

anglogold

**AngloGold Results
for the 2nd Quarter and six months to 30 June, 2002**

Certain Forward-Looking Statements

Certain statements contained in this document, including without limitation, those concerning: (i) the economic outlook for the gold mining industry, (ii) expectations regarding gold prices and production, (iii) the completion and commencement of commercial operations of certain of the company's exploration and production projects, and (iv) the company's liquidity and capital resources and expenditure, contain certain forward-looking statements concerning the company's operations, economic performance and financial condition. Although the company believes that the expectations reflected in such forward-looking are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, (i) changes in economic and market conditions, (ii) success of business and operating initiatives, (iii) changes in the regulatory environment and other government actions, (iv) fluctuations in gold prices and exchange rates, and (v) business and operational risk management.

The Quarter – Overall Performance

- Hedge book reduced by a further 2.4Moz (165% of quarters' production) to 10.5Moz
- Operating profit up 10% to \$162m
- Net profit up 11% to \$79m
- Headline earnings of 79 US cents per share
- Strengthening rand contributed to 7% or \$10/oz increase in total cash costs to \$161/oz
- Gold production up 4% to 1.4Moz

The half-year in review

- Operating profit up 31% to \$309m compared with the same period for 2001
- Headline earnings up 44% to \$176m
- Gold production down 20% to 2.8Moz mainly due to the sale of the Free State assets
- Total cash costs down 17% to \$156/oz due to weakened rand and the changes in asset mix
- Interim dividend for the first half of 2002 declared as R13.50 (\$0.66 per ADS) representing an increase of 93% on the interim dividend for the first six months of 2001 and an annualised yield of 6.6% at R408 per share (\$21.96 per ADS)

AngloGold's Strategy

Since formation in 1998, AngloGold's overriding strategy has been to create shareholder wealth through the mining and marketing of gold.

- Return on capital this quarter was 15%
- Return on equity this quarter was 20%

AngloGold Strategic Objectives:

Driving down the cost curve

Growth:

- **Organically**
- **Exploration**
- **Mergers and acquisitions**

Growing and modernising the gold market

CVSA – delivering on our strategy

Key facts:

- AngloGold currently owns 46.25% of Cerro Vanguardia, Perez Companc owns 46.25% and the Santa Cruz Province owns 7.5%
- The acquisition means that AngloGold will own a total of 92.5% in Cerro Vanguardia
- Price paid - \$90 million
- +130,000 ounces per annum to AngloGold's production
- Planned LOM – currently to 2012



For the **six months ended 30 June, 2002**, AngloGold's 46.25% interest in CVSA produced:

- Attributable operating profit of \$9m
- Attributable EBITDA of \$14m
- Attributable production of 62,000oz at a total cash cost of \$101/oz

The Minerals Bill

■ During the quarter, Minerals Bill passed through Parliament

- Mineral rights now leased from the State rather than owned outright – will require a commitment to BEE and social development
- The Government has confirmed that the leaked document is not official Government policy
- The Government is committed to change in patterns of ownership, control and management in the industry over a reasonable time frame
- AngloGold shares this commitment and supports the Government's policy and has plans to address these concerns and objectives

The Markets

- Q2 saw growing US dollar weakness and growing gold strength
- Gold price reached \$330/oz during the Q – average spot price of \$312/oz was 7.5% better than the average for previous Q
- 10% strengthening of Rand against dollar also reflected US currency weakness
- SA gold price assisted by improvements in dollar gold price, offset by strengthening Rand – average price R104,800/kg, down 2% on average local price for Q1, 2002
- Some elements encouraged investor interest in gold – economic uncertainty in developed economies, equity market weakness, US monetary policy issues/US dollar weakness, international tensions in the Middle East/Indian sub-continent.
- In Q2, gold benefited most from the fall in US dollar, with some encouragement from problems of equity markets

■ **During the last few weeks of the quarter:**

- Gold price stalled and no response to dollar weakness or recurrent bad news from equity markets
- Measure of profit-taking on Comex which saw open interest on exchange decline during June – spot price fell to just above \$310/oz

Overall performance – South Africa

Operations recovered from a difficult first quarter

- Operating profit was down 5% to R1.13bn (\$108m)
- Total cash costs up marginally (+2%) in rand terms to R51,234/kg – up 12% in dollar terms to \$152/oz due to stronger rand
- Volume mined increased by 12%
- Gold production up 386kg to 26,422kg
- Multiple fatalities during the quarter – two tragic seismic events at Great Noligwa contributed to a total of 15 fatalities for the quarter

Overall Performance – East and West Africa

Mixed performances— good performance at Geita and Morila, difficulties experienced at Sadiola and Yatela

- Operating profit was down 8% to \$22m
- Total cash costs up 13% to \$144/oz
- Gold production down 2% to 223,000oz (attributable)
- Good exploration results at Sadiola, Yatela and Geita
- Safety – tragically, two fatalities occurred during the quarter – one at Geita and one at Morila

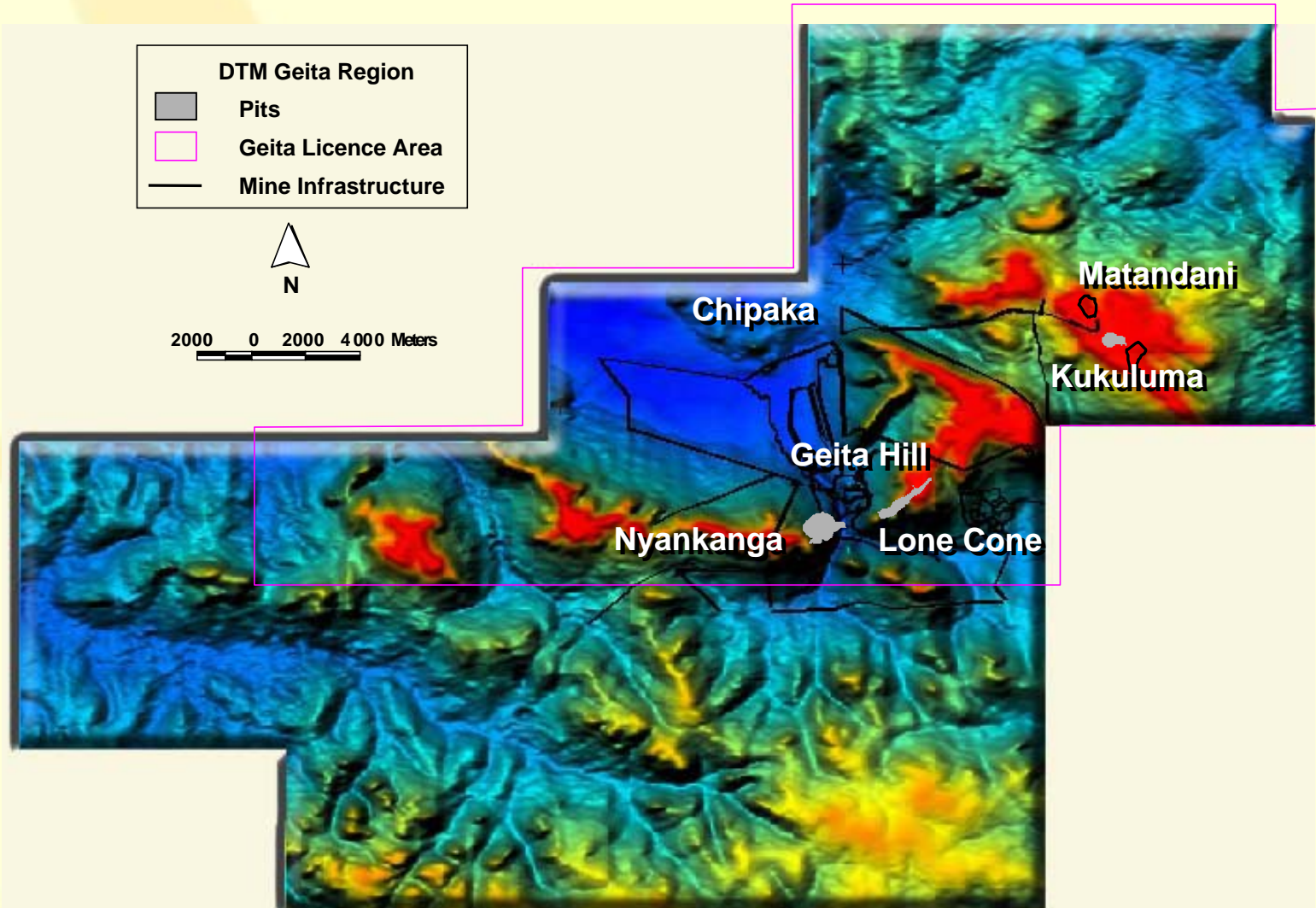
Exploration

East and West Africa

- **Mali** – Exploration continues at Sadiola and Yatela for new oxide resource
- **Tanzania** – exploration drilling continues to upgrade the mineral resource at Geita



East and West Africa – Geita schematic



Overall Performance – North America

Overall performance improved

- Better weather conditions contributed to improved performances
- Operating profit increased from a loss of \$1 million to a break-even position due to a 20% increase in gold production with no change in production costs
- Gold production increased to 114,000oz (+20%)
- Total cash costs down 16% to \$213/oz
- CC&V expansion project is progressing well – significant inroads made into the construction of the new leach pad. Average LOM total cash costs likely to be reduced from \$227/oz to \$176/oz

Exploration



North America

- **Red Lake** – Drilling continues
- **CC&V and Jerritt Canyon** – Work continues on resource generation

Overall Performance – South America

Another consistent quarter

- Operating profit (attributable) was marginally down to \$14m
- Gold production up 2% to 104,000oz attributable despite impact of bad winter weather at Cerro Vanguardia in Argentina
- Total cash costs up 3% to \$129/oz due to lower silver by-product credits at both Morro Velho and Cerro Vanguardia and impact of Peso devaluation in Argentina
- Consistent commendable safety performances – Cerro Vanguardia also received ISO14001 certification during the quarter

Exploration



South America

- Corrego do Sitio – Iron Quadrangle
- Lamego Project – near Cuiaba
- Mina Serra Grande 1

- Greenfields exploration continues in Peru

Overall Performance – Australia

Exceedingly strong performance by Sunrise Dam

- Improvements in performance at Union Reefs after access improved at end of wet season
- Total cash costs down 11% to A\$337/oz (\$186/oz)
- Operating profit increased by 188% to A\$23m (\$12m)
- Gold production up 16% at 135,000oz
- Boddington on “care and maintenance” while rehabilitation continues at Tanami

Exploration



Australia

- **Sunrise Dam** - Western shear zone. Possible underground ext.
- **Coyote**