ANGLOGOLD ASHANTI LTD
Form 6-K
September 30, 2005

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 September 30, 2005

This Report on Form 6-K shall be incorporated by reference in our Registration Statement on Form F-3 as amended (File No. 333-101891) and our Registration Statement on Form F-3 (File No. 333-114857) as amended to the extent not superseded by documents or reports subsequently filed by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, in each case as amended

AngloGold Ashanti Limited
(Name of Registrant)

11 Diagonal Street
Johannesburg, 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:

Enclosures:
Unaudited condensed consolidated financial statements as of June 30, 2005 and December 31, 2004 and for each of the six month periods ended June 30, 2005 and 2004, prepared in accordance with U.S. GAAP, and related management's discussion and analysis of financial condition and results of operations.

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ANGLOGOLD ASHANTI LIMITED
CONDENSED CONSOLIDATED INCOME STATEMENT
Prepared in accordance with US GAAP
Six months ended June 30,
2005
(unaudited)
2004
(unaudited)
(As restated)
(1)
(in US Dollars, millions, except for share data)
Sales and other income
1,263
902
Product sales
1,241
880
Interest, dividends and other
22
22
Cost and expenses
1,222
900
Production costs
790
545
Exploration costs
22
20
Related party transactions
21
17
General and administrative
37
24
Royalties
20
8
Market development costs
7
7
Depreciation, depletion and amortization
282
182
Impairment of assets (see note F)
7
1
Interest expense
39
32

Accretion expense
1
3
Employment severance costs
7
5
Profit on sale of assets (see note G)
-
(4)
Non-hedge derivative (gains)/loss
(11)
60
Income before income tax provision
41
2
Deferred income and mining tax benefit
15
15
Minority interest
(11) (9)
Equity income in affiliates
19
13
Income from continuing operations
64
21
Discontinued operations (see note H)
(33)
(8)
Income before cumulative effect of accounting change
31
13
Cumulative effect of accounting change (see note I)
(22)
-
Net income – applicable to common stockholders
9
13
Basic earnings per common share : (cents)
From continuing operations
24
9
Discontinued operations
(12) (4)
Before cumulative effect of accounting change
12
5
Cumulative effect of accounting change
(8) -
Net income – applicable to common stockholders
4

5
Diluted earnings per common share : (cents)
From continuing operations
24
9
Discontinued operations
(12) (4)
Before cumulative effect of accounting change
12
5
Cumulative effect of accounting change
(8) -
Net income – applicable to common stockholders
4
5
Weighted average number of common shares used in computation
264,522,557
238,129,583
Dividend per common share (cents)
30
50
(1)
See note A.

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ANGLOGOLD ASHANTI LIMITED
CONDENSED CONSOLIDATED BALANCE SHEET
Prepared in accordance with US GAAP
At June 30,
2005
(unaudited)
At December 31,
2004
(in US Dollars, millions)
Assets
Current assets
1,270
1,415
Cash and cash equivalents
259
299
Receivables
699
743
Trade
54
30
Derivatives
457
491
Value added taxes
34
29
Other
154
193
Inventories (see note B)
278
268
Materials on the leach pad (see note B)
34
105
Property, plant and equipment, net (see note C)
4,732
4,992
Acquired properties, net
1,514
1,654
Goodwill and other intangibles, net
583
591
Derivatives
60
187
Materials on the leach pad (see note B)

109
22
Other long-term assets (see note E)
533
516
Assets held for sale
15
19
Total assets
8,816
9,396
Liabilities and Stockholders' equity
Current liabilities
1,222
1,465
Accounts payable and other current liabilities
431
479
Derivatives
568
606
Short-term debt (see note D)
162
315
Income and mining tax payable
61
65
Long-term debt (see note D)
1,645
1,371
Derivatives
558
734
Deferred income and mining tax
1,354
1,518
Provision for environmental rehabilitation (see note E)
223
209
Other accrued liabilities
16
14
Provision for pension and other post-retirement medical benefits
162
173
Liabilities held for sale
5
7
Minority interest
61
59

Commitments and contingencies
Stockholders’ equity
3,570
3,846
Common stock
Stock issued 2005 – 264,611,494 (2004 – 264,462,894)
10
10
Additional paid in capital
4,964
4,961
Accumulated deficit
(773)
(702)
Accumulated other comprehensive income (see note M)
(631)
(423)
Total liabilities and stockholders' equity
8,816
9,396

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ANGLOGOLD ASHANTI LIMITED

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Prepared in accordance with US GAAP

	Six months ended June 30, 2005 (unaudited)	**2004** (unaudited) (As restated) (1)
(in US Dollars, millions)		
Net cash provided by operating activities	244	173
Income before cumulative effect of accounting change	31	13
Reconciled to net cash provided by operations:		
Profit on sale of assets	-	(4)
Depreciation, depletion and amortization	282	182
Deferred stripping costs	4	(15)
Impairment of assets	7	1
Deferred income and mining tax	(20)	(32)
Movement in non-hedge derivatives	18	90
Equity income in affiliates	(19)	(13)
Dividends received from affiliates	15	7
Other non cash items	11	5
Net decrease in provision for environmental rehabilitation and pension and other post-retirement medical benefits	(12)	(5)
Effect of changes in operating working capital items:		

Receivables
(7) (42)
Inventories
(34) (11)
Accounts payable and other current liabilities
(32)
(3)
Net cash used in investing activities
(392) (340)
Increase in non-current investments
(15)
-
Additions to property, plant and equipment
(304)
(230)
Proceeds on sale of mining assets
-
5
Cash outflows from hedge restructuring
(69)
-
Cash paid as part of acquisition
-
(126)
Net loans (advanced)/repaid
(4)
11
Net cash generated in financing activities
113
221
Payments of short-term debt
(274)
(678)
Issuance of stock
3
2
Share issue expenses
-
-
Proceeds of long-term debt
471
1,019
Dividends paid
(87) (122)
Net (decrease)/increase in cash and cash equivalents
(35) 54
Effect of exchange rate changes on cash
(5) 9
Cash and cash equivalents – January 1,
299
479

Cash and cash equivalents – June 30,
259
542
(1)
See note A.

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ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30,
2005
Prepared in accordance with US GAAP
Note A. Basis of presentation
The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by US GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the six-month period ended June 30, 2005 are not necessarily indicative of the results that may be expected for the year ending December 31, 2005.
On July 30, 2004, the Company furnished on Form 6-K to the United States Securities and Exchange Commission (“SEC”), unaudited condensed consolidated financial information as of June 30, 2004 and for the six month period ended June 30, 2004, prepared in accordance with U.S. GAAP, and related management’s discussion and analysis of financial condition and results of operations.
To correct certain matters identified on the Form 6-K described above, the Company restated its unaudited condensed consolidated balance sheets as of June 30, 2004 and December 31, 2003, the unaudited condensed income statements for the six months ended June 30, 2004 and 2003 and the unaudited condensed consolidated statements of cash flows for the six months ended June 30, 2004 and 2003. The Company has also restated the notes to its unaudited condensed consolidated financial statements and revised its related management’s discussion and analysis of financial condition and results of operations, where necessary, to reflect these adjustments, on Form 6-K/A furnished to the SEC on July 14, 2005.
Certain amounts for the six months ended June 30, 2004 have been reclassified to conform with the current period presentation as follows:
The Company has reclassified the income statement results for the Ergo reclamation surface operation from the historical presentation to discontinued operations in the condensed consolidated income statement for all periods presented. The condensed consolidated cash flow statement has been reclassified for discontinued operations for all periods presented. Refer to note H.
The balance sheet at December 31, 2004 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by US GAAP for complete financial statements.
For further information, refer to the consolidated financial statements and footnotes thereto included in the Company’s annual report on Form 20-F for the year ended December 31, 2004.
Note B. Inventories

	At June 30, 2005	At December 31, 2004
	(unaudited)	
	(in US Dollars, millions)	
The components of inventory consist of the following :		
Gold in process	197	179

Gold on hand
10
15
Ore stockpiles
69
52
Uranium oxide and sulfuric acid
12
23
Supplies
133
126
421
395
Less: Heap leach inventory
(1)
(143) (127)
278
268
(1)
Long-term and short-term portions relating to heap leach inventory classified separate, as materials on the leach pad.

Note C. Deferred stripping costs

At June 30,
2005
At December 31,
2004
(unaudited)
(in US Dollars, millions)
Movements in the deferred stripping costs balance were as follows:
Opening balance
69
37
Net amount (amortized)/deferred
(4) 28
Translation
5
4
Closing balance
70
69
Deferred stripping costs are classified as a component of Property, plant and equipment.

ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2005…continued

Prepared in accordance with US GAAP

Note D. Long-term debt

The Company entered into a new three-year $700 million syndicated facility in January 2005 with an interest charge of LIBOR plus 0.4 percent per annum. The loan is repayable in January 2008 and is US dollar-based. The amount drawn under this facility was $335 million as at June 30, 2005. On February 4, 2005, the Company repaid the $600 million unsecured syndicated loan facility (which was repayable in February 2005) amounting to $265 million.

Note E. Provision for environmental rehabilitation

Long-term environmental obligations comprising decommissioning and restoration are based on the Company’s environmental management plans, in compliance with the current environmental and regulatory requirements.

The following is a reconciliation of the total liabilities for reclamation and remediation obligations:

	(in US Dollars, millions)
Balance as at December 31, 2004	209
Additions to liabilities	10
Liabilities settled	(3)
Accretion expense	1
Revisions	20
Translation	(14)
Balance as at June 30, 2005	223

Certain amounts have been contributed to an irrevocable rehabilitation trust under the Company's control. The monies in the trust are invested primarily in interest bearing debt securities and are included in Other long-term assets in the Company’s consolidated balance sheet. As at June 30, 2005 and December 31, 2004 the monies held in this trust amounted to $70 million and $78 million, respectively. Besides these assets there were no other assets that were legally restricted for purposes of settling asset retirement obligations as at June 30, 2005.

Note F. Impairment of assets

In the six months ended June 30, 2005 the Company recorded an impairment of assets of $7 million relating to the abandonment of exploration activities and expansion projects at Tau Lekoa and TauTona in South Africa. An impairment of $1 million was recorded in the six months ended June 30, 2004 relating to mining assets and mineral rights in Australia.

Note G. Profit on sale of assets

The profit on sale of assets of $4 million recorded in the six months ended June 30, 2004 mainly comprises a profit of $3 million (before taxation of $1 million) on sale of the Western Tanami Project in Australia to Tanami Gold NL. No profit on sale of assets was recorded in the six months ended June 30, 2005.

Note H. Discontinued operations

The Ergo reclamation surface operation, which forms part of the South African operations and is included under South Africa for segmental reporting, has been discontinued as the operation has reached the end of its useful life. After a detailed investigation of several options and scenarios, and based on management's decision reached on February 1, 2005, mining operations at Ergo ceased on March 31, 2005 with only site restoration obligations remaining. The remaining available tonnage will be treated and cleaned through the tailings facility. The Company has reclassified the income statement results from the historical presentation to loss from discontinued operations in the condensed consolidated income statement for all periods presented. The condensed consolidated cash flow statement has been reclassified for discontinued operations for all periods presented. The results of Ergo for the six months ended June 30, 2005 and 2004, are summarized as follows:

	Six months ended June 30,			
	2005		**2004**	
	(unaudited)		(unaudited)	
	(in US Dollars, millions, except for share data)			
		Per share (1) (cents)		**Per share (1) (cents)**
Revenue	16	6	46	19
Costs and expenses	(64)	(24)	(54)	(23)
Pre-tax loss	(48)	(18)	(8)	(4)
Deferred income and mining tax	15	6	-	-
Net loss attributable to discontinued operations	(33)	(12)	(8)	(4)

(1) Per basic and diluted earnings/(loss) per common share. The calculation of diluted earnings per common share for the six months ended June 30, 2005 and 2004 did not assume the effect of 15,384,615 and 10,566,356 shares, respectively, issuable upon the exercise of Convertible Bonds as their effects are anti-dilutive for these periods.

ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2005…continued

Prepared in accordance with US GAAP

Note I. Accounting change

During the second quarter of 2005, the Company changed its accounting policy, retroactive to January 1, 2005, with respect to accounting for employee benefit plans to recognize the effects of actuarial gains and losses in income, rather than amortization over the expected average remaining service period of employees participating in the plan.

This change was made as the Company believes that elimination of the pension corridor, as allowed by SFAS87 will result in more accurate financial information.

The cumulative effect of this change in accounting treatment with respect to actuarial gains and losses decreased net income and stockholders' equity by $22 million (net of deferred income and mining tax of $11 million).

The results for the six months ended June 30, 2004 on an historical basis, do not reflect the change in accounting treatment with respect to actuarial gains and losses. Had the Company changed its accounting policy, retroactive to January 1, 2004, the historical income/(loss) from continuing operations, net income/(loss) and related per share amounts would have been changed to the adjusted amounts indicated below:

Six months ended June 30, 2004

(unaudited)

(in US Dollars, millions, except for share data)

	Income/(loss) from continuing operations	**Per share (1) (cents)**	**Net income/ (loss)**	**Per share (1) (cents)**
As reported – historical basis	21	9	13	5
Impact on earnings net of tax	(18)	(8)	(18)	(8)
Adjusted	3	1	(5)	

(3)

(1)

Per basic and diluted earnings/(loss) per common share. The calculation of diluted earnings per common share for the six months ended June 30, 2004 did not assume the effect of 10,566,356 shares issuable upon the exercise of Convertible Bonds as their effects are anti-dilutive for this period.

Note J. Stock-based compensation plans

The Company has adopted the disclosure-only provisions of SFAS123 and applies Accounting Principles Board Opinion No. 25 (APB No. 25) and related interpretations in accounting for its employee stock-based compensation plans.

Bonus Share Plan (BSP) and Long-Term Incentive Plan (LTIP)

At the annual general meeting held on April 29, 2005, shareholders approved the introduction of the BSP and LTIP and the discontinuation of the current share incentive scheme. Options which have been granted under the current share incentive scheme will remain subject to the conditions under which they were originally granted. Grants under BSP and LTIP commenced in 2005.

Participants in the BSP will receive an annual bonus, part of which is to be paid in cash and part in shares, subject to certain performance criteria being met. The share element vests after three years, provided that the participant is still in the Company’s employment at that time.

Awards in respect of the LTIP will be made to the most senior executives and managers in the Company. The scheme will reward participants through the granting of shares for the achievement of performance criteria over a three-year period, whereby the company will need to outperform its gold company peers consistently. Additionally, strategic business objectives will also need to be met, such as the successful integration of Ashanti into AngloGold.

As at June 30, 2005, the Company has two types of stock-based employee compensation plans, consisting of time-based awards and the performance related awards. During the six months ended June 30, 2005 and 2004 the Company recognized a compensation expense of $0.1 million and $nil million, respectively, related to time-based awards.

No compensation expense was recognized as of June 30, 2005 related to the performance awards under APB No. 25, as the exercise price was greater than or equal to the fair market value at the end of the reporting period. The performance related options are accounted for as variable compensation awards, accordingly the compensation expense is calculated at the end of each reporting period until the performance obligation has been met or waived. Compensation expense will vary based on the fluctuations of the underlying stock price in excess of the exercise price. The following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of SFAS123 to stock-based employee compensation.

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ANGLOGOLD ASHANTI LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2005…continued

Prepared in accordance with US GAAP

Note J. Stock-based compensation plans (continued)

	Six months ended June 30,	
	2005	**2004**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	
Net income, as reported	9	13
Deduct: Variable compensation awards credit as calculated under APB No. 25	-	(4)
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(3)	(6)
Pro forma net income	6	3
Earnings per share (cents)		
Basic – as reported	4	5
Basic – pro forma	2	1
Diluted **(1)** – as reported	4	5
Diluted **(1)** – pro forma	2	1

(1) The calculation of diluted earnings per common share for the six months ended June 30, 2005 and 2004 did not assume the effect of 15,384,615 and 10,566,356 shares, respectively, issuable upon the exercise of Convertible Bonds as their effects are anti-dilutive for these periods.

Note K. Segment information

	Six months ended June 30,	
	2005	**2004**
	(unaudited)	(unaudited)
	(in US Dollars, millions)	

The Company produces gold as its primary product and does not have distinct divisional segments in terms of principal business activity, but manages its business on the basis of different geographic segments. This information is consistent with the information used by the Company's chief operating decision makers in evaluating operating performance of, and making resource allocation decisions among operations.

Revenues by area

South Africa
584
554
Argentina
44
36
Australia
122
78
Brazil
91
76
Ghana
(1)
155
54
Guinea
(1)
61
1
Mali
113
80
Namibia
16
13
USA
51
51
Tanzania
(2)
136
77
Zimbabwe
(1)
-
2
Other, including Corporate and Non-gold producing subsidiaries
3
2

Total revenues

1,376
1,024
Less: Equity method investments included above
(113)

(122)
Total consolidated
1,263
902
(1)
Operations acquired as part of the Business Combination between AngloGold and Ashanti effective April 26, 2004.
(2)
Segment information presented for the six months ended June 30, 2004 includes an additional 50 percent interest in the Geita mine
in Tanzania acquired as part of the Business Combination between AngloGold and Ashanti. Equity income from Geita is included
for the period ended April 26, 2004.

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ANGLOGOLD ASHANTI LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30,
2005…………continued
Prepared in accordance with US GAAP
Note K. Segment information (continued)
Six months ended June 30,
2005
2004
(unaudited) (unaudited)
(in US Dollars, millions)
Segment income before deferred income and mining tax
South Africa
26
51
Argentina
15
1
Australia
33
25
Brazil
39
37
Ghana
(1)
(18) 1
Guinea
(1)
8
(1)
Mali
18
5
Namibia
-
2
USA
(7) -
Tanzania
(2)
3
10
Zimbabwe
(1)
-
-
Other, including Corporate and Non-gold producing subsidiaries
(2)
(5)

Total segment income
115
126