



AngloGold South American Region
Mineração Serra Grande
August 2001

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History

Mineração Serra Grande

- ✘ Project Crixás originally held by Kennecott and Inco;
- ✘ The Anglo American group acquired Kennecott's stake in 1986;
- ✘ Inco and Anglo American developed the project from 1987 to 1989, with total costs of US\$73 million;



History

Mineração Serra Grande

✘ Inco sold in 1991 certain gold assets to TVX Gold; who became a 50% stakeholder in Crixás, with Anglo American as the controlling/operator;



✘ In 1999 AngloGold acquired from the Anglo American group the gold assets held at that time by Minorco.



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Operational Overview

Fact Sheet

✘ Two operating mines

- ✘ Mina III
- ✘ Mina Nova



✘ One plant

✘ Joint Venture

- ✘ 50% AngloGold
- ✘ 50% TVX Gold

✘ Production in 2000 of 96 KOz (Attributable);

✘ Operating cash costs of US\$109/Oz (2QTR 2001);

✘ Mine life to 2009;

✘ Employs 520 people.

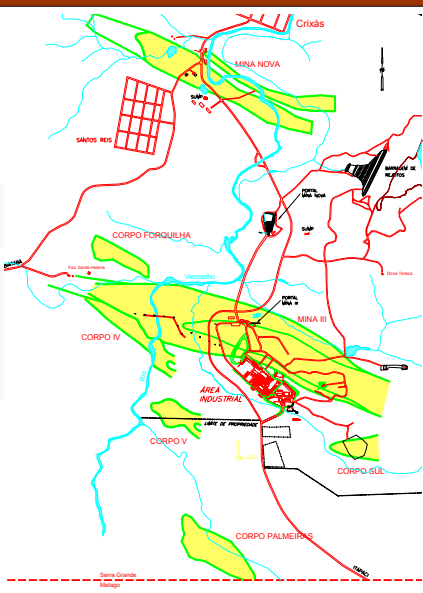


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Geology

Overview

- ✘ Mina III and Mina Nova located south of Crixás;
- ✘ Transition between metabasic and metasedimentary rocks;
- ✘ Crixás greenstone belt;
- ✘ Low grade shear zones in the archaean terranes.

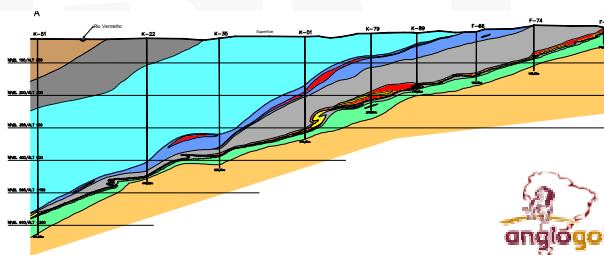


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Geology

Mina III

- ✘ Three main mineralised zones
 - ± Upper Zone
 - ~ Massive sulphide; gold associated to pyrrhotite, arsenopyrite, carbonate, chalcopyrite and quartz; average grade 10 to 20 g/t in situ;
 - ± Intermediate Zone
 - ~ Same as upper zone, average grade 10 to 15 g/t in situ;



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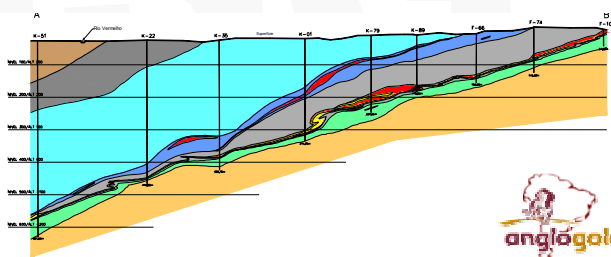
Geology

Mina III

✘ Three main mineralised zones (cont'd)

✚ Lower Zone

- ✚ Quartz veins occurs in carbonaceous schist and free gold in quartz vein, associated to quartz, carbonaceous matter, arsenopyrite, pyrrhotite, moccas, carbonate gold with average grades ranging from 4 to 8 g/t; and free gold in quartz vein ranging from 15 to 30 g/t in situ.

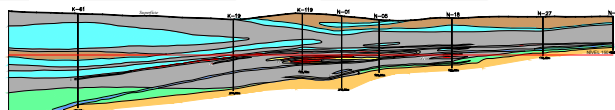


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Geology

Mina Nova

- ✘ Carbonaceous schist with small quartz veins;
- ✘ Similar to Mina III's Lower Zone;
- ✘ Carbonate-muscovite schist in the carbonaceous schist where gold is associated to carbonate pyrrhotite and arsenopyrite.



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Geology

Reserves and Resources

MSG Attributable (50%)

| 31 Dec 2000 | | Reserves | | | Resources (Inclusive of Reserves) | | | |
|-------------|---------|----------|----------|-------------|-----------------------------------|-----------|----------|-------------|
| | | Proven | Probable | Total | Measured | Indicated | Inferred | Total |
| Tonnes | Million | 1.4 | 0.7 | 2.1 | 1.5 | 0.8 | 1.5 | 3.8 |
| Grade | g/t | 7.34 | 9.66 | 8.14 | 8.02 | 10.36 | 8.76 | 8.81 |
| Gold Ounces | Million | 0.3 | 0.2 | 0.5 | 0.4 | 0.3 | 0.4 | 1.1 |



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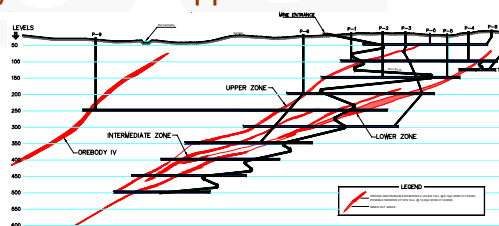
Operations

Mining

- ✘ Two mines in operation
 - ✦ Mina III, U/G operation, 1,400 tpd
 - ✦ Mina Nova, U/G operation, 700 tpd



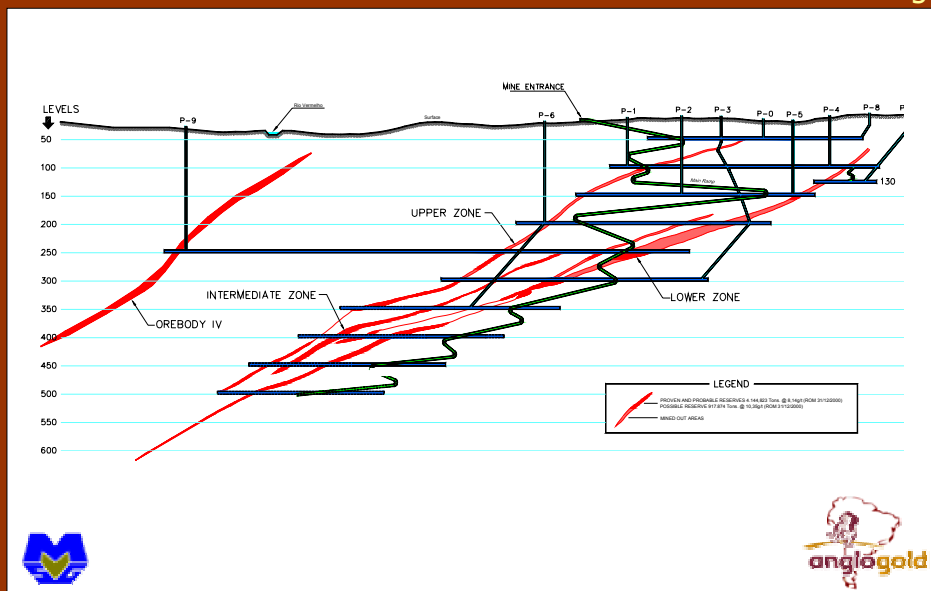
- ✘ Cut-and-fill with hydraulic fill is applied to wider blocks (>40m) and room-and-pillar is applied to narrower blocks;
- ✘ Mina III applies cut-and-fill in the upper levels and room-and-pillar at depth; Mina Nova applies room-and-pillar only.



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Operations

Mining

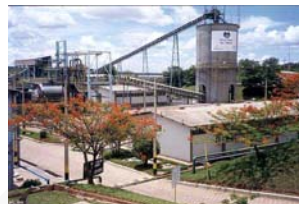


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Operations

Processing

- ✘ Usage of Merrill Crowe technology;
- ✘ Good recoveries achieved despite mineralisation predominantly of sulphide nature, as gold is not captive in the sulphide matrix;



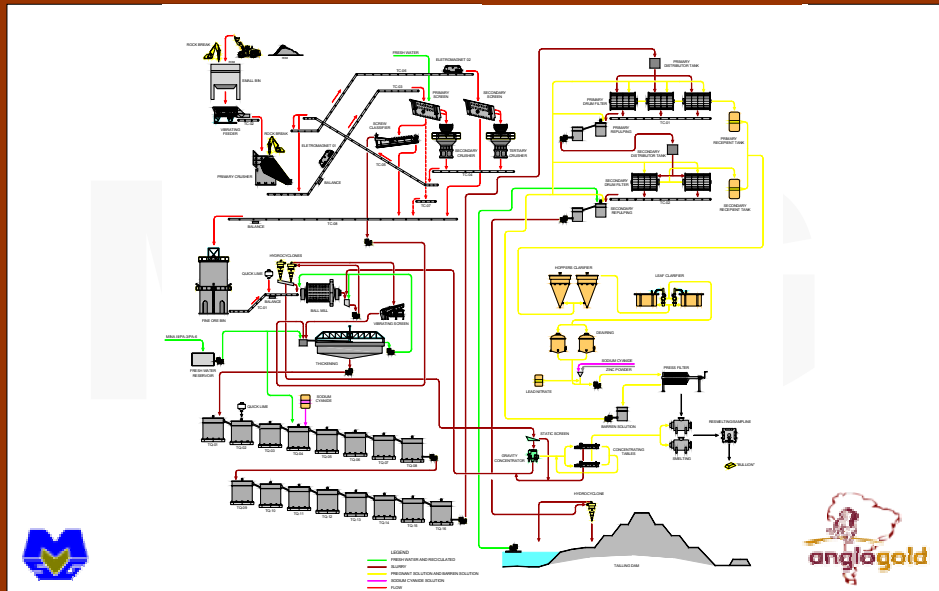
- ✘ Mill originally rated at 390k tpa, in 1990 expanded to 450k; in 2000 736k were achieved with minimal additional investment;
- ✘ In 2000 a Knelson gravity circuit was installed.



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Operations

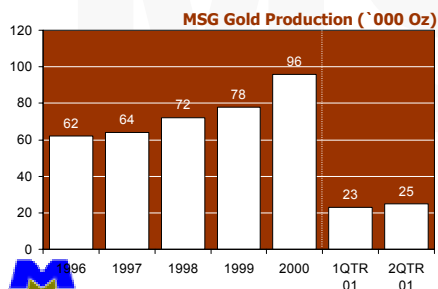
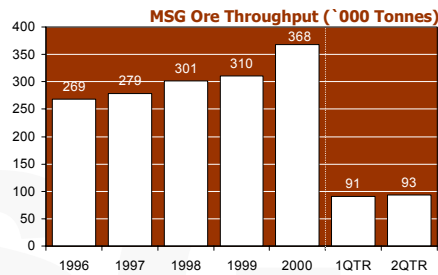
Processing



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Performance

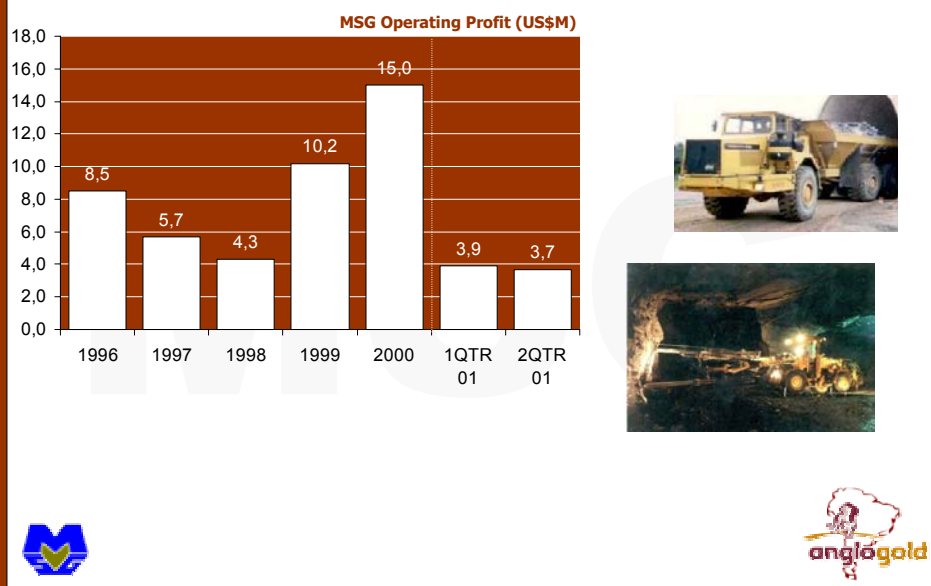
Attributable Production



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Performance

Attributable Operating Profit



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Performance

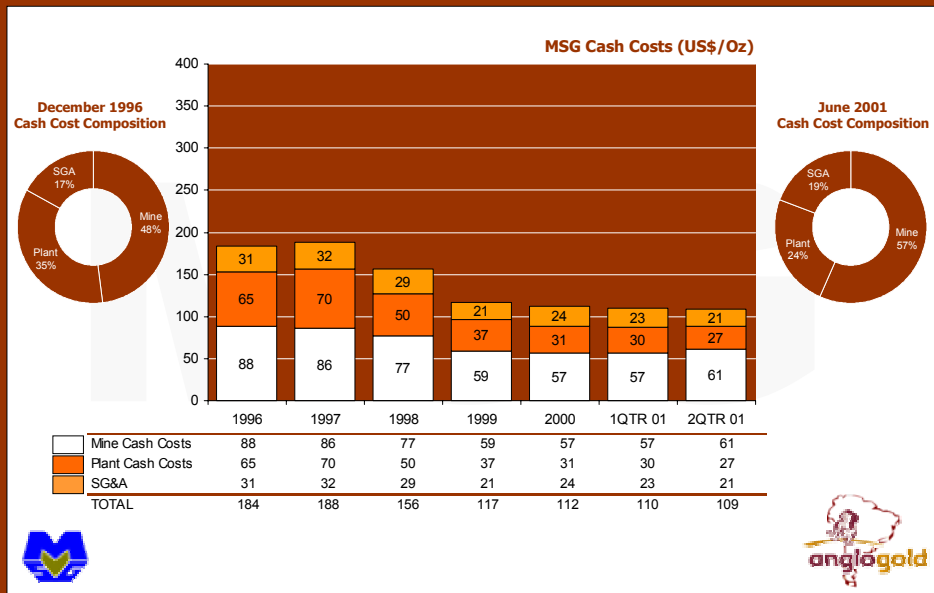
Cash Costs



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Performance

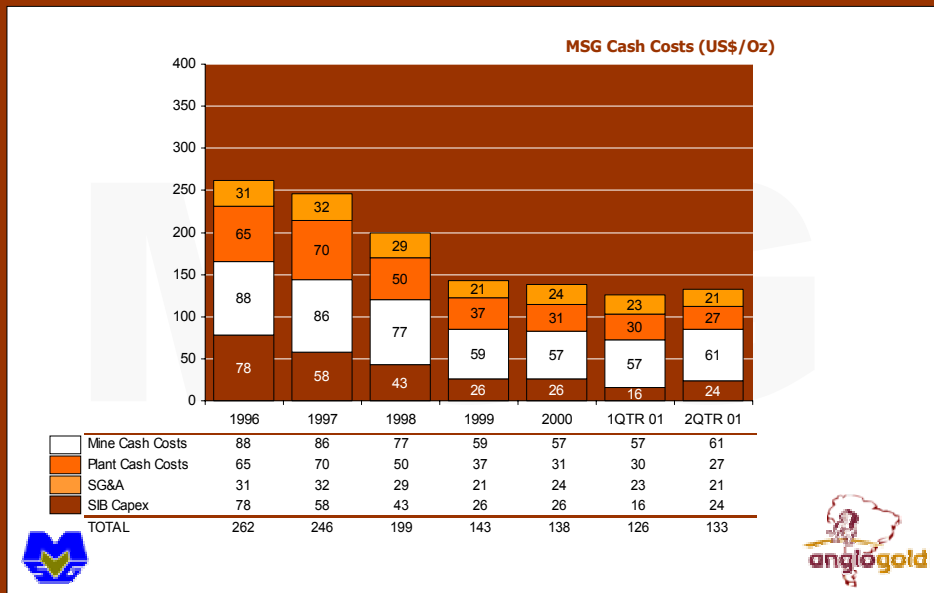
Cash Costs



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Management

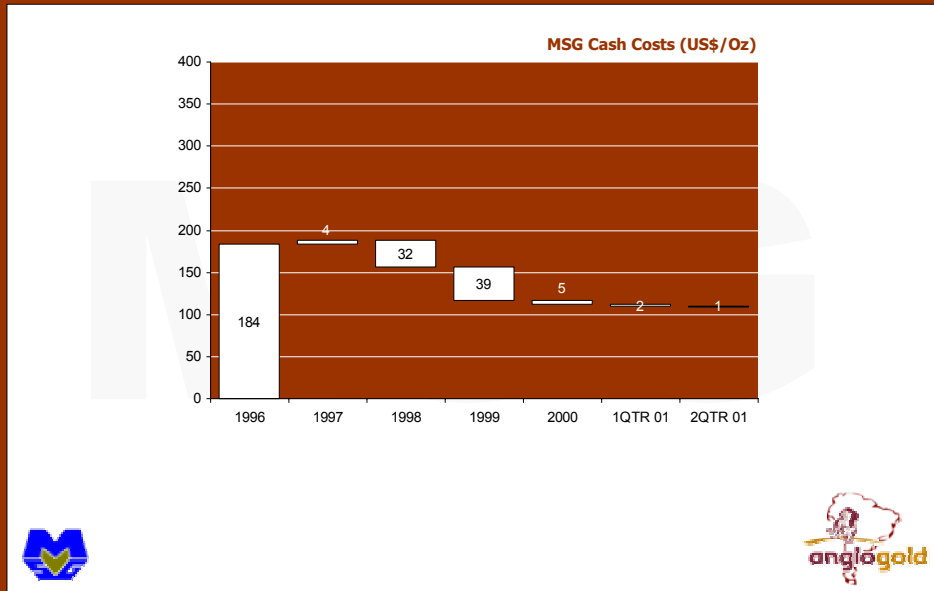
Cash Costs



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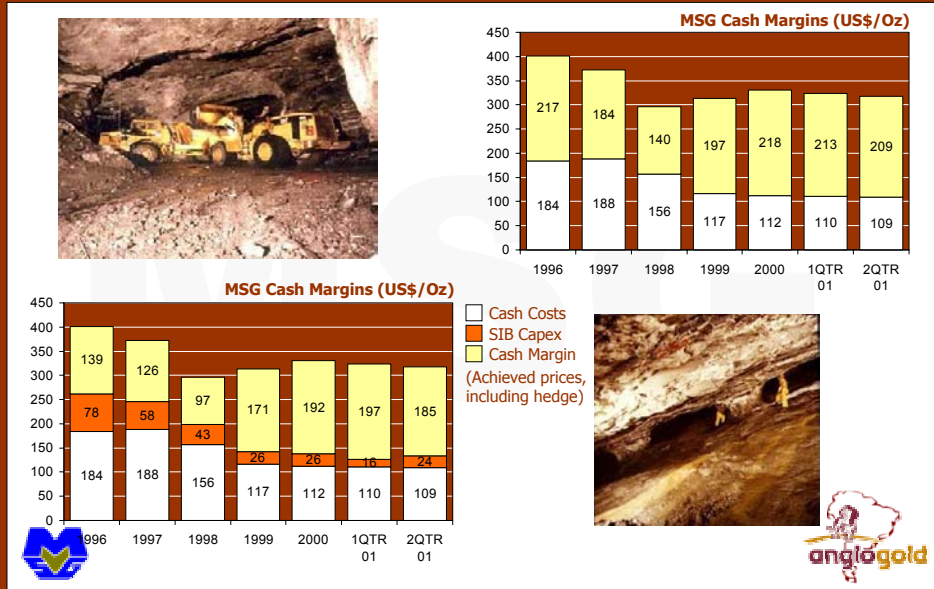
Management

Cash Costs



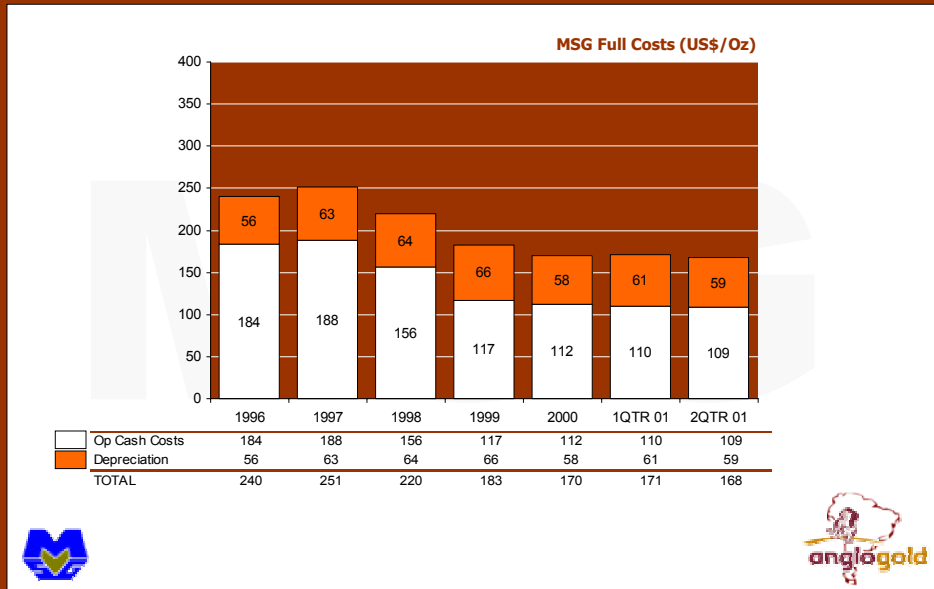
Management

Cash Margins



Management

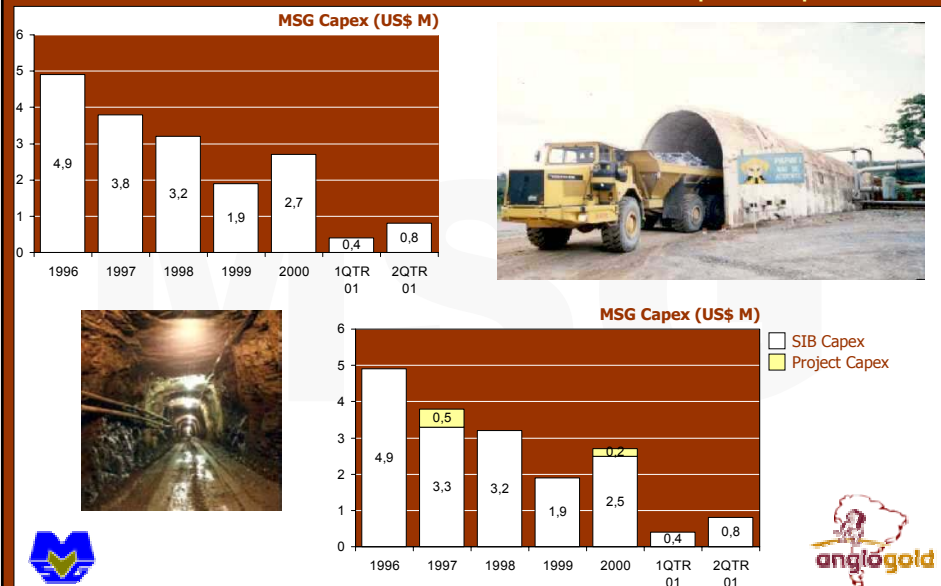
Full Costs



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Management

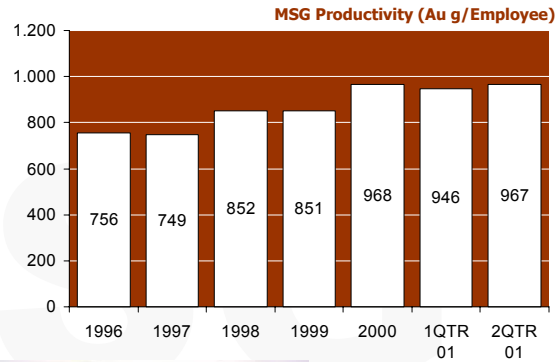
Attributable Capital Expenditure



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Management

Productivity

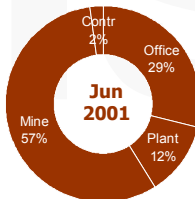
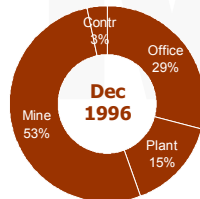
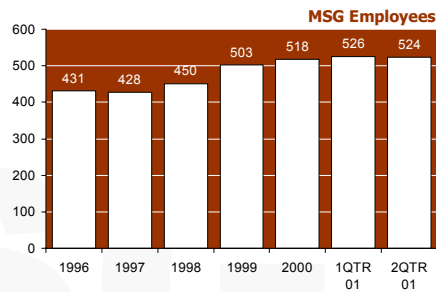


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Management

Human Resources

- ✘ 524 employees as at Jun 2001;
- ✘ 60 training hours per annum per employee in 2000;
- ✘ Over US\$600k in 2000 alone in training and schooling – workers and their families;

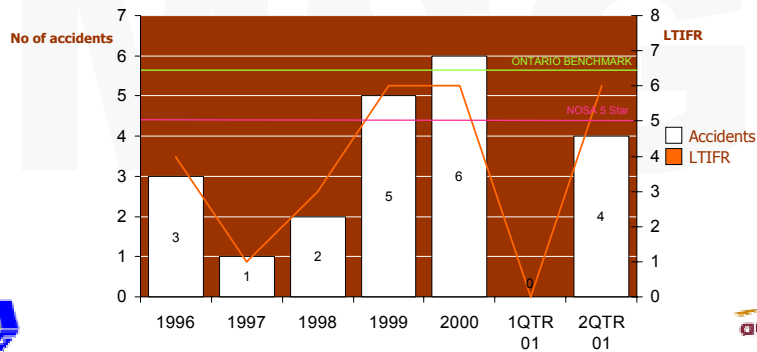


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Management

Safety and Health Management

- ✘ Implementation of NOSA system started in April 2000;
- ✘ Audit scheduled for December 2001;
- ✘ Expected to achieve four stars in 2001.



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Management

Environment

- ✘ Full compliance with local regulations;
- ✘ Constant monitoring of current trends in environmental risk management;
- ✘ Work in conjunction with AngloGold's regional team to comply with the company's global policy.



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Looking Forward

Challenges

✘ Biggest challenges

✚ Geology

- ~ Find new reserves to extend the mine's life and make use of the efficient team and structure already in place;

✚ Mining

- ~ Currently evaluating changes in the room-and-pillar mining method to improve work conditions;

✚ Processing

- ~ Optimise the usage of Knelson concentrator.



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Looking Forward

Growth Opportunities

✘ Exploration work in the surrounding areas of MSG;

✘ Exploration work in deeper levels of operating areas;

- ✚ Chances of contributing to current production with as much as 20%.



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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.