MEDIA RELEASE

ANGLOGOLD ASHANTI UPDATE ON ILLEGAL MINING SITUATION AT OBUASI GOLD MINE

(PRESS RELEASE) – In the interests of safety, AngloGold Ashanti Ghana Limited has withdrawn all employees performing non-essential functions from its Obuasi Gold Mine, following the incursion of hundreds of illegal miners inside the fenced operational areas of the site since 5 February 2016. Employees remaining on site are performing critical tasks including underground pumping and ventilation, water treatment, provision of medical services and maintenance of electrical facilities that provide power and water to employee homes and surrounding communities.

This latest invasion of the site followed the withdrawal of government military protection from the mine on Tuesday, 2 February, after an initial incursion on 30 and 31 January 2016. No reasons for the military’s withdrawal were given and – to AngloGold Ashanti’s knowledge – no other mine sites in Ghana with a military presence have been affected. It is important to point out that Ghana Army has a Memorandum of Understanding (Military MOU) with the Chamber of Mines, on behalf of its members, to provide military personnel for deployment at their mining operations.

AngloGold Ashanti Ghana has noted the conflicting reports about the events at Obuasi mine, including the circumstances leading to the tragic death of AngloGold Ashanti employee John Owusu. John was fatally injured in a car accident as he and colleagues tried to flee after a large group of illegal miners hurled rocks and other projectiles at mine employees, police and security personnel observing their activities. This attack was entirely unprovoked.

AngloGold Ashanti Ghana cannot reasonably be expected to prevent or control a situation such as that at the Obuasi mine. The company has established a significant security system for the mine, including a 21km security fence around the operational area, as well as the deployment of a large security force of almost 400 personnel due to the size and spread of the operation. The company’s security forces do not carry lethal weapons, which is in accordance with Ghanaian law. The company’s security forces also operate under the Voluntary Principles for Security and Human Rights.

The onus for ensuring safety and security of individuals and property in any country, and therefore restoring safety and security to the site, lies with the authorities. AngloGold Ashanti Ghana has made appeals to government representatives for the reinstatement of the previous security arrangements, as without them, the company’s employees and assets have been left vulnerable to attacks from illegal miners who ultimately do not respect other forms of protection.

AngloGold Ashanti Ghana appreciates that the mineral wealth of Ghana is a national asset for the benefit of all Ghanaians. However, the company is the formal holder of permits governing the regulated development of the Obuasi mine. This latest invasion of the site undermines that right provided under the law and jeopardises the safety of employees and the future of this asset.

AngloGold Ashanti committed in 2014 to following due legal process in returning as much as 60% of the Obuasi mining concession area to the Government of Ghana. We are working with the relevant delegated authorities in this regard, and the process is now awaiting completion. Thereafter, the Government will be at liberty to utilise the land as it sees fit.
It is crucial that the Ghanaian government, as well as local and regional authorities, work with AngloGold Ashanti to resolve threats to the viability of the Obuasi gold mine and its ongoing contribution to the Ghanaian economy. The immediate priority should be to ensure safety and security of the mine employees and the mine.

Background/ Notes to Editors
AngloGold Ashanti suspended underground mining operations at the Obuasi Mine at the end of 2014 after incurring heavy (and ultimately unaffordable) financial losses over several years. Employees were paid a severance as mandated by law and in accordance with relevant Collective Agreements and Employment Contracts. Despite a very difficult market for the global mining industry, AngloGold Ashanti continues to invest significant time, skill and financial resources in building the case for the Obuasi Mine's redevelopment into a much needed, long-term contributor to the local, regional and national economies.

Since the suspension of operations, Obuasi has been in a government-approved limited operations phase, whilst AngloGold Ashanti conducts the feasibility study needed to determine whether the mine can be redeveloped into a profitable, productive operation that can once again be a significant employer and contributor to the local, regional and national economies in Ghana.