

APPROVED BY THE BOARD OF DIRECTORS ON 30 JULY 2003 – AMENDMENTS
APPROVED BY THE BOARD OF DIRECTORS ON 27 OCTOBER 2004



ANGLOGOLD ASHANTI

ANGLOGOLD ASHANTI LIMITED
BOARD of DIRECTORS CHARTER
July 2003

1. INTRODUCTION

The charter forms part of the governance practices which are required under the second King "Code of Corporate Practices and Conduct" and "Sarbanes-Oxley Act of 2002". The charter describes some of the key responsibilities assumed by AngloGold Ashanti's directors and does not override any of the directors' powers and responsibilities as laid out in the company's Articles of Association and in other legislative requirements.

2. AUTHORITY OF THE BOARD

The business and affairs of AngloGold Ashanti shall be under the direction of and shall vest with the Board, in terms of the Articles of Association of the company. The Board of Directors is elected by the shareholders and is the ultimate decision making body of AngloGold Ashanti except in respect of matters reserved for shareholders.

3. COMPOSITION OF THE BOARD

AngloGold Ashanti subscribes to a unitary Board structure, comprising of non-executive and executive directors.

The Board will at all times consist of a majority of non-executive directors. The Board is required to affirmatively determine that a director has no "material relationship" with the company and such determinations must be disclosed.

The chairman and deputy chairman of the Board should not be an executive director and should be independent. The definition of independence is to be read in conjunction with the definitions contained within the Sarbanes -Oxley Act, New York Stock Exchange Corporate Accountability and Reporting Standards (proposed) and the King Code (paragraph 2.4.3).

The Board will appoint a managing secretary and/or company secretary to serve the Board.

4. MEMBERSHIP AND APPOINTMENT TO THE BOARD

The role of the directors requires them to maintain high standards of ethics, integrity and values, and represent the interests of all shareholders.

Appointments to the Board shall be dealt with by the Board as a whole and nominations must be submitted by the Nominations Committee for consideration.

In order to qualify as a Board member, a proposed candidate should have adequate strategic, analytical, communication and knowledge competencies. In general, he/she should:

- Have the ability to make informed decisions;
- Be entrepreneurial;
- Be able to appreciate the wider business picture and perspective;
- Have integrity in personal and business dealings;
- Be objective at all times about what is in the best interest of the company; and
- Be able to devote sufficient time to carrying out their duties and responsibilities effectively.

The appointment of directors is subject to approval by shareholders in General Meeting.

The directors have the power to appoint additional directors to the Board as laid out in terms of Article 92 of the Articles of Association upon the recommendation of the Nominations Committee.

Directors will be required to vacate their office of a director should any of the events as detailed in Article 75 of the Articles of Association materialise.

5. SIZE OF THE BOARD

The Board membership shall be large enough to ensure a wide range of skills, knowledge, views and experience to achieve the balance necessary to meet the company's strategic objectives. In terms of the Articles of Association, there is no maximum limit on the number of directors that may be appointed to the Board. In terms of Article 72 of the Articles of

Association the minimum number of directors shall be not less than four until otherwise determined by the company in General Meeting.

The Board shall regularly consider whether its size, diversity and demographics make it effective.

The Board shall regularly consider the number of independent non-executive directors in order to comply with statutory requirements and still remain effective.

6. PERIOD OF OFFICE

Any director appointed to either fill a casual vacancy or as an additional director shall only hold office until the next annual general meeting of the company at which they will retire and become available for re-election. Thereafter all directors shall be subject to retirement by rotation and re-election by shareholders at least every three years. Rotation and resignation of directors is required as detailed in Articles 86, 87, 88, 89, 90 and 102 of the Articles of Association. Termination of service/employment contracts of executive directors shall automatically include their resignation from the Board.

Any non-executive director may accept other Board appointments provided such appointment is not in conflict with the business of the company and shall not detrimentally affect the director's contribution to the AngloGold Ashanti Board. Executive directors may not accept any appointments on boards outside the AngloGold Ashanti Group, without the prior approval from the Board.

7. ROLE AND RESPONSIBILITY OF THE BOARD

The Board accepts that it is ultimately accountable and responsible for the performance and affairs of the company. To this end, the Board will:

- Retain effective control of the company;
- Give strategic direction to the company;
- Review, approve and monitor fundamental financial and business strategies, plans and major corporate actions;
- Appoint the Chief Executive Officer;
- Appoint the Chairman and/or Deputy Chairman;
- Oversee succession for the Chief Executive Officer and other key executive positions;

- Identify and regularly monitor key risk areas and key performance indicators of the business;
- Ensure that the company complies with relevant laws, regulations and codes of business practice;
- Ensure that the company communicates with shareholders and the relevant stakeholders transparently and promptly;
- Identify and monitor relevant non-financial matters;
- Oversee and ensure a formal and transparent process for the appointment to the Board, as well as the orientation of incoming directors;
- Regularly assess the processes and procedures to ensure effectiveness of internal systems of control and accept responsibility for the total process of risk management;
- Assess the performance of the Board, its committees and its individual members on a regular basis; and
- Review and monitor the risk management processes in place (refer to section 12).

8. BOARD PROCEDURES

The conduct of directors shall be consistent with their accountability to the company and responsibility to all stakeholders.

The Board's discussions shall at all times be open and constructive. The chairman shall seek a consensus in the Board but may, where considered necessary, call for a vote in whatever manner the chairman, in his sole discretion, decides. Discussions and records shall remain confidential unless with specific direction from the Board to the contrary. The records are required to be retained by the managing secretary and company secretary.

The agenda shall be exercised through the chairman. The Board has the authority to determine the agenda for meetings. Any director may request the addition of an item on the agenda.

Directors are entitled to have access to all relevant company information and records and to executive officers and senior management. Directors may seek professional advice in fulfilling their responsibilities as long as it is performed according to the approved procedure.

The directors are expected to strictly observe the restrictions relative to the use and confidentiality of company information and records.

At each quarterly directors' meeting, the Board shall consider:

- The minutes of the previous meeting(s) and any matters arising
- A report from the Chief Executive Officer
- An operational report of the company for the past quarter, the results for the financial year to date and the outlook for the remainder of the financial year
- A quarterly capital expenditure report
- Reports from the chairmen of the various Board committees
- Items for confirmation, approval and noting
- Public announcements

At intervals of not more than six months, the Board shall consider and, if appropriate, declare or recommend the payment of dividends.

At intervals of not more than one year, the Board shall:

- Review the company's goals;
- Review the strategies for achieving the company's goals;
- Approve the annual report to shareholders;
- Approve the directors' statutory report and annual financial statements to be published in the annual report;
- Review the Board charter and Terms of Reference of the Board committees;
- Review the company's business principles;
- Review shareholder and client relations;
- Assess the levels of materiality;
- Approve the annual budget for the year ahead; and
- Approve the following year's business plan.

9. COMMITTEES

The Board is authorised to form committees to assist it in the execution of its duties, powers and authorities.

The Board currently has the following standing committees

- Executive Committee
 - Operations Committee
 - Treasury Committee
- Audit and Corporate Governance Committee
- Employment Equity and Development Committee

- Investment Committee
- Market Development Committee
- Remuneration Committee
- Safety, Health and Sustainable Development Committee
- Nominations Committee

Each committee will have formal terms of reference which are approved by the Board and reviewed as and when necessary.

10. MATTERS RESERVED FOR BOARD DECISION

The following matters shall be reserved for decision by the Board, on the basis of any recommendation as may be made from time to time by the committees of the Board, with the relevant approval of the shareholders where required.

Accounting Policies and Practice: adoption of any significant change or departure.

Auditors: remuneration, appointment, removal and replacement of
(effective through the audit and corporate governance committee)

Board of Directors:

- appointments to and removal from
- appointments of Chairman and Deputy Chairman and their Terms of Reference and powers
- approval of nominations of alternate directors
- frequency of Board meetings
- directors' and officers' liability insurance

Borrowing:

- exercise of borrowing powers for all short term, unsecured borrowings in excess of US\$30 million
- all long term, secured borrowings
- the above does not apply to hedging credit lines

Capital Funding: approval of terms and conditions of rights and capital issues or issues of convertible stock including shares or stock issued for acquisitions

Capital Structure: recommend to shareholders any changes to the company's capital structure or its status as a public company

Circulars to Shareholders: approval of and authority for distributing

Committees of Directors: appointment of, Terms of Reference and changes in composition of, pursuant to Article 100 of the Articles of Association

Community Investment: approval and annual budget and special/extraordinary contributions will be addressed by the AngloGold Fund

Directors' Fees: increase of, pursuant to Article 73, recommendation to shareholders

Dividends: see "Financial"

Employee and Director Share Schemes: approval of schemes, rules and amendments to rules, recommendation to shareholders

Employment Equity: approval of recommended policies

Financial:

- approval of annual financial statements (including directors' responsibility statement)
- approval of quarterly reports
- approval of annual budget and business plan
- valuation of unlisted investments
- declaration of dividends
- forfeiture of unclaimed dividends

Industrial Relations: approval of recommended policies

Investments, Mining Assets and Capital Projects:

- commitments, acquisitions or disposals in existing mining regions in excess of US\$100 million;
- first time investments in greenfields mining regions in excess of US\$25 million;
- changes in the scope of projects that exceed 10% of the approved project estimate;
- any other investment, not included above, that exceeds US\$15 million.

Meetings of shareholders: convening of annual general and general

Memorandum and Articles of Association: amendments to, recommendation to shareholders.

Prospectuses, Rights Offer and Corporate Actions: approval of and authority for distributing

Proxy Forms: approval of proxy forms for annual and other general meetings

Public Officer: appointment and removal of

Representation: grant of general signing authorities

Risk Management: approval of risk management strategy

Safety, Health and Sustainable Development: approval of the company's safety, health and sustainable development policy

Secretaries: appointment and removal of

Share Capital:

- recommendation to shareholders of increase, reduction or alteration of share capital, including the issue of share warrants or options
- allotment or issue of shares of the company, with the exception of shares allotted in terms of the Share Incentive Scheme

Shareholders' Resolutions: recommendations to shareholders for approval of any ordinary or special resolutions

Share Register: establishment of branch or duplicate registers in foreign countries

Shares: variation of rights attaching to, where such power is vested in the directors

Standards of Conduct: formulation of a Code of Ethics

Stock Exchange Listings: decision to list the company's shares on stock exchanges anywhere in the world, or to terminate any such listings

Strategy: approval of the company's strategic objectives

11. BOARD'S RELATIONSHIP WITH SHAREHOLDERS

The Board shall familiarise itself with issues of concern to shareholders.

The Board shall evaluate economic, political, social, legal and governance issues on a regular basis, as well as any other relevant external matters that may influence or affect the development of the business or the interests of the shareholders and, if appropriate, obtain independent professional/expert advice in regard to such issues at the company's expense.

The Board subscribes to a policy of open and prompt communication with shareholders and all relevant stakeholders for both its financial and non-financial affairs.

12. MANAGEMENT OF RISKS

The Board accepts responsibility for the total process of risk management in the company.

An effective, ongoing process shall be in place to identify risks, measure their impact and proactively manage these. The Board shall set the risk strategy in discussion with the executive directors, executive officers and senior management. Formal risk assessments shall be undertaken at least annually. The Audit and Corporate Governance Committee shall be responsible to assist the Board in reviewing the risk management process.

13. CORPORATE GOVERNANCE

The Board shall be ultimately responsible for ensuring that an adequate and effective process of corporate governance is established and maintained.

The process shall be consistent with the nature, complexity and risk inherent in the company's activities. The process shall also respond to changes in the company's environment and conditions.

The Board may appoint committees to assist with its responsibilities, as and when required.

The external auditors shall be requested to assess and review the corporate governance process annually.

14. REMUNERATION

The remuneration of the non-executive directors shall be approved by the company in general meeting.

Non-executive directors, other than the chairman and deputy chairman, shall receive:

- a basic fee as ordinary remuneration;
- an additional travel allowance at a rate per meeting, in respect of directors who have to travel internationally to attend Board meetings; and
- fees for chairmanship and membership of Board committees.

The chairman and deputy chairman shall be paid a level of fees appropriate to their office, as well as the additional travel allowance payable to directors.

No additional fees shall be paid to executive directors as directors other than in accordance with their specific service/employment contracts.

15. MEETINGS – FREQUENCY/QUORUM AND BOARD ATTENDANCES

Meetings of the Board shall be held at such times and at such venues as the Board deems appropriate, but it shall meet at least four times a year or at the request of the chairman of the Board. Notice of meetings of the Board will be given to directors as soon as is practicable.

Directors who are unable to attend meetings of the Board shall advise the chairman, or failing him the Chief Executive Officer, at an earlier date and confirm this in writing to the managing secretary or company secretary.

The quorum necessary for the transaction of business of the directors shall be as determined by Article 104 of the Articles of Association.

Directors shall use their best endeavours to attend Board meetings and to prepare thoroughly for such meetings. Directors are expected to participate fully, frankly and constructively in Board discussions and other activities and to contribute the benefit of their particular knowledge, skills and abilities to the Board.

16. PROCEEDINGS AT MEETINGS

Unless varied by this charter, meetings and proceedings of the Board shall be governed by the company's Articles of Association.

Except under exceptional circumstances, an agenda and any supporting papers will be given to directors at least three business days' prior to the holding of a meeting of the Board.

Minutes of meetings shall be taken by the managing secretary and/or company secretary and shall be circulated to all members of the Board.

Non-executive directors will meet separately to discuss issues as required.

17. SHARE DEALINGS BY DIRECTORS

Directors shall observe the provisions of the relevant statutory rules, legislative or regulatory procedures and the company's own policy in regard to the buying or selling of shares, warrants and other derivative instruments of the company. Specific reference is made in this respect to the requirement of disclosure of share dealings to the JSE

Securities Exchange South Africa, the prohibition on any share dealings in closed periods and the provisions of the South African Insider Trading Act.

Directors shall submit written notification of the intent to trade in the company's shares at least 24 hours prior to the transaction taking place.

18. BOARD EVALUATIONS

An induction programme, aimed at understanding the company, its business and the environment and market in which the company operates, shall be conducted for all newly appointed directors depending on their experience.

Directors shall receive essential Board and company information.

Directors shall keep themselves abreast of changes and trends in the company's business and its environment and markets.

Directors shall also keep abreast of changes and trends in the economic, political, social and legal climate in general.

A formal evaluation process of individual Board members should be conducted annually, towards the end of the financial year, through the nominations committee or similar Board committee, and an assessment of the functioning of the Board should be undertaken by the Board as a whole, annually [or less frequently, if the composition of the Board is stable].

19. DECLARATION OF INTERESTS

Directors shall at all times observe the legal requirements in respect of the declaration of interests and do everything reasonably possible to avoid a conflict of interest in the execution of their duties and responsibilities to the company.

As detailed within Article 79 and 81 of the Articles of Association, any possible conflict of interest shall at all times be declared as soon as a director becomes aware of the conflict and the director concerned shall not participate in a discussion, or vote, on the subject matter.

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20. PROFESSIONAL OR BUSINESS SERVICES PROVIDED BY DIRECTORS

Non-executive directors should, as a general rule, not provide any professional business services of an ongoing nature to the company.

The company may, for the purpose of a special assignment, engage the services of a non-executive director with a specific field of expertise.

The terms of the engagement must be competitive, clearly defined and recorded and all legal requirements with regard to disclosure must be complied with.

21. ATTENDANCE AT ANNUAL GENERAL MEETINGS

Chairmen of the Board Committees, or their representatives, are required to attend the annual general meetings of the company to answer any questions raised by shareholders.

22. PERSONAL LOANS OR EXTENSION OF CREDIT

The company will not make any personal loans or extend credit to directors or executive officers.

23. GENERAL

The Board, in carrying on its duties under this charter, may obtain relevant external expert advice or other independent professional advice as it considers necessary to carry out its duties. A formal process must be followed. The managing secretary must be approached on commencement of such deliberations.

This charter may be amended by the Board, as and when necessary.