



ANGLOGOLD ASHANTI

AngloGold Ashanti Limited

(Incorporated in the Republic of South Africa \ Reg. No. 1944/017354/06)

ISIN No. ZAE000043485 – JSE share code: ANG \ CUSIP: 035128206 – NYSE share code: AU

Website: www.anglogoldashanti.com

News Release

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EXERCISE OF OVER-ALLOTMENT OPTION AND RENEWAL OF CAUTIONARY ANNOUNCEMENT

Further to the announcement dated 15 September 2010 regarding the pricing of AngloGold Ashanti's offering of 15,773,914 AngloGold Ashanti ordinary shares ("ordinary shares") in the form of ordinary shares or AngloGold Ashanti American Depositary Shares ("ADSs") at a price of US\$43.50 per ADS and ZAR308.37 per ordinary share (the "Equity Offering") and of an offering of US\$686,162,400 6.00% mandatory convertible subordinated bonds due 2013 ("Mandatory Convertible Bonds") by its wholly-owned subsidiary, AngloGold Ashanti Holdings Finance plc (the "Mandatory Convertible Bonds Offering"), AngloGold Ashanti announces that the underwriters have exercised their option to subscribe for an additional 2,366,086 ordinary shares ("the Equity Offering Over-Allotment Option") and for additional Mandatory Convertible Bonds in an aggregate principal amount of US\$102,924,350 ("the Mandatory Convertible Bond Over-Allotment Option").

Following the exercise of the Equity Offering Over-Allotment Option and pursuant to the Equity Offering, AngloGold Ashanti will issue 18,140,000 ordinary shares (the "Issue") equating to approximately 5% of the ordinary issued share capital of AngloGold Ashanti in terms of the shareholder's resolution dated 7 May 2010.

Furthermore, following exercise of the Mandatory Convertible Bond Over-Allotment Option and pursuant to the Mandatory Convertible Bonds Offering, AngloGold Ashanti Holdings plc will issue US\$789,086,750 Mandatory Convertible Bonds, which are initially convertible into 18,140,000 ADSs, subject to AngloGold Ashanti shareholders granting a specific authority for the directors to issue 18,140,000 ordinary shares underlying the ADSs deliverable upon the conversion of the Mandatory Convertible Bonds.

The following additional disclosure is made in terms of the JSE Listings Requirements relating to the Equity Offering.

The Equity Offering price per ordinary share represents a 1.5% discount to the weighted average traded price of the equity securities on the JSE Limited over the 30 days prior to the date that the Issue was agreed in writing being 15 September 2010.

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Unaudited *pro forma* per share information for the six months ended 30 June 2010

The unaudited *pro forma* financial information of AngloGold Ashanti has been prepared in order to illustrate the effects of the Issue, assuming that the Issue took place on 1 January 2010 for purposes of the income statement for the six months ended 30 June 2010 and on 30 June 2010 for purposes of the balance sheet. 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 issue had actually occurred at an earlier date. The *pro forma* financial information is the responsibility of the directors.

The unaudited *pro forma* financial information of AngloGold Ashanti does not take into consideration the effects of any other share or bond issue financing that the company may engage in, either in conjunction with or separately of this Issue. The *pro forma* historical financial effects of the issue are as follows:

For the six months ended 30 June 2010		Before the Issue	After the Issue	Movement (%)
Net asset value per share ¹	US cents	809	972	20 %
Net tangible asset value per share ¹	US cents	764	929	22 %
Cash gross profit per share ²	US cents	268	55	(79)%
Basic loss per share ³	US cents	(8)	(8)	0 %
Diluted loss per share ⁴	US cents	(8)	(8)	0 %
Headline loss per share ⁵	US cents	(3)	(3)	0 %
Headline earnings/ (loss) per share adjusted for the effect of unrealised non-hedge derivatives and fair value adjustment on convertible bonds ⁶	US cents	52	(107)	(306)%
Weighted average number of shares in issue ⁷		366,961,310	385,101,310	5 %
Weighted average diluted number of shares in issue ⁸		366,961,310	385,101,310	5 %
Number of shares in issue ⁹		365,758,792	383,898,792	5 %

The negative swings in cash gross profit per share and headline earnings/(loss) per share adjusted for the effects of unrealised losses on non-hedge derivatives and fair value adjustment on convertible bonds, are primarily due to the realisation of non-hedge derivatives losses.

Notes:

1. Net asset value per share is computed by dividing total equity of \$2,959m before issue (\$3,732m after Issue) by the number of shares in issue being 365,758,792 before issue (383,898,792 after Issue). Net tangible asset value per share is computed by dividing total equity (excluding intangible assets) of \$2,792m before Issue (\$3,565m after Issue) by the number of shares in issue being 365,758,792 before issue (383,898,792 after issue).
2. The cash gross profit per share computation has been based on the weighted average number of shares in issue.
3. Basic loss per share is computed by dividing net loss by the weighted average number of shares in issue.
4. The diluted loss per share is computed by dividing net loss by the weighted average diluted number of shares in issue. The impact on diluted loss per share is anti-dilutive and therefore the diluted loss per share and basic loss per share is the same.
5. Headline loss removes items of a capital nature 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.
6. Headline earnings/(loss) per share adjusted for the effect of unrealised non-hedge derivatives and fair value adjustment on convertible bonds divided by the weighted average number of shares in issue.
7. The weighted average number of AngloGold Ashanti shares in issue was 366,961,310 for the six months ended 30 June 2010 and as a result of the issuance of 18,140,000 AngloGold Ashanti shares at an issue price of \$43.50, the weighted average number of AngloGold Ashanti shares in issue for that period would have been 385,101,310.
8. The weighted average diluted number of AngloGold Ashanti shares in issue for the six months ended 30 June 2010 does not assume the effect of 971,993 shares issuable upon the exercise of the share incentive options as well as 15,384,615 shares issuable upon the conversion of the convertible bonds issued in May 2009, as their effects are anti-dilutive.
9. The number of AngloGold Ashanti shares in issue as at 30 June 2010 was 365,758,792 and, as a result of the Issue, the number of AngloGold Ashanti shares in issue as at that date would have been 383,898,792.

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Renewal of cautionary announcement

The Mandatory Convertible Bonds Offering may continue to have a material effect on the price of AngloGold Ashanti's securities. Accordingly, AngloGold Ashanti shareholders are advised to exercise caution when dealing in AngloGold Ashanti's securities until a further announcement is made in relation to the request to grant specific authority for the directors to issue ordinary shares underlying the ADSs deliverable upon conversion of the Mandatory Convertible Bonds.

Johannesburg
15 September 2010
JSE sponsor: UBS

UBS AG (London Branch), Morgan Stanley & Co. Incorporated, Citigroup Global Markets Limited and Deutsche Bank AG London Branch are acting for AngloGold Ashanti and no one else in connection with the Equity Offering and Mandatory Convertible Offering and will not be responsible to anyone other than AngloGold Ashanti for providing the protections afforded to clients of UBS AG (London Branch), Morgan Stanley & Co. Incorporated, Citigroup Global Markets Limited and Deutsche Bank AG London Branch nor for providing advice in connection with the Equity Offering and Mandatory Convertible Offering.

This announcement shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of the securities described herein, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

The offerings described in this announcement will only be addressed to and directed at persons in member states of the European Economic Area, or EEA, who are "Qualified Investors" within the meaning of Article 2(1)(e) of the European Parliament and Council Directive 2003/71/EC, including any measure implementing such Directive in any member state of the EEA (the "Prospectus Directive"). In addition, in the United Kingdom, the offer will only be addressed to and directed at (1) Qualified Investors who are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), or high net worth entities falling within Article 49(2)(a)-(d) of the Order or (2) persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "Relevant Persons"). The Shares, ADSs and Mandatory Convertible Bonds will only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, (1) in the United Kingdom, Relevant Persons and (2) in any member state of the EEA other than the United Kingdom, Qualified Investors. The offerings as described in this announcement will not be addressed to the public in South Africa (as defined in, and in accordance with the terms of, Chapter VI of the South African Companies Act 1973 (as amended)).

AngloGold Ashanti and AngloGold Ashanti Holdings Finance plc have registered the securities described herein for offer and sale in the United States. Any public offering of securities to be made in the United States will be made by means of a prospectus and a related prospectus supplement that will contain detailed information about AngloGold Ashanti and its management, as well as financial statements. Such prospectus may be obtained from AngloGold Ashanti at 76 Jeppe Street, Newtown, Johannesburg, South Africa.

This announcement includes "forward-looking information" within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation those concerning: AngloGold Ashanti's strategy to reduce its gold hedging positions including the extent and effect of the reduction of its gold hedging positions; 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 at AngloGold Ashanti's exploration and production projects; the completion of announced mergers and acquisitions transactions; AngloGold Ashanti's liquidity and capital resources and expenditure; the outcome and consequences of any pending litigation proceedings; and AngloGold Ashanti's Project One performance targets. These forward-looking statements are not based on historical facts, but rather reflect AngloGold Ashanti's current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or other similar words and phrases. Similarly, statements that describe AngloGold Ashanti's objectives, plans or goals are or may be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the AngloGold Ashanti's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Although AngloGold Ashanti believes that the expectations reflected in these forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

For a discussion of such risk factors, shareholders should refer to the annual report on Form 20-F for the year ended 31 December 2009, which was filed with the Securities and Exchange Commission on 19 April 2010 and amended on 18 May 2010 and the preliminary prospectus supplements referenced above. These factors are not necessarily all of the important factors that could cause AngloGold Ashanti's actual results to differ materially from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results.

ENDS

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