. Drilling above 50L was delayed due to poor ventilation and the year to date drilling programme is behind budget.

In **Argentina**, at Cerro Vanguardia, the exploration programme was completed in September. Mineral Resource models were completed for the Cuncuna and Verónica veins, whilst geological work continues in the Volcán area. Aeromagnetic data will be collected in November.

In **Australia**, at Sunrise Dam, drilling continued to infill and extend both surface and underground lodes. An RC drill programme to test the SSZ crown pillar below the North Wall Cut Back has commenced. This will fill gaps within the resource block model and provide additional and immediate high-grade opportunities to advance the mining of the open pit area. Drilling to test the down-plunge extensions of the Cosmo lode has commenced and the zone, where the Cosmo and Astro structures interact, is being re-evaluated. Opportunities have also been identified for open-pittable satellite targets, which will remain the focus of exploration, together with the known underground targets.

In **Brazil,** at the Córrego do Sítio Sulphide Project, drilling continued with 6,531m being drilled from surface, 5,109m drilled from underground and 1,371m of underground development. At the Lamego project, 5,531m of surface drilling and 1,135m of underground development were completed. At Serra Grande drilling focused on the Fiuca and Pequizão targets and a total of 8,673m were drilled during the quarter. During October drilling with the Devidrill system will start. The system operates from a single location and is expected to save drilling meters and reduce the environmental damage by restricting drill site clearance.

At Siguiri in **Guinea**, infill drilling was focused at Sintroko South Extension, Kami and Kosise. Aircore drilling at Sintroko North and Tubani was done to assess the potential between the Tubani and Bidini pits. Drilling of fresh rock targets resumed from the bottom of the northern section of the Bidini pit.

At Geita in **Tanzania**, exploration activities focused on three activities: Ground Geophysical Surveys, core re-logging programme of the Central Thrust Ramp ore zones and the infill drilling programme for Nyankanga Cut 7 and Geita Hill. Approval for GGM Special Mining License (SML) enlargement was received from the Ministry of Energy and Minerals (MEM) on the 24th of September 2009, whereby Katoma, Nyamonge East, Katoma East and Geita Hill PL's are included in GGM SML 45/99, for an addition of 196km^2. Also, approval of time extension for Geita West, Kukuluma and Nyankumbu Prospective Licences was granted by the MEM. This approval grants Geita 18 additional months to complete exploration works and bring potential targets to pre-feasibility level, as defined by Tanzania Mine Act.

At the FE4 pit at Sadiola in **Mali**, the mineralisation has been extended along strike between the pits and appears to be controlled by NE trending structures. Geological modeling is currently being undertaken. An airborne magnetic survey was completed in September. Preliminary images from this detailed geophysical survey have already identified several previously unidentified structural trends. It is expected that detailed investigation will identify priority targets.

At Yatela, approval has been given to allow 27,000m of drilling at the Yatela Main Pit, Yatela Extensions and Alamoutala projects. This programme will meet the expectations of the initial drill programme as well as delineate further areas to allow AMS to continue mining post December 2009. At Alamoutala, 4,710m of RC drilling was completed in September. A total of 7,000m of drilling is planned and will be completed by the end of October.

At Navachab in **Namibia**, off mine exploration drilling was carried out in the Gecko valley, whilst on mine exploration drilling was conducted in the NP2 FW vein extension and North Pit 2 plunge extension areas.

At Cripple Creek & Victor in the **United States**, resource extension drilling continued during the quarter. Studies continue to quantify the potential high grade Mineral Resource. Metallurgical testing of high grade material is underway and further metallurgical test drilling has been planned.

Group
operating results
Sep
Jun
Sep
Sep
Sep
Sep
Jun
Sep
Sep
Sep
2009
2009
2008
2009
2008
2009
2009
2008
2009
2008
OPERATING RESULTS
UNDERGROUND OPERATIONS
Milled
- 000 tonnes
/ - 000 tons
3,090
2,912
3,178
9,035
9,108
3,406
3,210
3,503
9,959
10,040
Yield
- g / t
/ - oz / t
6.41
6.33
6.84
6.32
6.95
0.187
0.185
0.200
0.184
0.203
Gold produced

- kg
/ - oz (000)
19,816
18,424
21,737
57,097
63,346
637
592
699
1,836
2,037
SURFACE AND DUMP RECLAMATION
Treated
- 000 tonnes
/ - 000 tons
3,102
3,345
3,078
9,710
8,779
3,419
3,687
3,393
10,703
9,677
Yield
- g / t
/ - oz / t
0.49
0.49
0.40
0.52
0.42
0.014
0.014
0.012
0.015
0.012
Gold produced
- kg
/ - oz (000)
1,527
1,653
1,229
5,005
3,647
49
53
40
161

117
OPEN-PIT OPERATIONS
Mined
- 000 tonnes
/ - 000 tons
37,408
43,894
44,777
126,654
135,667
41,235
48,385
49,358
139,612
149,547
Treated
- 000 tonnes
/ - 000 tons
6,713
6,487
6,318
18,937
18,813
7,400
7,151
6,964
20,874
20,738
Stripping ratio
- t (mined total - mined ore) / t mined ore
6.08
6.35
6.24
5.92
5.44
6.08
6.35
6.24
5.92
5.44
Yield
- g / t
/ - oz / t
1.95
1.92
2.15
1.95
2.16
0.057
0.056
0.063

0.057
0.063
Gold in ore
- kg
/ - oz (000)
8,604
8,231
4,089
24,586
28,766
277
265
131
790
925
Gold produced
- kg
/ - oz (000)
13,077
12,430
13,573
36,913
40,691
420
400
436
1,187
1,308
HEAP LEACH OPERATIONS
Mined
- 000 tonnes
/ - 000 tons
14,605
14,489
13,475
42,976
41,042
16,099
15,971
14,854
47,373
45,241
Placed
1
- 000 tonnes
/ - 000 tons
4,409
5,195
6,026
15,209
17,602

4,860
5,727
6,642
16,766
19,402
Stripping ratio
- t (mined total - mined ore) / t mined ore
2.52
1.67
1.38
1.85
1.42
2.52
1.67
1.38
1.85
1.42
Yield
2
- g / t
/ - oz / t
0.60
0.71
0.56
0.63
0.62
0.018
0.021
0.016
0.018
0.018
Gold placed
3
- kg
/ - oz (000)
2,667
3,692
3,376
9,579
10,918
86
119
109
308
351
Gold produced
- kg
/ - oz (000)
2,505
2,543
2,797

7,267
7,846
81
82
90
233
252
TOTAL
Gold produced
- kg
/ - oz (000)
36,925
35,050
39,336
106,282
115,530
1,187
1,127
1,265
3,417
3,714
Gold sold
- kg
/ - oz (000)
38,435
34,459
40,902
105,478
116,704
1,236
1,108
1,315
3,391
3,752
Price received
- R / kg
/ - $ / oz
- sold
61,095
241,505
160,127
185,498
100,660
261
897
644
653
416
Price received normalised for
accelerated settlement of non-
hedge derivatives

- R / kg
/ - $ / oz
- sold
225,388
241,505
160,127
245,364
174,646
906
897
644
888
707
Total cash costs
- R / kg
/ - $ / oz
- produced
133,274
127,956
121,440
134,192
111,540
534
472
486
485
451
Total production costs
- R / kg
/ - $ / oz
- produced
166,355
161,909
152,945
169,536
142,586
667
598
612
612
576
PRODUCTIVITY PER EMPLOYEE
Target
- g
/ - oz
328
313
346
312
330
10.56

10.08
11.12
10.02
10.60
Actual
- g
/ - oz
301
289
321
293
314
9.68
9.30
10.32
9.41
10.10
CAPITAL EXPENDITURE
- Rm
/ - $m
1,842
2,228
2,623
6,451
6,911
232
261
338
734
899
1
Tonnes (tons) placed on to leach pad.
2
Gold placed / tonnes (tons) placed.
3
Gold placed into leach pad inventory.
Rounding of figures may result in computational discrepancies.
Quarter ended
Quarter ended
Unaudited
Rand / Metric
Unaudited
Dollar / Imperial
Nine months
ended
Nine months
ended

Group
income statement
Quarter
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
September
June
September
September
September
2009
2009
2008
2009
2008
SA Rand million
Notes
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Revenue
2
8,806
6,817
7,205
22,447
22,019
Gold income
8,512
6,481
6,851
21,511
21,258
Cost of sales
3
(6,168)
(5,212)
(6,148)
(17,001)
(15,630)
(Loss) gain on non-hedge derivatives and other commodity contracts
4

(11,216)
1,783
148
(9,228)
(6,875)
Gross (loss) profit
(8,872)
3,051
851
(4,718)
(1,248)
Corporate administration and other expenses
(264)
(300)
(255)
(916)
(727)
Market development costs
(24)
(25)
(25)
(77)
(73)
Exploration costs
(311)
(243)
(205)
(776)
(739)
Other operating expenses
5
(36)
(51)
(73)
(137)
(89)
Operating special items
6
(231)
739
121
448
476
Operating (loss) profit
(9,738)
3,171
415
(6,176)
(2,400)
Interest received
121

92
248
311
429
Exchange gain
25
285
51
326
25
Fair value adjustment on option component of convertible bond
(60)
(123)
-
(183)
183
Finance costs and unwinding of obligations
(305)
(322)
(235)
(879)
(701)
Share of equity accounted investments' profit (loss)
175
160
(98)
558
(796)
(Loss) profit before taxation
(9,782)
3,263
381
(6,043)
(3,261)
Taxation
7
1,650
(915)
(577)
351
(900)
(Loss) profit after taxation from continuing operations
(8,132)
2,348
(196)
(5,692)
(4,161)
Discontinued operations
Profit from discontinued operations
-
-

6
-
194
(Loss) profit for the period
(8,132)
2,348
(190)
(5,692)
(3,968)
Allocated as follows:
Equity shareholders
(8,245)
2,304
(247)
(5,940)
(4,236)
Minority interest
113
44
57
248
268
(8,132)
2,348
(190)
(5,692)
(3,968)
Basic (loss) profit per ordinary share (cents)
1
(Loss) profit from continuing operations
(2,286)
642
(73)
(1,653)
(1,457)
Profit from discontinued operations
-
-
2
-
64
(Loss) profit
(2,286)
642
(71)
(1,653)
(1,393)
Diluted (loss) profit per ordinary share (cents)
2
(Loss) profit from continuing operations
(2,286)

641
(73)
(1,653)
(1,457)
Profit from discontinued operations
-
-
2
-
64
(Loss) profit
(2,286)
641
(71)
(1,653)
(1,393)
1
Calculated on the basic weighted average number of ordinary shares.
Rounding of figures may result in computational discrepancies.
2
Calculated on the diluted weighted average number of ordinary shares.

Group
income statement
Quarter
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
September
June
September
September
September
2009
2009
2008
2009
2008
US Dollar million
Notes
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Revenue
2
1,140
814
930
2,642
2,859
Gold income
1,101
773
885
2,533
2,761
Cost of sales
3
(796)
(617)
(790)
(1,981)
(2,029)
(Loss) gain on non-hedge derivatives and other commodity contracts
4

(1,421)
231
92
(1,170)
(528)
Gross (loss) profit
(1,116)
387
186
(618)
204
Corporate administration and other expenses
(34)
(36)
(33)
(105)
(94)
Market development costs
(3)
(3)
(3)
(9)
(9)
Exploration costs
(40)
(29)
(26)
(91)
(96)
Other operating expenses
5
(5)
(6)
(9)
(16)
(11)
Operating special items
6
(31)
92
16
55
62
Operating (loss) profit
(1,229)
406
130
(784)
55
Interest received
16

11
32
36
56
Exchange gain
3
36
6
40
3
Fair value adjustment on option component of convertible bond
(9)
(15)
-
(24)
24
Finance costs and unwinding of obligations
(39)
(39)
(30)
(103)
(91)
Share of equity accounted investments' profit (loss)
22
19
(12)
64
(100)
(Loss) profit before taxation
(1,236)
418
126
(771)
(53)
Taxation
7
209
(113)
(69)
57
(115)
(Loss) profit after taxation from continuing operations
(1,027)
304
57
(714)
(169)
Discontinued operations
Profit from discontinued operations
-
-

1
-
24
(Loss) profit for the period
(1,027)
304
58
(714)
(144)
Allocated as follows:
Equity shareholders
(1,042)
299
51
(743)
(179)
Minority interest
15
5
7
29
35
(1,027)
304
58
(714)
(144)
Basic (loss) profit per ordinary share (cents)
1
(Loss) profit from continuing operations
(289)
83
15
(207)
(67)
Profit from discontinued operations
-
-
-
-
8
(Loss) profit
(289)
83
15
(207)
(59)
Diluted (loss) profit per ordinary share (cents)
2
(Loss) profit from continuing operations
(289)

83
15
(207)
(67)
Profit from discontinued operations
-
-
-
-
8
(Loss) profit
(289)
83
15
(207)
(59)
1
Calculated on the basic weighted average number of ordinary shares.
Rounding of figures may result in computational discrepancies.
2
Calculated on the diluted weighted average number of ordinary shares.

Group statement of **comprehensive income**
Quarter
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
September
June
September
September
September
2009
2009
2008
2009
2008
SA Rand million
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
(Loss) profit for the period
(8,132)
2,348
(190)
(5,692)
(3,968)
Exchange differences on translation of foreign operations
336
(2,401)
424
(1,889)
4,597
Net loss on cash flow hedges reported in gold sales
122
322
396
974
1,413
Net (loss) gain on cash flow hedges
(142)
321
141
8
(622)

Hedge ineffectiveness on cash flow hedges
(18)
7
(1)
25
(3)
Realised (losses) gains on hedges of capital items
(35)
36
-
(14)
-
Deferred taxation thereon
17
(176)
(132)
(250)
(196)
(56)
510
404
743
592
Net gain (loss) on available for sale financial assets
100
(47)
(14)
136
(81)
Release on disposal of available for sale financial assets
-
-
(2)
-
(8)
Deferred taxation thereon
(4)
(1)
7
(8)
23
96
(48)
(9)
128
(66)
Actuarial loss recognised
-
-
(193)
-

(193)
Deferred taxation thereon
-
-
69
-
66
-
-
(124)
-
(127)
Other comprehensive income (expense) for the period net of tax
376
(1,939)
695
(1,018)
4,996
Total comprehensive (expense) income for the period net of tax
(7,756)
409
505
(6,710)
1,028
Allocated as follows:
Equity shareholders
(7,869)
361
424
(6,968)
729
Minority interest
113
48
81
258
299
(7,756)
409
505
(6,710)
1,028
Rounding of figures may result in computational discrepancies.

Group statement of **comprehensive income**

US Dollar million	**Quarter ended September 2009**	**Quarter ended June 2009**	**Quarter ended September 2008**	**Nine months ended September 2009**	**Nine months ended September 2008**
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
(Loss) profit for the period	**(1,027)**	304	58	(714)	(144)
Exchange differences on translation of foreign operations	**76**	290	(218)	350	(294)
Net loss on cash flow hedges reported in gold sales	**19**	39	51	112	184
Net (loss) gain on cash flow hedges	**(15)**	33	19	1	(81)

Hedge ineffectiveness on cash flow hedges
(2)
2
-
3
-
Realised (losses) gains on hedges of capital items
(4)
4
-
(2)
-
Deferred taxation thereon
1
(24)
(16)
(32)
(24)
(1)
54
54
82
79
Net gain (loss) on available for sale financial assets
12
(4)
(2)
16
(11)
Release on disposal of available for sale financial assets
-
-
-
-
(1)
Deferred taxation thereon
(1)
-
-
(1)
2
11
(4)
(2)
15
(10)
Actuarial loss recognised
-
-
(25)
-

(25)
Deferred taxation thereon
-
-
9
-
9
-
-
(16)
-
(16)
Other comprehensive income (expense) for the period net of tax
86
340
(182)
447
(241)
Total comprehensive (expense) income for the period net of tax
(941)
644
(124)
(267)
(385)
Allocated as follows:
Equity shareholders
(956)
639
(135)
(297)
(424)
Minority interest
15
5
11
30
39
(941)
644
(124)
(267)
(385)
Rounding of figures may result in computational discrepancies.

Group
statement of financial position
As at
As at
As at
As at
September
June
December
September
2009
2009
2008
2008
SA Rand million
Note
Unaudited
Unaudited
Unaudited
Unaudited
ASSETS
Non-current assets
Tangible assets
37,416
37,111
41,081
55,085
Intangible assets
1,315
1,264
1,403
3,287
Investments in associates and equity accounted joint ventures
1,890
1,805
2,814
2,846
Other investments
961
820
625
663
Inventories
2,550
2,432
2,710
2,389
Trade and other receivables
766
696
585

531
Derivatives
-
15
-
-
Deferred taxation
487
390
475
111
Other non-current assets
30
31
32
88
45,415
44,564
49,725
65,000
Current assets
Inventories
4,997
5,212
5,663
5,342
Trade and other receivables
3,586
3,534
2,076
2,076
Derivatives
2,900
3,551
5,386
3,851
Current portion of other non-current assets
2
2
2
2
Cash restricted for use
501
487
415
499
Cash and cash equivalents
8,328
17,768
5,438
4,585

20,314
30,554
18,980
16,355
Non-current assets held for sale
642
669
7,497
10
20,956
31,223
26,477
16,365
TOTAL ASSETS
66,371
75,787
76,202
81,365
EQUITY AND LIABILITIES
Share capital and premium
10
39,759
37,547
37,336
36,525
Retained earnings and other reserves
(21,601)
(13,570)
(14,380)
(6,579)
Minority interests
848
792
790
655
Total equity
19,006
24,768
23,746
30,601
Non-current liabilities
Borrowings
12,512
12,857
8,224
6,865
Environmental rehabilitation and other provisions
3,530
3,492
3,860
3,805

Provision for pension and post-retirement benefits
1,280
1,279
1,293
1,257
Trade, other payables and deferred income
107
111
99
72
Derivatives
1,249
1,215
235
313
Deferred taxation
4,272
6,032
5,838
8,170
22,950
24,986
19,549
20,483
Current liabilities
Current portion of borrowings
1,867
7,846
10,046
8,581
Trade, other payables and deferred income
4,449
4,014
4,946
4,857
Derivatives
16,954
13,011
16,426
15,998
Taxation
1,079
1,098
1,033
846
24,349
25,969
32,451
30,282
Non-current liabilities held for sale
66

64
456
-
24,415
26,033
32,907
30,282
Total liabilities
47,365
51,019
52,456
50,764
TOTAL EQUITY AND LIABILITIES
66,371
75,787
76,202
81,365
Net asset value - cents per share
5,195
6,916
6,643
8,628
Rounding of figures may result in computational discrepancies.

Group
statement of financial position
As at
As at
As at
As at
September
June
December
September
2009
2009
2008
2008
Restated
US Dollar million
Note
Unaudited
Unaudited
Unaudited
Unaudited
ASSETS
Non-current assets
Tangible assets
4,980
4,813
4,345
6,663
Intangible assets
175
164
148
398
Investments in associates and equity accounted joint ventures
252
234
298
344
Other investments
128
106
66
80
Inventories
339
315
287
289
Trade and other receivables
102
90

62
64
Derivatives
-
2
-
-
Deferred taxation
65
51
50
13
Other non-current assets
4
4
3
11
6,045
5,780
5,259
7,863
Current assets
Inventories
665
676
599
646
Trade and other receivables
477
458
220
251
Derivatives
386
461
570
466
Current portion of other non-current assets
-
-
-
-
Cash restricted for use
67
63
44
60
Cash and cash equivalents
1,108
2,305
575

555
2,703
3,963
2,008
1,978
Non-current assets held for sale
85
87
793
1
2,788
4,050
2,801
1,979
TOTAL ASSETS
8,833
9,830
8,060
9,842
EQUITY AND LIABILITIES
Share capital and premium
10
5,794
5,508
5,485
5,403
Retained earnings and other reserves
(3,378)
(2,398)
(3,057)
(1,781)
Minority interests
113
103
83
79
Total equity
2,529
3,212
2,511
3,702
Non-current liabilities
Borrowings
1,665
1,668
870
830
Environmental rehabilitation and other provisions
470
453
408

460
Provision for pension and post-retirement benefits
170
166
137
152
Trade, other payables and deferred income
14
14
11
9
Derivatives
166
158
25
38
Deferred taxation
569
782
617
988
3,054
3,241
2,068
2,478
Current liabilities
Current portion of borrowings
249
1,018
1,063
1,038
Trade, other payables and deferred income
592
521
524
587
Derivatives
2,256
1,687
1,737
1,935
Taxation
144
142
109
102
3,241
3,368
3,433
3,663
Non-current liabilities held for sale

9
8
48
-
3,250
3,376
3,481
3,663
Total liabilities
6,304
6,617
5,549
6,140
TOTAL EQUITY AND LIABILITIES
8,833
9,830
8,060
9,842
Net asset value - cents per share
691
897
702
1,044
Rounding of figures may result in computational discrepancies.

Group **statement of cashflows**
Quarter
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
September
June
September
September
September
2009
2009
2008
2009
2008
SA Rand million
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Cash flows from operating activities
Receipts from customers
8,545
6,928
6,818
21,877
21,345
Payments to suppliers and employees
(6,147)
(5,135)
(6,193)
(15,008)
(18,218)
Cash generated from operations
2,398
1,793
625
6,869
3,127
Cash generated (utilised) by discontinued operations
-
-
9
-

(7)
Dividend received from equity accounted investments
21
421
141
615
483
Taxation paid
(234)
(340)
(129)
(998)
(902)
Cash utilised for hedge buyback costs
(6,315)
-
(7,755)
(6,315)
(8,504)
Net cash (outflow) inflow from operating activities
(4,130)
1,874
(7,108)
171
(5,804)
Cash flows from investing activities
Capital expenditure
(1,836)
(2,189)
(2,615)
(6,413)
(6,881)
Proceeds from disposal of tangible assets
43
7,156
25
7,216
268
Proceeds from disposal of assets of discontinued operations
-
-
1
-
79
Other investments acquired
(328)
(33)
(228)
(521)
(572)
Associates acquired

-
(9)
(3)
(9)
(3)
Proceeds on disposal of associate
-
-
(13)
-
383
Associates' loans advanced
-
-
(36)
-
(35)
Associates' loans repaid
-
3
2
3
32
Proceeds from disposal of investments
258
60
214
484
526
(Increase) decrease in cash restricted for use
(16)
10
24
(110)
(144)
Interest received
129
88
256
316
440
Loans advanced
-
(1)
-
(1)
(3)
Repayment of loans advanced
1
1
1

2
2
Net cash (outflow) inflow from investing activities
(1,749)
5,086
(2,372)
967
(5,907)
Cash flows from financing activities
Proceeds from issue of share capital
2,215
15
13,494
2,345
13,580
Share issue expenses
(34)
(6)
(410)
(45)
(410)
Proceeds from borrowings
6,709
7,092
2,305
24,739
5,412
Repayment of borrowings
(12,957)
(1,003)
(4,402)
(24,095)
(4,589)
Finance costs paid
(110)
(245)
(242)
(766)
(522)
Advanced proceeds from rights offer
-
-
(6)
-
-
Dividends paid
(253)