ANGLOGOLD ASHANTI LTD
Form 6-K
July 27, 2011

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 July 27, 2011

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and our Registration Statements on Form S-8 (File Nos. 333-10990 and 333-113789) as amended, to the extent not superseded by documents or reports subsequently filed by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, in each case as amended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: þ Form 40-F: o

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: o **No**: þ

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: o **No**: þ

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: o **No**: þ

Enclosures: Unaudited condensed consolidated financial statements as of March 31, 2011 and December 31, 2010 and for each of the three month periods ended March 31, 2011 and 2010, 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

	Three months ended March 31,	
	2011	**2010**
	(unaudited)	(unaudited)
	(in US Dollars, millions, except for share data)	
Sales and other income	1,435	1,111
Product sales	1,422	1,095
Interest, dividends and other	13	16
Cost and expenses	1,077	879
Production costs	708	600
Exploration costs	57	40
Related party transactions	(4)	(4)
General and administrative	68	40
Royalties	40	25
Market development costs	3	3
Depreciation, depletion and amortization	192	175
Impairment of assets (see note D)	1	9
Interest expense	44	28
Accretion expense	7	5
Employment severance costs	4	7
(Profit)/loss on sale of assets, realization of loans, indirect taxes and other (see note F)	(2)	12
Non-hedge derivative gain and movement on bonds (see note G)	(41)	(61)
Income from continuing operations before income tax and equity income in associates	358	232
Taxation expense (see note H)	(124)	(76)
Equity income in associates	9	25
Net income	243	181
Less: Net income attributable to noncontrolling interests	(6)	(12)

Net income attributable to AngloGold Ashanti	237	169
Income per share attributable to AngloGold Ashanti common stockholders: (cents) (see note J)		
Net income		
Ordinary shares	62	47
E Ordinary shares	31	23
Ordinary shares diluted	62	46
E Ordinary shares diluted	31	23
Weighted average number of shares used in computation		
Ordinary shares	382,859,559	363,482,326
Ordinary shares diluted	383,694,012	364,216,227
E Ordinary shares basic and diluted	2,782,784	3,734,382
Dividend declared per ordinary share (cents)	11	10
Dividend declared per E ordinary share (cents)	6	5

ANGLOGOLD ASHANTI LIMITED

CONDENSED CONSOLIDATED BALANCE SHEETS
Prepared in accordance with US GAAP

	At March 31, 2011 (unaudited)	At December 31, 2010
	(in US Dollars, millions)	
ASSETS		
Current assets	2,004	1,997
Cash and cash equivalents	619	575
Restricted cash	18	10
Receivables	331	298
Trade	75	53
Recoverable taxes, rebates, levies and duties	161	156
Related parties	3	3
Other	92	86
Inventories (see note C)	785	792
Materials on the leach pad (see note C)	92	91
Derivatives	3	1
Deferred taxation assets	154	214
Assets held for sale	2	16
Property, plant and equipment, net	5,896	5,926
Acquired properties, net	825	836
Goodwill and other intangibles, net	199	197
Other long-term inventory (see note C)	25	27
Materials on the leach pad (see note C)	350	331
Other long-term assets (see note M)	1,084	1,073
Deferred taxation assets		1
Total assets	10,383	10,388
LIABILITIES AND EQUITY		
Current liabilities	925	1,004
Accounts payable and other current liabilities	710	732

Short-term debt (see note E)	44	133
Short-term debt at fair value (see note E)	2	2
Tax payable	169	134
Liabilities held for sale		3
Other non-current liabilities	68	69
Long-term debt (see note E)	1,684	1,730
Long-term debt at fair value (see note E)	847	872
Derivatives	162	176
Deferred taxation liabilities	1,198	1,200
Provision for environmental rehabilitation	529	530
Provision for labor, civil, compensation claims and settlements	44	38
Provision for pension and other post-retirement medical benefits	176	180
Commitments and contingencies		
Equity	4,750	4,589
Common stock		
Share capital 600,000,000 (2010 600,000,000) authorized ordinary shares of 25 ZAR cents each. Share capital 4,280,000 (2010 4,280,000) authorized E ordinary shares of 25 ZAR cents each. Ordinary shares issued 2011 380,977,099 (2010 380,769,139). E ordinary shares issued 2011 1,120,000 (2010 1,120,000)	13	13
Additional paid in capital	8,685	8,670
Accumulated deficit	(3,675)	(3,869)
Accumulated other comprehensive income (see note K)	(438)	(385)
Other reserves	37	37
Total AngloGold Ashanti stockholders equity	4,622	4,466
Noncontrolling interests	128	123
Total liabilities and equity	10,383	10,388

ANGLOGOLD ASHANTI LIMITED

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Prepared in accordance with US GAAP

	Three months ended March 31,	
	2011	**2010**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Net cash provided by operating activities	503	154
Net income	243	181
Reconciled to net cash provided by operations:		
Loss on sale of assets, realization of loans, indirect taxes and other	6	12
Depreciation, depletion and amortization	192	175
Impairment of assets	1	9
Deferred taxation	69	16
Movement in non-hedge derivatives and bonds	(41)	(165)
Equity income in associates	(9)	(25)
Dividends received from associates	30	16
Other non cash items	4	6
Net increase in provision for environmental rehabilitation, pension and other postretirement medical benefits	7	9
Effect of changes in operating working capital items:		
Receivables	(66)	(46)
Inventories	1	(24)
Accounts payable and other current liabilities	66	(10)
Net cash used in investing activities	(269)	(116)
Increase in non-current investments	(55)	(28)
Additions to property, plant and equipment	(234)	(169)
Proceeds on sale of mining assets	2	2
Proceeds on sale of investments	15	7
Proceeds on sale of associate		1
Cash inflows from derivatives purchased		76
Proceeds on disposal of subsidiary	9	
Loans receivable advanced		(5)
Cash of subsidiary disposed	(11)	
Change in restricted cash	5	
Net cash used by financing activities	(194)	(405)

Repayments of debt	(152)	(352)
Issuance of stock	1	
Proceeds from debt		35
Cash (outflows)/inflows from derivatives with financing		(53)
Dividends paid to common stockholders	(43)	(35)
Net increase/(decrease) in cash and cash equivalents	40	(367)
Effect of exchange rate changes on cash	(7)	
Cash and cash equivalents January 1,	586	1,100
Cash and cash equivalents March 31,	619	733

ANGLOGOLD ASHANTI LIMITED
CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY

Prepared in accordance with US GAAP

FOR THE THREE MONTHS ENDED MARCH 31, 2011
(unaudited)
(In millions, except share information)

		AngloGold Ashanti stockholders						
	Common stock	Common stock	Additional paid in capital	Accumulated other comprehensive income	Accumulated deficit	Other reserves	Noncontrolling interests	Total
		$	$	$	$	$	$	$
Balance December 31, 2010	381,889,139	13	8,670	(385)	(3,869)	37	123	4,589
Net income					237		6	243
Translation loss				(51)			(1)	(52)
Net loss on available-for-sale financial assets arising during the period, net of tax of $nil million				(2)				(2)
Other comprehensive income								(54)
Comprehensive income								189
Stock issues as part of Share Incentive Scheme	199,875		8					8
Stock issues in exchange for E Ordinary shares cancelled			1					1
Stock issues transferred from Employee Share Ownership Plan to exiting employees	8,085		1					1
			5					5

Stock based compensation expense								
Dividends					(43)			(43)
Balance March 31, 2011	382,097,099	13	8,685	(438)	(3,675)	37	128	4,750

ANGLOGOLD ASHANTI LIMITED
CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY
Prepared in accordance with US GAAP
FOR THE THREE MONTHS ENDED MARCH 31, 2010
(unaudited)
(In millions, except share information)

		AngloGold Ashanti stockholders						
	Common stock	Common stock $	Additional paid in capital $	Accumulated other comprehensive income $	Accumulated deficit $	Other reserves $	Noncontrolling interests $	Total $
Balance December 31, 2009	362,974,807	12	7,836	(654)	(3,914)	37	128	3,445
Net income					169		12	181
Translation gain				23				23
Net loss on cash flow hedges removed from other comprehensive income and reported in income, net of tax of $13 million				24				24
Net loss on available-for-sale financial assets arising during the period, net of tax of $nil million				(6)				(6)
Other comprehensive income								41
Comprehensive income								222
	111,676		4					4

Stock issues as part of Share Incentive Scheme								
Stock issues in exchange for E Ordinary shares cancelled			1					1
Stock issues transferred from Employee Share Ownership Plan to exiting employees	23,046		1					1
Stock based compensation expense			6					6
Dividends					(35)		(11)	(46)
Balance March 31, 2010	363,109,529	12	7,848	(613)	(3,780)	37	129	3,633

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

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 three-month period ended March 31, 2011 are not necessarily indicative of the results that may be expected for the year ending December 31, 2011.

The balance sheet as at December 31, 2010 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 and footnotes thereto included in the Company s annual report on Form 20-F for the year ended December 31, 2010.

Note B. Accounting developments

Recently adopted pronouncements

Fair value measurements

In January 2010, the Financial Accounting Standards Board (FASB) Accounting Standards Codification (the Codification or ASC) guidance for disclosures about fair value measurements was updated requiring level 3 disclosure details regarding separate information about purchases, sales, issuances, and settlements in the reconciliation of fair value measurements using significant unobservable inputs. The disclosures related to Level 3 fair value measurements are effective for interim and annual reporting periods beginning after December 15, 2010. The adoption of the updated guidance had no impact on the Company s financial statements as the Company does not have Level 3 fair value measurements.

Disclosures about the credit quality of financing receivables and the allowance for credit losses

In July 2010, the FASB issued guidance for the disclosure of the allowance for credit losses and financing receivable modifications. The expanded disclosures include roll-forward schedules of the allowance for credit losses and enhanced disclosure of financing receivables that were modified during a reporting period and those that were previously modified and have re-defaulted. The new disclosure requirements are required for interim and annual periods beginning on or after December 15, 2010. Except for presentation changes, the adoption had no impact on the Company s financial statements.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

Prepared in accordance with US GAAP

Note B. Accounting developments (continued)

Recently issued pronouncements

Fair value measurements

In May 2011, the FASB issued updated guidance on fair value measurement and disclosure requirements. The requirements do not extend the use of fair value accounting, but provide guidance on how it should be applied where its use is already required or permitted by other standards within US GAAP. The update will supersede most of the FASB ASC guidance for fair value measurements, although many of the changes are clarifications of existing guidance or wording changes. The amendments are effective in the first quarter of 2012. The Company does not expect the adoption of the updated guidance to have a material impact on the Company s financial statements.

Presentation of comprehensive income

In June 2011, the FASB issued guidance for disclosures about comprehensive income. The guidance is intended to increase the prominence of other comprehensive income in financial statements. The main provisions of the guidance provide that an entity that reports items of other comprehensive income has the option to present comprehensive income in either one statement or two consecutive statements. The current option in US GAAP that permits the presentation of other comprehensive income in the statement of changes in equity will be eliminated. The amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2011 and should be applied retrospectively. Early adoption is permitted. The Company plans to adopt the two consecutive statement approach and does not expect the adoption of this guidance to have a material impact on the Company s financial statements.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

Prepared in accordance with US GAAP

Note C. Inventories

	At March 31, 2011 (unaudited)	At December 31, 2010
	(in US Dollars, millions)	
The components of inventory consist of the following:		
Short-term		
Metals in process	183	184
Gold on hand (doré/bullion)	46	77
Ore stockpiles	349	324
Uranium oxide and sulfuric acid	38	43
Supplies	261	255
	877	883
Less: Materials on the leach pad[1]	(92)	(91)
	785	792

[1] Short-term portion relating to heap leach inventory classified separately, as materials on the leach pad.

	At March 31, 2011 (unaudited)	At December 31, 2010
	(in US Dollars, millions)	
Long-term		
Metals in process	350	331
Ore stockpiles	25	27
	375	358
Less: Materials on the leach pad[1]	(350)	(331)
	25	27

[1] Long-term portion relating to heap leach inventory classified separately, as materials on the leach pad.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

Prepared in accordance with US GAAP

Note D. Impairment of assets

Impairments are made up as follows:

	Three months ended March 31,	
	2011	**2010**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
South Africa		
Write-off of mining assets at Savuka	1	
Continental Africa		
Write-off of tailings storage facility at Iduapriem		8
Write-off of vehicles and heavy mining equipment at Geita		1
	1	9

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
Prepared in accordance with US GAAP
Note E. Debt
The Company s outstanding debt includes:
Debt carried at amortized cost
Rated bonds
On April 22, 2010, the Company announced the pricing of an offering of 10-year and 30-year notes. The offering closed on April 28, 2010. The notes were issued by AngloGold Ashanti Holdings plc, a wholly-owned subsidiary of AngloGold Ashanti Limited, and are fully and unconditionally guaranteed by AngloGold Ashanti Limited. The notes are unsecured and interest is payable semi-annually.
Details of the rated bonds are summarized as follows:

	At March 31, 2011				
	Coupon rate %	Total offering	Unamortized discount	Accrued interest	Total carrying value
			(unaudited) (in US Dollars, millions)		
10-year unsecured notes	5.375	700	(1)	17	716
30-year unsecured notes	6.500	300	(5)	9	304
		1,000	(6)	26	1,020

	At December 31, 2010				
	Coupon rate %	Total offering	Unamortized discount	Accrued interest	Total carrying value
			(in US Dollars, millions)		
10-year unsecured notes	5.375	700	(1)	8	707
30-year unsecured notes	6.500	300	(5)	4	299
		1,000	(6)	12	1,006

Loan facilities
On April 20, 2010, AngloGold Ashanti Holdings plc and AngloGold Ashanti USA Inc., each a wholly-owned subsidiary of AngloGold Ashanti Limited, as borrowers, and AngloGold Ashanti Limited entered into a $1.0 billion four year revolving credit facility with a syndicate of lenders. AngloGold Ashanti Limited, AngloGold Ashanti Holdings plc and AngloGold Ashanti USA Inc. each guaranteed the obligations of the borrowers and other guarantors under the facility. Amounts may be repaid and reborrowed under the facility during its four year term. During the first

quarter of 2011, an amount of $50 million drawn under this facility was repaid.
Details of the revolving credit facility are summarized as follows:

	At March 31, 2011				
	Interest rate (1) %	Commitment fee (2) %	Total facility	Undrawn facility	Total drawn facility
			(unaudited) (in US Dollars, millions)		
$1.0 billion revolving credit facility	LIBOR + 1.75	0.7	1,000	1,000	
			1,000	1,000	

	At December 31, 2010				
	Interest rate (1) %	Commitment fee (2) %	Total facility	Undrawn facility	Total drawn facility
			(in US Dollars, millions)		
$1.0 billion revolving credit facility	LIBOR + 1.75	0.7	1,000	950	50
			1,000	950	50

(1) Outstanding amounts bear interest at a margin over the London Interbank Offered Rate (LIBOR).

(2) Commitment fees are payable quarterly in arrears on the undrawn portion of the facility.

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
Prepared in accordance with US GAAP
Note E. Debt (continued)
Debt carried at amortized cost (continued)
FirstRand Bank Limited short-term loan facility [3]
During the first quarter of 2011, the Company repaid an amount of $99 million and terminated its short-term loan facility, entered into during November 2010, with FirstRand Bank Limited. The loan was ZAR based.
[3] Outstanding amounts bear interest at a margin of 0.95 percent over the Johannesburg Interbank Agreed Rate (JIBAR).
Convertible bonds
The issue of convertible bonds in the aggregate principal amount of $732.5 million at an interest rate of 3.5 percent was concluded on May 22, 2009. These bonds are convertible into ADSs at an initial conversion price of $47.6126. The conversion price is subject to standard weighted average anti-dilution protection. The convertible bonds were issued by AngloGold Ashanti Holdings Finance plc, a finance company wholly-owned by AngloGold Ashanti Limited. AngloGold Ashanti Limited has fully and unconditionally guaranteed the convertible bonds issued by AngloGold Ashanti Holdings Finance plc. There are no significant restrictions on the ability of AngloGold Ashanti Limited to obtain funds from its subsidiaries by dividend or loan.
The convertible bonds mature on May 22, 2014. However, at any time on or after June 12, 2012 the Company has the right, but not the obligation, to redeem all (but not part) of the convertible bonds at their principal amount together with accrued interest if the volume weighted average price of the ADSs that would be delivered by the Company on the conversion of a convertible bond of a principal amount of $100,000 exceeds $130,000 on each of at least 20 consecutive dealing days ending not earlier than five days prior to the date that the Company gives notice of the redemption.
Upon the occurrence of a change of control of the Company, each convertible bond holder will have the right to require the Company to redeem its convertible bonds at their principal amount plus accrued interest thereon. If the convertible bond holder elects to convert its convertible bonds in connection with such change of control, the Company will pay a make whole premium to such convertible bond holder in connection with such conversion.
The Company is separately accounting for the conversion features of the convertible bonds at fair value as a derivative liability with subsequent changes in fair value recorded in earnings each period. The total fair value of the derivative liability on May 22, 2009 (date of issue) amounted to $142.2 million. The difference between the initial carrying value and the stated value of the convertible bonds is being accreted to interest expense using the effective interest method over the 5 year term of the bonds.
The convertible bonds and associated derivative liability (which has been accounted for separately) are summarized as follows:

	At March 31, 2011 (unaudited)	At December 31, 2010
	(In US Dollars, millions)	
Convertible bonds		
Senior unsecured fixed rate bonds	636	630
Accrued interest	9	3
	645	633

Convertible bond derivative liability		
Balance at beginning of period	176	175
Fair value movements on conversion features of convertible bonds	(14)	1
Balance at end of period	162	176

12

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
Prepared in accordance with US GAAP
Note E. Debt (continued)
Debt carried at fair value
Mandatory convertible bonds
In September 2010, the Company issued mandatory convertible bonds at a coupon rate of 6 percent due in September 2013. The conversion of the mandatory convertible bonds into ADSs was subject to shareholder approval, which was granted in October 2010. These bonds are convertible into a variable number of ADSs, ranging from 18,140,000 at a share price equal to or lesser than $43.50, to 14,511,937 at a share price equal to or greater than $54.375, each as calculated in accordance with the formula set forth in the indenture and subject to adjustment.
The mandatory convertible bonds contain certain embedded derivatives relating to change in control and anti-dilution protection provisions. The FASB ASC guidance contains an election for the Company to record the entire instrument at fair value as opposed to separating the embedded derivatives from the instrument. The shareholders have authorized that the convertible bonds will be settled in equity and not have any cash settlement potential except if a fundamental change or conversion rate adjustment causes the number of ADSs deliverable upon conversion to exceed the number of shares reserved for such purpose, among other circumstances provided in the indenture, and therefore the Company has chosen to recognize the instrument, in its entirety, at fair value. Depending on the final calculated share price on the date of conversion, the liability recognized may differ from the principal amount.
Other convertible bonds that have been issued by the Company will only be settled in equity if future events, outside of the control of the Company, result in equity settlement and thus have a potential cash settlement at maturity that will not exceed the principal amount, in those circumstances the liabilities are recognized at amortized cost.
In determining the fair value liability of the mandatory convertible bonds, the Company has measured the effect based on the ex interest NYSE closing price on the reporting date. The ticker code used by the NYSE for the mandatory convertible bonds is AUPRA. The accounting policy of the Company is to recognize interest expense separately from the fair value adjustments in the income statement. Interest is recognized at a quarterly coupon rate of 6 percent per annum. Fair value adjustments are included in Non-hedge derivative loss and movement on bonds in the income statement refer to Note G.
The contractual principal amount of the mandatory convertible bonds is $789 million, provided the calculated share price of the Company is within the range of $43.50 to $54.375. If the calculated share price is below $43.50, the Company will recognize a gain on the principal amount and above $54.375 a loss. As at March 31, 2011, the actual share price was $47.95.
The mandatory convertible bonds were issued by AngloGold Ashanti Holdings Finance plc, a finance company wholly-owned by AngloGold Ashanti Limited. AngloGold Ashanti Limited has fully and unconditionally guaranteed the mandatory subordinated convertible bonds issued by AngloGold Ashanti Holdings Finance plc. There are no significant restrictions on the ability of AngloGold Ashanti Limited to obtain funds from its subsidiaries by dividend or loan.
The mandatory convertible bonds are summarized as follows:

	At March 31, 2011	**At December 31, 2010**
	(unaudited)	
	(In US Dollars, millions)	
Mandatory convertible bonds		
Long-term debt at fair value	847	872
Accrued interest included in short-term debt at fair value	2	2

	849	874

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

Prepared in accordance with US GAAP

Note F. (Profit)/loss on sale of assets, realization of loans, indirect taxes and other

	Three months ended March 31,	
	2011	**2010**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Indirect tax expenses and legal claims [1]	5	6
Impairment of other receivables	1	4
Loss on disposal of land, equipment and assets in South Africa, Continental Africa, Australasia and the Americas	2	1
Mining contractor termination costs		1
Royalties received [2]	(8)	
Profit on disposal of the Company s subsidiary ISS International Limited [3]	(2)	
	(2)	12
Taxation (expense)/benefit on above items		

(1) Indirect taxes and legal claims are in respect of:

Ghana	5	
Tanzania		2
Guinea		
		4

(2) Royalties received are mainly from Newmont Mining Corporation (2009 sale of Boddington Gold mine) and Simmers & Jack Mines Limited (2010 sale of Tau Lekoa Gold mine).

(3) ISS International Limited (ISSI) was classified as held for sale effective November 3, 2010, after AngloGold Ashanti entered into a memorandum of understanding with the Institute of Mine Seismology for the disposal of ISSI. The sale was concluded on February 28, 2011.

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
Prepared in accordance with US GAAP
Note G. Non-hedge derivative gain and movement on bonds

	Three months ended March 31,	
	2011	**2010**
	(unaudited)	(unaudited)
	(in US dollars, millions)	
Non-hedge derivative gain		
Gain on non-hedge derivatives	17	61

The net gain recorded in the three months ended March 31, 2011 relates to the fair value movements of the conversion features of convertible bonds and the warrants on shares.
During the latter part of 2010, the Company eliminated its gold hedge book. The final phase of the hedge restructuring was funded with proceeds from the equity offering and the three-year mandatory convertible bonds issued in September 2010, as well as cash from internal sources and debt facilities.
As a result of the accelerated cash settlement of the normal purchase and sale exempted (NPSE) contracts during July 2009, the FASB ASC guidance on derivatives and hedging necessitated a review of the continuing designation of, and accounting treatment for, the remaining NPSE contracts that were not part of the accelerated settlement. Management concluded, in accordance with the provisions of the FASB ASC guidance, to re-designate all remaining NPSE contracts as non-hedge derivatives and to account for such contracts at fair value on the balance sheet with changes in fair value accounted for in the income statement.
The effect of the NPSE re-designation in July 2009 and subsequent accounting for these contracts is stated below.

	At March 31, 2011	**At December 31, 2010**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Liability at beginning of period		556
Fair value movements (recorded in non-hedge derivative loss)		131
Realized settlements		(687)
Liability at end of period		

Movement on bonds

	At March 31, 2011	**At March 31, 2010**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Fair value gain on mandatory convertible bonds	24	

Fair value movements on the mandatory convertible bonds relate to the ex interest NYSE closing price as further discussed in Note E.

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

Prepared in accordance with US GAAP

Note H. Taxation

The net taxation expense in the three months ended March 31, 2011 compared to a net expense for the same period in 2010, constitutes the following:

	Three months ended March 31,	
	2011	**2010**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Charge for current taxation	55	60
Charge for deferred taxation [1]	69	16
	124	76
Income from continuing operations before income tax and equity income in associates [2]	358	232

[1] The higher deferred taxation in 2011 mainly relates to the reversal of deferred taxation assets arising from the utilization of tax losses in South Africa.

[2] The higher tax charge for the three months ended March 31, 2011 is mainly due to higher earnings and the reversal of deferred taxation assets.

Uncertain taxes

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	(in US Dollars, millions)
Balance at January 1, 2011	52
Additions for tax positions identified in prior years	1
Translation	(1)
Balance as at March 31, 2011 [1]	52

[1] Unrecognized tax benefits which, if recognized, would affect the Company s effective tax rate.

	(in US Dollars, millions)
The Company s continuing practice is to recognize interest and penalties related to unrecognized tax benefits as part of its income tax expense. For the three months ended and as at March 31, 2011, interest recognized and interest accrued amounted to:	
Interest recognized during the three months ended March 31, 2011	
Interest accrued as at March 31, 2011	8

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

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Note I. Segment information

The Company produces gold as its primary product and does not have distinct divisional segments in terms of principal business activity, but manages its business on the basis of different geographic segments. This information is consistent with the information used by the Company s Chief Operating Decision Maker, defined as the Executive Management team, in evaluating operating performance of, and making resource allocation decisions among, operations.

	Three months ended March 31,	
	2011	**2010**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Revenues by area		
South Africa	564	380
Continental Africa	543	402
Australasia	98	113
Americas	305	233
Other, including Corporate and Non-gold producing subsidiaries	5	3
	1,515	1,131
Less: Equity method investments included above	(80)	(89)
Plus: Loss on realized non-hedge derivatives included above		69
Total revenues	1,435	1,111
Segment income/(loss)		
South Africa	197	91
Continental Africa	157	80
Australasia	8	33
Americas	146	120
Other, including Corporate and Non-gold producing subsidiaries	(54)	(45)
Total segment income	454	279

The following are included in segment income/(loss):

Interest revenue		
South Africa	4	5
Continental Africa	1	1
Australasia	2	
Americas	1	2
Other, including Corporate and Non-gold producing subsidiaries		1

Total interest revenue	8	9
Interest expense		
South Africa	2	1
Continental Africa		2
Americas		1
Other, including Corporate and Non-gold producing subsidiaries	42	24
Total interest expense	44	28

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

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Note I. Segment information (continued)

	Three months ended March 31,	
	2011	**2010**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Equity income/(loss) in associates		
South Africa		(1)
Continental Africa	15	26
Other, including Corporate and Non-gold producing subsidiaries	(6)	
Total equity income in associates	9	25
Reconciliation of segment income to Net income attributable to AngloGold Ashanti		
Segment total	454	279
Exploration costs	(57)	(40)
General and administrative expenses	(68)	(40)
Market development costs	(3)	(3)
Non-hedge derivative gain and movement on bonds	41	61
Taxation expense	(124)	(76)
Noncontrolling interests	(6)	(12)
Net income attributable to AngloGold Ashanti	237	169

	At March 31, 2011	At December 31, 2010
	(unaudited)	
	(in US Dollars, millions)	
Segment assets		
South Africa [1]	3,242	3,370
Continental Africa	4,067	4,093
Australasia	565	534
Americas	2,225	2,170
Other, including Corporate and Non-gold producing subsidiaries	284	221
Total segment assets	10,383	10,388

(1) Includes the following which have been classified as assets held for sale:

Rand Refinery Limited	2	1
ISS International Limited		15

ISS International Limited was classified as held for sale in 2010. The sale was concluded effective February 28, 2011.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

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Note J. Income per share data

	Three months ended March 31, 2011 (unaudited)	2010 (unaudited)
The following table sets forth the computation of basic and diluted income per share (in US dollars millions, except per share data):		
Ordinary shares undistributed income	193	134
E Ordinary shares undistributed income	1	
Total undistributed income	194	134
Ordinary shares distributed income	43	35
E Ordinary shares distributed income		
Total distributed income	43	35
Numerator Net income		
Attributable to Ordinary shares	236	169
Attributable to E Ordinary shares	1	
Total attributable to AngloGold Ashanti	237	169

	Three months ended March 31, 2011 (unaudited)	2010 (unaudited)
Denominator for basic income per ordinary share		
Ordinary shares	381,272,542	362,295,477
Fully vested options(1)	1,587,017	1,186,849
Weighted average number of ordinary shares	382,859,559	363,482,326
Effect of dilutive potential ordinary shares		
Dilutive potential of stock incentive options	834,453	733,901
Dilutive potential of convertible bonds(2)		
Dilutive potential of E Ordinary shares		
Denominator for diluted income per share adjusted weighted average number of ordinary shares and assumed conversions	383,694,012	364,216,227

Weighted average number of E Ordinary shares used in calculation of basic and diluted income per E Ordinary share	2,782,784	3,734,382

(1) Compensation awards are included in the calculation of basic income per common share from when the necessary conditions have been met, and it is virtually certain that shares will be issued as a result of employees exercising their options.

The calculation of diluted income per common share for the three months ended March 31, 2011 and 2010 did not assume the effect of the following number of shares as their effects are anti-dilutive:

ANGLOGOLD ASHANTI LIMITED

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Note K. Accumulated other comprehensive income

Accumulated other comprehensive income, net of related taxation, consists of the following:

	Three months ended March 31, 2011 (unaudited)	2010 (unaudited)
	(in US Dollars, millions)	
Opening balance	(385)	(654)
Translation (loss)/gain	(51)	23
Financial instruments	(2)	18
Total accumulated other comprehensive income	(438)	(613)

Total accumulated other comprehensive income includes the following:

	At March 31, 2011 (unaudited)	At December 31, 2010
	(in US Dollars, millions)	
Net cumulative loss in respect of cash flow hedges, net of tax	(2)	(2)
Total gains in respect of available for sale financial assets, net of tax	88	89
Total losses in respect of available for sale financial assets, net of tax	(1)	

Comprehensive income consists of the following:

	Three months ended March 31, 2011 (unaudited)	2010 (unaudited)
	(in US Dollars, millions)	
Net income	243	181
Translation (loss)/gain	(52)	23
Financial instruments	(2)	18
Total comprehensive income	189	222

	Three months ended March 31, 2011 (unaudited)	2010 (unaudited)
	(in US Dollars, millions)	
Total comprehensive income attributable to:		

AngloGold Ashanti	184	210
Noncontrolling interests	5	12
	189	222

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

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Note L. Employee benefit plans

The Company has made provision for pension and provident schemes covering substantially all employees.

	Three months ended March 31,			
	2011		**2010**	
	(unaudited)		(unaudited)	
	(in US Dollars, millions)			
	Pension benefits	**Other benefits**	**Pension benefits**	**Other benefits**
Service cost	2		2	1
Interest cost	5	4	4	3
Expected return on plan assets	(7)		(6)	
Net periodic benefit cost		4		4

Employer contributions

	(in US Dollars, millions)
Expected contribution for 2011 [1]	7
Actual contribution for the three months ended March 31, 2011	2

[1] The Company s expected contribution to its pension plan in 2011 as disclosed in the Company s Form 20-F for the year ended December 31, 2010.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
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Note M. Other long-term assets

	At March 31, 2011 (unaudited)	At December 31, 2010
	(in US Dollars, millions)	
Investments in associates unlisted	7	7
Investments in associates listed	3	3
Investments in equity accounted joint ventures	616	601
Carrying value of equity method investments	626	611
Investment in marketable equity securities available for sale	124	124
Investment in marketable debt securities held to maturity	12	13
Investment in non-marketable assets held to maturity	2	2
Cost method investment	9	9
Investment in non-marketable debt securities held to maturity	101	89
Restricted cash	19	33
Other non-current assets	191	192
	1,084	1,073

Investment in marketable equity securities available for sale
Available for sale investments in marketable equity securities consists of investments in ordinary shares.

Cost	37	35
Gross unrealized gains	88	89
Gross unrealized losses	(1)	
Fair value (net carrying value)	124	124

The Company holds various equities as strategic investments in gold exploration companies. Four of the strategic investments are in an unrealized loss position and the Company has the intent and ability to hold these investments until the losses are recovered.
The following tables present the gross unrealized losses and fair value of the Company s investments with unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by length of time that the individual securities have been in a continuous unrealized loss position:

	Less than 12 months	More than 12 months	Total

	(in US Dollars, millions)	
At March 31, 2011		
Aggregate fair value of investments with unrealized losses	7	7
Aggregate unrealized losses	(1)	(1)
At December 31, 2010		
Aggregate fair value of investments with unrealized losses	4	4
Aggregate unrealized losses		

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ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

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Note M. Other long-term assets (continued)

	At March 31, 2011 (unaudited)	At December 31, 2010
	(in US Dollars, millions)	
Investment in marketable debt securities held to maturity	12	13
Investments in marketable debt securities represent held to maturity government bonds held by the Environmental Rehabilitation Trust Fund with a total fair value of \$14 million (2010: \$14 million) and gross unrealized gains of \$2 million (2010: \$1 million).		
Investment in non-marketable assets held to maturity	2	2
Investments in non-marketable assets represent secured loans and receivables secured by pledge of assets.		
Cost method investment	9	9
The cost method investment mainly represent shares held in XDM Resources Limited. [1]		
Investment in non-marketable debt securities held to maturity	101	89
Investments in non-marketable debt securities represent the held to maturity fixed-term deposits required by legislation for the Environmental Rehabilitation Trust Fund and Nufcor Uranium Trust Fund.		
As at March 31, 2011 the contractual maturities of debt securities were as follows:		
Marketable debt securities		
Up to three years	1	
Three to seven years	11	
	12	
Non-marketable debt securities		
Less than one year	101	
Restricted cash	19	33
Restricted cash represent cash balances held by Environmental Rehabilitation Trust Fund and Environmental Protection Bond.		

Financing receivables

Loans of $12 million (2010: $8 million) are included in other non-current assets. There are no allowances for credit losses relating to these loans. Credit quality of loans is monitored on an ongoing basis.

(1) The fair value is not estimated as there are no identified events or changes in circumstances that may have a significant adverse effect on the fair value of the investment and it is not practicable to estimate the fair value of the investment.

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

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Note N. Financial and derivative instruments

In the normal course of its operations, the Company is exposed to gold and other commodity price, currency, interest rate, equity price, liquidity and non-performance risk, which includes credit risk. The Company is also exposed to certain by-product commodity price risk. In order to manage these risks, the Company may enter into transactions which make use of derivatives. The Company has developed a risk management process to facilitate, control and monitor these risks. The board has approved and monitors this risk management process, inclusive of documented treasury policies, counterpart limits, controlling and reporting structures. The Company does not acquire, hold or issue derivatives for speculative purposes.

Contracts that meet the criteria for hedge accounting are designated as the hedging instruments hedging the variability of forecasted cash flows from the sale of production into the spot market and from capital expenditure denominated in a foreign currency and are classified as cash flow hedges under the FASB ASC guidance on derivatives and hedging. Cash flows related to these instruments designated as qualifying hedges are reflected in the consolidated statement of cash flows in the same category as the cash flow from the items being hedged. Accordingly, cash flows relating to the settlement of forward sale commodity derivatives contracts hedging the forecasted sale of production into the spot market as well as the forward sale currency derivative contracts hedging the forecasted capital expenditure, have been reflected upon settlement as a component of operating cash flows. The ineffective portion of cash flow hedges recognized in loss on non-hedge derivatives in the income statement during the three months ended March 31, 2011 was $nil million. As at March 31, 2011, the Company does not have any open cash flow hedge contracts relating to product sales or forecasted capital expenditure. Cash flow hedge losses pertaining to capital expenditure of $3 million as at March 31, 2011 are expected to be reclassified from accumulated other comprehensive income and recognized as an adjustment to depreciation expense until 2017.

A gain on non-hedge derivatives of $17 million was recorded in the three months ended March 31, 2011 (2010: $61 million). See note G Non-hedge derivative gain and movement on bonds for additional information.

Gold price management activities

Gold price risk arises from the risk of an adverse effect of current or future earnings resulting from fluctuations in the price of gold. The Company historically utilized derivatives as part of its hedging of the risk. In order to provide financial exposure to the rising spot price of gold and the potential for enhanced cash-flow generation the Company completed its final tranche of the hedge buy-back program during 2010 and settled all forward gold and foreign exchange contracts that had been used by the Company in the past to manage those risks. At March 31, 2011, there were no net forward sales contracts, net call options sold and net put options sold.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

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Note N. Financial and derivative instruments (continued)

Foreign exchange price risk protection agreements

The Company, from time to time, may enter into currency forward exchange and currency option contracts to hedge certain anticipated transactions denominated in foreign currencies. The objective of the Company s foreign currency hedging activities is to protect the Company from the risk that the eventual cash flows resulting from transactions denominated in US dollars will be adversely affected by changes in exchange rates.

As at March 31, 2011, the Company had no open forward exchange or currency option contracts in its currency hedge position.

Interest and liquidity risk

Fluctuations in interest rates impacts interest paid and received on the short-term cash investments and financing activities, giving rise to interest rate risk.

In the ordinary course of business, the Company receives cash from the proceeds of its gold sales and is required to fund working capital requirements. This cash is managed to ensure surplus funds are invested in a manner to achieve market related returns while minimizing risks.

The Company is able to actively source financing at competitive rates. The counterparts are financial and banking institutions and their credit ratings are regularly monitored by the Company.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

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Note N. Financial and derivative instruments (continued)

Non-performance risk

Realization of contracts is dependent upon counterparts performance. The Company has not obtained collateral or other security to support the financial instruments subject to non-performance risk, but the credit standing of counterparts was monitored on regular basis throughout the period. The Company spreads it business over a number of financial and banking institutions to minimize the risk of potential non-performance risk. Furthermore, the approval process of counterparts and the limits applied to each counterpart were monitored by the board of directors. Where possible, ISDA netting agreements were put into place by management.

The combined maximum credit risk exposure at March 31, 2011 amounts to $3 million. Credit risk exposure netted by open derivative positions with counterparts was $nil million as at March 31, 2011. No set-off is applied to balance sheet amounts due to the different maturity profiles of assets and liabilities.

The combined maximum credit risk exposure of the Company as at March 31, 2011 is as follows.

	At March 31, 2011 (unaudited) (In US Dollars, millions)
Warrants on shares	3
	3

The fair value of derivative assets and liabilities reflects non-performance risk relating to the counterparts and the Company, respectively, as at March 31, 2011.

Fair value of financial instruments

The estimated fair values of financial instruments are determined at discrete points in time based on relevant market information. The estimated fair values of the Company s financial instruments, as measured at March 31, 2011 and December 31, 2010, are as follows (assets (liabilities)):

	March 31, 2011 (unaudited)		**December 31, 2010**	
	(in US Dollars, millions)			
	Carrying amount	**Fair Value**	**Carrying amount**	**Fair Value**
Cash and cash equivalents	619	619	575	575
Restricted cash	37	37	43	43
Short-term debt	(44)	(44)	(133)	(133)
Short-term debt at fair value	(2)	(2)	(2)	(2)
Long-term debt	(1,684)	(1,939)	(1,730)	(2,059)
Long-term debt at fair value	(847)	(847)	(872)	(872)
Derivatives	(159)	(159)	(175)	(175)
Marketable equity securities available for sale	124	124	124	124

Marketable debt securities held to maturity	12	14	13	14
Non-marketable assets held to maturity	2	2	2	2
Non-marketable debt securities held to maturity	101	101	89	89

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
Prepared in accordance with US GAAP
Note N. Financial and derivative instruments (continued)
The following methods and assumptions were used to estimate the fair value of each class of financial instrument:
Cash restricted for use, cash and cash equivalents and short-term debt
The carrying amounts approximate fair value because of the short-term duration of these instruments.
Long-term debt
The mandatory convertible bonds are carried at fair value. The fair value of the convertible and rated bonds are shown at their quoted market value. Other long-term debt re-prices on a short-term floating rate basis, and accordingly the carrying amount approximates to fair value.
Derivatives
The fair value of volatility-based instruments (i.e. options) are estimated based on market prices, volatilities, credit risk and interest rates for the periods under review.
Investments
Marketable equity securities classified as available-for-sale are carried at fair value. Marketable debt securities classified as held to maturity are measured at amortized cost. Non-marketable assets classified as held to maturity are measured at amortized cost. The fair value of marketable debt securities and non-marketable assets has been calculated using market interest rates. Investments in non-marketable debt securities classified as held to maturity are measured at amortized cost. The cost method investment is carried at cost. There is no active market for the investment and the fair value cannot be reliably measured.
Fair value of the derivative assets/(liabilities) split by accounting designation

		At March 31, 2011 (unaudited) (in US Dollars, millions)	
Assets	**Balance Sheet location**	**Non-hedge accounted**	**Total**
Warrants on shares	Current assets derivatives	3	3
Total derivatives		3	3

		At March 31, 2011 (unaudited) (in US Dollars, millions)	
Liabilities	**Balance Sheet location**	**Non-hedge accounted**	**Total**
Option component of convertible bonds		(162)	(162)

	Non-current liabilities derivatives		
Total derivatives		(162)	(162)

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ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
Prepared in accordance with US GAAP
Note N. Financial and derivative instruments (continued)
Fair value of the derivative assets/(liabilities) split by accounting designation

	At December 31, 2010 (unaudited) (in US Dollars, millions)		
Assets	**Balance Sheet location**	**Non-hedge accounted**	**Total**
Warrants on shares	Current assets derivatives	1	1
Total derivatives		1	1

	At December 31, 2010 (unaudited) (in US Dollars, millions)		
Liabilities	**Balance Sheet location**	**Non-hedge accounted**	**Total**
Option component of convertible bonds	Non-current liabilities derivatives	(176)	(176)
Total derivatives		(176)	(176)

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
Prepared in accordance with US GAAP
Note N. Financial and derivative instruments (continued)
Non-hedge derivative gain/(loss) and movement on bonds recognized

		Three months ended March 31,	
		2011	**2010**
		(unaudited)	(unaudited)
	Location of gain/(loss) in income	(in US Dollars, millions)	
Realized			
Forward sales type agreements commodity	Non-hedge derivative gain/(loss) and movement on bonds		9
Option contracts commodity	Non-hedge derivative gain/(loss) and movement on bonds		(78)
Forward sales agreements currency	Non-hedge derivative gain/(loss) and movement on bonds		(1)
Option contracts currency	Non-hedge derivative gain/(loss) and movement on bonds		1
			(69)
Unrealized			
Forward sales type agreements commodity	Non-hedge derivative gain/(loss) and movement on bonds		(90)
Option contracts commodity	Non-hedge derivative gain/(loss) and movement on bonds		175
Option component of convertible bonds	Non-hedge derivative gain/(loss) and movement on bonds	14	48
Warrants on shares	Non-hedge derivative gain/(loss) and movement on bonds	3	(3)
Fair value movement on mandatory convertible bonds	Non-hedge derivative gain/(loss) and movement on bonds	24	
		41	130
Non-hedge derivative gain and movement on bonds		41	61

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

Prepared in accordance with US GAAP

Note N. Financial and derivative instruments (continued)

Other comprehensive income

Three months ended March 31, 2011
(unaudited)
(in US Dollars, millions)

	Cash flow hedges, before taxation	**Cash flow hedges removed from equity, before taxation**		**Hedge ineffectiveness, before taxation**	
	Gain/(loss) recognized in accumulated other comprehensive income (effective portion)	**Location of (gain)/loss reclassified from accumulated other comprehensive income into income (effective portion)**	**Amount of (gain)/loss reclassified from accumulated other comprehensive income into income (effective portion)**	**Location of (gain)/loss recognized in income (ineffective portion)**	**Amount of (gain)/loss recognized in income (ineffective portion)**
Forward sales agreements commodity		Product sales		Non-hedge derivatives gain/(loss) and movement on bonds	

Other comprehensive income

Three months ended March 31, 2010
(unaudited)
(in US Dollars, millions)

	Cash flow hedges, before taxation	**Cash flow hedges removed from equity, before taxation**		**Hedge ineffectiveness, before taxation**
	Gain/(loss)	**Location of (gain)/loss reclassified from**	**Amount of (gain)/loss**	**Location of (gain)/loss**

	recognized in accumulated other comprehensive income (effective portion)	accumulated other comprehensive income into income (effective portion)	reclassified from accumulated other comprehensive income into income (effective portion)	recognized in income (ineffective portion)	Amount of (gain)/loss recognized in income (ineffective portion)
Forward sales type agreements commodity		Product sales	37	Non-hedge derivatives gain/(loss) and movement on bonds	
			37		

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
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Note N. Financial and derivative instruments (continued)
Other comprehensive income

	Accumulated other comprehensive income as of January 1, 2011 $	Changes in fair value and other movements recognised in 2011 $	Reclassification adjustments $	Accumulated other comprehensive income as of March 31, 2011 $
Derivatives designated as Capital expenditure	(3)			(3)
Before tax totals	(3)			(3)
After tax totals	(2)			(2)

	Accumulated other comprehensive income as of January 1, 2010 $	Changes in fair value and other movements recognised in 2010 $	Reclassification adjustments $	Accumulated other comprehensive income as of March 31, 2011 $
Derivatives designated as Gold sales	(52)	15	37	
Capital expenditure	(3)			(3)
Before tax totals	(55)	15	37	(3)
After tax totals	(22)	(4)	24	(2)

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2011
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Note O. Commitments and contingencies
Capital expenditure commitments:

	At March 31, 2011 (unaudited) (in US Dollars, millions)
Contracts for capital expenditure	