

anglogold

**AngloGold Results  
for the 3<sup>rd</sup> Quarter 2001**

# Disclaimer

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Except for the historical information contained herein, there are matters discussed in this presentation that are forward-looking statements. Such statements are only predictions and actual events or results may differ materially. For a discussion of important factors including, but not limited to, development of the Company's business, the economic outlook in the gold mining industry, expectations regarding gold prices and production, and other factors, which could cause actual results to differ materially from such forward-looking statements, refer to the Company's annual report on the Form 20-F for the year ended 31 December 2000 which was filed with the Securities and Exchange Commission on 23 April 2001.

Holder of Normandy shares and Normandy ADSs located in the United States are strongly advised to read the F4 registration statement regarding the offer referred to in this presentation and other documents to be filed with the US Securities and Exchange Commission when they become available, because they will contain important information. Holders of Normandy shares and Normandy ADSs may read and copy these statements, when available, at the US Securities and Exchange Commission's public reference rooms. Please call the US Securities and Exchange Commission at +1-800-SEC-0330 for further information on the public reference rooms. These US Securities and Exchange Commission filings are also available to the public from commercial document retrieval services.

# The gold market

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## **Short-term market response to unexpected events:**

- New spot gold price trading range
- Strong swings on currency markets

## **Impact of unfolding new macroeconomic sentiment on:**

- Deflationary expectations and dollar strength
- Prospects for physical gold demand in other markets

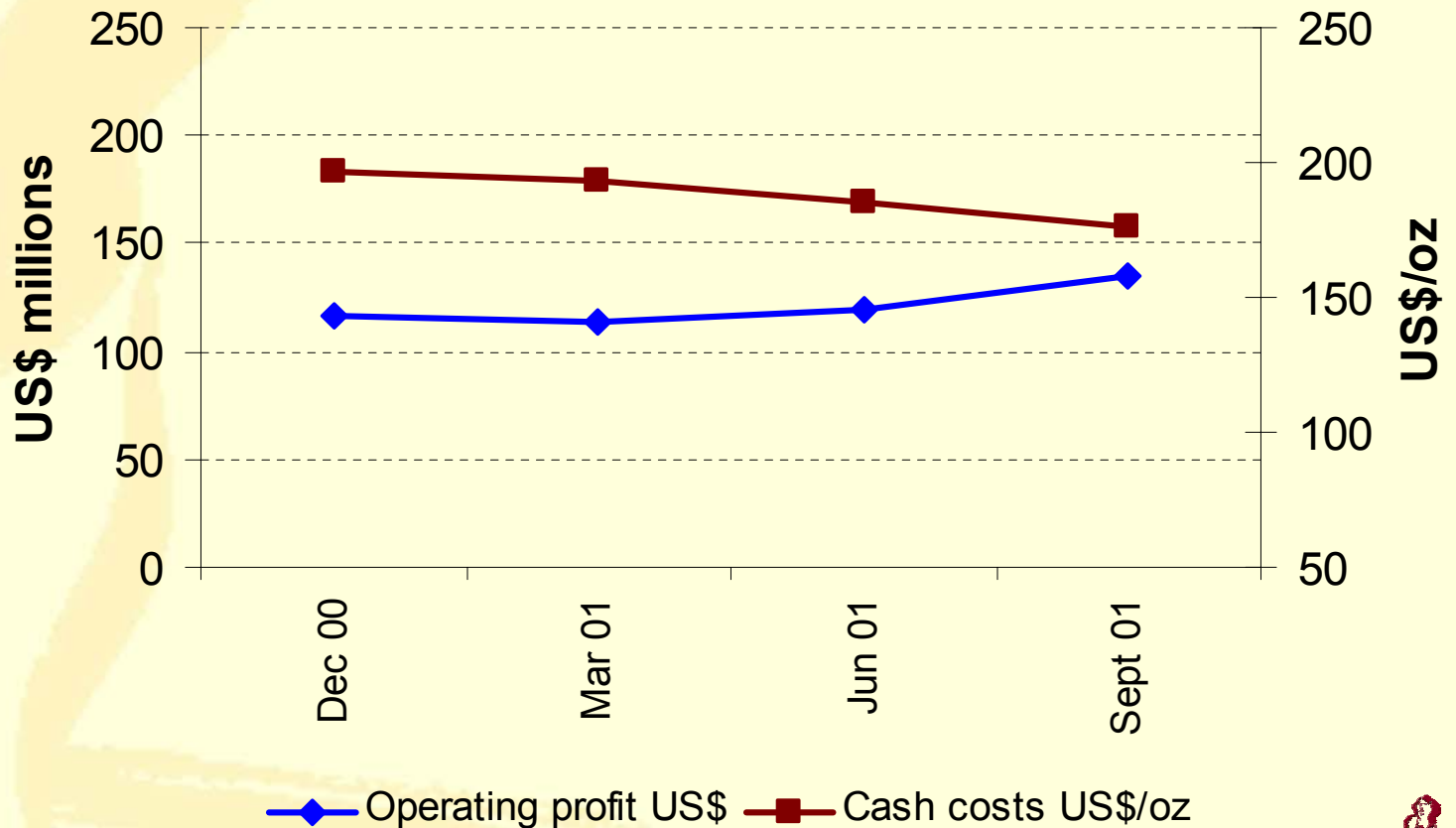
# The quarter in review

- **Headline earnings\* ↑ 19% to \$76m – US71c per ordinary share or US36c per ADR (19% up in rand terms to R637m or 595c per ordinary share)**
- **Net profit 16% ↓ to \$53m (after taking into account unrealised losses on hedging)**
- **Gold production ↑ 3% to 1.8moz**
- **Total cash costs ↓ 5% to \$176/oz**
- **Total production costs ↓ 5% to \$211/oz**
- **Operating profit ↑ 13% to \$135m (or in rand terms 18% up to R1.1 bn)**
- **Return on capital 13.6%**
- **Return on equity 16.6%**

\* - Headline earnings before unrealised losses on hedging activities

# AngloGold performance

## ANGLOGOLD GROUP OPERATING PROFIT AND CASH COSTS



# Capital expenditure

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- **Net capex of \$75m for Q3**
- **Q3 capital expenditure includes:**
  - **\$23m in South Africa**
    - \$12m on Moab Khotsong
    - \$6m for extensions at Mponeng
    - \$2m at TauTona
  - **\$23m on North America - mainly on the CC&V expansion**
  - **\$12m in Australia - mainly at Sunrise Dam**
  - **\$8m in Africa – mainly at Geita and Morila**
  - **\$7m in South America – mainly at Morro Velho**

# Overall performance - South Africa

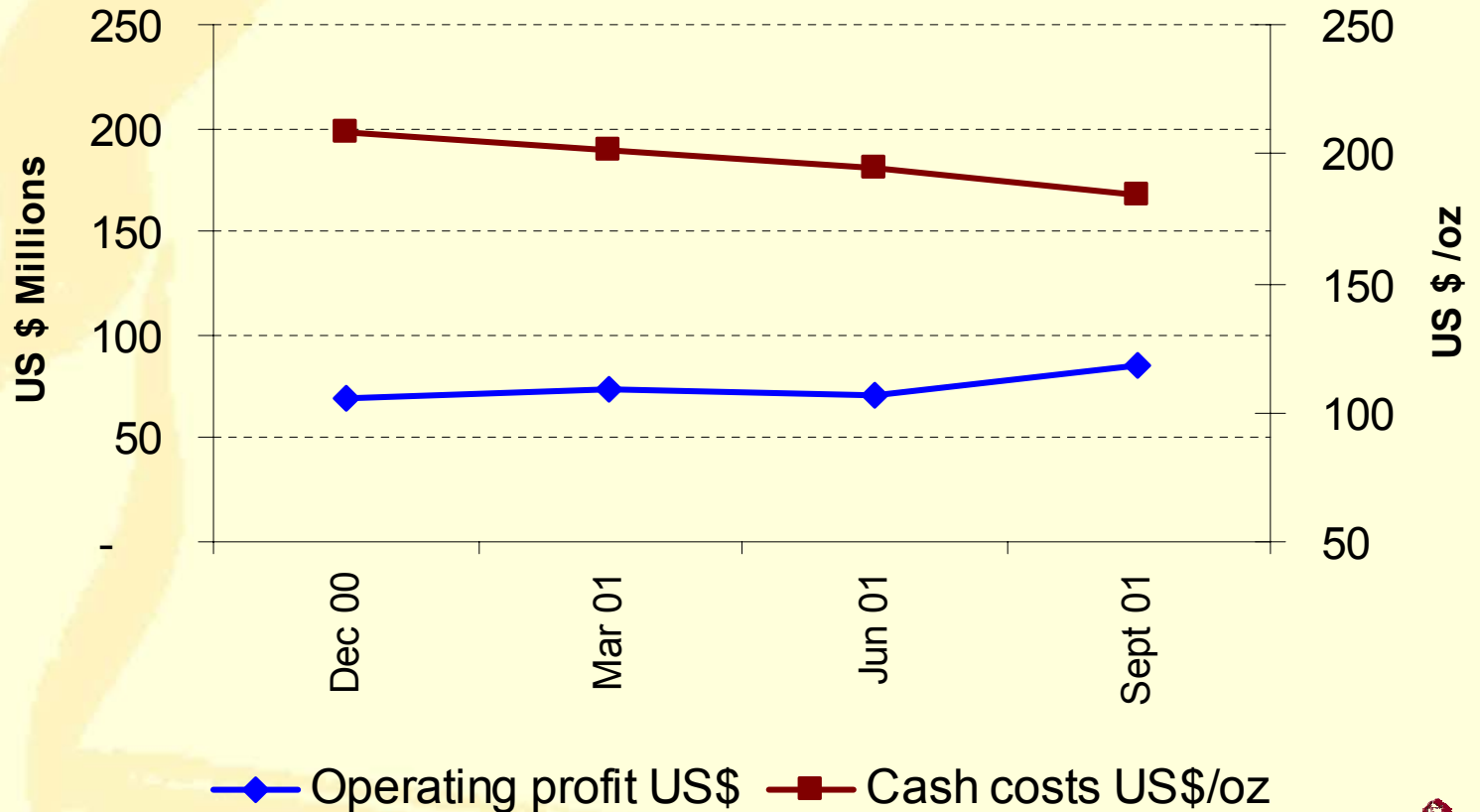
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## Another good quarter

- Gold produced up marginally to 36,466kg (1,172,000oz)
- Total cash costs 1% lower at R49,648/kg (5% lower in US\$ terms to \$184/oz)
- Operating profit up 25% - improved operating performance; lower retrenchment costs

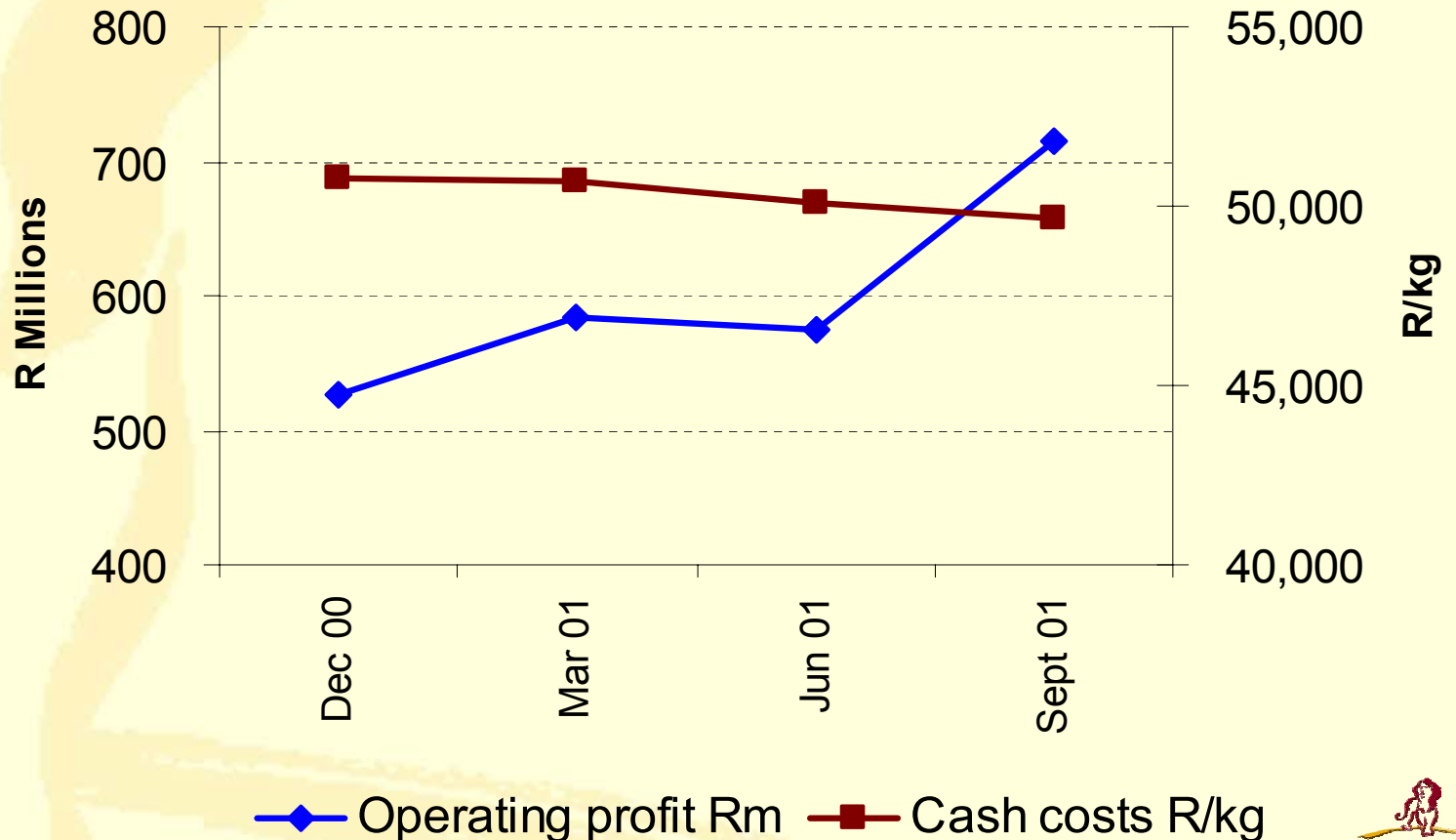
# AngloGold performance

## SOUTH AFRICAN OPERATIONS OPERATING PROFIT AND CASH COSTS (\$/oz)



# AngloGold performance

## SOUTH AFRICAN OPERATIONS OPERATING PROFIT AND CASH COSTS (R/kg)



# Overall performance - South Africa

## Another good quarter

- Gold produced up marginally to 36,466kg (1,172,000oz)
- Total cash costs 1% lower at R49,648/kg (5% lower in US\$ terms to \$184/oz)
- Operating profit up 25% - improved operating performance; lower retrenchment costs
- Productivity increases quarter-on-quarter
  - 3% increase in g/employee
  - 7% increase in m<sup>2</sup>/employee
- Star performance at Great Noligwa
- Improvements at Mponeng
- Solid results from Kopanang and TauTona

# Africa (other than South Africa)

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- 9% increase in production to 229,000oz
- Cash costs \$131/oz
- Operating profit \$22 million
- Excellent safety performance

# North & South America

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## NORTH AMERICA

- Gold production up 4%
- Total cash costs down to \$199/oz
- Operating earnings maintained - timing of G&A expenditure

## SOUTH AMERICA

- Gold production 6% higher at 112,000oz
- Total cash costs 9% lower at \$128/oz – resulting from higher production, cost-cutting, adjustments on the optimised stripping ratio, higher by-products at Cerro Vanguardia and currency impacts on Brazil

# Overall performance - Australia

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- Gold production up 14% to 134,000oz
- Strong increases at all operations except Tanami which has been processing remnant stockpile ore prior to closure in early October.
- Cash costs maintained at \$197/oz (A\$384) – similar to last quarter

# Exploration

## SUNRISE DAM

**Mako** – 19m at 12.9g/t from 85m

**Sunrise Shear** – 3m at 36.3g/t from 275m

**Western Shear** – 20m at 8.1g/t from 180m

**Watu** – 6m at 27.1g/t from 200m

## COYOTE

**Buggsy-Gonzalez** – 8m at 20.5g/t from 170m

**Speedy-Sylvester** – 5m at 10.0g/t from 160m

## GEITA

**Geita Hill** – 30m at 7.1g/t

**Prospect 30** – 5m at 16.1g/t

**Samena** – 5m at 13.3g/t

# The offer for Normandy - Progress to date

<b>Event</b>	<b>Scheduled timing</b>
Announcement of offer	5 September
South African Reserve Bank approval	11 September
Lodging of Bidder's Statement with ASIC and the SEC	16 October
Lodging of AngloGold Circular with the JSE	16 October
AngloGold Circular posted to shareholders	26 October
Bidder's Statement sent to Normandy shareholders and offer opens in all jurisdictions except USA and Canada	<b>Early November</b>
Bidder's Statement expected to be declared effective by SEC and offer opens in USA and Canada	<b>November</b>
AngloGold shareholders' meeting	<b>19 November</b>
Scheduled close of offer	<b>Late December</b>

# The offer for Normandy - Filings

## **JSE filing** AngloGold Circular to shareholders

- Filed 16 October – Approved 19 October
- Posted to shareholders – 26 October
- Proxy forms to be submitted – 15 November
- AngloGold shareholders' meeting – 19 November

## **SEC filing –** F4

- Filed 16 October in USA
- SEC has 30 days + 1 week to review document - SEC may request changes
- Once declared effective, offer officially opens in USA and Canada

## **ASIC filing** Offer Document

- Filed 16 October in Australia
- Offer Document served on Normandy on 17 October - Comments received from Normandy and documents revised
- Revised document posted to Normandy shareholders in early November
- Normandy shareholders have at least 6 weeks to review documentation

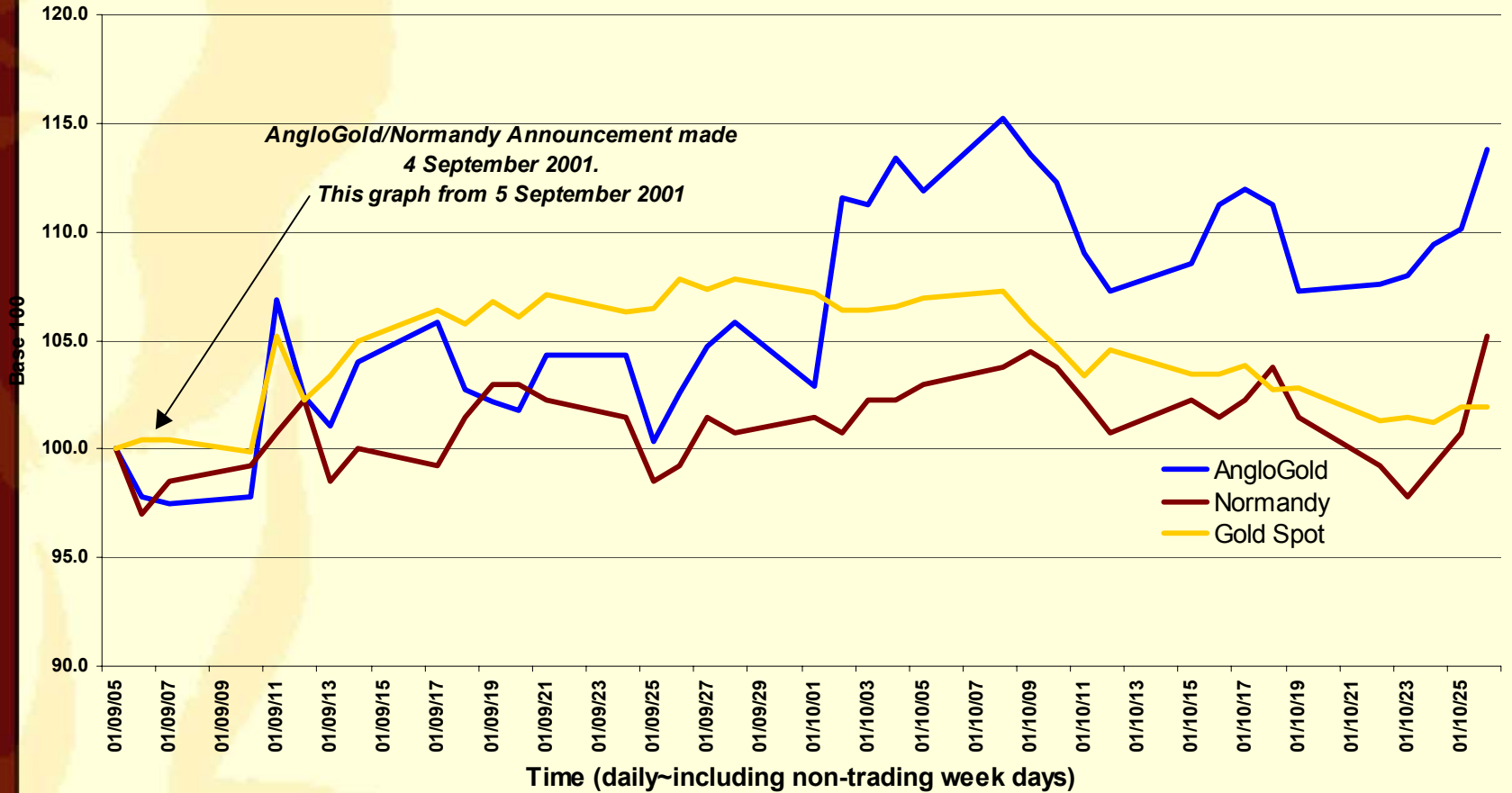
# The offer for Normandy - Looking ahead

- For offer to succeed, AngloGold requires minimum 50.1% approval from Normandy shareholders
- The acquisition fits very strongly with AngloGold's growth strategy in three aspects:
  - Synergies – realisation of substantial cost savings in exploration and corporate offices; estimated at US\$25m after tax pa
  - Consolidation – more unified management and ownership structures
  - Increasing value of AngloGold share relative to other shares

# Share performance - ANG/NDY

## AngloGold vs Normandy

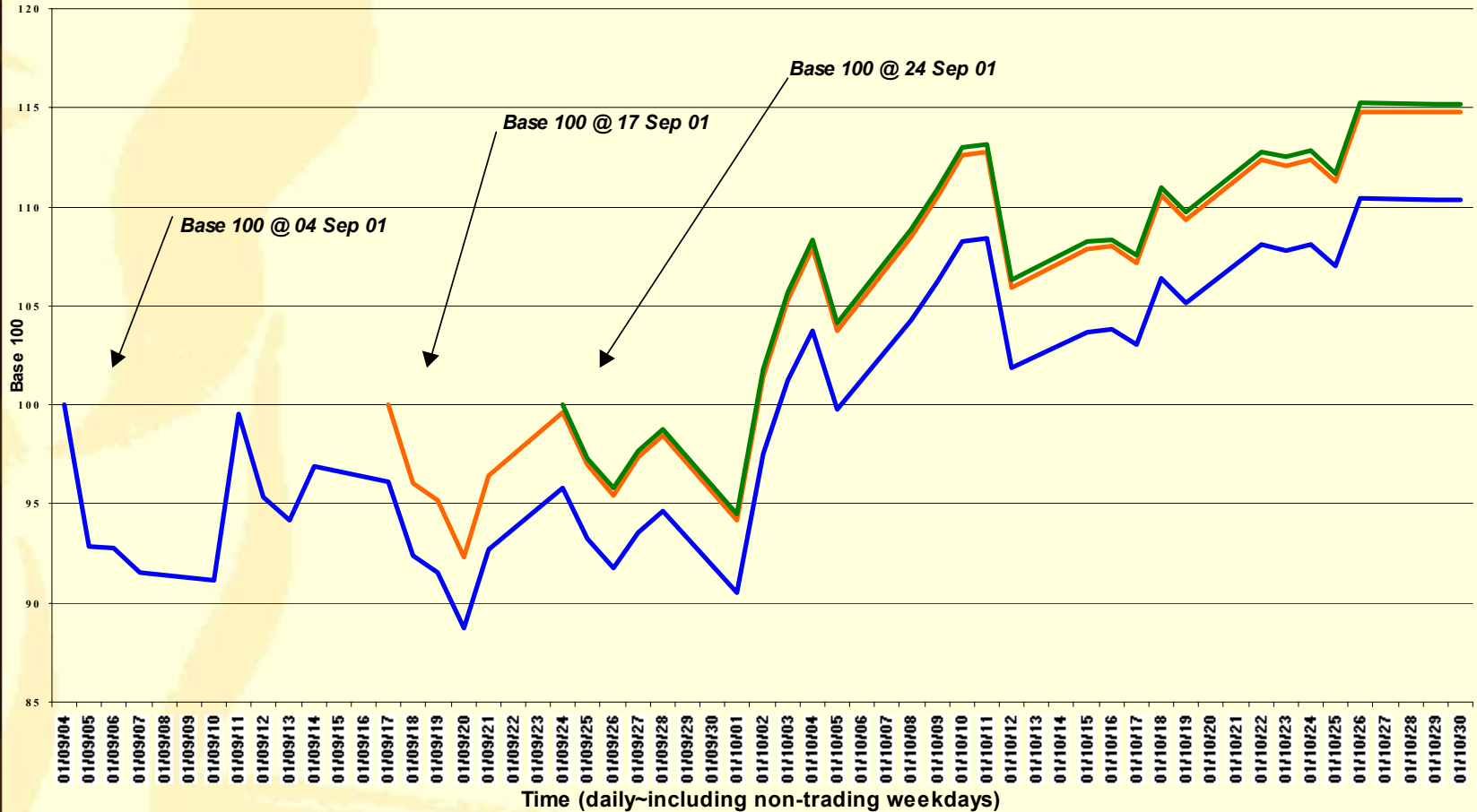
(share price relative to base 100)



# Share performance - US peers

## AngloGold relative to The Philadelphia Gold & Silver Index

(closing price/weighting relative to base 100 at 4, 17 & 24 Sep 01 respectively)



# Sale of Free State assets

- Offers for Free State assets received from two parties. In process of finalising transaction
- Considerations for the sale include:
  - Obtaining maximum shareholder value
  - Assisting consolidation
  - Management capacity and track record of purchaser in similar ventures
  - Concern to promote sustainable and viable black economic empowerment
- Decision expected in coming weeks

# The Free State

- Gold Fields Limited
- AngloGold
- Harmony
- African Rainbow Minerals
- President Steyn Gold Mining Company
- Avgold

