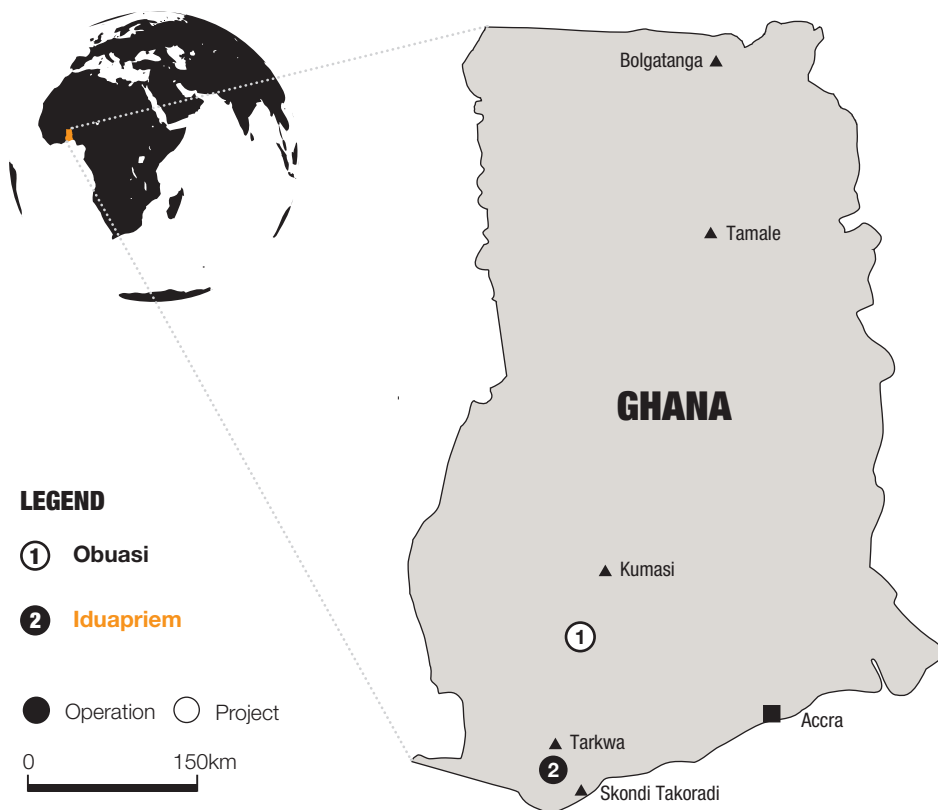


# IDUAPRIEM

GHANA



Iduapriem, an open-pit mine comprising the Iduapriem and Teberebie properties and the Ajopa South West concession, is located in the western region of Ghana.

Iduapriem, a 137m<sup>2</sup> concession which now includes Ajopa South West, is located in the western region of Ghana, some 70km north of the coastal city of Takoradi and about 10km south-west of the Tarkwa mine. Iduapriem is an open-pit mine with two circuits each comprising two-stage milling – a gravity circuit and a carbon-in-leach (CIL) plant. The gravity circuit recovers about 30% of the gold and the remainder is recovered by the 418ktpm capacity CIL plant.

## FEATURES OF THE YEAR

### RECORD

production in 2019 on improved recovered grades

### DECLINE

in costs of over 8% in AISC, year-on-year

### SAFETY

performance improves 34% in injuries

### WASTE

stripping on track

### 6.17Moz

inclusive Mineral Resource as at 31 December 2019

# PERFORMANCE 2019

## Operating performance

### Production

Gold production at Iduapriem was 8% higher at a record 275,000oz compared to 254,000oz in 2018, primarily a result of a 14% improvement in plant feed. The grade improvement was driven by better grade control and access to Cut 1 area in the Teberebie pit where stripping commenced in 2017. Production was impacted by a 5% year-on-year decline in tonnage throughput due to lower plant availability owing to an unstable power supply from the national grid in the first half of the year and mill downtime in the last quarter of the year to repair a cracked trunnion journal on Sag Mill 2. The power supply challenge has since been resolved by changing over to Volta River Authority and Ghana Grid Company.

## Operating performance

### Costs

The drive for continuous cost improvements through the Operational Excellence programme is well entrenched across all sites and disciplines in the region. The focus remains on delivering systemic and sustainable operational improvements in the management of the region's stay-in-business projects.

Cost savings at Iduapriem were achieved from reagent optimisation.

### Growth and improvement

At Iduapriem waste stripping for Teberebie Cut 1 was completed and ore was mined from Teberebie Cut 1, Cut 3, Ajopa and Block 3. Stripping in Cut 2 is expected to start during the first half of 2020 to deliver ore in 2021 when Cut 1 ore is depleted. Brownfields drilling continued at the Ajopa pit and open pit mining has been extended to Cut 3 to supplement ore from the larger Teberebie pit. Major brownfield exploration drilling continued at Blocks 7 and 8, Ajopa and Block 1 to improve the mine's future ounce profile and potentially extend the life of mine.

The prefeasibility studies for the new tailings storage facility and return water dam (RWD) sites were completed. Related feasibility study is planned to be completed in 2020. Construction sites were identified and land access compensation and engagement with the relevant government authorities began for the permitting of the new facilities. In the second half of 2019 the mine undertook a feasibility study to consider treatment options to discharge excess water efficiently on the current greenfield tailings storage facility, the completion of which is expected in 2020.

## Sustainability performance

### Safety

During the year, the Continental Africa region recorded zero fatalities, extending the four-year fatality-free period, with the last fatal injury having been recorded in October 2015.

Notwithstanding the reported increase in injury rates in the Continental Africa region, several commendable safety achievements were recorded, including a 34% improvement in injury rates at Iduapriem.

## Health

Protection, promotion and optimisation of health and wellbeing among our employees and communities remain key priorities for the organisation.

In 2019 we continued with constant monitoring and control of workplace exposures to dust, noise and lead, which are important occupational health risks.

Non-occupational lifestyle and community health risks such as malaria, which is endemic our African operations, also present challenges to business productivity and continuity.

In Ghana, malaria control activities continued in collaboration with the Ghana Department of Health as well as The Global Fund. The programme covers 16 districts with indoor residual spraying and its supporting activities.

All malaria affected operations in the African continent continued to roll out malaria control programmes that extend beyond employees to surrounding communities. These programmes use various methods spanning from community based indoor residual spraying to distribution of insecticide treated bed-nets to community members. To this end, the Johns Hopkins University Centre for Communication Programs (JHU-CCP) presented Iduapriem with an award in recognition of their dedication to and support of the Private Sector Malaria Prevention Project.

As reported in 2018, we started a remote formal training programme, to address an acute shortage of local occupational hygiene capacity in our Africa operations. This programme was designed to develop professional occupational hygiene specialists, with minimal staffing disruptions, while reducing over-reliance on expatriates.

## Employee and labour relations

AngloGold Ashanti maintained good and stable labour relations during the year with its employees. Employees have a right to freedom of association and to collective bargaining. This is central to effective labour relations at all operations, where the country's regulations allow. In 2019, we continued to have good engagements with employees at all levels.

At Iduapriem, salary adjustment framework agreed with the Ghana Mineworkers Union (GMWU) in mid-2018, was successfully applied for 2019 wage/salary adjustment for bargaining unit employees. The review of the collective agreements could not commence in 2019 as anticipated; these are expected to commence in the first half of 2020 after the conclusion of the GMWU national elections. The industrial relations climate had been very calm with no adverse labour incidences recorded during the year under review.

## Community development

Work within communities continued in the region. Each operation has a forward-looking community engagement strategy that identifies potential areas of concern for the respective communities. We have local economic development programmes, which are

# PERFORMANCE 2019 CONTINUED

developed and run in partnership with local governments and host communities. These programmes are aimed at contributing towards economic growth, income-generating opportunities, creation of employment, and nurturing sustainable livelihoods beyond the life of mine.

Thirty-four farmers from Teberobie have been supported to cultivate vegetables as a business on 6 hectares of land with plans to scale up to cover 15 hectares and increase production by year 2020. Market opportunities have been identified and the farmers linked accordingly. The project has constructed an irrigation system that will ensure all year production and marketing of assorted vegetables. The objective of this project is to contribute to employment and income generation in Teberobie. The project is currently selling different kinds of vegetables to Teberobie community and surrounding communities and a plan is in place to scale up the project, participants and markets to grow the projects sustainability.

Other projects at Iduapriem included contributing over \$165,000 to the funding of the construction of new classroom blocks for the New Techiman, Abompuniso and Adieyie Basic Schools.

Investment of \$86,226 was spent on the establishment of a piggery project for 20 beneficiaries in host communities.

Women at New Tokunaso were trained in soap and detergent making. They successfully produced their first consignment of soap independent of the trainer within the reporting period.

## Environment

Iduapriem has two environmental permitting processes underway: the new tailings storage facility and the related return water dam. The permit processes are on schedule and the related final submissions to the government are planned to be made in the third quarter of 2020.

Iduapriem has been certified in terms of the new ISO 14001:2015 Environmental Management System. The first surveillance audit was successfully completed in 2019.

## Security and human rights

No human rights violations were recorded, and no incidents were reported during the year. However, proactive management of ASM, illegal mining and general criminality remains a focal point for the security discipline in the region. Our ongoing commitment to the respect for human rights is evidenced by our participation in the UN Forum for Business and Human Rights, the Voluntary Principles on Security and Human Rights (VPSHR) initiative and the United Nations Global Compact (UNGC). As a member of the International Council on Mining and Metals (ICMM), AngloGold Ashanti actively participates in various working groups and initiatives designed to promote human rights. The VPSHR remains the key driver of our security management practices. For more information, see Continental Africa in the *Regional reviews* section in the [<IR>](#).



# PERFORMANCE 2019 CONTINUED

## Key statistics

Iduapriem	Units	2019	2018	2017
<b>Operating performance</b>				
Cut-off grade <sup>(1)</sup>	oz/t	0.025	0.025	0.024
	g/t	0.85	0.85	0.82
Average recovered grade	g/t	1.67	1.47	1.40
Tonnes treated/milled	Mt	5.1	5.3	5.1
Gold production	000oz	275	254	228
Total cash costs	\$/oz	815	804	823
All-in sustaining costs	\$/oz	890	977	1,033
Capital expenditure	\$m	16	43	51
Productivity	oz/TEC	19.04	19.43	18.34
<b>Safety performance</b>				
No. of fatalities		0	0	0
All injury frequency rate (AIFR)	per million hours worked	0.50	0.75	0.39
<b>People</b>				
Total average no. of employees		1,801	1,733	1,598
– Permanent		626	622	628
– Contractors		1,175	1,111	970
<b>Environmental performance</b>				
Water use	ML	80	1,636	2,137
Water use efficiency	kL/t	0.02	0.31	0.42
Energy consumption	PJ	1.41	1.58	1.46
Energy intensity	GJ/t	0.28	0.30	0.29
Greenhouse gas (GHG) emissions	000t	121	132	124
GHG emissions intensity	t CO <sub>2</sub> e/t	24	25	25
Cyanide use	t	1,420	1,590	1,440
No. of reportable environmental incidents		0	0	0
Total rehabilitation liabilities	\$m	46	43	44
<b>Social performance</b>				
Community investment	\$000	484	198	415
Payments to government <sup>(2)</sup>	\$m	86	48	38

<sup>(1)</sup> Based on the Ore Reserve.

<sup>(2)</sup> Total payments made to the Ghanaian government on behalf of all AngloGold Ashanti operations in Ghana.