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# AngloGold Ashanti ends South African operations



The USD 300 million sale of its last domestic mining projects to Harmony Gold has brought to an end AngloGold Ashanti's long history in South African mining, as it focuses on Ghana and regions outside of Africa.

AngloGold Ashanti has ceased mining in South Africa, selling the last of its local operations to fellow Johannesburg-headquartered mining corporation **Harmony Gold** in a deal worth approximately USD 300 million (ZAR 4.6 billion).

AngloGold said the deal would allow it to streamline its business and focus on mining elsewhere in Africa and around the world.

The value of the deal, which consists of USD 200 million in cash with the rest coming in deferred payments, may rise depending on the future development of the sites.

AngloGold chief executive **Kelvin Dushnisky** said in a statement: "From the beginning of the process an objective has been to sell our SA assets to a strong, capable and responsible operator that will ensure their long-term sustainability; we believe that this transaction achieves that."

"This sale helps deliver on our commitment to sharpen our management focus and capital allocation on the highest return investment options available to us," he explained.

AngloGold said that, beginning in May 2019, it had reviewed its South African operations, led by the Mponeng mine, a business named **Mine Waste Solutions** and a surface rock dump business, finding that the Mponeng mine in particular required funding that could be spent on other operations with higher returns.

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Harmony chief executive **Peter Steenkamp** stated: “Over the past two years, Harmony has added over 500 000 quality gold ounces per annum through the acquisition of Moab Khotsong and now Mponeng and Mine Waste Solutions. The acquisition has the potential to improve our overall recovered grade and increasing our cash flow margins.”

AngloGold will still be responsible for its obligations to retired employees and will have an interest in a refinery business.

Aside from the Mponeng mine, Mine Waste Solutions, some associated businesses and rock dump activities, the sale includes the Tau Tona and Savuka mines, businesses which were responsible for ZAR 8 billion in revenues, and ZAR 331 million in profits, during 2019.

Gemstone mining company Gemfields Group, which is listed on the **Johannesburg Stock Exchange**, [recently added a listing](#) on the **London Stock Exchange**’s Alternative Investment Market.

