

ANGLOGOLD ASHANTI LTD
Form 6-K
December 17, 2010

**UNITED STATES
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 December 17, 2010**

This Report on Form 6-K shall be incorporated by reference in our automatic shelf Registration Statement on Form F-3 as amended (File No. 333-161634) and our Registration Statements on Form S-8 (File Nos. 333-10990 and 333-113789) as amended, to the extent not superseded by documents or reports subsequently filed by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, in each case as amended

Commission file number: 1-14846

**AngloGold Ashanti Limited
(Name of Registrant)**

76 Jeppe Street
Newtown, 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: Unaudited condensed consolidated financial statements as of September 30, 2010 and December 31, 2009 and for each of the nine month periods ended September 30, 2010 and 2009, prepared in accordance with U.S. GAAP, and related management's discussion and analysis of financial condition and results of operations.

ANGLOGOLD ASHANTI LIMITED**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

Prepared in accordance with US GAAP

	Nine months ended September 30,	
	2010	2009
	(unaudited)	(unaudited)
	(in US Dollars, millions, except for share data)	
Sales and other income	3,821	2,628
Product sales	3,791	2,548
Interest, dividends and other	30	80
Cost and expenses	3,624	3,440
Production costs	1,877	1,593
Exploration costs	157	91
Related party transactions	(13)	(12)
General and administrative	150	109
Royalties	96	60
Market development costs	9	9
Depreciation, depletion and amortization	514	443
Impairment of assets (see note D)	32	16
Interest expense	102	91
Accretion expense	16	13
Employment severance costs	14	9
Loss/(profit) on sale of assets, realization of loans, indirect taxes and other (see note F)	33	(62)
Non-hedge derivative loss and movement on bonds (see note G)	637	1,080
Income/(loss) from continuing operations before income tax and equity income in affiliates	197	(812)
Taxation (expense)/benefit (see note H)	(127)	47
Equity income in affiliates	48	66
Net income/(loss)	118	(699)
Less: Net income attributable to noncontrolling interests	(36)	(26)

Net income/(loss) attributable to AngloGold Ashanti	82	(725)
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**Income/(loss) per share attributable to AngloGold Ashanti
common stockholders: (cents) (see note J)**

Net income/(loss)		
Ordinary shares	22	(202)
E Ordinary shares	11	(101)
Ordinary shares diluted	22	(202)
E Ordinary shares diluted	11	(101)

Weighted average number of shares used in computation

Ordinary shares	364,236,067	355,460,005
E Ordinary shares basic and diluted	3,305,316	3,894,634
Ordinary shares diluted	365,394,902	355,460,005

Dividend declared per ordinary share (cents)	18	13
Dividend declared per E ordinary share (cents)	9	7

ANGLOGOLD ASHANTI LIMITED**CONDENSED CONSOLIDATED BALANCE SHEETS**

Prepared in accordance with US GAAP

	At September 30, 2010	At December 31, 2009
	(unaudited)	
	(in US Dollars, millions)	
ASSETS		
Current assets	2,734	2,758
Cash and cash equivalents	1,338	1,100
Restricted cash	12	12
Receivables	229	206
Trade	53	45
Recoverable taxes, rebates, levies and duties	74	82
Related parties	4	5
Other	98	74
Inventories (see note C)	748	663
Materials on the leach pad (see note C)	83	40
Derivatives	65	330
Deferred taxation assets	258	333
Assets held for sale	1	74
Property, plant and equipment, net	5,687	5,454
Acquired properties, net	829	831
Goodwill and other intangibles, net	189	180
Derivatives	1	5
Other long-term inventory (see note C)	26	26
Materials on the leach pad (see note C)	313	324
Other long-term assets (see note M)	1,084	1,022
Deferred taxation assets	1	62
Total assets	10,864	10,662
LIABILITIES AND EQUITY		
Current liabilities	1,963	4,475

Accounts payable and other current liabilities	611	607
Derivatives	1,051	2,525
Short-term debt (see note E)	268	1,292
Tax payable	33	42
Liabilities held for sale		9
Other non-current liabilities	58	163
Long-term debt (see note E)	2,517	667
Derivatives	136	176
Deferred taxation liabilities	1,169	1,171
Provision for environmental rehabilitation	418	385
Provision for labor, civil, compensation claims and settlements	32	33
Provision for pension and other post-retirement medical benefits	158	147
Commitments and contingencies		
Equity	4,413	3,445
Common stock		
Share capital - 600,000,000 (2009 - 600,000,000) authorized common stock of 25 ZAR cents each. Stock issued 2010 - 380,966,077 (2009 - 362,240,669)	13	12
Additional paid in capital	8,653	7,836
Accumulated deficit	(3,899)	(3,914)
Accumulated other comprehensive income (see note K)	(520)	(654)
Other reserves	37	37
Total AngloGold Ashanti stockholders equity	4,284	3,317
Noncontrolling interests	129	128
Total liabilities and equity	10,864	10,662

ANGLOGOLD ASHANTI LIMITED**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

Prepared in accordance with US GAAP

	Nine months ended	
	September 30,	
	2010	2009
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Net cash provided by/(used) in operating activities	541	(51)
Net income/(loss)	118	(699)
Reconciled to net cash provided by/(used) in operations:		
Loss/(profit) on sale of assets, realization of loans, indirect taxes and other	48	(61)
Depreciation, depletion and amortization	514	443
Impairment of assets	32	16
Deferred taxation	97	(172)
Cash utilized for hedge book settlements	(1,550)	(797)
Movement in non-hedge derivatives and bonds	1,471	1,340
Equity income in affiliates	(48)	(66)
Dividends received from affiliates	104	82
Other non cash items	27	(36)
Net increase in provision for environmental rehabilitation, pension and other post-retirement medical benefits	25	14
Effect of changes in operating working capital items:		
Receivables	(98)	(97)
Inventories	(126)	(137)
Accounts payable and other current liabilities	(73)	119
Net cash (used)/generated in investing activities	(1,268)	45
Increase in non-current investments	(120)	(61)
Additions to property, plant and equipment	(623)	(737)
Proceeds on sale of mining assets	67	900
Proceeds on sale of investments	62	56
Cash outflows from derivatives purchased	(670)	(102)
Loans receivable advanced	(7)	
Change in restricted cash	23	(11)
Net cash generated by financing activities	916	421

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Net repayments of debt	(1,318)	(2,708)
Issuance of stock	793	301
Share issue expenses	(16)	(6)
Net proceeds from debt	2,040	2,745
Debt issue costs	(34)	(14)
Cash (outflows)/inflows from derivatives with financing	(453)	153
Dividends paid to common stockholders	(67)	(45)
Dividends paid to noncontrolling interests	(29)	(5)
Net increase in cash and cash equivalents	189	415
Effect of exchange rate changes on cash	49	118
Cash and cash equivalents January 1,	1,100	575
Cash and cash equivalents September 30,	1,338	1,108

ANGLOGOLD ASHANTI LIMITED

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Prepared in accordance with US GAAP

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010

(unaudited)

(In millions, except share information)

	AngloGold Ashanti stockholders							
	Accumulated			other		Accumulated	Noncontrolling	Total
	Common	Additional	comprehensive	income	deficit			
	stock	capital	in					
	Common							
	stock							
		\$	\$	\$	\$	\$	\$	\$
Balance								
December 31, 2009	361,574,807	12	7,836	(654)	(3,914)	37	128	3,445
Net income					82		36	118
Translation gain				100			2	102
Net loss on cash flow hedges removed from other comprehensive income and reported in income, net of tax of \$32 million				20				20
Net gain on available-for-sale financial assets arising during the period, net of tax of \$nil million				18				18
Release on disposal of available-for-sale financial assets during the period, net of tax of \$2 million				(4)				(4)
Other comprehensive income								136
Comprehensive income								254

Stock issues as part of equity offering ⁽¹⁾	18,140,000	1	772					773
Stock issues as part of Share Incentive Scheme	585,408		22					22
Stock issues in exchange for E Ordinary shares cancelled			12					12
Stock issues transferred from Employee Share Ownership Plan to exiting employees	95,253		4					4
Stock based compensation expense			7					7
Dividends					(67)		(37)	(104)
Balance								
September 30, 2010	380,395,468	13	8,653	(520)	(3,899)	37	129	4,413

⁽¹⁾ On September 16, 2010, AngloGold Ashanti announced the placement of 18,140,000 ordinary shares at an issue price of \$43.50 per American Depositary Share (ADR) resulting in total net proceeds of \$773 million.

ANGLOGOLD ASHANTI LIMITED

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Prepared in accordance with US GAAP

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009

(unaudited)

(In millions, except share information)

	AngloGold Ashanti stockholders						
	Common stock		Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Noncontrolling interests	Total
	Common stock	Common stock	Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Noncontrolling interests	Total
		\$	\$	\$	\$	\$	\$
Balance							
December 31, 2008	352,627,761	12	7,502	(1,148)	(3,044)	84	3,406
Net (loss)/income					(725)	26	(699)
Translation gain				367		4	371
Net loss on cash flow hedges removed from other comprehensive income and reported in income, net of tax of \$33 million				78		1	79
Net loss on cash flow hedges, net of tax of \$1 million							
Hedge ineffectiveness on cash flow hedges, net of tax of \$nil million				3			3
Net gain on available-for-sale financial assets arising during the period, net of tax of \$1 million				32			32
Realized loss in earnings on available-for-sale financial assets				12			12

arising during the
period, net of tax of
\$nil million

Other
comprehensive
income

497

Comprehensive
income

(202)

Stock issues as part
of equity offering ⁽¹⁾

7,624,162

280

280

Stock issues as part
of Share Incentive
Scheme

894,332

22

22

Stock issues in
exchange for E
Ordinary shares
cancelled

1,181

2

2

Stock issues
transferred from
Employee Share
Ownership Plan to
exiting employees

44,757

2

2

Stock based
compensation
expense

17

17

Dividends

(45)

(5)

(50)

Balance

September 30, 2009

361,192,193

12

7,825

(656)

(3,814)

110

3,477

⁽¹⁾ On September 1, 2009,
AngloGold Ashanti
announced the placement
of 7,624,162 ordinary
shares at an issue price of
\$37.25 per ADR resulting
in total net proceeds of
\$280 million.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010

Prepared in accordance with US GAAP

Note A. Basis of presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) for interim financial information. Accordingly, they do not include all of the information and footnotes required by US GAAP for annual financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine-month period ended September 30, 2010 are not necessarily indicative of the results that may be expected for the year ending December 31, 2010.

The balance sheet as at December 31, 2009 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by US GAAP for complete financial statements. For further information, refer to the consolidated financial statements for the years ended December 31, 2009, 2008 and 2007 and as at December 31, 2009 and 2008 and footnotes thereto included in the Company s Form 6-K dated August 11, 2010.

Note B. Accounting developments

Recently adopted pronouncements

Amendments and technical corrections to various codification topics

In February 2010, the Financial Accounting Standards Board (FASB) updated Accounting Standards Codification (the Codification or ASC) guidance which contains amendments and technical corrections to certain Codification topics. While the guidance does not significantly alter US GAAP, it may result in limited change to existing practice.

The clarifications of the guidance on embedded derivatives and hedging are effective for fiscal years beginning after December 15, 2009. The adoption of the updated guidance had no impact on the Company s financial statements.

Distributions to shareholders

In January 2010, the FASB ASC guidance for accounting for distributions to shareholders with components of stock and cash was updated to clarify that the stock portion of a distribution to shareholders that allows them to elect to receive cash or stock with a potential limitation on the total amount of cash that all shareholders can elect to receive in aggregate is considered a share issuance that is reflected in EPS prospectively. The guidance is effective for interim and annual reporting periods beginning after December 15, 2009, and should be applied retrospectively to all prior periods. The adoption of the updated guidance had no impact on the Company s financial statements.

Fair value measurements

In January 2010, the FASB ASC guidance for disclosures about fair value measurements was updated, providing amendments to the guidance which requires entities to disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describe the reasons for the transfers. In addition, entities are required to present separately information about purchases, sales, issuances, and settlements in the reconciliation of fair value measurements using significant unobservable inputs (Level 3). The updated guidance further clarified the level of disaggregation required for assets and liabilities and the disclosures required for inputs and valuation techniques used to measure the fair value of assets and liabilities that fall in either Level 2 or Level 3. The disclosures related to Level 1 and Level 2 fair value measurements ar