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26 August 2008

Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington DC 20549-1090  
United States of America

File Number: S7-15-08

Dear Sirs

COMMENTS ON PROPOSAL – MODERNIZATION OF THE OIL AND GAS REPORTING REQUIREMENTS

I am writing in response to the Securities and Exchange Commission's proposed amendments to the modernization of the oil and gas reporting requirements.

Although AngloGold Ashanti is not involved in the oil and gas industry and thus has no reporting requirements applicable to this proposed amendment, we support the intention of the Securities and Exchange Commission to modernize the reporting requirements relating to oil and gas as this would continue to align current industry practice and therefore provide useful information to the markets and investors.

AngloGold Ashanti would support any move by the Securities and Exchange Commission to extend this modernization of reporting requirements on this segment of extractive industries to other segments of extractive industries, particularly minerals. We believe that the current disclosure rules applicable for the minerals segment of extractive industries has also ceased to be in alignment with industry practice and this currently provides limited usefulness to the market and investors.

We would recommend that by expanding the categories of resources that may be disclosed in Commission filings by mining entities to include resources other than proved and probable reserves would be advantageous to the market and investors.

A large number of extractive industry participants subject to Securities and Exchange Commission rules also have listings in other jurisdictions where such information is made available. Accordingly, a US investor has to search through other jurisdictions or via other sources in order to obtain similar information that is made available to non-US investors and, accordingly, we believe the US investor would appear to be unfairly prejudiced.

Directors: RP Edey (British) (Chairman) \ Dr TJ Motlatsi (Deputy Chairman) \ M Cutifani (Australian) (Chief Executive Officer) \ FB Arisman (American)  
RE Bannerman (Ghanaian) \ JH Mensah (Ghanaian) \ WA Nairn \ Prof WL Nkuhlu \ SM Pityana \ S Venkatakrishnan (British)  
Company Secretary: L Eatwell



In any expansion of the disclosable categories AngloGold Ashanti would support the revised disclosure rules being modeled on the CRIRSCO – International Reporting Template for the Public Reporting of Exploration Results, Mineral Resources and Minerals Reserves. This template is based, and agreed with, the:

- I. Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code).
- II. Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves Definitions and Guidelines.
- III. South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code).
- IV. Code for Reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves (Europe).
- V. Society for Mining, Metallurgy and Explorations – A Guide for Reporting Exploration Information, Mineral Resources and Mineral Reserves (United States of America).
- VI. The Mineral Resources Committee of the Institution of Mining Engineers of Chile: Code for the Certification of Exploration Prospects, Minerals Resources and Reserves.

We note that the SEC is supporting a move towards a harmonized set of global accounting standards and note that in March 2008 the International Accounting Standards Board identified that although differences exist between the Society of Petroleum Engineers, Oil and Gas Reserves Committee and CRIRSCO these are fundamentally the result of historical factors and accordingly were satisfied that the codes developed under oil and gas and the codes developed under CRIRSCO could be used as a basis for accounting determinations. Further, at the same March meeting the joint committee of CRIRSCO, the Society for Petroleum Engineers and the International Accounting Standards Extractive Activities Working Group reported a mapping of petroleum and mineral reserves and resource classification systems effectively showing that it is possible to use both systems as a basis for accounting determinations.

Thus, if a harmonized set of global accounting standards will be based on CRIRSCO there would be a need to disclose the equivalent geological data to provide full information to the market and investors. Expanding this disclosure in advance of the harmonization project would be advantageous to investors and the market as it is information that is already generally publicly available, although not in filings with the SEC.

The proposed rule also requests information on pricing. The current position in the mining segment of extractive industries appears to be a use of a three year trailing average in reserve determination. In the current environment cost pressures, supported by higher mineral prices, are absorbed in the income statement. In order to estimate future reserves the use of a three year trailing average results in reserves becoming uneconomic, using this mathematical model, whereas management still has full intention of accessing the ore and producing the related mineral given current prices and current costs. In order to alleviate this apparent mathematical reduction in reserves for reporting purposes, AngloGold Ashanti would support moving to a 12 month average price.



Using data for 2005, 2006 and 2007 the table below shows the effect of the three year average,

	Average annual Spot Price	Three year average Reserve Price	Percentage Difference
2005	\$445	\$400	11.25%
2006	\$604	\$486	24.28%
2007	\$697	\$600	16.17%

The three year average thus appears to have a material effect on the reserve pricing and thus is likely to have the effect of reporting a lower reserves position.

In the event of declining minerals prices, the twelve month average price would also provide investors with an earlier warning of reduced economic feasibility when compared to a three year trailing average price.

The three year average price also impacts the ability of management to raise the necessary capital to develop mineral properties. In our view, by "mathematically understating" the potential of the property through the use of a three year trailing average price, management is unable and restricted in its ability to show potential investors the full economic potential of the property. This restriction therefore further affects US investors as they are not able to participate with the same knowledge that a non-US investor given the different disclosable information cross jurisdictional.

In conclusion, AngloGold Ashanti would support the Securities and Exchange Commission extending the modernization of reporting requirements to other segments of the extractive industries in order to enable investors to gain a more comprehensive understanding of the potential mineral value in both a proven and probable reserve as well as a measured, indicated and inferred resource and thus enable US investors to be able to compete fairly with non-US investors who have access to different information.

Yours faithfully

S. VENKATAKRISHNAN  
CHIEF FINANCIAL OFFICER