

## The quarter in review

- Results reflect a solid operating performance
- Headline earnings up 2% to R4.08 per share. Steady in dollar terms (\$0.52)
- Operating profit steady at R894 million (\$114 million) and up 19% on the March quarter, 2000
- SA operations particularly pleasing, exemplified by Bambanani which made a R21 million profit against a R7 million loss last quarter
- Africa region also impressive – now earns 19% of AngloGold's EBITDA
- Successful hedging programme saw AngloGold receive a 5% higher price for its gold despite the 2% decline in spot gold price
- Hedge book reduced by some 800,000 oz over the quarter.
- Board approved 3 new or modified capital projects at CC&V, Mponeng and TauTona and suspended the Joel project pending further confirmation of grade
- Despite high capex levels, we will maintain a modest earnings growth and high dividend payout

## The Gold Market

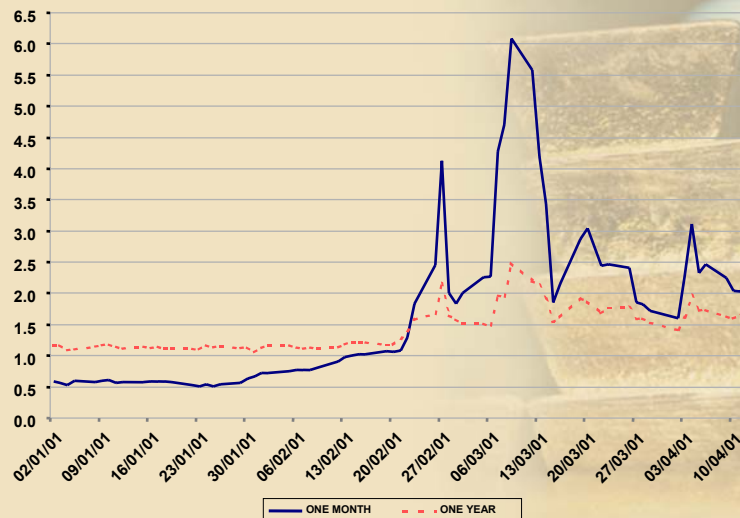


- Average spot price of US\$263/oz was 2% lower than in Q4, 2000
- Stronger US dollar pushed the Euro, Rand and Australian dollar lower
- SA price of gold touched a record high above R68,000/kg and averaged R66,280 for the quarter – almost 8% better than in Q4, 2000
- Spot gold price was influenced by a dislocation in the short-term gold lease rates late in the quarter, by the unexpected strength of the US dollar and stock market losses in the US

## The Gold Market



GOLD LEASE RATES 2001

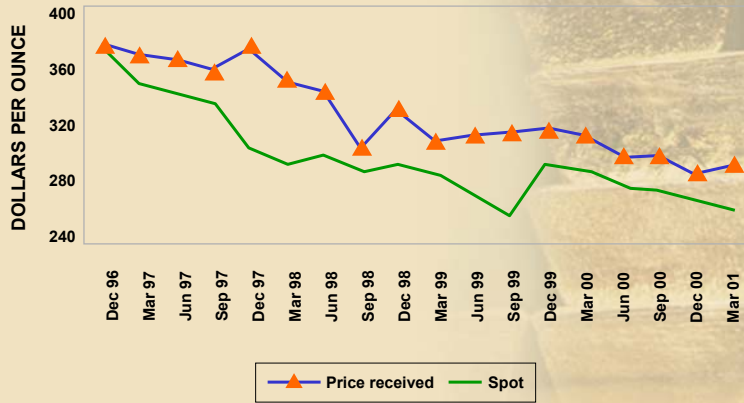




# The Gold Market



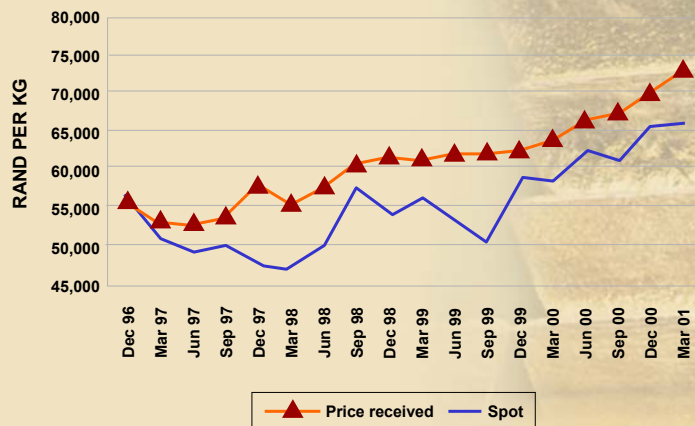
PRICE RECEIVED AND RULING SPOT PRICE  
Quarterly 1996 - 2001



# The Gold Market



PRICE RECEIVED AND RULING SPOT PRICE  
Quarterly 1996 - 2001





## Overall Performance – South Africa



- A 17% improvement in headline earnings of R397 million (Q4, 2000 – R339 million)
- Gold production on target - decreased by 10% to 1.2 million oz due to the sale of Elandsrand and Deelkraal and continuing of downsizing at Matjhabeng
- Total cash costs - \$202/oz improved over previous quarter (\$208/oz)
- Rand denominated cash cost steady despite production decrease
- Improvements in safety across operations



## Overall Performance – South Africa



### Excellent Performers:

- Kopanang**
  - Gold Production increased by 3%
  - Operating profit increased by 38% to R83 million
- Bambanani**
  - 8% improvement in total unit cash costs
  - Operating profit lifted to R21 million from a R7 million loss in the December quarter
- Tshepong**
  - Cash costs reduced by 20% to R50,301/kg (\$200/oz)
  - Gold production increased by 19%
  - Made R49 million operating profit in comparison to its R4 million loss last quarter
- Great Noligwa**
  - Operating profit up by 2% to R270 million
- Ergo**
  - Increased operating profit from R6 million to R30 million
  - Gold production up by 16% and cash costs down 9% to R52,415/kg (\$208/oz)
  - Higher head grades from increased clean-up activities and improved metallurgical efficiencies



## Overall Performance – South Africa



### Solid Performers:

- TauTona**
  - Winder and power problems in the lower Carbon Leader affected production
  - 7% grade improvement
  - Made a R113 million contribution to operating profit
- Tau Lekoa**
  - 8% less gold than record-breaking December quarter
  - Planned decrease in grade
- Matjhabeng**
  - Planned lower gold production because of planned downscaling at Eland and Nyala shafts and concentrated clean-up operations at Sable shaft
  - Costs were lower but offset by an increase in expenditure due to retrenchments



## Overall Performance – South Africa



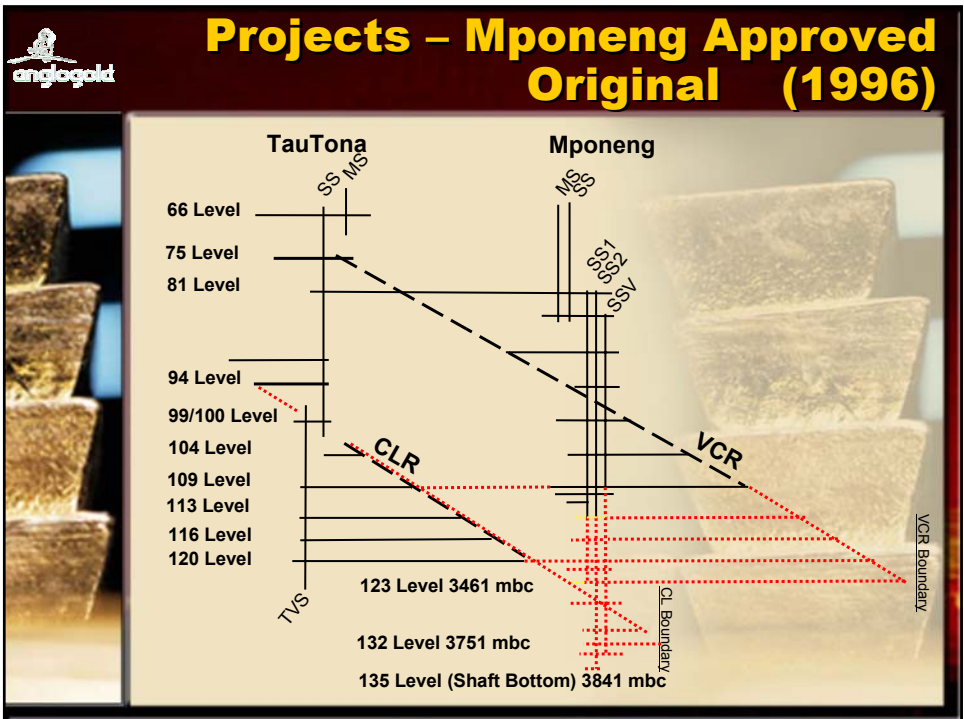
### Problems Experienced at:

- Savuka**
  - Two seismic events in the shaft pillar resulted in crews being moved to areas with much lower grades – down by 9%
  - An orepass blockage affected mining volumes – down by 19%
- Mponeng**
  - Continued lack of available face length affected mining volumes
  - Lower than expected face values affected the recovered gold which remains at the low levels of previous quarters
  - Four additional raise lines will come into production in 2<sup>nd</sup> half of 2001
- Joel**
  - Mining values and grade continued to drop – average grade decline 9%
  - Along with lower mining volumes, gold production was down by 27%
  - Mine has scaled back to 20,000 m<sup>2</sup> per month
  - Mine performance will be closely monitored

**anglogold**

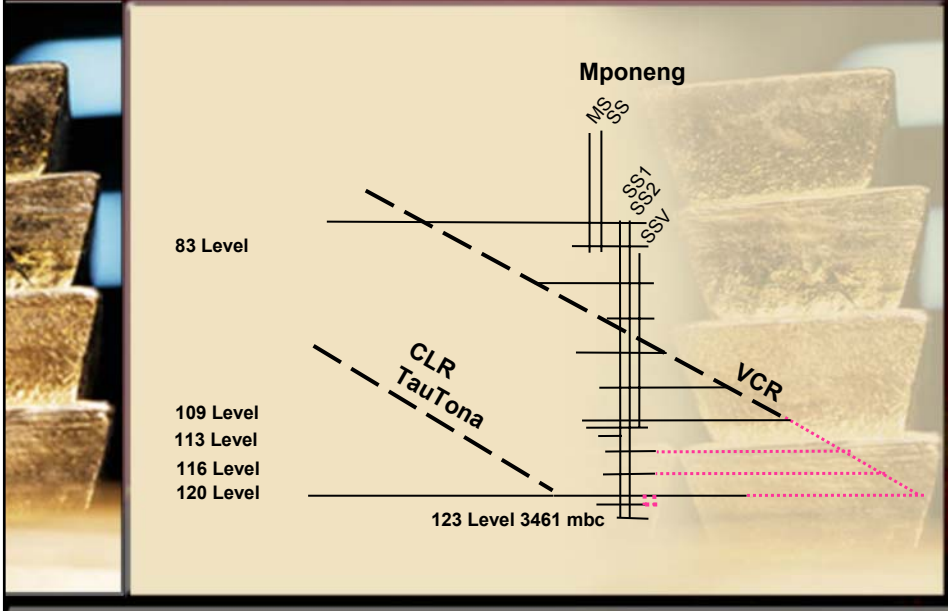
## Capital Projects – Mponeng and Tau Tona

- **Original WDL Project (1996) separated into three sub-projects:**
  - Mponeng Deepening Project to 120 level (approved)
  - Tau Tona Project (approved)
  - Future Project below 120 level (potential)
- **New Mponeng Project will add value and has:**
  - Lower Technical Risk
  - Lower Financial Risk
  - Improved Financial Return
- **New Tau Tona project will:**
  - Increase the LOM to 2011

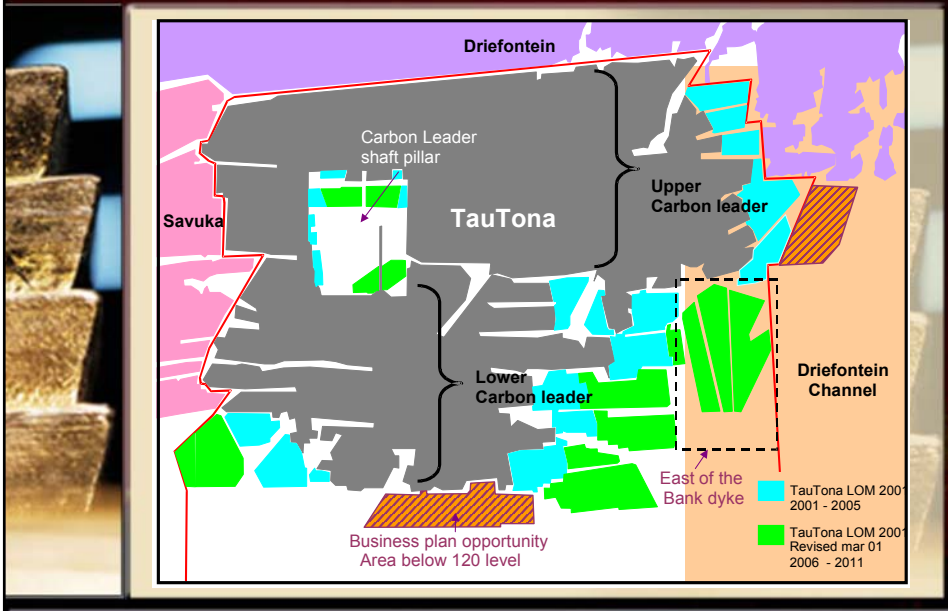




# Projects – Mponeng Deepening



# Projects – Tau Tona





## Projects – Mponeng and Tau Tona

ZAR terms

	1996 Original Feasibility	2001 Mponeng Deepening Project	2001 TauTona Project
Life of Mine	2026	2012	2011
Gold recovered	476t	104t	55t
Total Capex (nominal)	R2 049m	R1 366m	R432m
Capex Remaining (nominal)		R839m	R404m
IRR	14.4%	20%	35%



## Mponeng and Tau Tona – Gold Reconciliation

<b>Original Project</b>	<b>476 tonnes</b>
<b>Current Projects</b>	
Mponeng Deepening	105 tonnes
Tau Tona	55 tonnes
<b>Sub Total current projects</b>	<b>160 tonnes</b>
<b>Potential Projects</b>	
Shaft pillars	110 tonnes
VCR below 120L	48 tonnes
CLR below 120L	134 tonnes
<b>Sub Total potential projects</b>	<b>292 tonnes</b>
<b>Total current + potential projects</b>	<b>452 tonnes</b>

## Projects – Joel



- The R817 million Joel North project has been placed on hold, pending additional drilling to confirm grade
- This additional information should be available by December, 2001

## Overall Performance – Africa



- 194,000 attributable oz (increase of 47% on previous quarter)
- Operating profit up 6% with a total cash cost of \$124/oz
- The region produced 21% of AngloGold's cash earnings from 11% of the company's gold production
- Good performances at:
  - **Sadiola** - although production was down in line with targets
  - **Morila (40%)** - 13% increase in total production to 64,000 oz and total cash cost of \$90/oz
  - **Geita (50%)** - exceeded expectations with 60,000 oz (attributable) at a cash cost \$141/oz
  - **Yatela (40%)** - construction and mining progress is on schedule to produce first gold in June, 2001



## Overall Performance – North America



- Gold production decreased by 13% on record December quarter mainly due to lower production at CC&V
- Operating profit decreased (30%) with lower production and lower realized gold price
- Total cash costs decreased to \$211/oz
- Approval for CC&V expansion plan, giving at least 2.8 million additional oz over the LOM



## Projects – Cripple Creek & Victor



	Base Case	Proposed
LOM	2008	2012
Total Ore Placed	46 million tons	209 million tons
Production	1,32 million oz	4,13 million oz
Cash Cost	US\$227/oz	US\$174/oz

The projected IRR for the full expansion is 27%



## Overall Performance – South America



- Gold production was 13% lower (107,000 oz) than the previous quarter, following plant cleanup in Q4, 2000
- Total cash cost was 8% lower at \$147/oz, largely due to Real devaluation
- Improvement in overall safety – significant reduction in severity rate



## Overall Performance – Australasia



- 132,000 oz was 6% below Q4, 2000 due to seasonal rain problems
- But cash costs increased by only 1% as 56% of total production for the region now comes from US\$132/oz cash cost Sunrise Dam
- Sunrise Dam production up 13% to 74,000 oz and cash costs down 14% despite ongoing expansion work
- Corporate office restructured and relocated from Melbourne to Perth - will yield A\$4.3 million savings this year

# Accounting Practice – IAS39

