



AngloGold Ashanti Limited \ (Incorporated in the Republic of South Africa)
(Reg. No.1944/017354/06) \ ISIN Number: ZAE000043485 \ NYSE symbol: AU \ JSE share code: ANG
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news release

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29 June 2009

ANGLOGOLD ASHANTI ISSUES CIRCULAR CONVENING GENERAL MEETING

Introduction

At the annual general meeting held on 15 May 2009, AngloGold Ashanti shareholders approved a resolution giving authority to the directors of AngloGold Ashanti to issue convertible bonds. On 19 May 2009, AngloGold Ashanti announced the successful offering of US\$732,500,000 3.5 percent convertible bonds due 2014, by its wholly-owned subsidiary AngloGold Ashanti Holdings Finance plc and guaranteed by AngloGold Ashanti to a broad group of public investors.

Given that the specific terms of the convertible bond are now known, the directors of AngloGold Ashanti are seeking a specific authority and approval from shareholders for the directors of the Company to allot and issue up to 15,384,615 ordinary shares of R0.25 each in the authorised but unissued share capital of the Company at a conversion price of US\$47.6126 per AngloGold Ashanti ADS, subject to adjustment, for purposes of the potential conversion of the convertible bonds. The specific authority will enable AngloGold Ashanti to allot and issue AngloGold Ashanti ordinary shares underlying the AngloGold Ashanti ADSs issuable upon any exercise of conversion rights attached to the convertible bonds.

Conversion and pricing

Prior to the grant of the specific authority, the convertible bonds are subject to automatic cash settlement. Thereafter, bonds are convertible at the discretion of the bondholder, and the Company has, in certain circumstances, the option to redeem the convertible bonds for cash, or to redeem the convertible bonds through an issue of AngloGold Ashanti ordinary shares to be converted into AngloGold Ashanti ADSs or to redeem the convertible bonds through the issue of a combination of AngloGold Ashanti ordinary shares to be converted into AngloGold Ashanti ADSs and cash. The discount at which the AngloGold Ashanti ordinary shares will be issued to the then prevailing share price is currently unknown.

The initial conversion price is US\$47.6126 per AngloGold Ashanti ADS, which price is at a 37.5 percent premium to the volume weighted average price of an AngloGold Ashanti ADS trading on the NYSE on 18 May 2009 (the date the convertible bonds were priced in the market). The conversion price is subject to adjustment on the occurrence of certain events

Financial effects

The unaudited pro forma financial information of AngloGold Ashanti was prepared in order to illustrate the effects of the issue and conversion of the convertible bonds, assuming that the issue and conversion of the convertible bonds took place on 1 January 2008 for purposes of the income statement and on 31 December 2008 for purposes of the balance sheet. The conversion of the convertible bonds is at the discretion of the bondholders and there can be no assurance that any of the convertible bonds will be converted. The information has been

prepared for illustrative purposes only and may not, because of its nature, give a true picture of the financial position of AngloGold Ashanti. It does not purport to be indicative of what the financial results would have been if the conversion of the convertible bonds had actually occurred at an earlier date. The pro forma financial information is the responsibility of the directors.

The unaudited pro-forma information as presented below does not include the effect of the Standard Chartered Bank term facility negotiated by the company during November 2008 to replace the 2.375 percent guaranteed convertible bond that matured in February 2009. The interest saving that will arise if the US\$717.5 million net proceeds from the issue of the convertible bonds are applied to part settle the Standard Chartered Bank term facility will result in an effective interest rate reduction of 4.5 percent per annum, being the difference between the effective interest rates of the Standard Chartered Bank term facility and the convertible bonds. This interest saving was not taken into account in the pro-forma information presented below, as the facility was not yet drawn at 31 December 2008.

The pro forma historical financial effects of the issue and conversion of the convertible bonds are as follows:

For the year ended and as at 31 December 2008 (per AngloGold Ashanti ordinary share)		Before the convertible bonds issue	After conversion of the convertible bonds	% change
Net asset value per share ⁽¹⁾	US cents	702	870	23.9%
Net tangible asset value per share ⁽¹⁾	US cents	661	830	25.6%
Basic loss per share (continuing operations) ⁽²⁾	US cents	(385)	(360)	6.5%
Diluted loss per share (continuing operations) ⁽³⁾	US cents	(385)	(360)	6.5%
Headline loss per share ⁽⁴⁾	US cents	(9)	(2)	77.8%
Weighted average number of shares in issue ⁽⁵⁾		317,203,948	332,588,563	4.9%
Weighted average diluted number of shares in issue ⁽⁵⁾		317,203,948	332,588,563	4.9%
Number of shares in issue ⁽⁶⁾		357,450,351	372,834,966	4.3%
Net debt to net capital employed ⁽⁷⁾		27.4%	13.8%	(50%)

Notes:

- (1) Net asset value per share is computed by dividing total equity by the number of shares in issue. Net tangible asset value per share is computed by dividing total equity (excluding intangible assets) by the number of shares in issue.
- (2) Basic loss per share is computed by dividing the loss attributable to equity shareholders from continuing operations by the weighted average number of shares in issue.
- (3) The diluted loss per share is computed by dividing the loss attributable to equity shareholders from continuing operations by the weighted average diluted number of shares in issue. The effect of the diluted loss per share is anti-dilutive and therefore the diluted loss per share is the same as the basic loss per share.
- (4) Headline loss excludes separately identifiable re-measurements of the carrying amounts of assets and liabilities after initial recognition from the calculation of loss per share. Headline loss per share is computed by dividing headline loss by the weighted average number of shares in issue.
- (5) The weighted average number of AngloGold Ashanti ordinary shares in issue was 312,610,124 ordinary, 4,046,364 E ordinary and 547,460 fully vested options for the year ended 31 December 2008.
- (6) The number of AngloGold Ashanti shares in issue as at 31 December 2008 was 353,483,410 ordinary and 3,966,941 E ordinary shares.
- (7) Net debt includes both long-term and short-term debt and is net of cash and cash equivalents, restricted cash, unamortised portion of the convertible bond and corporate office lease. Net capital employed is calculated as shareholders' equity adjusted for other comprehensive income and deferred taxation, plus minority interests, interest bearing debt, less cash and cash equivalents.

Posting of circular

A circular, convening a general meeting of shareholders regarding the granting of the specific authority to be held on Thursday, 30 July 2009 at 10:00 SA time at The Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa will be posted to shareholders today, Monday, 29 June 2009.

A copy of the circular is available on request from the Company Secretary at companysecretary@anglogoldashanti.com or on the company's website on <http://www.anglogoldashanti.co.za/Investor+Info/Corporate+Activity/Convertible+Bond.htm>

This announcement is not an offer of securities for sale in the United States. Securities may not be sold in the United States unless they are registered or are exempt from registration. Neither AngloGold Ashanti Holdings Finance plc nor AngloGold Ashanti Limited has registered or intends to register any portion of the offering of the convertible bonds in the United States or to conduct a public offering of the convertible bonds in the United States.

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Certain statements made in this communication, including, without limitation, those concerning AngloGold Ashanti's strategy to reduce its gold hedging position including the extent and effects of the reduction, 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, individually or in the aggregate, including the completion and commencement of commercial operations of certain of AngloGold Ashanti's exploration and production projects and completion of acquisitions and dispositions, AngloGold Ashanti's liquidity and capital resources, and expenditure and the outcome and consequences of any pending litigation proceedings, 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 of such factors, refer to AngloGold Ashanti's annual report for the year ended 31 December 2008, which was distributed to shareholders on 27 March 2009 and the company's annual report on Form 20-F, filed with the Securities and Exchange Commission in the United States on May 5, 2009 as amended on May 6, 2009. AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or 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.

AngloGold Ashanti posts information that is important to investors on the main page of its website at www.anglogoldashanti.com and under the "Investors" tab on the main page. This information is updated regularly. Investors should visit this website to obtain important information about AngloGold Ashanti.