

ANGLOGOLD ASHANTI LTD

Form 6-K

June 29, 2009

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 June 29, 2009

Commission File Number 1-14846

AngloGold Ashanti Limited

(Translation of registrant's name into English)

76 Jeppe Street

Newtown, 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

Enclosure: Press release ASHANTI DISTRIBUTES CIRCULAR TO SHAREHOLDER
CONVENING A GENERAL MEETING TO BE HELD ON JULY 30, 2009

Date of issue: 29 June 2009

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions commencing on page 6 of this circular have been used on this front cover.

If you are in any doubt as to the action that you should take, please consult your stockbroker, CSDP, banker, legal adviser, accountant or other

professional adviser immediately. If you have disposed of all your shares in AngloGold Ashanti, please forward this circular, together with the

attached form of proxy, to the stockbroker, CSDP, banker or agent through whom you disposed of such shares.

RECOMMENDED ACTION

1.

Certificated shareholders or dematerialised “own name” shareholders (those shareholders whose shareholding is recorded in their own

name in the sub-register maintained by their CSDP or broker) who are unable to attend the general meeting to be held at 10:00 (South

African time) on Thursday, 30 July 2009, at The Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa, the Corporate Office

of AngloGold Ashanti, and wish to be represented thereat, must complete and return the attached form of proxy in accordance with the

instructions contained therein, so as to reach the share registrars, Computershare Investor Services (Pty) Limited, Ground Floor,

70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107) South Africa or Computershare Investor Services PLC,

PO Box 82, The Pavilions, Bridgwater Road, Bristol BS99 7NH, England, or Computershare Investor Services Pty Limited, Level 2,

45 St George’s Terrace, Perth, WA 6000 (GPO Box D182 Perth, WA 6840), Australia, or NTHC Limited, Martco House, Off Kwame

Nkrumah Avenue, PO Box K1A 9563 Airport, Accra, Ghana, by no later than 10:00 (South African time) on Tuesday, 28 July 2009.

2.

Dematerialised shareholders (other than dematerialised “own name” shareholders) must provide their CSDP or broker with their voting

instructions or request their CSDP or broker to provide them with the necessary Letter of Representation to attend the general meeting

in person in terms of the custody agreement entered into between the dematerialised shareholder and the CSDP or broker.

All of the convertible bonds were issued and sold to investors on 22 May 2009. This circular is being distributed to shareholders solely for the purposes described under the caption “Purpose of this circular” on page 8 and does not

constitute an offer to sell or the solicitation of an offer to buy the convertible bonds in any jurisdiction. The convertible bonds

have not been registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or

sold in the United States or to U.S. persons (other than distributors) unless the convertible bonds are registered under the

Securities Act, or an exemption from the registration requirements of the Securities Act is available.

ANGLOGOLD ASHANTI LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1944/017354/06)

ISIN: ZAE000043485

JSE share code: ANG

CIRCULAR TO SHAREHOLDERS

regarding

–the granting to and approval of a specific authority for AngloGold Ashanti directors to allot and issue up to a maximum of 15,384,615 ordinary shares of R0.25 each in the share capital of AngloGold Ashanti underlying the AngloGold Ashanti ADSs issuable upon the conversion of the US\$732,500,000 3.50 percent Convertible Bonds due 22 May, 2014 issued by AngloGold Ashanti Holdings Finance plc, a wholly-owned subsidiary of AngloGold Ashanti.

and incorporating

– a notice of general meeting of shareholders; and

–a form of proxy (for use by certificated shareholders and dematerialised shareholders with “own name” registration); **or**

–a CDI voting instruction form (for use by Australian holders of Chess Depositary Interests); **or**

–a GhDS voting instruction form (for use by holders of Ghanaian Depositary Shares).

JSE Sponsor

South African Legal Advisers

Reporting Accountants

and Auditors

UBS

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Form of proxy (for use by certificated shareholders and dematerialised shareholders with "own name" registration); **or**

Attached

CDI voting instruction form (for use by Australian holders of Chess Depository Interests); **or**

Attached

GhDS voting instruction form (for use by holders of Ghanaian Depositary Shares)

Attached

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SALIENT DATES AND TIMES

Last day for lodging forms of proxy for the general meeting

(by 10:00 South African time) on

Tuesday, 28 July 2009

General meeting to be held at 10:00 South African time

at The Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa, on

Thursday, 30 July 2009

Results of the general meeting

– released on SENS and other stock exchanges' news services on

Thursday, 30 July 2009

– published in the South African press on

Friday, 31 July 2009

Shareholders are reminded that shares in companies listed on the JSE can no longer be bought or sold on that exchange unless they have been dematerialised onto the Strate system. It is therefore suggested that certificated shareholders on AngloGold Ashanti's South African share register should consider dematerialising their shares and replacing them with electronic records of ownership. In this regard shareholders may contact either their own broker or a preferred CSDP, details of which are available from Strate at queries@strate.co.za or telephone +27 11 759 5300 or fax +27 11 759 5505.

The dates and times in this circular are subject to change and any changes will be announced in the South African press and through SENS and other stock exchanges' news services. All times in this circular are South African local times unless otherwise stated.

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CERTAIN FORWARD-LOOKING STATEMENTS

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 5 May 2009 and amended on 6 May 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.

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CORPORATE INFORMATION

Registration No. 1944/017354/06

Incorporated in the Republic of South Africa

SHARE CODES

ISIN:

ZAE000043485

JSE:

ANG

LSE:

AGD

NYSE:

AU

ASX:

AGG

GhSE (Shares):

AGA

GhSE (GhDS):

AAD

Euronext Paris:

VA

Euronext Brussels:

ANG

JSE Sponsor:

UBS

REPORTING ACCOUNTANTS AND AUDITORS

Ernst & Young Inc

Wanderers Office Park

52 Corlett Drive

Illovo, Johannesburg, 2196

(Private Bag X14, Northlands, 2116)

South Africa

Telephone: +27 11 772 3000

Fax: +27 11 772 4000

Offices:

Registered and Corporate

76 Jeppe Street

Newtown 2001

(PO Box 62117, Marshalltown 2107)

South Africa

Telephone: +27 11 637 6000

Fax: +27 11 637 6624

Australia

Level 13, St Martins Tower

44 St George's Terrace

Perth, WA 6000

(PO Box Z5046, Perth WA 6831)

Australia

Telephone: +61 8 9425 4602

Fax: +61 8 9425 4662

Ghana

Gold House
Patrice Lumumba Road
(PO Box 2665)

Accra

Ghana

Telephone: +233 21 772190

Fax: +233 21 778155

United Kingdom Secretaries

St James's Corporate Services Limited

6 St James's Place

London SW1A 1NP

England

Telephone: +44 20 7499 3916

Fax: +44 20 7491 1989

E-mail: jane.kirton@corpserv.co.uk

DIRECTORS AND OFFICERS

Executive

M Cutifani ~ (Chief Executive Officer)

S Venkatakrishnan * (Executive Director: Finance)

Non-Executive

R P Edey * (Chairman)

Dr T J Motlatsi (Deputy Chairman)

F B Arisman #

W A Nairn

Prof L W Nkuhlu

S M Pityana

* British # American ~ Australian

Officers

Company Secretary: Ms L Eatwell

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INVESTOR RELATIONS CONTACTS

South Africa

Sicelo Ntuli

Telephone: +27 11 637 6339

Fax: +27 11 637 6400

E-mail: sntuli@AngloGoldAshanti.com

United States

Stewart Bailey

Telephone: +1 646 717-3978

E-mail: sbailey@AngloGoldAshanti.com
shanti.

LEGAL ADVISORS

South Africa

Taback and Associates (Proprietary) Limited

13 Eton Road,

Parktown, Johannesburg, 2193

(PO Box 3334, Houghton, 2014)

South Africa

Telephone: +27 11 358 7700

Fax: +27 11 358 7800

United States of America and United Kingdom

Shearman & Sterling LLP

Broadgate West, 9 Appold Street,

London EC2A 2AP

England

Telephone: +44 20 7655 5000

Fax: +44 20 7655 5500

GENERAL

General E-mail enquiries

investors@AngloGoldAshanti.com

AngloGold Ashanti website

<http://www.AngloGoldAshanti.com>

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

SHARE REGISTRARS

South Africa

Computershare Investor Services (Pty) Limited

Ground Floor, 70 Marshall Street

Johannesburg 2001

(PO Box 61051, Marshalltown 2107)

South Africa

Telephone: 0861 100 950 (in SA)

Fax: +27 11 688 5218

web.queries@computershare.co.za

United Kingdom

Computershare Investor Services PLC

The Pavilions

Bridgwater Road

Bristol BS99 7NH

England

Telephone: +44 870 702 0000

Fax: +44 870 703 6119

Australia

Computershare Investor Services Pty Limited

Level 2, 45 St George's Terrace

Perth, WA 6000

(GPO Box D182 Perth, WA 6840)

Australia

Telephone: +61 8 9323 2000

Telephone: 1300 55 2949 (in Australia)

Fax: +61 8 9323 2033

Ghana

NTHC Limited

Martco House

Off Kwame Nkrumah Avenue

PO Box K1A 9563 Airport

Accra

Ghana

Telephone: +233 21 229664

Fax: +233 21 229975

ADR Depository

The Bank of New York Mellon ("BoNY")

BNY Shareowner Services

PO Box 358016

Pittsburgh, PA 15252-8016

United States of America

Telephone: +1 800 522 6645 (Toll free in USA) or

+1 201 680 6578 (outside USA)

E-mail: shrrelations@mellon.com

Website: www.bnymellon.com/shareowner

Global BuyDIRECT

SM

BoNY maintains a direct share purchase and

dividend reinvestment plan for A

NGLO

G

OLD

A

SHANTI

.

Telephone: +1-888-BNY-ADRS

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LETTER FROM THE CHAIRMAN

Dear Shareholder

On 26 February 2009, AngloGold Ashanti's wholly-owned subsidiary, AngloGold Ashanti Holdings plc, redeemed a US\$1 billion convertible bond issued in February 2004 using the proceeds of a term loan from Standard Chartered Bank which was put in place in November 2008 for that purpose. Given the extremely difficult financial market conditions prevailing at that time, the directors deemed it prudent to establish this bridging term loan as a means of ensuring the AngloGold Ashanti Group's ability to redeem the convertible bond on its maturity date while it sought medium to longer term solutions to its capital requirements.

At the annual general meeting of shareholders held on 15 May 2009, shareholders approved an ordinary resolution granting the directors the authority to issue convertible bonds, convertible into a maximum of 15,384,615 AngloGold Ashanti ADSs. On 22 May 2009, AngloGold Ashanti's wholly-owned subsidiary, AngloGold Ashanti Holdings Finance plc, issued convertible bonds and raised gross proceeds of \$732.5 million. These convertible bonds, which have a five year maturity and pay a coupon of 3.50 percent are convertible into AngloGold Ashanti ADSs at an initial conversion price of US\$47.6126 per AngloGold Ashanti ADS. These convertible bonds are guaranteed by AngloGold Ashanti.

The net proceeds from the issue of these convertible bonds will be used to refinance the AngloGold Ashanti Group's debt facilities and for general corporate purposes. The Company believes that the issue of these convertible bonds and the proceeds therefrom:

- will allow for a longer maturity profile for a substantial portion of AngloGold Ashanti's debt;
- has allowed AngloGold Ashanti Group to obtain funding at favourable interest rates that are lower than the interest rates under its existing debt facilities thereby reducing its financing costs when the proceeds are applied towards reducing the amounts drawn under the bridging term loan from Standard Chartered Bank;
- has allowed AngloGold Ashanti to access a different credit market, thereby reducing the extent of its reliance on the banking market; and
- will, together with the proceeds from the sale of its interest in AngloGold Ashanti's Boddington project, provide AngloGold Ashanti greater balance sheet flexibility to pursue its business strategy.

The approval of the ordinary resolution to be proposed at the general meeting will grant a specific authority to the directors of AngloGold Ashanti to allot and issue a maximum of 15,384,615 ordinary shares upon conversion of the convertible bonds. A 75% majority of the votes cast by shareholders present or represented by proxy at the general meeting is required for approval of the ordinary resolution to grant the specific authority.

I would therefore ask that you vote in favour of the ordinary resolution detailed in this circular.

Yours sincerely

Russell Edey

Chairman

29 June 2009

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DEFINITIONS

In this circular and the documents attached hereto, unless the context indicates otherwise:

– the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and

vice versa, words importing the masculine include the feminine, and words incorporating persons include juristic persons and associations of persons; and

– all times referred to are South African times unless otherwise stated.

“AngloGold Ashanti” or

AngloGold Ashanti Limited, a company incorporated under the laws of “the Company”

South Africa, registration number 1944/017354/06;

“AngloGold Ashanti ADSs”

the American Depositary Shares of AngloGold Ashanti deposited with The Bank of New York Mellon, as depositary, each of which represents one AngloGold Ashanti ordinary share;

“AngloGold Ashanti CDIs”

AngloGold Ashanti Clearing House Electronic Sub-register System (or CHESS) Depository Interests, five of which represent one AngloGold Ashanti ordinary share;

“AngloGold Ashanti

AngloGold Ashanti Holdings Finance plc, a company incorporated Holdings Finance plc”

under the laws of the Isle of Man with registration number 002740V, a wholly-owned subsidiary of AngloGold Ashanti and the issuer of the convertible bonds;

“AngloGold Ashanti GhDSs”

the Ghanaian Depositary Shares of AngloGold Ashanti, 100 of which represent one AngloGold Ashanti ordinary share;

“AngloGold Ashanti Group”

AngloGold Ashanti and its subsidiary companies from time to time;

“AngloGold Ashanti ordinary shares” ordinary shares of R0.25 in the share capital of AngloGold Ashanti;

“business day”

any day other than a Saturday, Sunday or official public holiday in South Africa;

“certificated shareholders”

holders of certificated shares;

“certificated shares”

AngloGold Ashanti ordinary shares which are evidenced by a certificate or other physical document of title and which have not been surrendered for dematerialisation;

“circular”

this bound document, dated 29 June 2009, including the notice convening the general meeting and a form of proxy for use at the general meeting;

“Companies Act”

the South African Companies Act, 1973, as amended;

“convertible bonds”

the US\$732.5 million 3.50 percent guaranteed convertible bonds due 22 May 2014, issued on 22 May 2009 by AngloGold Ashanti Holdings Finance plc and unconditionally and irrevocably guaranteed by

AngloGold Ashanti;

“CSDP”

Central Securities Depository Participant;

“custody agreement”

the custody mandate agreement between the dematerialised shareholder and a CSDP or broker covering their relationship in respect of dematerialised shares held by the CSDP or broker;

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“dematerialised” or
the process by which certificated shares are or are to be converted
“dematerialisation” or
into electronic form under Strate for trading on the JSE;
“dematerialising”
“dematerialised shares”
AngloGold Ashanti ordinary shares which have been dematerialised;
“directors”
the directors of AngloGold Ashanti;
“general meeting”
the general meeting of shareholders to be held at 10:00 South African
time on Thursday, 30 July 2009, in The Auditorium, 76 Jeppe Street,
Newtown, Johannesburg, South Africa;
“JSE”
the JSE Limited, a company incorporated under the laws of south
Africa, registration number 2005/022939/06, licensed as an exchange
under the South African Securities Services Act 2004;
“Listings Requirements”
the Listings Requirements of the JSE;
“NYSE”
the New York Stock Exchange;
“R”
South African rand, the official currency of South Africa;
“SENS”
the Securities Exchange News Service of the JSE;
“SGX”
Singapore Stock Exchange Securities Trading Limited;
“shareholders”
registered holders of AngloGold Ashanti ordinary shares as reflected
on the AngloGold Ashanti register and the sub-register maintained by
a CSDP or broker;
“share registrars”
the share registrars of AngloGold Ashanti being:
– Computershare Investor Services (Pty) Limited in South Africa,
– Computershare Investor Services PLC in the United Kingdom,
– Computershare Investor Services Pty Limited in Australia, and
– NTHC Limited in Ghana;
“South Africa”
the Republic of South Africa;
“specific authority”
the placing of 15,384,615 AngloGold Ashanti ordinary shares under
the control of the directors as a specific authority and approval in
terms of the ordinary resolution to be considered at the general
meeting to allot and issue a maximum of 15,384,615 AngloGold
Ashanti ordinary shares at a price per share equal to the Rand
equivalent of US\$47.6126 (provided that such price will be subject to
adjustment on the occurrence of certain events as mentioned in
paragraph 3 under the sub-heading “Conversion price”) for the
purpose of the conversion of the convertible bonds
“Strate”

Strate Limited, a company incorporated under the laws of South Africa, registration number 1998/022242/06, an electronic settlement environment for transactions to be settled and transfer of ownership to be recorded electronically; and

“term loan”

the bridging term loan granted by Standard Chartered Bank to AngloGold Ashanti in November 2008;

“US\$” and “US cents”

dollars and cents, the official currency of the United States of America.

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1.

PURPOSE OF THIS CIRCULAR

At the annual general meeting of AngloGold Ashanti held on 15 May 2009, shareholders, by a 97.05 percent majority, approved an ordinary resolution granting authority:

- to the directors to issue, upon such terms and conditions as the directors in their discretion may deem fit, such number of bonds which may be converted into a maximum, in aggregate, of 15,384,615 AngloGold Ashanti ordinary shares; and
- to procure the issue by a wholly-owned subsidiary of AngloGold Ashanti, upon such terms and conditions as the directors in their discretion may deem fit, such number of bonds, guaranteed by AngloGold Ashanti and which may be converted into a maximum, in the aggregate, of 15,384,615 AngloGold Ashanti ordinary shares.

Pursuant to this authority, AngloGold Ashanti Holdings Finance plc issued the convertible bonds on 22 May 2009. The convertible bonds were listed on the SGX with effect from 09:00 (Singapore time) on Monday, 25 May 2009. The salient features of the convertible bonds are set out in paragraph 3.

The purpose of this circular and the notice of general meeting which forms part of this circular is to furnish information to shareholders, and to convene a general meeting at which shareholders will be asked to grant a specific authority and approval for the directors to allot and issue a maximum of 15,384,615 AngloGold Ashanti ordinary shares underlying the AngloGold Ashanti ADS issuable upon conversion of the convertible bonds. In terms of the Listings Requirements the ordinary resolution granting such authority and approval must be passed by a majority of 75 percent of shareholders present or represented and entitled to vote at the general meeting.

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.

2.

USE OF PROCEEDS AND RATIONALE FOR THE ISSUE OF THE CONVERTIBLE BONDS

2.1

Use of proceeds

The net proceeds of the offering of the convertible bonds is to be used by the AngloGold Ashanti Group to refinance its debt facilities and for general corporate purposes.

2.2

Rationale for the issue of the convertible bonds

AngloGold Ashanti believes that the issuance of the convertible bonds and the proceeds therefrom:

- will allow for a longer maturity profile for a substantial portion of AngloGold Ashanti's debt;
- has allowed AngloGold Ashanti Group to obtain funding at favourable interest rates that are lower than the interest rates under its existing debt facilities thereby reducing its cash financing costs when the proceeds are applied towards reducing the amounts drawn under the bridging term loan from Standard Chartered Bank. ;
- has allowed AngloGold Ashanti to access a different credit market, thereby reducing the extent of its reliance on the banking market; and
- will, together with the proceeds from the sale of its interest in AngloGold Ashanti's Boddington project, provide AngloGold Ashanti greater balance sheet flexibility to pursue its business strategy.

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2.3

Expenses of the issue

Expense

Payable to

R (excluding VAT)

JSE – documentation

JSE

10,000

Printing, publication, distribution
and advertising

Various printers world-wide

700,000

Legal Fees

Tabacks and Shearman & Sterling

250,000

Reporting Accountants

Ernst & Young

300,000

Transfer secretaries

Computershare – branches in South Africa,
Australia and the United Kingdom and

NTHC

180,000

1,440,000

3.

SALIENT FEATURES OF THE CONVERTIBLE BONDS

The salient features of the convertible bonds are as follows:

- **Issue size of convertible bonds:** US\$732,500,000 3.50 percent convertible bonds due 22 May 2014 and convertible into a maximum of 15,384,615 AngloGold Ashanti ADSs (subject to the approval of the specific authority).
- **Issuer:** AngloGold Ashanti Holdings Finance plc.
- **Guarantor:** AngloGold Ashanti.
- **Interest:** The convertible bonds bear interest at a rate of 3.50 percent per annum. Interest is payable, in equal instalments, semi-annually in arrear on 22 May and 22 November in each year, commencing 22 November 2009.
- **Conversion:** 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. However, the issuer has the option, in certain circumstances, to redeem the convertible bonds for cash, or to redeem the 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 and cash. The discount at which the AngloGold Ashanti ordinary shares will be issued to the then prevailing share price is currently unknown ;
- **Conversion price:** 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 such as, but not limited to:
 - an alteration to the nominal value of the AngloGold Ashanti ordinary shares as a result of consolidation or subdivision thereof;
 - AngloGold Ashanti issuing any AngloGold Ashanti ordinary shares to shareholders by way of a

capitalisation of profits or reserves;

- AngloGold Ashanti making a capital distribution to shareholders in excess of certain threshold amounts; and
- AngloGold Ashanti issuing AngloGold Ashanti ordinary shares to shareholders by way of rights, options, warrants or other rights.

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- **Conversion period:** The conversion period will commence on the later of:
 - 2 July 2009; and
 - the earlier of:
 - 22 November 2009; and
 - the date on which the specific authority is granted.
- **Final maturity date:** 22 May 2014.
- **Final redemption:** Unless previously purchased and cancelled, redeemed or converted, the convertible bonds will be redeemed on the final maturity date, at their principal amount.

4.

DESCRIPTION OF BUSINESS

AngloGold Ashanti is a global gold company with a diversified portfolio of assets in many key gold producing regions. As at 31 December 2008, AngloGold Ashanti had gold reserves of 74.9 million ounces. For the year ended 31 December 2008, AngloGold Ashanti had consolidated gold revenues of US\$3,619 million (which excludes revenues from by-products and interest earned), gold production of 4.98 million ounces and total cash costs of US\$444 per ounce.

AngloGold Ashanti (formerly “AngloGold Limited”) was formed following the consolidation of the gold interests of Anglo American plc into a single company in 1998. At that time, its production and reserves were primarily located in South Africa (97 percent of 1997 production and 99 percent of reserves as at 31 December 1997) and one of its objectives was to achieve greater geographic and ore body diversity. Through a combination of mergers, acquisitions, disposal initiatives and organic growth, and through the operations in which AngloGold Ashanti has an interest, AngloGold Ashanti has developed a high quality, well diversified asset portfolio, including:

- production from 21 operations in ten countries: Argentina, Australia, Brazil, Ghana, Guinea, Mali, Namibia, South Africa, Tanzania and the United States of America;
- production and reserves for the year ended 31 December 2008 of 58 percent and 55 percent, respectively, from operations outside South Africa; and
- production from a broad variety of ore body types as well as a variety of open-pit (42 percent), underground (55 percent) and surface and dump reclamation (3 percent) operations.

AngloGold Ashanti was incorporated in South Africa in 1944 under the name of Vaal Reefs Exploration and Mining Company Limited and in South Africa it is subject to the Companies Act. Paragraph 2 of AngloGold Ashanti’s memorandum of association provides that its main business is to carry on gold exploration, the mining and production of gold, the manufacturing, marketing and selling of gold products and the development of markets for gold. On 26 April 2004, AngloGold Ashanti acquired the entire issued share capital of Ashanti Limited of Ghana and changed its name to AngloGold Ashanti Limited.

As detailed in the report to shareholders for the quarter ended 31 March 2009, the company remains on track to meet its production guidance for the year of between 4.9Moz to 5.0Moz. The annual total cash cost guidance was \$435/oz to \$450/oz and this was based on R9.75/\$, A\$/0.68, BRL2.25/\$ and Argentinean peso 3.65/\$. However, with the strengthening of local currencies and in particular the South African rand, total cash costs are likely to be in the range of \$450/oz to \$460/oz at R9.25/\$ and \$460/oz to \$475/oz at R8.50/\$. Capital expenditure excluding Boddington remains forecast at \$840m in 2009 and management expects to achieve a discount of 6% to the average spot gold price for the year.

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5.**SHARE CAPITAL**

At the annual general meeting of shareholders held on 15 May 2009, shareholders approved, by special resolution, the increase in the ordinary share capital of AngloGold Ashanti from 400,000,000 AngloGold Ashanti ordinary shares to 600,000,000 AngloGold Ashanti ordinary shares. Taking this increase into account, AngloGold Ashanti's authorised share capital is R152,120,000, consisting of four classes of shares, being the AngloGold Ashanti ordinary shares, E-ordinary shares of R0.25 each, A redeemable preference shares of R0.50 each, which shares have voting rights and B redeemable preference shares of R0.01 each, which shares have voting rights only under certain circumstances.

The authorised and issued share capital of AngloGold Ashanti at 22 June 2009, the latest practicable date prior to the finalisation of this circular is set out below:

Title of class of shares**Nominal value****Authorised****Issued****per share****Number****Amount****Number****Amount**

Ordinary

R0.25

600,000,000

R150,000,000

354,229,963

R88,557,491

E ordinary

(1)

R0.25

4,280,000

R1,070,000

3,879,290

R969,823

A redeemable preference

R0.50

2,000,000

R1,000,000

2,000,000

R1,000,000

B redeemable preference

R0.01

5,000,000

R50,000

778,896

R7,789

(1)

On 11 December 2006, shareholders in general meeting authorised the creation of E ordinary shares to be issued pursuant

to an Employee Share Ownership Plan and a Black Economic Empowerment transaction. All the authorised E-ordinary shares

were issued. On vesting, E ordinary shares are cancelled in exchange for ordinary shares, in accordance with the cancellation formula. All E ordinary shares cancelled may not be re-issued and therefore, do not form part of the authorised

but unissued share capital of the Company. The table above reflects the total number of E ordinary shares in issue. The share premium account at 22 June 2009 was R37,721,766,989.

All of the issued AngloGold Ashanti ordinary shares, E ordinary shares, A redeemable preference shares and B redeemable preference shares are fully paid and are not subject to further calls or assessment by AngloGold Ashanti.

All of the A redeemable preference shares and B redeemable preference shares are held by Eastvaal Gold Holdings Limited, AngloGold Ashanti's wholly-owned subsidiary. AngloGold Ashanti's articles of association provide that the A redeemable preference shares and B redeemable preference shares are not transferable.

AngloGold Ashanti has not purchased any of its shares, and currently has no authority to purchase such shares.

The share price history of the AngloGold Ashanti ordinary shares on the JSE is summarised in Annexure B.

6.
UNAUDITED
PRO FORMA FINANCIAL INFORMATION RELATING TO ANGLOGOLD ASHANTI

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 financial information of AngloGold Ashanti should be read in conjunction with the Notes thereto and the report of Ernst & Young Inc. which is annexed as Annexure A.

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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.

Unaudited

pro forma per AngloGold Ashanti ordinary share information for the year ended 31 December 2008

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

**After
Before the
conversion
convertible
of the
For the year ended and as at 31 December 2008
bonds
convertible**

**%
(per AngloGold Ashanti ordinary share)
issue
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.

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Pro forma consolidated income statement

The

pro forma consolidated income statement for AngloGold Ashanti incorporating the issue and conversion of the convertible bonds is presented below for the year ended 31 December 2008:

AngloGold Adjustments

Adjustments

Ashanti for issue

for

Pro forma

year ended

of

conversion of

year ended

31 December

Convertible

convertible

Note

31 December

US\$ (millions)

2008

Bonds

bonds

Ref

2008

Gold income

3,619

3,619

Cost of sales

(2,728)

(2,728)

Loss on non-hedge derivatives and other commodity contracts

(297)

(297)

Gross profit

594

594

Corporate administration and other expenses

(131)

(131)

Market development costs

(13)

(13)

Exploration costs

(126)

(126)

Other operating expenses

(6)

(6)

Operating special items

(1,538)
(1,538)
Operating loss
(1,220)
(1,220)
Interest received
66
66
Exchange gain
4
4
Fair value adjustment on option component of
convertible bond
25
25
Finance costs and unwinding of obligations
(114)
(72)
94
1.1, 1.2
(92)
Share of equity accounted
investments' loss
(138)
(138)
Loss before taxation
(1,377)
(72)
94
(1,355)
Taxation
197
197
Loss after taxation from continuing operations
(1,180)
(72)
94
(1,158)
Profit from discontinued operations
25
25
Loss for the year
(1,155)
(72)
94
(1,133)
Allocated as follows:
Equity shareholders
(1,195)
(72)
94

(1,173)

Minority interests

40

40

(1,155)

(72)

94

(1,133)

Headline loss

Loss attributable to equity shareholders was

adjusted by the following to arrive at headline loss:

– Loss attributable to equity shareholders

(1,195)

(72)

94

(1,173)

– Impairment net of reversals of tangible assets

1,493

1,493

– Impairment of goodwill

109

109

– Impairment of investments

6

6

– Profit on disposal and abandonment of assets

(55)

(55)

– Profit on disposal of investment in associate

(2)

(2)

– Impairment of investment in associate

39

39

– Profit on disposal of assets in associates

(3)

(3)

Taxation on items above

– current portion

1

1

– deferred portion

(395)

(395)

Profit on disposal of discontinued assets

(27)

(27)

Discontinued operations taxation on items above

(1)

(1)

Headline loss

(30)
(72)
94
(8)

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Pro forma consolidated balance sheet

The

pro forma consolidated balance sheet of AngloGold Ashanti incorporating the offering and conversion of the convertible bonds as at 31 December 2008:

AngloGold	Adjustments
Ashanti	Adjustments
for	
Pro forma	
as at	
for issue of	
conversion of	
as at	
31 December	
convertible	
convertible	
Note	
31 December	
US\$ (millions)	
2008	
bonds	
bonds	
Ref	
2008	
ASSETS	
Non-current assets	
Tangible assets	
4,345	
4,345	
Intangible assets	
148	
148	
Investments in associates and equity joint ventures	
298	
298	
Other investments	
66	
66	
Inventories	
287	
287	
Trade and other receivables	
62	
62	
Deferred taxation	
50	
50	
Other non-current assets	
3	
3	
5,259	

5,259

Current assets

Inventories

599

599

Trade and other receivables

220

220

Derivatives

570

570

Cash restricted for use

44

44

Cash and cash equivalents

575

575

2,008

2,008

Non-current assets held for sale

793

793

2,801

2,801

Total assets

8,060

8,060

EQUITY AND LIABILITIES

Ordinary share capital and premium

3,949

733

1.3

4,682

Retained earnings and other reserves

(1,521)

(1,521)

Shareholders' equity

2,428

733

3,161

Minority interest

83

83

2,511

733

3,244

Non-current liabilities

Borrowings

870

(142)

(591)

1.4, 1.5	
137	
Provisions	
545	
545	
Trade, other payables and deferred income	
11	
11	
Derivatives	
25	
1.6	
25	
Deferred taxation	
617	
617	
2,068	
(142)	
(591)	
1,335	
Current liabilities	
Trade and other payables	
524	
524	
Current portion of borrowings	
1,063	
1,063	
Derivatives	
1,737	
142	
(142)	
1,737	
Taxation	
109	
109	
3,433	
3,433	
Non-current liabilities held for sale	
48	
48	
3,481	
142	
(142)	
3,481	
Total liabilities	
5,549	
5,549	
Total equity and liabilities	
8,060	
8,060	

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1.

Convertible bonds adjustments

1.1 Finance costs

Represents the net finance charges (which includes the amortisation of the issue cost of US\$15 million and the notional interest charge) on the convertible bonds, calculated at an all inclusive bond yield of 8.5 percent on US\$732.5 million, less finance cost saved on existing facilities assumed to be repaid with funds from the convertible bonds issue for pre-conversion finance cost.

1.2 Finance costs

Represents the net finance charges (which includes the amortisation of the issue cost of US\$15 million and the notional interest charge) on the convertible bonds, calculated at an all inclusive bond yield of 8.5 percent on US\$732.5 million.

1.3 Shareholders' equity

The conversion adjustment to shareholders equity is the net adjustment for the issuance of the 15,384,615 AngloGold Ashanti ordinary shares at US\$47.6126 per AngloGold Ashanti ADS totalling US\$732.5 million.

1.4 Borrowings

Represents the liability component of the convertible bonds of US\$576 million, net of costs, after the repayment of US\$718 million, being a part of the long-term portion of the drawdown of AngloGold Ashanti's existing syndicated loan facility. The liability component of US\$576 million, net of cost, is calculated at the present value of all the cash flows discounted at the market yield of 8.5 percent, which is the return applicable to similar bonds without the conversion option.

1.5 Borrowings

Represents the liability component of US\$591 million (including US\$15 million amortised issue cost) of the convertible bonds on conversion to AngloGold Ashanti ADSs.

1.6 Derivatives

Represents the option component of the convertible bonds.

7.

DIRECTORS

7.1

Information on directors

Name

Function

Business address

South African if not otherwise indicated below

Russell Philip Edey (66)

Independent non-executive

N M Rothschild & Sons Limited
(British)

Chairman

New Court

St Swithin's Lane

London EC4P 4DU

Dr Thokoana James Motlatsi

Independent non-executive

121 Eloff Street Ext, Selby,
(57)

Deputy chairman

Johannesburg 2001

Mark Cutifani (50)

Executive director:

76 Jeppe Street, Newtown,
(Australian)

Chief Executive Officer

Johannesburg 2001

Frank Bentley Arisman (64)

Independent non-executive

No. 7 St Luke's Place,
(American)

director

New York NY 10014

Srinivasan Venkatakrishnan

Executive Director: Finance

76 Jeppe Street, Newtown
(43)

Johannesburg 2001

(British)

William Alan Nairn (64)

Independent non executive

87 Central Avenue, Athol,
director

Sandton, 2196

Lumkile Wiseman Nkuhlu (64)

Independent non executive

2nd Floor, Summit Place,
director

15 School Road, Morningside,
2196

Sipho Mila Pityana (49)

Independent non-executive

12th Floor, Forum Building,
director

2 Maude Street, Sandton

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7.2

Directors' interests in securities

At 22 June 2009, the last practicable date prior to the finalisation of this circular, the directors had the following direct and indirect beneficial interests in AngloGold Ashanti's ordinary shares, which holdings are unchanged from those published in the 2008 annual report. The Directors, individually or in aggregate, do not hold in excess of 0.1% of the company's issued ordinary share capital.

Beneficial

Direct

Indirect

Executive directors

M Cutifani

10,000

—

S. Venkatakrishnan

5,221

—

Sub-total

15,551

—

Non-executive directors

R P Edey

—

3,063

T J Motlatsi

—

—

F B Arisman

—

4,984

W A Nairn

—

—

L W Nkuhlu

—

800

S M Pityana

—

—

Sub-total

—

8,847

TOTAL

15,551

8,847

7.3

Directors' remuneration

The remuneration receivable by directors will not be varied as a consequence of the issue of shares arising from the conversion of the convertible bonds.

7.4

Directors' interests in transactions

The directors had no material beneficial interests, directly or indirectly in transactions effected by AngloGold Ashanti during the current or the immediately preceding financial year. Furthermore, the directors had no outstanding material beneficial interest, directly or indirectly, in any transaction during an earlier financial year.

8.

LITIGATION STATEMENT

There is no legal or arbitration proceedings in which any member of the AngloGold Ashanti Group is or has been engaged, including any such proceedings which are pending or threatened of which AngloGold Ashanti is aware, which may have, or have had during the 12 months preceding the date of this circular, a material effect on the financial position of the AngloGold Ashanti Group.

9.

DIRECTORS' RESPONSIBILITY

The directors, whose names are given in paragraph 7.1 on page 15 of this circular, collectively and individually, accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts, that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the circular contains all information required by the Listings Requirements.

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10. GENERAL MEETING

Attached to and forming part of this circular is a notice convening a general meeting to be held at 10:00 South African time on Thursday, 30 July 2009 in The Auditorium, 76 Jeppe Street, Newtown, Johannesburg, South Africa, in order to consider and, if deemed fit, pass, with or without modification, an ordinary resolution granting specific authority.

Certificated shareholders and dematerialised “own name” shareholders whose name appears on the sub-register maintained by their CSDP or broker, who are unable to attend the general meeting and wish to be represented thereat, must complete and return the attached form of proxy in accordance with the instructions contained therein, so as to reach the share registrars in South Africa, the United Kingdom, Australia or Ghana by no later than 10:00 on Tuesday, 28 July 2009. The addresses of the share registrars are set out on the cover of this circular.

Dematerialised shareholders (other than dematerialised own name shareholders) must advise their CSDP or broker of their voting instructions should they wish to be represented at the general meeting. If, however, such dematerialised shareholders wish to attend the general meeting in person, they will need to request their CSDP or broker to provide them with the necessary Letter of Representation in terms of the custody agreement.

11. CONSENTS

The legal advisers, auditors and reporting accountants, sponsor, United Kingdom secretaries, share registrars and ADS depository to AngloGold Ashanti have consented in writing to act in the capacity stated and to their reports, if any, and their names being included in this circular and have not withdrawn their consent prior to publication of this circular.

12. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by shareholders from the date of this circular, 29 June 2009, up to and including 30 July 2009, during normal business hours on business days at the undermentioned locations:

- Offering Circular dated 18 May 2009;
- Paying, Transfer and Conversion Agency Agreement dated 22 May 2009;
- Trust Deed dated 22 May 2009;
- Restricted Deposit Agreement dated 22 May 2009;
- Memorandum and articles of association of AngloGold Ashanti;
- Audited financial statements of AngloGold Ashanti for the three financial years ended 31 December 2006, 2007 and 2008;
- Mineral Resource and Ore Reserve Report 2008;
- Independent reporting accountants’ report (Annexure A to this circular);
- Consent letters referred to in paragraph 11; and
- Service agreements for the two executive directors.

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OFFICES

UNITED KINGDOM SECRETARIES

South Africa

Australia

St James's Corporate Services Limited

76 Jeppe Street

Level 13, St Martins Tower

6 St James's Place

Newtown

44 St George's Terrace

London SW1A 1NP

Johannesburg 2001

Perth, WA 6000

England

South Africa

Australia

SHARE REGISTRARS

South Africa

Australia

United Kingdom

Computershare Investor Services

Computershare Investor Services Pty Limited

Computershare Investor Services PLC

(Pty) Limited

Level 2, 45 St George's Terrace

PO Box 82, The Pavilions

Ground Floor, 70 Marshall Street

Perth, WA 6000

Bridgwater Road

Johannesburg 2001